

Par. 8.2.1.1.52

836



Friday,  
9th September, 1955

# PARLIAMENTARY DEBATES

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## HOUSE OF THE PEOPLE

### OFFICIAL REPORT

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PARLIAMENT SECRETARIAT  
NEW DELHI

Price Six Annas (Inland)  
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# CONTENTS

(Vol. V, Nos. 21 to 40, dated 22nd August to 16th September, 1955)

## MONDAY, 22ND AUGUST, 1955—

COLUMNS

### Oral Answers to Questions—

Starred Questions Nos. 977, 978, 981, 983, 984, 986, 988 to 992, 994 to 996, 999 to 1001, 1003, 1004, 1008 to 1010, 985, 1005 and 1007. . . . . 3931—60

Short Notice Question No. 7. . . . . 3960—63

### Written Answers to Questions—

Starred Questions Nos. 976, 979, 980, 982, 987, 993, 997, 998, 1002 and 1006. . . . . 3963—68

Unstarred Questions Nos. 514 to 534. . . . . 3968—76

## TUESDAY, 23RD AUGUST, 1955—

### Oral Answers to Questions—

Starred Questions Nos. 1013, 1015, 1017, 1019 to 1021, 1024 to 1028, 1030, 1031, 1032, 1034 to 1036, 1038, 1041 to 1046, 1048, 1049 1053 and 1054 to 1056. . . . . 3977—4007

### Written Answers to Questions—

Starred Questions Nos. 1011, 1012, 1014, 1016, 1018, 1022, 1023, 1029, 1033, 1037, 1039, 1040, 1047, 1050, 1051, 1052 and 1057 to 1064. . . . . 4007—16

Unstarred Questions Nos. 535 to 563. . . . . 4016—28

## WEDNESDAY, 24TH AUGUST, 1955—

### Oral Answers to Questions—

Starred Questions Nos. 1065, 1066, 1068 to 1072, 1074, 1075, 1079, 1081, 1083, 1085, 1089 to 1091, 1093 to 1095, 1098 to 1100, 1102 to 1106 and 1108. . . . . 4029—62

### Written Answers to Questions—

Starred Questions Nos. 1067, 1073, 1076 to 1078, 1080, 1082, 1084, 108 1088, 1092, 1096, 1097, 1101, 1107 and 1109 to 1123. . . . . 4062—74

Unstarred Questions Nos. 564 to 584 and 586 to 604. . . . . 4074—94

## THURSDAY, 25TH AUGUST, 1955—

### Oral Answers to Questions—

Starred Questions Nos. 1124, 1125, 1129, 1131, 1132, 1135, 1137 to 1139, 1141, 1145 to 1147, 1149, 1150, 1152, 1154 to 1156, 1158, 1133, 1126, 1148, 1144, 1153 and 1157. . . . . 4095—4123

Short Notice Question No. 8. . . . . 4124—25

### Written Answers to Questions—

Starred Questions Nos. 1127, 1128, 1130, 1134, 1136, 1140, 1142, 1143 and 1151. . . . . 4125—28

Unstarred Questions Nos. 605 to 618. . . . . 4128—34



FRIDAY, 26TH AUGUST 1955—

COLUMNS

## Oral Answer to Question—

Starred Questions Nos. 1159 to 1161, 1164, 1167, 1168, 1170, 1171, 1173, 1175, 1178, 1181, 1184, 1185, 1189, 1190, 1194, 1195 and 1196. . . . .	4135—64
Correction of Answer to S.Q. 1164. . . . .	4161

## Written Answers to Questions—

Starred Questions Nos. 1162, 1163, 1165, 1166, 1169, 1172, 1174, 1176, 1177, 1179, 1180, 1182, 1183, 1186 to 1188, 1191 to 1193, and 1197 to 1203. . . . .	4165—75
Unstarred Questions Nos. 619 to 636. . . . .	4175—82

TUESDAY, 30TH AUGUST, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1204 to 1206, 1211, 1212, 1214 to 1216, 1221, 1224, 1228, 1231, 1232, 1234 to 1239 and 1241. . . . .	4183—4214
---	-----------

## Written Answers to Questions—

Starred Questions Nos. 1207 to 1210, 1213, 1217 to 1220, 1222, 1223, 1229, 1230, 1233, 1240, and 1242 to 1254. . . . .	4214—25
Starred Questions Nos. 637 to 668. . . . .	4225—40

WEDNESDAY, 31ST AUGUST, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1255, 1256, 1258, 1262 to 1264, 1266, 1268 to 1270, 1272, 1274 to 1277, 1279 to 1283, 1288 to 1290, 1292, 1293, 1295 to 1299, 1301, and 1302. . . . .	4241—71
--	---------

## Written Answers to Questions—

Starred Questions Nos. 1257, 1259 to 1261, 1265, 1267, 1271, 1273, 1278, 1284 to 1287, 1291, 1294 and 1300. . . . .	4271—76
Unstarred Questions Nos. 669 to 679. . . . .	4276—80

THURSDAY, 1ST SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1303, 1306, 1307, 1309, 1310 to 1312, 1315, 1317, 1318, 1320, 1322 to 1324, 1326 to 1330, 1341, 1331, 1333, 1335 to 1337, 1340 and 1342. . . . .	4281—4310
---	-----------

## Written Answers to Questions—

Starred Questions Nos. 1304, 1305, 1308, 1313, 1314, 1316, 1319, 1321, 1325, 1334, 1338, 1339 and 1343 to 1345. . . . .	4311—16
Starred Questions Nos. 680 to 701. . . . .	4316—24

FRIDAY, 2ND SEPTEMBER 1955

## Oral Answers to Questions—

Starred Questions Nos. 1346 to 1355, 1359 to 1362, 1364, 1365, 1367 to 1374, 1376, 1378 to 1383 and 1386. . . . .	4325—57
---	---------

Short Notice Question No. 9. . . . .	4357
--------------------------------------	------

## Written Answers to Questions—

Starred Questions Nos. 1356 to 1358, 1363, 1366, 1377, 1384, 1385, 1387 to 1391. . . . .	4358—62
--	---------

Unstarred Question Nos. 702 to 740. . . . .	4363—80
---	---------

## SATURDAY, 3RD SEPTEMBER, 1955—

COLUMNS

## Oral Answers to Questions—

Starred Questions Nos. 1394, 1403, 1395 to 1397, 1399, 1400, 1404 to 1407, 1409, 1410, 1413, 1414, 1416, 1418, 1419, 1423, 1424, 1425 to 1428, 1430, 1392 and 1412. . . . . 4381—4409

## Written Answers to Questions—

Starred Questions No. 1398, 1391, 1401, 1402, 1408, 1411, 1415, 1421, 1422, 1425, 1429 and 1431. . . . . 4409—14

Unstarred Questions Nos. 741 to 753. . . . . 4414—18

## MONDAY, 5TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1433, 1436, 1437, 1440, 1441, 1443, 1444, 1447, 1448, 1450 to 1453, 1455, 1456, 1458, 1459, 1461, 1464, 1438, 1446 and 1449. . . . . 4419—42

## Written Answers to Questions—

Starred Questions Nos. 1432, 1434, 1435, 1439, 1442, 1445, 1454, 1457, 1460, 1462, 1463 and 1465. . . . . 4442—46

Unstarred Questions Nos. 754 to 780. . . . . 4442—58

## TUESDAY, 6TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1466, 1467, 1469 to 1471, 1474 to 1481, 1485, 1486, 1488 to 1494, 1496, 1498 to 1500, 1502, 1503 and 1505 to 1507. . . . . 4459—92

## Written Answers to Questions—

Starred Questions Nos. 1468, 1472, 1473, 1482, 1483, 1484, 1487, 1495, 1497, 1501, 1504 and 1508 to 1515. . . . . 4492—99

Unstarred Questions Nos. 781 to 810, 812 and 813 . . . . . 4499—4514

## WEDNESDAY, 7TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1516 to 1522, 1524 to 1527, 1547, 1528 to 1533, 1536, 1537 and 1539 to 1545 . . . . . 4515—45

## Written Answers to Questions—

Starred Questions Nos. 1523, 1534, 1535, 1538, 1546 and 1548 to 1554. . . . . 4546—49

Unstarred Questions Nos. 814 to 823 . . . . . 4549—56

## THURSDAY, 8TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1555, 1556, 1558 to 1560, 1562 to 1566, 1568, 1570, 1571, 1573 to 1576, 1578 to 1583, 1585, 1587 to 1589, 1591 and 1592 . . . . . 4557—90

## Written Answers to Questions—

Starred Questions Nos. 1557, 1561, 1567, 1569, 1572, 1577, 1584, 1586, 1590 and 1594 to 1596. . . . . 4590—95

Unstarred Questions Nos. 824 to 841. . . . . 4595—4604

## FRIDAY, 9TH SEPTEMBER, 1955—

COLUMNS

## Oral Answers to Questions—

Starred Questions Nos. 1597, 1598, 1600 to 1606, 1610 to 1613, 1615, 1620, 1622 to 1625, 1627 to 1630, 1632 to 1639 and 1641. 4605—38

## Written Answers to Questions—

Starred Questions Nos. 1599, 1607 to 1609, 1614, 1616, 1618, 1619, 1621, 1626, 1631, 1640 and 1642 to 1653. 4638—48

Unstarred Questions Nos. 842 to 874. 4648—64

## MONDAY, 12TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1654 to 1657, 1661, 1663, 1666, 1667, 1669, 1671, 1673, 1675, 1677 to 1680, 1682, 1684, 1685, 1668 and 1659. 4665—88

## Written Answers to Questions—

Starred Questions Nos. 1658, 1660, 1662, 1664, 1665, 1670, 1672, 1674, 1676, 1681, 1683 and 1886 to 1688. 4689—94

Unstarred Questions Nos. 875 to 884. 4694—98

## TUESDAY, 13TH SEPTEMBER, 1955—

## Written Answers to Questions —

Starred Questions Nos. 1689 to 1718 . . . . . 4699—4710

Unstarred Questions Nos. 885 to 902, 904 and 905 . . . . . 4711—22

## WEDNESDAY, 14TH SEPTEMBER, 1955—

## Written Answers to Questions—

Starred Questions Nos. 1719 to 1787 . . . . . 4723—55

Unstarred Questions Nos. 906 to 941 . . . . . 4755—70

## THURSDAY, 15TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1790 to 1792, 1794 to 1801, 1803 to 1811, 1813 to 1816, 1819 to 1821 and 1788 . . . . . 4771—4800

## Written Answers to Questions—

Starred Questions Nos. 1789, 1793, 1802, 1812, 1817 and 1818. . . . . 4800—02

Unstarred Questions Nos. 942 to 953. . . . . 4802—08

## FRIDAY, 16TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1822, 1824 to 1826, 1828, 1829, 1831, 1832, 1834, 1835, 1837, 1838, 1840, 1841, 1843 to 1853, 1855 and 1857 to 1860 . . . . . 4809—40

## Written Answers to Questions—

Starred Questions Nos. 1823, 1827, 1830, 1833, 1836, 1839, 1842, 1854, 1856 and 1861 to 1867 . . . . . 4840—46

Unstarred Questions Nos. 954 to 976 and 978 to 991 . . . . . 4846—62

INDEX . . . . . 1—161

# LOK SABHA DEBATES

(Part I—Questions and Answers) Acc. No. 2546  
11/9/55

4605

Dated 11/9/55  
4606

## LOK SABHA

Friday, 9th September, 1955

*The Lok Sabha met at Eleven of the Clock.*

[MR. SPEAKER in the Chair]

### ORAL ANSWERS TO QUESTIONS

#### Banihal Tunnel Project

\*1597. **Shri Radha Raman** : Will the Minister of Transport be pleased to refer to the reply given to starred question No. 2293 on the 16th April, 1955 and state:

(a) the progress made so far on the construction of the Banihal tunnel between Jammu and Srinagar; and

(b) when the tunnel is expected to be completed ?

**The Deputy Minister of Railways and Transport (Shri Alagesan)** : (a) The excavation work has started and bores of 900 and 1100 feet have been driven so far on the North and South sides respectively.

(b) The work has been so scheduled as to complete one tube of the tunnel by the 30th November, 1956 and the entire work by the 30th April, 1958. So far, the work is proceeding according to schedule.

**Shri Radha Raman** : May I know whether the present project is not the same as was originally proposed and, if so, in what way it has been modified and in what respects ?

**Shri Alagesan** : The present work is different from the original proposal. Originally it was intended to have a one-lane tunnel. Now it has been decided to have a two tube tunnel. And the cost of it is much less than under the original proposal.

**Shri Radha Raman** : May I know whether the work when completed will be within the estimated cost, or the cost is estimated to be more ?

**Shri Alagesan** : It is a bit of a prophecy. I hope it will be confined to the estimate figure.

#### Railway Accidents

\*1598. **Shri D. C. Sharma** : Will the Minister of Railways be pleased to lay on the Table of the House a statement showing :

(a) the names of the places where railway accidents of a serious nature occurred during the period from the 1st January to the 31st July, 1955;

(b) the number of lives lost in these accidents;

(c) the number of persons seriously injured; and

(d) the number of those awarded compensation so far ?

**The Deputy Minister of Railways and Transport (Shri Alagesan)** : (a) to (d). A statement is laid on the Table of the House. [See Appendix VIII, annexure No. 65.]

**Shri D. C. Sharma** : From the statement I find that there were nine accidents in all. May I know from the hon. Minister if proper enquiry committees were constituted for going into the causes of these accidents and, if so, have their findings been considered ? Also, will the Minister place the findings of those committees on the Table of the House ?

**Shri Alagesan** : Previously we used to have questions for on particular accident. Now it is a combination of accidents. That is all the difference.

As is the practice, every accident is followed by an enquiry, statutory or other, as the circumstances of the case require. Here also all these accidents have been enquired into and the responsibility placed squarely on the people responsible, and also action taken.

**Shri D. C. Sharma** : May I know how many persons are going to be given compensation for these accidents and why only one person has been given compensation so far ?

**Shri Alagesan** : Claims in this respect have been received and are under consideration. Some have been rejected, some are under consideration, one has been conceded.

**Shri M. L. Dwivedi:** I want to know what steps have been taken or what proposals were made to carry out the measures enumerated by the Ministry for the prevention of accidents on railways.

**Shri Alagesan:** This question was gone into by several committees, and recently the Reviewing Committee also has made certain recommendations. All these recommendations have been given effect to and action taken accordingly.

### Delivery of Telegrams

\*1600. **Shri Ibrahim:** Will the Minister of Communications be pleased to lay a statement on the Table of the House showing :

(a) the total number of complaints received in the Bihar circle regarding the delay in the delivery of telegrams, both Ordinary and Express, during 1954-55;

(b) the number of cases in which enquiries were held;

(c) the number of cases in which postal employees were found negligent and punished; and

(d) the number of cases in which no enquiry was held ?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a) 2317

(b) 2256

(c) 987

(d) 61, as complaints were time-barred.

**Shri Ibrahim:** May I know whether telegrams are delivered by the same postmen who deliver letters ?

**Shri Raj Bahadur :** No. Telegrams are delivered by telegraph messengers.

**Shri S. N. Das:** May I know whether all these complaints were enquired into by the special Complaints Department or by the other Departments ?

**Shri Raj Bahadur:** There is an Investigating Inspector in the Divisions and in the Circles also; and in certain cases where the delay is serious or where some gross negligence of duty is suspected an Assistant Complaints Officer is also utilised.

**Shri S. N. Das:** May I know how the figures that the hon. Minister has given compare with the previous figures ?

**Shri Raj Bahadur:** I can give the comparison of these figures with the figures of traffic. The figures of traffic in this Circle so far as telegrams outgoing are concerned was out of 16,73,730. The number of complaints came to only 2,317 out of total number of 65,49,068 telegrams of all types.

### Study of Agricultural Research

\*1601. **Shri Bibhuti Mishra:** Will the Minister of Food and Agriculture be pleased to state :

(a) whether the Indian team of specialists which had gone to U.S.A. for studying the working of agricultural research institutions and colleges there, have submitted any recommendation to Government in their report;

(b) if so, whether any action is proposed to be taken thereon ; and

(c) the total expenditure incurred on their tour ?

**The Minister of Agriculture (Dr. P. S. Deshmukh):** (a) and (b). The report of the Joint Team will be submitted to Government after the American Member of the Team have also completed their study of the institutions in India.

(c) All expenses in connection with the visit of the Indian Officials to U.S.A., except their pay and allowances, and the cost of travels within India were met by the Government of U.S.A.

**श्री बिभूति मिश्र :** यह जो विशेषज्ञ मंडली अमरीका गई है, उस के लोगों को किस आधार पर सेलेक्ट किया गया है ?

**डा० पी० एस० बेशमुख :** एक तो इस ह्याल से कि वह लोग इसके बारे में जानकारी रखते हैं और दूसरे इस ह्याल से कि उन के वहां हो आने के बाद उन की सलाह से हम अच्छे नतीजे पर पहुंचेंगे ।

**श्री बिभूति मिश्र :** इस मंडली में विभिन्न प्रदेशों से आदमी लिये गये हैं या सिर्फ केन्द्र के आदमी ही भेजे गये हैं ?

**डा० पी० एस० बेशमुख :** उन में से एक तो वेस्ट बंगाल के डाइरेक्टर आफ एग्रिकल्चर हैं, दूसरे डाइरेक्टर, इंडियन वेटनरी रिसर्च इन्स्टिट्यूट, यू० पी० हैं, बाकी हमारी सेन्ट्रल गवर्नमेंट के आफसर हैं ।

**श्री बिभूति मिश्र :** उस की रिपोर्ट हम मेम्बरों को कब तक उपलब्ध हो जायेगी ?

**डा० पी० एस० बेशमुख :** इस में ज्यदा देरी की सम्भावना नहीं है क्योंकि यह मंडली

यू० एस० ए० हो आई है और संभव है कि उन की रिपोर्ट जल्दी आ जायेगी ।

**Shri Joachim Alva:** Is any attempt made to co-ordinate and review the work of the Committee which went to U.S.A. as well as the work of the Ministry of Agriculture team which went to U.S.S.R.?

**Dr. P. S. Deshmukh:** After the reports are submitted by them, certainly the reports will be scrutinised by us.

**Shri S. N. Das:** May I know the number of such Institutes which the team visited and the special subjects which they attended?

**Dr. P. S. Deshmukh:** The subjects they are expected to attend to are: the organisation and functions of the working of the Indian and American agricultural research institutions and agricultural colleges, and they are to make recommendations to remove some of the critical deficiencies in the existing facilities for research and education in India. The list of institutions they have visited will be too long, and I have not got it here.

#### Fertilizers

\*1602. **Shri Eswara Reddi:** Will the Minister of Food and Agriculture be pleased to refer to the reply given to starred question No. 2441 on the 20th April, 1955 and state:

(a) whether a final decision has since been taken in regard to the reduction in the prices of fertilizers; and

(b) if so, the rate at which fertilizers will be available to cultivators this year?

**The Minister of Agriculture (Dr. P. S. Deshmukh):** (a) Not yet.

(b) Does not arise.

**Shri Eswara Reddi:** May I know the production cost and sale price of fertilizer now?

**Dr. P. S. Deshmukh:** The present rate is Rs. 12-11-0 per maund to the cultivator.

**Shri T. B. Vittal Rao:** The production cost at the factory and the sale price.

**Mr. Speaker:** It has been given, whatever it is.

**Shri T. B. Vittal Rao:** He has only given one figure.

**Shri Nanadas:** In view of the fact that the agricultural price level is falling and in view of the fact that certain State Governments have already requested the Central Government to lower the price of fertilizers, may I know whether the Government is proposing to lower the price

of these fertilizers in order to set an example to other manufacturers?

**The Minister of Food and Agriculture (Shri A. P. Jain):** Fertilizers are now being sold at a pooled price. We are examining all the possibilities of reducing this pooled price. But I might make it clear that there is no intention of introducing any element of subsidy.

**Shri Nanadas:** By what time will Government take a decision finally in this matter?

**Shri A. P. Jain:** We are making every efforts to take an expeditious decision, and I think it will not be too long before we take a decision.

**श्री एम० एल० द्विवेदी :** इन रासायनिक खादों की कीमतों, उन की उपादेयता और प्रचार के सम्बन्ध में मैं ने उत्पादन मंत्री से प्रश्न पूछा था कि इस के लिये क्या क्या साधन अपनाये गये हैं। उन्होंने कहा था कि इस प्रश्न को खाद्य मंत्री से पूछना चाहिये। तो मैं जानना चाहता हूँ कि देहातों में इस के प्रचार के लिये सरकार ने क्या क्या उपाय किये हैं?

**डा० पी० एल० बेशमूख :** अच्छी फसल उगाने के लिये और अच्छी जानकारी काश्तकारी के लिये जो सारे हमारे प्रबन्ध हैं वह इसी वास्ते हैं कि इस की ज्यादा खपत हो और इस की मांग भी हो।

**Shri T. S. A. Chettiar:** I understand that the Sindri Fertiliser factory is working at a profit. May I know whether any maximum has been fixed for the profits that they can add to the cost of production so that the agriculturists may get it at the lowest possible price?

**Shri A. P. Jain:** The Sindri Fertiliser factory has been constantly reducing their prices and the prices have come down from Rs. 365 to Rs. 275.

#### Mangoes Export

\*1603. **Shri S. C. Samanta:** Will the Minister of Food and Agriculture be pleased to state the quantity of canned mangoes exported so far during the current year?

**The Minister of Agriculture (Dr. P. S. Deshmukh):** Separate figures in respect of export of canned mangoes are not available. The quantity exported so far during the current year is, however, estimated to be about 100 tons.

**Shri S. C. Samanta:** May I know whether there is any machinery to test the quality of the canned mangoes that are exported ?

**Dr. P. S. Deshmukh:** I do not think there is any special machinery. I think our attention has not been drawn to that.

**Shri S. C. Samanta:** Is it not a fact that various countries in the world are taking Indian mangoes very much and may I know whether the Government intend to institute such a machinery so that good quality mangoes may be sent out ?

**Dr. P. S. Deshmukh:** I do not think there has been any complaint that we have sent any bad mangoes.

**Shri Kajrolkar:** May I know the States which are producing large quantities of mangoes for canning and export ?

**Dr. P. S. Deshmukh:** I do not wish to allow Members to compete with each other in this, because I have found, everybody is very proud of the mangoes that he grows. Essentially, Bombay is one of the States. Andhra produces very good quality.

**Shri Raghunath Singh:** What about Banaras langda ?

**Shri D. C. Sharma:** What about Hoshiarpur ?

### ग्रामीण क्षेत्रों में डाकघर

\*१६०४. **श्री भक्त बर्शन :** क्या संचार मंत्री २८ फरवरी, १९५५ को दिये गये अंतरांकित प्रश्न संख्या ८२ के उत्तर के संबंध में यह बताने की कृपा करेंगे कि :

(क) क्या सरकार दूसरी पंचवर्षीय योजना के दौरान में ग्रामीण क्षेत्रों में डाक सम्बन्धी सुविधायें देने के लिये नये डाकघर खोलने की शर्तों में ढील देने का विचार करती है ; और

(ख) यदि हां, तो कहां तक ?

**संचार उपमंत्री (श्री राज बहादुर) :**

(क) तथा (ख). इस विषय पर विचार किया जा रहा है ।

**श्री भक्त बर्शन :** क्या गवर्नमेंट ने समय-समय पर यह घोषित नहीं किया है कि गवर्नमेंट का लक्ष्य पांच वर्ष या दस वर्ष के अन्दर प्रत्येक

ग्राम में एक डाकखाना खोलने का है और इस चीज की ध्यान में रखते हुए क्या गवर्नमेंट नियमों में कुछ सुधार करने का भी विचार कर रही है ?

**श्री राज बहादुर :** जो घोषणा की गई है वह इससे कुछ भिन्न है । घोषणा यह की गई थी कि जहां १९५१ में १५,५३८ व्यक्तियों के ऊपर एक डाकखाना था और २७ सक्वेयर मील के बीच में एक डाकखाना था, इसको घटाकर ७५०० व्यक्तियों के पीछे एक डाकखाना खुल सके और इसी तरह से प्रति डाकखाने के लिये जो क्षेत्रफल है उसको भी कम किया जा सके ।

**श्री भक्त बर्शन :** इस समय जो नियम है उसके अनुसार कम से कम २००० आबादी होनी चाहिये और दो मील से अधिक का कोई गांव डाकखाने के बगैर नहीं रहना चाहिये । क्या गवर्नमेंट इस सुझाव पर भी विचार कर रही है कि अगली पंच वर्षीय योजना के अन्तर्गत १००० की आबादी और एक मील का क्षेत्रफल हो और साथ में हानि का जो एमाउंट ७५० (है उसे घटाकर ५००) कर दिया जाए ? क्या स पर विचार हो रहा है ?

**श्री राज बहादुर :** अगर लास की लिमिट-को ७५०० से घटाकर ५००० कर दिया जाए तब तो डाकखाने और भी कम हो जाएंगे । अगर इसे बढ़ाकर १,००० करें तब और डाकखानों के खुलने की उम्मीद हो सकती है । यह निश्चित है कि जहां हमारा लक्ष्य यह था कि २ मील के दायरे में बसने वाले ग्राम समूहों लिये (यदि उन की आबादी २००० है तो) में एक डाकखाना हो उस के दायरे में तबदीली करें, इस पर विचार हो रहा है लेकिन अन्त में क्या फैसला होगा यह कहना मेरे लिये समय से पूर्व होगा ।

**Shrimati Ila Palchoudhary :** What is the maximum distance that is envisaged from a village to a post office now-a-days ?

**Shri Raj Bahadur :** Threemiles.

### Electric Coaches

\*1605. Dr. Ram Subhag Singh: Will the Minister of Railways be pleased to refer to the reply given to unstarred question No. 170 on the 1st September, 1954 and state:—

(a) whether any workshops in India have since undertaken the manufacture of Railway electric coaches;

(b) if so, the names of the workshops; and

(c) whether any order has been placed with any of them for the manufacture of electric coaches?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes.

(b) M/s Jessop & Co. Ltd., Calcutta.

(c) Yes.

डा० राम सुभग सिंह: क्या मैं जान सकता कि कितनी इलैक्ट्रिक कोचिज बनाने का आर्डर दिया गया है?

श्री अलगेसन: १०४।

डा० राम सुभग सिंह: पूर्वी रेलवे पर बिजली से गाड़ियां चलाये जाने के लिए वर्तमान योजनाओं के अनुसार कितने डिब्बों की आवश्यकता होगी?

Shri Alagesan: These coaches will not be available when the electrification materialises on the Eastern Railways. So we have placed further orders for other coaches on Germany and elsewhere.

डा० राम सुभग सिंह: क्या दूसरे देशों में भी ऐसे डिब्बे बनाने के आर्डर दिए जाएंगे?

Shri Alagesan: That is what I said. We have placed orders on Germany and Sitzerland for 49 coaches.

Shri S. N. Das: May I know whether the capital of this company is wholly indigenous or foreign?

Shri Alagesan: [Now I understand it is wholly Indian.

### स्पाक अरेस्टर्स

\*१६०६. श्री रघुनाथ सिंह: क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि क्या भारतीय रेलों के स्टीम इंजिनों में, विशेष रूप

से उनमें से कपास और जूट के क्षेत्रों में चलते हैं, स्पाक अरेस्टर्स की व्यवस्था करने का कोई विचार है?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेसन): नीचे दिये गये इंजनों में चिनगारी रोक (Spark Arrestors) लगाने का नियम है:—

(i) चालू साइनों पर चलने वाले भाप के सभी नये इंजन;

(ii) जहां कहीं संभव है सवारी गाड़ियों में चलने वाले इंजन और

(iii) घाईनेंस फैक्टरियों और इसी तरह की दूसरी जगहों में चलने वाले इंजन।

श्री रघुनाथ सिंह: क्या उन क्षेत्रों में जहां पर ज्यादातर जट और रुई पैदा होती है स्पाक अरेस्टर्स स्टीम इंजिनों में लगाये जाते हैं?

रेलवे तथा परिवहन मंत्री (श्री एल० बी० शास्त्री): अभी और जगह इसका प्रयोग किया जा रहा है। इस पर भी विचार किया जाएगा।

डा० राम सुभग सिंह: क्या सरकार को इस बात का पता है कि छोटी लाइनों पर उनकी चिगारियों के कारण खेतों में धाग लग जाती है और इसकी रोकथाम करने के लिए क्या कुछ आदेश रेलवे बोर्ड की ओर से जारी किए गए हैं?

श्री एल० बी० शास्त्री: जितने भी नए इंजिन हैं उन में से हर इंजिन में स्पाक अरेस्टर्स लगाये जाएंगे। पुराने इंजिनों के सम्बन्ध में कुछ विचार करना पड़ता है कि कब इन का समय खत्म हो रहा है और जल्दी खत्म हो रहा है तो फिर उस में न लगायें। लेकिन इस बारे में भी जांच हो रही है कि उनमें से भी कितनों में स्पाक अरेस्टर्स लगाए जाएं।



मकान बनाने के लिये है

\*१६१०. श्री कृष्णाचार्य जोशी : क्या संचार मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या डाक व तार विभाग के कर्मचारियों को मकान बनाने के लिये ऋण दिये जा रहे हैं ; और

(ख) यदि हां, तो इस काम के लिये कुल कितना धन निर्धारित किया गया है ?

संचार उपमंत्री (श्री राजबहादुर) :

(क) जी हां, ये ऋण डाक-तार कर्मचारियों की गृह-निर्माण सहकारी-समितियों को ही दिये जाते हैं, सीधे प्रत्येक कर्मचारी को नहीं ।

(ख) १० लाख रुपये ।

**Shri Krishnacharya Joshi:** May I know the total number of employees who have applied for loans and the total number applications sanctioned so far ?

**Shri Raj Bahadur:** A few applications have been sanctioned and so far as known to me a request for an interest free loan of Rs. 4 lakhs was received from the R.M.S. Co-operative society, Lucknow. The same was not accepted as the financial position of the society did not terms it.

**Shri Nanadas:** May I know the maximum amount individually that would be granted to these employees ?

**Shri Raj Bahadur:** That should depend on the number of employees participating in a co-operative unit and also the needs of the particular society and the funds at our disposal.

**Shri Nanadas:** I want to know the maximum that can be granted to a single employee.

**Mr. Speaker:** I think he has made it clear, if I understand correctly, that these loans are to co-operative societies and not to individuals.

**Shri N. S. Das:** May I know the total amount spent out of the amount earmarked during this year ?

**Shri Raj Bahadur:** A sum of Rs. 7½ lakhs has been earmarked for the Posts and Telegraphs Co-operative Housing Society, Madras and Rs. 2½ lakhs to the Postal Co-operative Housing society, Bombay.

**Shri Krishnacharya Joshi:** What is the rate of interest charged ?

**Shri Raj Bahadur:** The rate of interest is 4½ per cent per annum.

Freights Rate on Minerals

\*१६११. **Shri Viswanatha Reddy:** Will the Minister of Transport be pleased to refer to the reply given to starred question No. 546 on the 8th August, 1955 and state:

(a) whether it is a fact that foreign ship-owners have since levied a surcharge on the freight rates on minerals; and

(b) if so, the reasons adduced for taking such a step ?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) The freight rates on iron and manganese ores have been raised by 5 sh. with effect from the 15th June, 1955. This increase has however nothing to do with the "surcharge threat" which has not so far materialised.

(b) Does not arise.

**Shri Viswanatha Reddy:** May I know why the shipping companies have thought of increasing the freight charges and also imposing a surcharge ?

**Shri Alagesan:** The two are different. We are concerned here with the increase in freight rates. That is being done from time to time. It is being done by the conference lines and the Government have no control over them. But in this case I understand that it was done to maintain a sort of difference between the rates charged with the contract shippers and other casual shippers. The rate for contract shippers was raised by certain amount. Consequently this step was taken to increase the freight rate on iron ore and manganese ore by 5 shillings.

**Shri Viswanatha Reddy:** May I know whether the general complaint of the ship-owners, particularly foreign ship owners, has been that lack of facilities at the ports has resulted in a great deal of delay for the ships that call at the ports and therefore they are obliged to increase the rates and impose a surcharge ?

**Shri Alagesan:** That was one of the reasons cited by them for imposing a surcharge. That is the other aspect, and we have taken steps to improve the conditions in the working of the ports, and this surcharge business has been postponed.

Through Service to Hyderabad

\*१६१२. **Shri P. Ramaswamy:** Will the Minister of Railways be pleased to state:

(a) whether it is a fact that some representations have been addressed to Government recently for a through train service between Hyderabad and Madras and also for provision of more through

service carriages on trains running between Hyderabad and Delhi;

(b) whether there is any proposal for running direct trains connecting Hyderabad with Madras, Delhi and Bombay; and

(c) if not, the remedial measures Government propose to take to relieve the congestion in passenger traffic?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (.) Yes, Sir.

(b) and (c). A statement is laid on the Table of the House. [See Appendix VIII, annexure No 66.]

**श्री पी० रामस्वामी :** दिल्ली से मद्रास जो ग्रांड ट्रंक एक्सप्रेस जाती है, उसका एक डिब्बा बलहारशाह पर अलाहिदा कर दिया जाता है और उसके बाद काजीपेट पर दो डिब्बे अलाहिदा कर दिए जाते हैं। इस तरह उस गाड़ी से तीन डिब्बे निकाल दिए जाते हैं। अगर हैदराबाद से मद्रास जाने के लिए तीन डिब्बे जोड़ दिए जायें और वापसी पर भी ऐसी ही व्यवस्था की जाये, तो मैं समझता हूँ कि मद्रास और हैदराबाद के बीच में पैसेंजर्स की भीड़ में काफी कमी हो जायेगी। मैं यह जानना चाहता हूँ कि इस सिलसिले में सरकार का क्या विचार है ?

**Shri Alagesan:** I understand that it is not possible to attach another bogey on the Grand Trunk Express between Vijayawada and Madras, but they are thinking of attaching an additional bogey to the Janata Express between Vijayawada and Madras.

**Shri M. R. Krishna:** Since there is no connecting train to Janata from Hyderabad as there is for the grand Trunk Express, may I know whether the Government is thinking of introducing a connecting train to the Janata from Hyderabad ?

**Shri Alagesan:** Yes, that has been mentioned in the statement.

**Shri Heda:** I think this Janata which is more successful than any other Janata is running only three days in the week. Is there an idea to make it a daily train?

**Shri Alagesan:** We would like to make it a daily express, but at present we are lacking in power as well in rolling stock.

## Bombay Post Offices

**\*1613. Shri Gidwani:** Will the Minister of Communications be pleased to state :

(a) whether it is a fact that the accommodation in many of the Post Offices in Greater Bombay and Thana Districts is inadequate;

(b) whether it is also a fact that in many of the offices, no strong rooms have been provided and no proper security arrangements exist to safeguard the public and Government properties; and

(c) if so, the measures Government propose to take in the matter ?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (.) Yes.

(b) No. In departmental buildings strong rooms have generally been provided but for want of accommodation where this could not be done and in rented buildings adequate arrangements have been made to embed safes in the walls or chests in the floor. Night guards have also been sanctioned wherever necessary to safeguard Government property.

(c) To meet the shortage of accommodation in post offices, the Department has already under taken a fairly comprehensive programme for the acquisition of lands and construction of buildings. Security arrangements in post offices already exists.

**Shri Gidwani:** May I know how many post offices are still located in rented houses ? As the Minister stated that Government have a programme, may I know in how many years will that programme of construction of our own offices be completed ?

**Shri Raj Bahadur:** In Greater Bombay and Thana District there are 15 departmental post office buildings. We are having shortage of accommodation there also. And there are 70 rented post office buildings in these two areas. There also we suffer from a shortage of accommodation.

**Shri Gidwani:** When will the Government construct their own offices and what is the period in which they will do it ?

**Shri Raj Bahadur:** We have got a definite programme for construction of new buildings, but the completion of that depends upon the availability of sites, the time taken in the requisition of the sites, the time for preparation of estimates, the time taken for construction of the buildings by the C.P.W.D. etc., and it is very difficult for me to lay down a definite time-line in which all this programme will be executed or completed.

**Shri Gidwani:** May I know whether Government also has any programme to provide residential accommodation to the staff working in those post offices?

**Shri Raj Bahadur:** There are rules on that point. In certain cases the sub-post master or the post-master concerned is provided with accommodation.

### Mines Inspection

\*1615. **Shri T. B. Vittal Rao:** Will the Minister of Labour be pleased to refer to the reply given to Unstarred Question No. 111 on the 29th July, 1955 and state:

(a) the reasons for the low percentage of inspections carried out by the Inspectors of Mines during the second and third shifts in 1954.

(b) whether Government propose to instruct the Chief Inspector of Mines to increase the rate of inspections during these shifts; and

(c) whether it is an act that the rate of fatal accidents is more in the second and third shifts than in the first?

**The Deputy Minister of Labour (Shri Abid Ali):** (a) Inadequacy of Inspection staff.

(b) It has already been decided to increase the number of inspections in all the shifts and necessary additional staff is being recruited.

(c) No.

**Shri T. B. Vittal Rao:** The court of inquiry that enquired into the Parasia mine disaster made recommendation that a high-power commission be appointed on the lines of the Royal Commission which went into the safety of the coal mines in the United Kingdom. May I know what decision has been arrived at on this?

**Shri Abid Ali:** The matter is under our consideration.

**Shri T. B. Vittal Rao:** May I know whether, ever since these disasters took place, the inspection staff has been augmented? If so, by how many?

**Shri Abid Ali:** The exact number I will not be able to give, but the number of the staff has been increased.

**Shri T. B. Vittal Rao:** May I know what percentage of the collieries still remain uninspected during the last year?

**Shri Abid Ali:** Some were not inspected, but we hope that all the collieries will be inspected in future not only once, but more than once every year.

**Shri P. C. Bose:** May I know whether the number of inspectors has been increased after all the mines in the former

States were brought under the control of the Central Government, and if so, how many have been appointed, and how many are required to be appointed?

**Shri Abid Ali:** I have already stated that it will not be possible for me to give the exact number, but the number of the inspectors has gone up.

**Shri Nanadas:** In view of the fact that we have got very inadequate inspecting staff, may I know whether the Government have instructed the staff to live in the mining areas instead of in big cities and towns?

**Shri Abid Ali:** The inspectors live nearest to the mines area as far as possible. The number of the inspections in 1954 itself was 6,420. Therefore, it cannot be said that the number of inspection was very small.

### ब्राह्मपोमिया कनिया

\*१४२०. **श्री बेङ्गल :** क्या साक्ष और कृषि मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि "ब्राह्मपोमिया कनिया" के पीछे हरी खाद और कम्पोस्ट के लिये उपयुक्त है ;

(ख) क्या यह सच है कि भेड़, बकरी, भैंस आदि जैसे घरेलू पशु उसे नहीं खाते हैं ;

(ग) क्या इस बात की जांच की गई है कि ये पीछे इन घरेलू पशुओं के लिये हानिकारक हैं ; और

(घ) यदि नहीं, तो क्या सरकार उन पशुओं पर इन पीछों के प्रभाव की जांच करने का विचार करती है ?

**साक्ष और कृषि मंत्री (श्री ए० पी० जैन) :** (क) जी हां ।

(ख) जी हां ।

(ग) जी नहीं ।

(घ) इन पीछों से पशुओं को हानि पहुंचाने की कोई शिकायत नहीं मिली है और इस बारे में कोई भी जांच करने का ख्याल नहीं है ।

### Prices of Agricultural Commodities

\*1622. **Shri V. P. Nayar:** Will the Minister of Food and Agriculture be pleased to state :

(a) whether any scheme has been prepared for inclusion in the Second Five Year Plan for ensuring steady and high prices to the growers of exportable agricultural commodities like pepper, Lemon grass Oil, cardamoms, ginger etc. which are at present subject to serious price fluctuations; and

(b) if so, the broad details of such schemes ?

**The Minister of Agriculture (Dr. P. S. Deshmukh):** (a) and (b). No specific scheme has been prepared for inclusion in the Second Five Year Plan for this purpose so far. However, a scheme for Co-operative Marketing, Warehousing and Credit has been proposed for inclusion in the Second Five Year Plan, which may lead indirectly to the desired goal.

**Shri V. P. Nayar:** Are Government aware that owing to price falls in agricultural commodities which now show a price which is half of the lowest price in 1951 and 1952, a very large number of interests involved in agriculture are put to very great handicaps ?

**Dr. P. S. Deshmukh:** We are aware of the problem by and large.

**Shri V. P. Nayar:** May I know whether Government have in their contemplation any scheme by which these price fluctuations in agricultural commodities will not be continued in future years, so that the agriculturists can depend upon a definite known income ?

**Dr. P. S. Deshmukh:** As the hon. Member knows, in certain circumstances we have taken steps for price support, but the question was whether we have any scheme in the Second Five Year Plan to which I replied in the negative.

**The Minister of Food and Agriculture (Shri A. P. Jain):** May I add that the Government has appointed a committee under the chairmanship of the Deputy Minister which will examine the question of price fluctuations and which will also suggest steps for steadying the prices both in point of time and in point of space.

**Shri V. P. Nayar:** May I know whether Government of India are aware that this price fluctuation is the result of manipulations by the exporters most of whom are in the grip of foreign monopolies ?

**Shri A. P. Jain:** That will be one of the questions before the committee.

**Shri Punnoose and Shri T.B. Vittal Rao rose:**

**Mr. Speaker:** Let Mr. Vittal Rao put one question.

**Shri Punnoose:** The question is in my name also ?

**Mr. Speaker:** There should be no argument.

**Shri T. B. Vittal Rao:** May I know whether the price fluctuation enquiry committee will go into these commodities mentioned ? It is only for foodgrains as far as I know.

**Shri A. P. Jain:** And the supplementary question was also about foodgrains.

### Foodgrains Depot (Ferozepore)

\*1623. **Sardar Iqbal Singh:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that foodgrains stored in the Government depot at Ferozepore have decayed ;

(b) whether it is a fact that foodgrain<sup>s</sup> in the godowns depot are infested and mixed with stones;

(c) whether Government have received any complaint with regard to foodgrains stored there; and

(d) if so, the steps Government propose to take in the matter ?

**The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa):** (a) No.

(b) As soon as the stocks showed signs of infestation they were fumigated and the infestation has been controlled. The grain is not mixed with stones.

(c) No complaint except about infestation has so far been received.

(d) Adequate facilities for disinfection and fumigation exist at the depot.

**Sardar Iqbal Singh:** May I know whether it is a fact that the Central Government have given subsidy to the Punjab Government for purchasing wheat ? May I also know whether the local dealers that purchased the wheat with this subsidy purchased the best quantity but mixed it with the worst quality so that they could make more profits ?

**Shri M. V. Krishnappa:** That question refers to the wheat purchased by the Punjab Government. But here the question relates to the wheat that we have stored at the Central depot. As far as the wheat in the Central depot is concerned, there are no grains which

have deteriorated. In fact, we never allow the grains to deteriorate. We fumigate them and keep them always in good order.

**Sardar Iqbal Singh:** May I know whether it is a fact that the wheat that was stored in the Ferozepur depot or somewhere or taken from the Ferozepore mandies to some other mandies at the cost of the Central Government, has been mixed with lower grade wheat by the local dealers who purchased for the Central Government on behalf of the Punjab Government?

**Shri M. V. Krishnappa:** In the Ferozepore Kasu Begu depot we have got about 19,000 tons of wheat. All this is imported wheat which is of recent origin. In fact, it was purchased only some three or four months ago, and stored there.

If the hon. Member's question refers to the wheat purchased by the Punjab Government, I shall enquire whether they had purchased such bad grain.

**Sardar Iqbal Singh:** May I know whether Government will make some enquiries in the matter?

**The Minister of Food and Agriculture (Shri A. P. Jain):** In order to enlighten the hon. member I may inform him that there has been no such complaint. The wheat which we are purchasing in Punjab and elsewhere is FAQ of which full specifications have been laid down. We give the State Government a certain amount per pound for keeping that wheat as also for incidental charges of the purchase. So, there is no possibility of any bad wheat being purchased, because when we take, it will be FAQ quality.

**Sardar Iqbal Singh:** May I know whether in the specifications some percentage of mixture is allowed. May I also know whether Government are aware of the fact that the wheat that was purchased in the Ferozepur district is one of the best qualities of wheat, and that is why it was mixed with lower grade wheat, taking advantage of the percentage of mixture allowed?

**Shri A. P. Jain:** A certain amount of tolerance is allowed, and any wheat which comes within that tolerance is FAQ wheat.

### Skymaster Aircraft

\*1624. **Shri Kamath:** Will the Minister of Communications be pleased to state:

(a) whether an agreement to acquire Skymasters has been concluded and signed between the Indian Airlines Corporation and the Air Carrier Service Corporation, Washington;

(b) if so when, for how many Skymasters and at what cost;

(c) when the delivery is expected;

(d) whether there is a penalty clause in the Agreement; and

(e) if not, the reasons therefor?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a) Yes, Sir.

(b) The agreement was signed on the 25th July, '55 for the purchase of 3 Skymaster aircrafts, spare parts and equipment at a cost of U.S. \$2,015,000.00 or Rs. 97 lakh approximately.

(c) One aircraft was taken over by the Indian Airlines Corporation on the 17th August and the other two on the 1st September, 1955.

(d) and (e). No penalty clause was considered necessary in the agreement as:

(i) it was a short term purchase contract.

(ii) the delivery of the aircraft was to be effected within a few weeks of signing of the agreement; and

(iii) payment was to be made by means of a letter of credit on production of documents showing acceptance of the aircraft by the Indian Airlines Corporation.

**Shri Kamath:** Is it a fact that sometime in 1953 an investigation was conducted by the Indian Airlines Corporation into an allegation made against the Air Carrier Service Corporation of inflated invoiced photostat copies of which were published in a Bombay weekly; and if so what was the result of that enquiry, and why was an order placed with such a company?

**Mr. Speaker:** I do not understand how this question can arise, because it refers to the past history of the company.

**Shri Kamath:** The point is that it is a near blacklisted company.

**Mr. Speaker:** That may be in the hon. Member's view. The question here is about the present agreement in pursuance of which Skymasters have been acquired. How is the hon. Member's question related to this?

**Shri Kamath:** The company had evaded our Indian law in respect of a previous transaction.

**Mr. Speaker:** I do not allow that question.

**Shri Kamath:** May I put my next supplementary? Is it a fact that some other manufacturers made cheaper offer for identical aircraft, and if so, who were

the manufacturers, and why were the quotations turned down in favour of this particular company?

**Shri Raj Bahadur :** The questions that I have got in my possession here are for the Air Carrier Service Corporation with which we have entered into this deal which has now been finalised and also implemented. The cost per aircraft for their aircraft was \$5,60,000, while some of the other quotations were as high as \$7,15,000. I do not know whether there was any quotation lesser than this, giving at the same time equally favourable terms and conditions.

**Shri S.N. Das :** May I know whether before entering into an agreement with this firm tenders were invited, or whether this deal was a negotiated one?

**Shri Raj Bahadur :** This was a negotiated one. We were running against time. We wanted suitable aircraft for running our air services, particularly the night air services and the problem before us was from where to get these dependable and stable type of aircraft. As a matter of fact, there was some difficulty, but through the good offices of our Embassy in Washington, we could make the purchase and get this deal finalised.

**Shri Kashiwal :** In view of the fact that these Skymasters are not pressurised, may I know the reason why these Skymasters have been preferred to other aircraft which are pressurised?

**Shri Raj Bahadur :** It is a 4-engine bigger aircraft and is of a very stable type. The problem before us was that we had to replace the Dakotas on the night flights by some other 4-engines aircraft, and this was the one, most easily available.

**Shri Jaipal Singh :** In reply to part (d) of the question, the hon. Minister stated that in this agreement there was no penalty clause. May I know whether in the other agreements, not in connection with the purchase of Skymasters but of other aircraft that the Indian Airlines Corporation are due to get, there is any penalty clause?

**Shri Raj Bahadur :** Which other aircraft?

**Shri Jaipal Singh :** Vickers Viscount. My question is this. In this particular case, there has been no penalty clause. But in the other agreements, as for example, the agreement for purchase of Vickers Viscounts, is there a penalty clause?

**Mr. Speaker :** I think that question will not be relevant here. The question here is very specific and is restricted only to Skymasters.

मध्य-प्रदेश में आयुर्वेद सम्बन्धी गवेषणा

\*१६२५. श्री जांगड़े : क्या स्वास्थ्य मंत्री यह बताने की कृपा करेंगी कि :

(क) क्या सरकार को यह मालूम है कि मध्य-प्रदेश के जंगलों और तराई में अनेक प्रकार की औषधि जड़ी-बूटियां पाई जाती हैं ;

(ख) क्या सरकार आयुर्वेदीय औषधियों तथा अन्य प्रचलित औषधि प्रणालियों में गवेषणा करने के लिये मध्य प्रदेश में एक गवेषणा केन्द्र खोलने का विचार करती है ; और

(ग) क्या राज्य सरकार ने केन्द्रीय सरकार से वहां पर ऐसी एक संस्था खोलने की प्रार्थना की है ?

स्वास्थ्य मंत्री (राजकुमारी अमृत कौर) :

(क) जी, हां ।

(ख) जी, नहीं ।

(ग) जी, हां । लेकिन इस सुझाव पर राज्य सरकार से विस्तृत जानकारी मांगी गई है और उनके जवाब का इन्तजार किया जा रहा है ।

श्री जांगड़े : अभी माननीया मंत्रीजी जी ने कहा कि मध्य प्रदेश में आयुर्वेद अनुसंधान केन्द्र खोलने की आवश्यकता प्रतीत नहीं होती । क्या मैं इसका कारण जान सकता हूं ? क्या सरकार को मालूम है कि नागपुर विश्व-विद्यालय में आयुर्वेद अनुसंधान के लिए एक पीठिका रखी गयी है । क्या नागपुर विश्व-विद्यालय ने सहायता के लिए केन्द्रीय सरकार से प्रार्थना की है ?

राजकुमारी अमृत कौर : जो मांग हमारे पास आयी थी वह नागपुर से नहीं आयी थी । वह रायपुर में एक केन्द्र खोलना चाहते थे । उसके बारे में हमने उनसे मांग की है कि हमें बताओ कि यहां पर किस किस्म का अनुसंधान होगा, और अब उनका जवाब आ जायगा तो उस पर सोच विचार किया जायेगा ।



**श्री जांगड़ :** इस बात को ध्यान में रखत हुए कि मध्य प्रदेश शासन ने मध्य प्रदेश में दो आयुर्वेद कालिज और सैंकड़ों आयुर्वेद चिकित्सालय खोले हैं, क्या सरकार यह आवश्यक नहीं समझती कि उन की दवाइयों की पूर्ति के लिये मध्यप्रदेश में आयुर्वेदिक दवाइयों का एक कारखाना खोला जाये ?

**राजकुमारी धनूत कौर :** दवाइयों का कारखाना खोलने की बात तो इस प्रश्न में आती नहीं। यह तो धनुसंधान के केन्द्र का सवाल था।

### Tourism

\*1627. **Shri Hem Raj :** Will the Minister of Transport be pleased to state :

(a) whether the Punjab Government have submitted any proposals for the development of tourism under the Six Year Plan ; and

(b) if so, the details thereof ?

**The Deputy Minister of Railways and Transport (Shri Alagesan) :** (a) Yes, but as stated in reply to starred question No. 1371 given in the Lok Sabha on 2nd September 1955, it has since been decided to have only a Five year Plan as part of the general Second Five Year Plan.

(b) A statement is placed on the Table of the Lok Sabha. [See Appendix, VIII, annexure No. 67].

**Shri Hem Raj :** May I know whether all these proposals have been accepted by the Government, or whether any changes have been made ?

**Shri Alagesan :** It is not possible to accept all these proposals. Some of these proposals were incorporated. I am afraid even they will have to undergo further reduction.

**Shri Hem Raj :** May I know what are the proposals accepted and what rejected ?

**Shri Alagesan :** I should like to have notice. It is too early to say. They are all tentative.

**Shri Hem Raj :** May I know whether Government will consider the desirability of constructing holiday homes for students and middle income groups.

**Shri Alagesan :** That is very much in our plan. But we have to do a little persuasion before we succeed in that.

**श्री भक्त बर्शन :** पर्यटन उद्योग के सम्बंध में विभिन्न राज्यों से जो योजनाएँ आ रही हैं, उनको स्वीकार करने में अनुदान का क्या अनुपात दिया जायेगा, तात्पर्य यह है कि पूरी ग्रांट केन्द्रीय सरकार देगी या केन्द्रीय और प्रांतीय सरकारें पचास-पचास प्रतिशत लगायेंगी और पचास प्रतिशत रुपया प्रांतीय सरकारों को भी इसमें लगाना पड़ेगा।

**श्री अलगेशन :** सभी स्टेटों से प्रोपोजिशन आये हैं।

**Mr. Speaker :** What is the general practice ? Is it on a 50 : 50 basis or on some other basis ?

**Shri Alagesan :** That has not yet been decided. As far as perhaps one single item goes, namely, publicity, it has been decided to share half and half.

### Deep-Sea Fishing

\*1628. **Shrimati Ila Palchoudhury :** Will the Minister of Food and Agriculture be pleased to state :

(a) the total tonnage of sea-fish caught annually in the West Bengal waters by means of deep-sea fishing ;

(b) whether sea-fish finds a ready market in Calcutta and other towns of West Bengal ; and

(c) if so, its annual consumption there ?

**The Minister of Agriculture (Dr. P. S. Deshmukh) :** (a) About 267 tons.

(b) Yes.

(c) A precise assessment is not possible but the entire catches are readily sold.

**Shrimati Ila Palchoudhury :** May I know Sir how many people this scheme employs ?

**Dr. P. S. Deshmukh :** At the present moment, we have two trawlers which are working in this area.

**Mr. Speaker :** She wants to know the number of persons employed.

**Dr. P. S. Deshmukh :** I have not got the figure.

**Shrimati Ila Palchoudhury :** What was the cost of learning the technique from foreign technicians who came over to teach our fishermen in the technique of deep sea fishing ?

**Dr. P. S. Deshmukh :** I could not give the cost. But that is, in our opinion, the only way to train Indian personnel, and even if the cost is slightly high, it has got to be paid.

**Shri K. K. Basu :** May I know the total sum spent so far on the acquisition, and running of this scheme, and that of the actual value of fish caught ?

**Dr. P. S. Deshmukh :** I would like to have notice.

**Shri N. B. Chowdhury :** May I know whether, when the Government give liberal grants to this deep sea fishing scheme they obtain any information from the Government of West Bengal with regard to the scheme being economical or otherwise ?

**Dr. P. S. Deshmukh :** We do get figures now and again especially when questions are asked in the House. There is not a regular programme of receiving reports.

#### Surcharge on Freight

\*1629. **Shri N. B. Chowdhury :** Will the Minister of Transport be pleased to refer to the reply given to starred question No. 546 on the 8th August, 1955 and state :

(a) whether the proposal for the imposition of 35 per cent surcharge on freight for the ports of Bombay, Calcutta and Madras, has been finally dropped or simply postponed ; and

(b) whether Government is acting in this matter in collaboration with the neighbouring countries with undeveloped shipping ?

**The Deputy Minister of Railways and Transport (Shri Alagesan).** (a) Government understand that the proposal of certain shipping companies to impose a surcharge on freights on cargoes to and from the ports of Calcutta, Bombay and Madras, has been postponed.

(b) The question does not arise as the matter relates purely to the working of the Indian Ports.

**Shri N. B. Chowdhury :** In view of the fact that the Minister stated earlier this morning that certain foreign shippers have increased freight charge on some mineral ores, may I know whether these shippers belong to the same conference lines as that which propose the 35 per cent surcharge ?

**Shri Alagesan :** I took care to say that increase in freight was not part of this. Of course, the people who imposed that increase belong to the India-U.K. line, and among the people who gave notice of surcharge were also these shipping companies.

**Shri N. B. Chowdhury :** In view of the fact that these shipping lines have started increasing freight—although not surcharge—on some of the commodities, may I know whether Government propose to take up this matter with these conference lines with a view to see that no increase is made with respect to other commodities ?

**Shri Alagesan :** The surcharge, if it had been imposed, would have been certainly harmful to the national interests, and that matter was taken up with the shipping companies and successfully resolved. They have postponed it ; some of them have been postponing it from month to month, but it can be taken as indefinite postponement.

**Shri S. C. Samanta :** May I know the conditions on which this imposition has been postponed ? May I also know when it is going to be settled ?

**Shri Alagesan :** There is no condition. It was against the deteriorating labour conditions in the major ports of India. As I have said several times before on the floor of the House, we have taken steps to improve these conditions, and naturally the surcharge gets obviated.

#### Industrial Disputes

\*1630. **Shri Tushar Chatterjee :** Will the Minister of Labour be pleased to state :

(a) whether it is a fact that the Award given in April, 1955 by the Tribunal appointed by Government in connection with the Industrial Disputes between the Bengal Provincial Railway Company Limited and the Light Railwaymen's Union, Howrah has not yet been implemented ;

(b) whether the Union have represented the matter to Government in this regard ; and

(c) if so, the action taken by Government in the matter ?

**The Deputy Minister of Labour (Shri Abid Ali) :** (a) and (b). A representation from the Light Railwaymen's Union stating that the Award was not implemented was received in August, 1955.

(c) A report from the Regional Labour Commission (Central), Calcutta, has been called for.

**Shri Tushar Chatterjee :** Is it a fact that this is not the only instance of non-implementation by the company of tribunal awards, and that even the award of the previous tribunal was not implemented by the company ? If so do Government propose to take any severe action against the said company ?



**Shri Abid Ali :** The other party has filed an appeal and also applied for stay of the implementation of the award. Their application is to be heard on the 22nd of this month. Therefore we can do nothing in the matter at present.

### रेलवे घाउट-एजेंसी

\*१६३२. **श्री बी० डी० शास्त्री :** क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या विन्ध्य प्रदेश में सतना-रीवा लाइन पर स्थित घाउट-एजेंसी की देख-रेख में चलने वाली बसें रेलवे प्रशासन की हैं या बैकितक ठेकेदारों की ;

(ख) क्या इन बसों की दशाओं के सम्बन्ध में कभी कोई जांच की गई है ; और

(ग) क्या सतना पर भी, जहां से रीवा को बस जाती है, घाउट-एजेंसी का कोई बुकिंग आफिस है ?

रेलवे तथा परिवहन उपमंत्री (श्री अलमगेशन) : (क) प्राइवेट ठेकेदारों की ।

(ख) जी, हाँ ।

(ग) जी, नहीं ।

**श्री बी० डी० शास्त्री :** यह जो स्वतंत्र बस मालिकों की बस सर्विस विन्ध्य प्रदेश में चलती है, तो क्या वे रेलवे को या विन्ध्य प्रदेश सरकार को भी अपने लाभ का कुछ हिस्सा देते हैं, और यदि हाँ, तो कितना ?

रेलवे तथा परिवहन मंत्री (श्री एल० बी० शास्त्री) : मेरे ब्याल में ऐसा नहीं है ।

**श्री बी० डी० शास्त्री :** क्या यह सही नहीं है कि जो बसेज घाउट एजेंसी की चलती हैं, उनमें ७५ परसेंट ऐसी बसेज चल रही हैं जो कि काफ़ी पुराने माडल की हैं, और बुरी हालत में हैं ?

**श्री एल० बी० शास्त्री :** विन्ध्य प्रदेश के हिसाब से, मुझे यह मालूम हुआ है कि जो बसेज इस लाइन पर चलती हैं और बसों से जो दूसरे रास्तों पर चलती हैं, उनकी अपेक्षा अच्छी हैं ।

**श्री बी० डी० शास्त्री :** क्या रेलवे के सामने ऐसी भी कोई स्कीम है कि वह अपनी खुद भी बसेज चलाये, यह विन्ध्य प्रदेश की सरकार अपनी बसें चलायगी और स्वयं अपनी स्टेट बस सर्विस चलाने के सम्बन्ध में विचार कर रही है ?

**श्री एल० बी० शास्त्री :** रेलवे ऐसा इंतजाम साधारणतया नहीं करती है और न अभी करने का इरादा है ।

### Branch Post Offices

\*1633. **Shri D. C. Sharma :** Will the Minister of Communications be pleased to state :

(a) the number of applications for opening new Branch Post Offices pending consideration at present ; and

(b) the number of Branch Post Offices that Government propose to open during 1955-1956 ?

**The Deputy Minister of Communications (Shri Raj Bahadur) :** (a) 5611,

(b) About 4336 new branch post offices are expected to be opened during 1955-56.

**श्री डी० सी० शर्मा :** क्या यह सत्य नहीं है कि होशियारपुर, गुरुदासपुर और कांगड़ा के जिलों में जो ब्रांच पोस्ट आफिसों हैं, वे एक दूसरे से तीन मील से ज्यादा फ़ासले पर हैं, और अगर यह सत्य है, तो हमारे माननीय मंत्री इस कठिनाई को दूर करने का क्या इंतजाम करेंगे ?

**श्री राज बहादुर :** यह सत्य है अथवा नहीं है, यह तभी मालूम हो सकता है जब उस स्थान पर पहुँच कर एक जगह के डाकखाने से दूसरी जगह जाया जाय, साथ ही मैं यह भी निवेदन करूंगा कि ऐसी कोई शिकायत, जो कि माननीय सदस्य के नोटिस में आई हो, और उन्होंने मेरे पास भेजी हो, मेरी जानकारी में नहीं है ।

**श्री डी० सी० शर्मा :** क्या यह सत्य है कि जो हमारे हिन्दी डिस्ट्रिक्ट्स हैं जिनका कि

मैंने अभी जिक्र किया और हमारे भारतवर्ष में और भी स्थान ऐसे हैं जहां पर कि जो डाकखाने खोले जाते हैं उनकी संख्या बहुत कम होती है और उनकी जो एप्लीकेशंस आती हैं उन पर इतनी शीघ्रता से विचार नहीं किया जाता है जितना कि दूसरी जगह कि एप्लीकेशंस पर विचार किया जाता है ?

**श्री राज बहादुर :** मैं माननीय सदस्य को विश्वास दिला सकता हूं कि उनके जिले, या उन जिलों का, जिनका कि उन्होंने नाम लिया है, उनके प्रति कोई पक्षपात उनके पक्ष या विपक्ष में नहीं किया जाता है और जो कुछ भी नियम साधारणतया हैं, उनके अनुसार काम किया जाता है और उनके अनुसार डाकखाने खोल जाते हैं ।

#### Medical Facilities for M. P.

\*1630. **Shri Bibhuti Mishra :** Will the Minister of Health be pleased to refer to the reply given to starred question No. 84 on the 26th July 1955 and state :

(a) whether it is a fact that Government have formulated a scheme for medical service to Members of Parliament ; and

(b) if so the details thereof?

**The Minister of Health (Rajkumari Amrit Kaur) :** (a) A draft scheme has been prepared.

(b) A note giving the details of the proposed scheme is placed on the Table of the Lok Sabha [See Appendix VIII, annexure No. 68].

**श्री बिभूति मिश्र :** स्टेटमेंट को देखने से पता चलता है कि जो पार्लियामेंट के सदस्य कंट्रीन्यूटरी हेल्थ स्कीम में ५ या ६ रुपया महीना देंगे, सरकार उनकी दवा कराने का इंतजाम करेगी । क्या यह सत्य नहीं है कि बहुत से पार्लियामेंट के सदस्यों के परिवार बहुत बड़े हैं और जो कुछ उन्हें मिलता है वह उन के लिये नाकाफी होता है ? ऐसी स्थिति में क्या सरकार मुफ्त में उन की दवा कराने का इन्तजाम करेगी ?

**राज कुमारी अमृत कौर :** योजना प्राप लोगों के सामने रखी जा चुकी है और उस को

स्वीकार करना या अस्वीकार करना आप के उपर है ।

**श्री बिभूति मिश्र :** क्या यह सही नहीं है कि पार्लियामेंट सबसे अधिकारी संस्था है और उस के सदस्यों के लिये सरकार ६०,००० रुपया सालाना दवा पर खर्च नहीं कर सकती ?

**Dr. Suresh Chandra :** May I know the reason why it has taken so long to draft the scheme?

**Rajkumari Amrit Kaur :** No time has been lost by my Ministry.

**Shri Kamath :** In the formulation of the scheme has the hon. Minister or the Government paid attention to the preventive aspect of medicine rather than the curative aspect of it?

**Rajkumari Amrit Kaur :** Prevention of disease lies in the hands of the Members themselves.

#### Central Labour Institute, Bombay

\*1635. **Shri S. C. Samanta :** Will the Minister of Labour be pleased to state :

(a) the estimated cost of the building for the Central Labour Institute at Bombay; and

(b) the progress of the work so far?

**The Deputy Minister of Labour (Shri Abid Ali) :** (a) Rs. 11 lakhs approximately.

(b) The construction work is expected to commence in September—October and the building is likely to be completed by the end of 1956.

**Shri S. C. Samanta :** May I know who is in charge of the construction there?

**Shri Abid Ali :** The Central P.W.D.

**Shri S. C. Samanta :** May I know whether the Central P.W.D. will be able to finish it in fixed time?

**Shri Abid Ali :** We hope so.

#### 11 ment

\*1636. **Pand D. N. Tiwary :** Will the Minister of Railways be pleased to state :

(a) whether there was any attempt of sabotage to derail the 6 Down passenger train between Latur and Hangul on the night of the 22nd April 1955 ;

(b) whether any enquiry was held in the matter ; and

(c) if so, with what results ?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) to (c). On the night of 22nd April 1955 No. 6 Down Mixed train was brought to a stop at two places between Latur and Hungul stations, on the Latur Kurduwadi Narrow Gauge section of the Central Railway owing to obstructions found on the track.

The incident was reported to the Hyderabad Railway Police who are making investigations.

It is not possible to say until the result of the Police Enquiry is known whether this was an attempt at sabotage.

**Pandit D. N. Tiwary:** May I know whether on this particular track there are night watchmen to see that no sabotage takes place ?

**Shri Alagesan:** I do not have any information whether this particular line is watched in the nights.

**Pandit D. N. Tiwary:** What is the general procedure whether lines are watched or not ?

## रेल का किराया

\*१६३७. डा० सत्यबाबी : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि शिमला के नागरिकों ने कालका और शिमला के बीच रेल के किरायों में कमी करने की मांग की है ?

(ख) यदि हां, तो उस पर क्या निर्णय किया गया ; और

(ग) क्या यह भी सच है कि उस लाइन पर चलने वाली रेल मोटरों के किरायों में कमी कर दी गई है ?

रेलवे तथा परिवहन उपमंत्री (श्री बलगेशन) : (क) जी नहीं ।

(ख) सवाल नहीं उठता ।

(ग) जी हां ।

## Fishing Harbours

\*१६३८. **Dr. Ram Subhag Singh:** Will the Minister of Food and Agriculture be pleased to state :

(a) whether Government propose to establish some fishing harbours on the

coast line where fishing vessels can berth and land their catch ;

(b) if so, how many such harbours are proposed to be established and where; and

(c) the cost involved in establishing these harbours ?

**The Minister of Agriculture (Dr. P. S. Deshmukh):** (a) Yes, by improving approaches to coastal fishing villages providing safe berthing places for boats operating from such villages and possibly developing some minor ports from the fishing point of view.

(b) The exact number has not yet been decided.

(c) Will be available only after deciding on the number, location and the nature of work to be done at each place.

**Shri V. P. Nayar:** In view of the possibilities of the development of marine fisheries off the shores of Travancore Cochin being so great and also in view of the fact that there are no facilities at present may I know whether Government contemplate constructing fishing harbours in Malabar coast ?

**Dr. P. S. Deshmukh:** It is included in our scheme.

**Shri Punnoose:** May I know whether any recommendation has been submitted in this respect by the Travancore Cochin with regard to Alleppey and other ports ?

**Dr. P. S. Deshmukh:** It has all to be done in the next Five Year Plan and I do not think we have gone so far as to fix the exact place.

## The Mines Act, 1952

\*१६३९. **Shri T. B. Vittal Rao:** Will the Minister of Labour be pleased to refer to the reply given to starred question No. 241 on the 29th July 1955 and state :

(a) whether the Emergency Regulations will be promulgated without reference to the Mining Boards contrary to the Provisions of section 59 (3) and (4) of the Indian Mines Act 1952 ; and

(b) if not, when the Mining Boards will be constituted ?

**The Deputy Minister of Labour (Shri Abid Ali):** (a). The Emergency Regulations for Coal Mines are proposed to be promulgated under Section 60 of the Mines Act, 1952 and a reference to the Mining Boards is therefore not necessary. Section 59 (4) refers to rules only.

(b) Presumably the member means "consulted" and not "constituted". That question does not arise in this case.

**Shri T. B. Vittal Rao :** May I know when the draft regulations will be published in the Gazette for criticism ?

**Shri Abid Ali :** Emergency regulations may be published, perhaps in October, and the regulations may take some time more because we have to consult the Mining Boards and all concerned organisations.

**Shri T. B. Vittal Rao :** In view of the fact that the Indian Mines Act as passed in 1952 March and was enforced in July 1952 could I know the big difficulties that confront Government in finalising these regulations? The recent Court of Enquiry presided over by an eminent judge of the Nagpur High Court has also said that these outmoded regulations of 1926 should be revised.

**Shri Abid Ali :** This was to be done in 3 parts; one for the gold mines, which was published on the 17th September 1953. With regard to the non-coal mines the regulations are almost ready and may be published soon. About the coal mines it will take some time more as I have already submitted. But, perhaps, the hon. Member is under the impression that because there have been no amendments to the regulations accidents are increasing. It is not a fact. On the other hand, accidents in coal mines have been decreasing and we compare favourably with other countries in this particular respect.

#### Rural Indebtedness

\*1641. **Sardar Iqbal Singh :** Will the Minister of Food and Agriculture be pleased to state:

(a) whether the Reserve Bank of India has formulated any scheme to eradicate rural indebtedness on the recommendation of the Rural Credit Survey Committee; and

(b) if so, the of tlineson this scheme ?

**The Minister of Agriculture (Dr. P. S. Deshmukh) :** (a) The Rural Credit survey Committee has not made any direct recommendations regarding the eradication of rural indebtedness. They have, however, suggested measures for the reconstruction of the rural credit structure and creation of conditions under which the peasant will be less dependent upon the money-lender.

(b) Does not arise.

**Sardar Iqbal Singh :** In view of the fact that there is a large amount of rural indebtedness and particularly the fall in prices of agricultural commodities, may I know whether Government propose to appoint some debt conciliation board in order to give some relief to the peasants?

**Dr. P. S. Deshmukh :** I do not think it is necessary for the Central Government to intervene. The State Governments are fully conscious of this and almost every State has some sort of debt legislation in order to scale down debts.

**Sardar Iqbal Singh :** May I know whether Government propose to introduce some legislation on the recommendation of this committee?

**Dr. P. S. Deshmukh :** Yes; so far as it refers to the constitution of the board not so far as scaling down indebtedness is concerned.

**श्री विभूति मिश्र :** क्या सरकार को यह पता है कि गाँव वालों के कर्ज का बोझ इतना बढ़ गया है कि स्टेट गवर्नमेन्टों की शक्ति के बाहर है कि वह उन्हें किसी तरह का रिलीफ दे सकें ? इसी अवस्था में केन्द्रीय सरकार क्या कुछ रिलीफ दे सकती है ?

**डा० पी० एस० देशमुख :** हमारा यह स्थान है कि हम ज्यादा से ज्यादा क्रेडिट स्टेट गवर्नमेन्टों को दें जिन से काश्तकारों को रिलीफ देने की उन की ताकत बढ़ सके ।

**Shri Punnoose :** May I know whether any State Government has undertaken any enquiry as to the amount of rural indebtedness and has suggested any scheme?

**Dr. P. S. Deshmukh :** I would ask for notice of this question.

**Shri N. B. Chowdhury :** May I know whether the short-term, medium term and long term loans recommended by the Planning Commission are going to be given effect to during the present Five Year period?

**Dr. P. S. Deshmukh :** I think the hon. Member should await the Bill that we are bringing before the House. Most of these details will then be available.

#### WRITTEN ANSWERS TO QUESTIONS

##### Khadi

\*1599. **Shri Dabhi :** Will the Minister of Railways be pleased to lay a statement on the Table of the House showing:

(a) the list of articles supplied to the All India Khadi and Village Industries Board in order to enable the Board to select the varieties of cloth for which Khadi substitutes could be developed and manu-

factured to meet the Railways' requirements as stated by him in his last Budget speech; and

(b) the reply of the Board received in this connection?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) A statement is laid on the Table of the Lok Sabha. [See Appendix VIII, annexure No. 69.]

(b) Samples of Khadi cloth to substitute mill-made blue drill and blue pugree cloth for the uniforms of Class IV Staff have been received from the Khadi Board.

### **Railway Employees' Associations**

**\*1607. Pandit D. N. Tiwari:** Will the Minister of Railways be pleased to state:

(a) the names of the recognized employees' Associations functioning on Indian Railways;

(b) whether, according to the policy of Government only one Association is to be recognised and recognition of others is to be withdrawn; and

(c) the reasons therefor?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) A statement is laid on the Table of the Lok Sabha [See Appendix VIII, annexure No. 70].

(b) and (c). To facilitate negotiations between management and labour, Government would certainly welcome the existence of only one union on each Railway and it is hoped that the existing recognised unions will, as soon as possible, merge themselves on these lines. As such, the question of de-recognition of any of them has not yet arisen.

### **Wage Commission**

**\*1608. Dr. Satyawadi:** Will the Minister of Labour be pleased to refer to the reply given to starred question No. 61 on the 23rd February, 1955 and state:

(a) whether any decision has since been taken on the appointment of a Wage Commission;

(b) if so, when the Commission is likely to be appointed; and

(c) the probable terms of reference?

**The Deputy Minister of Labour (Shri Abid Ali):** (a) to (c). The question is being considered in the formulation of the and Five Year Plan.

### **Air India International Corporation**

**\*1609. Chaudhri Muhammed Shafie:** Will the Minister of Communications be pleased to state:

(a) whether Government propose to purchase aircrafts for the Air India International Corporation;

(b) if so, when;

(c) the model and type of the aircrafts to be purchased;

(d) the number of aircrafts proposed to be purchased; and

(e) the names of the countries and the names of the firms with whom the order has been placed?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a) Yes, Sir.

(b) to (d). Order for one Super Constellation Model 1049-G has already been placed and the Corporation are considering the purchase of two more such aircraft.

(e) The order has been placed with Messrs. Lockheed Aircraft Corporation Burbank, California, U.S.A.

### **Telephonic and Telegraphic Facilities for Kosi Project**

**\*1614. Shri L. N. Mishra:** Will the Minister of Communications be pleased to state:

(a) whether any new Telephone lines and Telegraph facilities have been provided recently for the Kosi Project;

(b) if so, the details of the lines provided with the names of offices;

(c) whether the maintenance charges thereof will be borne by the Kosi Project Administration of the Government of India;

(d) whether private persons can also have telephone connections from that line; and

(e) if so, on what terms?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a) to (c). A statement giving the required information is laid on the Table of the Lok Sabha, [See Appendix VIII, annexure No. 71.]

### **National Cancer Research Centre Calcutta**

**\*1616. Shri M. Islamuddin:** Will the Minister of Health be pleased to state:

(a) whether it is a fact that Government propose to set up a National Cancer Research Centre in Calcutta for doing research on Cancer, with particular reference to its treatment with radioactive isotopes;

(b) if so, the expenditure likely to be incurred on setting up such a Centre; and

(c) when this Centre is likely to be set up?

**The Minister of Health (Rajkumari Amrit Kaur):** (a) to (c). A proposal has been received to this effect. The matter is still under consideration.

### Long Staple Cotton

**\*1618. Shri M. S. Gurupadaswamy:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether any schemes for the production of long staple cotton in India are under the consideration of Government;

(b) if so, the main features of the schemes;

(c) whether any committee has been appointed for this purpose; and

(d) if so, the main recommendations thereof?

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) The Government has no such schemes under consideration. The Indian Central Cotton Committee has some schemes for the production of long staple cotton.

(b) Does not arise.

(c) No.

(d) Does not arise.

### Drought Conditions in Coastal States

**\*1619. Shri Sanganna :** Will the Minister of Communications be pleased to state :

(a) whether it is a fact that the Meteorological Department of the Government of India has made any special report on the causes of successive failure of monsoons in Orissa and other coastal States resulting in acute drought conditions ; and

(b) if so, the details thereof?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a) and (b). An examination of the actual rainfall in Orissa and other coastal States in the recent past does not reveal any successive failure of monsoons and large deficiency in the rainfall. Only in isolated areas of Orissa the rainfall has been below 70 per cent of the normal. Such a feature of deficiency in isolated areas in a season of generally normal or poor monsoon is a natural characteristics of rainfall variation in space.

### Ghagra Bridge

**\*1621. Shri Sinhasan Singh :** Will the Minister of Transport be pleased to refer to the reply given to starred

question No. 1620 on the 23rd December, 1954 and state :

(a) the progress of the construction of a boat or pontoon bridge on the River Ghagra at Doharighat ;

(b) whether the estimates for pucca bridges at Doharighat on the Ghagra River and at Bird Ghat on the Rapti River (Gorakhpur) have been received and sanctioned ; and

(c) if so, the estimated cost thereof ?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) It has since been decided not to construct a pontoon bridge of a temporary nature, at a cost of about Rs. 8.5 lakhs but to go in for a pucca bridge as early as possible.

(b) The sites for both the bridges have been selected. A preliminary estimate for the bridge over the Ghagra has been received recently from the State Public Works Department and is under scrutiny. A preliminary estimate for the bridge over the Rapti is awaited from the State Government.

(c) The Ghagra and Rapti bridges are roughly estimated to cost Rs. 91 lakhs and 36 lakhs respectively.

### Railway Lines

**\*1626. Shri Bhagabat Sahu :** Will the Minister of Railways be pleased to state :

(a) the actual total mileage of Railway lines constructed so far during the First Five Year Plan period ; and

(b) the names of the Railway lines constructed in the South Eastern Zone during the above period ?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) 782 Miles approximately including restoration of dismantled lines.

(b) Bobbili-Salur.

### मजूरी भुगतान ऐक्ट, १९३६

**\*१६३१. श्री बाघमारे :** क्या अथ मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि कलकत्ता बंदरगाह के चिपिंग, रंगाई, भराई व सिलाई के काम में लगे हुये मजदूरों और डैरिक फिटर, मार्कमैन तथा सफाई के गैंगमैनो को ठेकेदारों द्वारा मजूरी भुगतान ऐक्ट, १९३६ के अनुसार मजूरी नहीं दी जाती है; और

(ख) यदि हां, तो उनके मामले में उस ऐक्ट के उपबन्धों को लागू करने के लिये सरकार क्या कार्यवाही करने का विचार करती है ?

**अम उपमंत्री (श्री आशिष प्रसी) :**

(क) जी नहीं। पश्चिमी बंगाल सरकार ने बताया है कि इन दर्जों के कामगारों को, मजूरी भुगतान ऐक्ट, १९३६ के अधीन मजूरी दी जाती है।

(ख) सवाल नहीं उठता।

### Indo-U. K. Air Agreement

**\*1640. Shri M. Islamuddin :** Will the Minister of Communications be pleased to state :

(a) whether the Indo U. K. Air Agreement has been reviewed by the two Governments ; and

(b) if so, the changes, if any, effected in the Agreement ?

**The Deputy Minister of Communications (Shri Raj Bahadur) :** (a) and (b). There was no proposal to review the Agreement as such. According to an understanding with the U. K. authorities, an annual review is held of the frequencies of services etc. to be operated by the airlines designated by the respective Governments during the next 12 months. The annual review for the current year has not yet been held.

### Rourkela Factories

**\*1642. Shri Sanganna :** Will the Minister of Railways be pleased to state :

(a) whether it is a fact that Government are considering a proposal for the setting up of a coach factory and an ordinance factory at Rourkela ; and

(b) if so, when the proposal will be finalised ?

**The Deputy Minister of Railways and Transport (Shri Alagesan) :** (a) No.

(b) Does not arise.

### Kurud-Likma Rail Link

**\*1643. Shri Jangde :** Will the Minister of Railways be pleased to state :

(a) whether it is a fact that Government propose to restore the dismantled

railway line from Kurud to Likma in Raipur District of Madhya Pradesh ;

(b) if so, whether it will be made a broad gauge line ; and

(c) whether the Madhya Pradesh Government have suggested its extension upto Jagdalpur ?

**The Deputy Minister of Railways and Transport (Shri Alagesan) :** (a) No. Sir.

(b) Does not arise.

(c) No, Sir.

### Postal Concessions for Fruit Parcels

**\*1644. Shri Hem Raj :** Will the Minister of Communications be pleased to refer to the reply given to starred question No. 1357 on the 22nd March, 1955 and state :

(a) whether any decision has since been taken for the grant of concessional rates for fruit parcels from Kulu Valley ; and

(b) if not, when a decision is likely to be taken ?

**The Deputy Minister of Communications (Shri Raj Bahadur) :** (a) It has since been decided not to grant concessional postage rates on fruit parcels from Kulu Valley.

(b) Does not arise.

### Maternal Mortality

**\*1645. Shri V. P. Nayar :** Will the Minister of Health be pleased to state :

(a) whether it is a fact that the incidence of toxæmia of pregnancy is high in India and is a major cause of maternal and foetal mortality ;

(b) if so, the percentage of maternal mortality thereof ; and

(c) the steps taken to study the problem in detail and to find out effective measures to counter the mortality by this cause ?

**The Minister of Health (Rajkumari Amrit Kaur) :** (a) Yes.

(b) Approximately 15 per cent.

(c) The Indian Council of Medical Research have sponsored investigations into this problem for a number of years at different centres in the country. Some studies are still being continued.

With the development of maternity and Child Welfare Services under Central



and State Schemes, and a higher standard of life, it is hoped that the incidence of toxæmia of pregnancy will be substantially reduced.

**सतना और गोविन्दगढ़ के बीच रेलवे लाइन**

\*१६४६. श्री बी० डी० शास्त्री : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) सतना और गोविन्दगढ़ वाया रीवा (विन्ध्य प्रदेश) के बीच खोली जाने वाली नई रेलवे लाइन का सर्वेक्षण कब आरम्भ होगा ;

(ख) सर्वेक्षण कार्य के कब तक समाप्त हो जाने की सम्भावना है ; और

(ग) उसका निर्माण कार्य कब आरम्भ होगा ?

रेलवे तथा परिवहन उपमंत्री (श्री अल्लगेशन) : (क) लगभग १५ अक्टूबर, १९५५ तक ।

(ख) लगभग अप्रैल, १९५६ तक ।

(ग) अभी यह नहीं कहा जा सकता कि काम शुरू होगा या नहीं और अगर होगा, तो कब ।

### Creches in Mica Mines

\*1647. Shri D. C. Sharma: Will the Minister of Labour be pleased to state:

(a) the number of creches provided at present in (i) State owned and (ii) private Mica Mines in India;

(b) how many of them are working satisfactorily; and

(c) whether all these creches are regularly supplied with milk, dolls etc.?

**The Deputy Minister of Labour (Shri Abid Ali):** (a)

(i) There are no State-owned Mica Mines.

(ii) 8.

(b) All.

(c) Yes.

### Shifting of Sugar Mills

\*1648. Shri Bibhuti Mishra: Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that the three sugar mills now located at Rampur, Khalilabad and Jarwal propose to shift to suitable areas;

(b) if so, the reasons therefor; and

(c) whether it will cause any inconvenience to the Cane-growers of that area?

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) The three sugar mills at Rampur, Khalilabad and Jarwal Road had indicated their intention to shift to more suitable sites. Jarwal Road factory has since decided to work at its existing site. The Raza factory at Rampur has made a formal application to shift which is under consideration but no such application has so far been received from Khalilabad factory.

(b) The main reason is that cane available in the zones of these factories is not sufficient for economic working.

(c) No. If any of the factories shifts to another site the cane of that area will be crushed by the neighbouring factories.

### Despatch of Sugar to Gauhati

\*1649 { Dr. Ram Subhag Singh;  
Shri Debeswar Sarmah;  
Shri K. P. Tripathi:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that Government have despatched about 5000 tons of sugar to Assam by steamers from Calcutta to Gauhati;

(b) whether it is also a fact that the quantity of sugar received at Gauhati was found about 2,000 maunds short in the first consignment;

(c) if so, who is responsible for it; and

(d) how the shortage has been made up?

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) About 3,810



tons of sugar has so far been despatched to Gauhati from Calcutta.

(b) No.

(c) and (d). Do not arise.

### Coal Mines Welfare Organisation

\*1650. **Pandit D. N. Tiwary:** Will the Minister of Labour be pleased to state:

(a) whether it is a fact that two senior officers of the department were deputed to study the working of the Coal Mines Welfare Organisation;

(b) whether they have submitted any report;

(c) if so, the details thereof; and

(d) whether any action has been taken or is proposed to be taken on the report?

**The Deputy Minister of Labour (Shri Abid Ali):** (a) A Study Group consisting of the Coal Mines Welfare Commissioner and two officers of the Ministry was appointed to make recommendations regarding this Organisation.

(b) and (c). The Group has made several suggestions for improving and accelerating the day to day activities of the Fund; the important ones are in respect of housing, dispensary services, and multi-purpose institutes.

(d) Several of the suggestions have already been implemented; others are under examination.

### Delhi Road Transport Service

\*1651. **Shri T. B. Vittal Rao:** Will the Minister of Transport be pleased to refer to the reply given to Unstarred Question No. 391 on the 17th August, 1955 and state:

(a) the nature of concessions given to students studying in different schools and colleges for travelling in Delhi Transport Service buses; and

(b) the average number of students who avail of this concession?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) Concessional monthly tickets for return trips are issued to students on payment of 30 single fares subject to a minimum charge of Rs. 7/8/- and a maximum charge of Rs. 12/8/-. Fortnightly concessional tickets are also issued on payment of half the monthly fares during the months in which the school or college terms begin or end in the middle of the month.

(b) 1699.

### Indian Council of Medical Research

\*1652. **Shri V. P. Nayar:** Will the Minister of Health be pleased to state:

(a) whether the Indian Council of Medical Research has indicated the subjects for research and given priorities to any of them; and

(b) if so, the names of such subjects?

**The Minister of Health (Rajkumari Amrit Kaur):** (a) Yes.

- (b) 1. Clinical Research
2. Nutrition
3. Leprosy
4. Maternal and Child Health
5. Communicable Diseases
6. Industrial Health Problems.
7. Drug Research—Researches in Indigenous Drugs
8. Virus Research

### Rural Medical Relief Enquiry Committee

\*1653. **Sardar Iqbal Singh:** Will the Minister of Health be pleased to state:

(a) whether the report of the Rural Medical Relief Enquiry Committee has been received and considered by Government;

(b) if so, the important recommendations made by the Committee; and

(c) which of their recommendations have been accepted by Government?

**The Minister of Health (Rajkumari Amrit Kaur):** (a) The work of this Committee was cut short in view of the fact that Rural Medical Relief Programmes were drawn up and have been carried out under the First Five Year Plan.

(b) and (c). Do not arise.

### Repairs of Tractors

842. **Shri N. B. Chowdhury:** Will the Minister of Food and Agriculture be pleased to lay a statement on the Table of the House showing the repair and other charges, year-wise, since 1947, in respect of the U.S. Army abandoned tractors with which the Central Tractor Organisation started work?

**The Minister of Food and Agriculture (Shri A. P. Jain):** Repair charges incurred on U.S. Army abandoned tractors

with which the Central Tractor Organisation started work are as under:—

Year	Expenditure on			Major details of overhauls only			Remarks
	Rehabilitation & major overhauls	Repairs other than rehabilitation	Store and spare consumption in the units	No. of rehabilitated chassis only	No. of rehabilitated engines	Complete tractors rehabilitated	
1	2	3	4	5	6	7	8
	Rs.	Rs.	Rs.				
1946-50	17,68,055	11,06,457	1,70,245	..	..	211	1. The expenditure of Rs. 17,68,055 represents the first rehabilitation charges carried out on the 211 tractors as soon as they were taken over from the Disposal Dept. The expenditure under col. (2) in the subsequent years indicates the major overhauls done in those years.
1950-51	13,54,045	50,608	3,08,307	98	107	24	2. Expenditure under Col. 3 & 4 is for tractor as well as other equipments in the units. The split up for tractors alone is not available.
1951-52	7,92,643	38,696	1,49,039	56	40	53	3. The old units were disbanded in 1951-52. But a few tractors were working even thereafter in the new units and the expenses in the years 1952-53 & 1953-54 relate to those tractors retained in new units.
1952-53	1,37,379	..	..	10	7	19	
1953-54	47,187			15	6	..	
1954-55				..		..	

### Monitoring

**843. Shri Krishnacharya Joshi:** Will the Minister of Communications be pleased to state the main functions of the monitoring stations at Delhi and Nagpur?

**The Deputy Minister of Communications (Shri Raj Bahadur):** The main functions of the monitoring stations es-

tablished at Delhi and Nagpur are the following:—

- Searching the ether for free channels in the Radio Frequency spectrum to which the out-of-band operations of certain services can be shifted in order to conform to the New Table of Frequency Allocations;
- Monitoring of channels subjected to harmful interference with a

view to finding out the means to remove the interference; and

- (iii) Measurement of frequencies of emission of the various radio channels and to enforce strict adherence to avoid interference and thereby improve overall performance of all the services.

### टिड्डिया

८४४. श्री कृष्णाचार्य जोशी : क्या साख और कृषि मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि मई, १९५५ में सीराष्ट्र में टिड्डियों का आक्रमण हुआ था ;

(ख) यदि हां, तो उससे कितनी हानि हुई ?

साख और कृषि मंत्री (श्री ए० पी० जैन) : (क) जी, हां ।

(ख) यह खबर मिली है कि टिड्डियों से फसलों को प्रायः कोई हानि नहीं हुई है ।

### Ticketless Travelling

845. **Shri Ibrahim:** Will the Minister of Railways be pleased to state :

(a) the number of ticketless travellers detected in all the zones separately in April, 1955; and

(b) the total amount of excess fares and penalties realized from them during the said period?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) and (b). A statement is attached. [See Appendix VIII, annexure 72].

### Annapoornas

846. **Shri Ibrahim:** Will the Minister of Food and Agriculture be pleased to state :

(a) the number of new 'Annapoornas' opened so far during the current year; and

(b) the names of the places where they have been opened ?

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) Two.

(b) Bombay—one at the Majestic Hotel and the other at the Bhartiya Vidya Bhavan.

### Raw Sugar

847. **Shri K. P. Sinha:** Will the Minister of Food and Agriculture be pleased to state the quantity of raw sugar imported upto the 31st May, 1955?

**The Minister of Food and Agriculture (Shri A. P. Jain):** 3,865 tons from 1st January, 1955 to 31st May, 1955.

### Polio

848. { **Shri Bhagwat Jha Azad:**  
**Dr. Ram Subhag Singh:**

Will the Minister of Health be pleased to refer to the reply given to starred question No. 1417 on the 20th December, 1954 and state:

(a) whether any survey of incidence of Polio has been made in any part of India; and

(b) the number of electro-microscopes available in India for diagnosing Polio?

**The Minister of Health (Rajkumari Amrit Kaur):** (a) No such survey has been made.

(b) The information is not readily available. It may, however, be stated that electron-microscopes are not required for the diagnosis of Poliomyelitis.

### Mangoes

849. **Shri S. C. Samanta:** Will the Minister of Food and Agriculture be pleased to state the steps, if any, taken or proposed to be taken to evolve new and better varieties of mangoes by controlled crossing?

**The Minister of Food and Agriculture (Shri A. P. Jain):** Three Fruit Research Schemes are running one in each of the states of Bihar, Madras and Uttar Pradesh, for evolving better varieties of mangoes through Controlled Crossings.

### Mangoes Canning

850. **Shri S. C. Samanta:** Will the Minister of Food and Agriculture be pleased to state:

(a) the varieties of mangoes which are at present suitable for canning; and

(b) whether there are any research stations in the country for the canning of mangoes?

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) Alfanso, Dasehri, Begum Phali, Langra, Phazli and Totapuri.

(b) Yes, research work on canning of mangoes is in progress at:—

- (1) Central Food Technological Research Institute, Mysore; and
- (2) Fruit Products Research Laboratory, Kodur (Madras).

### Railway Line

**851. Shri A. K. Gopalan:** Will the Minister of Railways be pleased to state:

(a) whether there have been demands for providing a rail link between Ponnani and Trichur *via* Guruvayyur on the Southern Railway in the Second Five Year Plan; and

(b) if so, the steps Government propose to take in the matter?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) and (b). No request has been received for the construction of a railway line from Trichur right upto Ponnani *via* Guruvayyur. A proposal for the construction of a railway line from Trichur to Guruvayyur and its further extension from Guruvayyur to Pattambi or Kuttipuram has, however, been received and it will be duly considered while selecting new lines for construction during the Second Five Year Plan Period.

### Cinchona Plantation

**852. Chaudhri Muhammed Shafie:** Will the Minister of Health be pleased to state:

(a) whether there has been an increase in acreage of Cinchona plantation this year;

(b) if so, how much and in which area; and

(c) the number of centres of Quinine production in India, Statewise?

**The Minister of Health (Rajkumari Amrit Kaur):** (a) No, Sir.

(b) Does not arise.

(c) There are three centres, two in Madras and one in West Bengal.

### Cure for Malaria

**853. Shri S. V. L. Narasimham:** Will the Minister of Health be pleased to state:

(a) whether it is a fact that juice extracted from certain leaves in Kashmir has been proved efficacious against malaria;

(b) if so, the names of the leaves; and

(c) whether the juice is extracted on a large scale?

**The Minister of Health (Rajkumari Amrit Kaur):** (a) Government have no knowledge of any such leaves.

(b) and (c). Do not arise.

### Coach Class

**854. Dr. Ram Subhag Singh:** Will the Minister of Communications be pleased to state:

(a) whether it is a fact that Government propose to introduce "Coach Class" in Air travel in India;

(b) if so, when this proposal is likely to materialise; and

(c) whether the rate of coach class fare has been determined?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a) No, Sir.

(b) and (c). Do not arise.

### Chandrakona Road Station

**855. Shri S. C. Samanta:** Will the Minister of Railways be pleased to state:

(a) whether Government are aware that the water supply and lighting arrangements on the Chandrakona Road Station on the South Eastern Railway are unsatisfactory;

(b) whether it is also a fact that there is no overbridge on the station; and

(c) if so, the action proposed to be taken in the matter?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) No.

(b) There is an overbridge at the station.

(c) Does not arise.

### Chiluvur Railway Station

**856. Shri C. R. Chowdary:** Will the Minister of Railways be pleased to state:

(a) when the constructional work at Chiluvur Railway Station on the Southern Railway was commenced;

(b) when it will be completed; and

(c) the manner in which the demolished materials of the old station buildings have been disposed of?

**The Deputy Minister of Railways and Transport (Shri Alagesan) :** (a) February, 1953.:

b) All the works have been completed in March, 1954 except the work of the covering over platform. This work is held up for want of Trusses from the manufacturers.

(c) The two carriage bodies which have been rendered surplus on the completion of the work will be auctioned. The roofing material i.e. C.I. Sheets will be removed and re-used for other works as and when required.

### Coal Consumption

**857. Shri M. Islamuddin:** Will the Minister of Railways be pleased to state the quantity and value of coal consumed by the Indian Railways during 1952-53 and 1954-55?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** Quantity of coal consumed by Indian Government Railways during 1952-53 and 1954-55 was 11.04 and 11.79 million tons, and the value thereof (excluding freight charges, excise duty, sales tax and cess) was Rs. 17.06 and 18.40 crores respectively.

### Compost Manure Scheme

**858. Dr. Satyawadi:** Will the Minister of Food and Agriculture be pleased to refer to the reply given to Unstarred Question No. 6 on the 17th February, 1954 and state how far the Compost Manure Scheme has progressed in the Punjab State since its introduction?

**The Minister of Food and Agriculture (Shri A. P. Jain):** The Compost Manure Scheme in the Punjab State continued to make satisfactory progress since its inception in 1947-48 as will be evident from the following table:

Year	Number of urban centres (total)	Production (in tons)	Distribution (in tons)
1947-48	7	5,626	1,284
1950-51	57	1,03,740	74,853
1953-54	78	1,66,228	1,62,180
1954-55**	86	1,33,897	1,23,127

\*\* Figures till the end of December 1954. Detailed figures for years 1949-50 to 1953-54 (upto Sept. 1953) were furnished to the Sabha in reply to unstarred question No. 6 on the 17th February, 1954.

### National Highways

**859. Shri H. G. Vaishnav :** Will the Minister of Transport be pleased to state :

(a) the total mileage of the National Highways in Hyderabad State; and

(b) whether there was any addition made to it after the financial integration of that State?

**The Deputy Minister of Railways and Transport (Shri Alagesan) :** (a) 595 miles.

(b) The Government of India assumed liability for the above length of National Highways after the financial integration of the State before which the roads were a State responsibility.

### Labour Disputes in Hyderabad State

**860. Shri H. G. Vaishnav:** Will the Minister of Labour be pleased to state:

(a) the number of labour disputes which arose in Hyderabad State during 1954;

(b) the names of the industrial concerns involved in these disputes; and

(c) the causes that lead to these disputes?

**The Deputy Minister of Labour (Shri Abid Ali) :** (a) to (c). Information is available only in respect of the industrial disputes in Central sphere under aking. During the year 1954, 64 disputes arose in the following undertakings in the Hyderabad State:—

- (1) Singareni group of collieries.
- (2) Sasti Collieries.
- (3) Hyderabad Gold Mines, Hutti.
- (4) Central Railway.
- (5) All Banks in the State.
- (6) Shahabad Group of Stone quarries.
- (7) Central Public Works Department.
- (8) Army Installations.
- (9) Central Food Grain Department.

The matters in dispute generally relates to wages, dearness allowance, hours of work and reinstatement of discharged or dismissed workers.

### Postal Employees

**861. Shrimati Sucheta Kripalani:** Will the Minister of Communications be pleased to state:

(a) whether it is a fact that the Special Compensatory Allowance at 12½ per cent. sanctioned for the staff of the Circle Offices at Madras and Nagpur, who have been transferred to the newly-formed Circle

Offices at Kurnool and Jaipur respectively, is due to expire on the 31st August, 1955;

(b) whether it is also a fact that majority of the employees have expressed a desire to be repatriated to their parent offices; and

(c) if the answers to parts (a) and (b) above be in the affirmative, the steps Government propose to take to repatriate this staff?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a) The payment of the allowance has been extended upto 29-2-56.

(b) Several officials have asked for repatriation.

(c) Subject to administrative needs they are being transferred as and when vacancies become available at Nagpur and Madras.

### Promotion of Clerks

**862. Shrimati Sucheta Kripalani:** Will the Minister of Communications be pleased to state:

(a) whether there is any provision in the departmental rules for the promotion of clerks in the scale of Rs. 55—130 to the higher scale of Rs. 80—220, without any examination;

(b) whether it is a fact that some lower division clerks of Telephone Revenue Office, Nagpur, working in the scale of Rs. 55—130, have been promoted as upper division clerks without any examination; and

(c) if so, the reasons for the discrimination in not giving the same concession to other employees of the Posts and Telegraphs Administrative Offices.

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a) No.

(b) Yes.

(c) The promotions in the Telephone Revenue Office, Nagpur, were made as a special case in the interests of service, as that office which was situated at Nagpur on decentralisation of work done at Delhi was heavily short of suitable staff at the time and those of the staff who agree to be transferred from Delhi in the face of considerable personal difficulties and inconveniences were allowed to be promoted in the new organisation at Nagpur as a special case.

### Postal Staff

**863. Shrimati Sucheta Kripalani:** Will the Minister of Communications be pleased to state:

(a) whether it is a fact that a scale of pay of Rs. 80—220 has been introduced for

clerks in all the Posts and Telegraphs Administrative Offices with effect from the 1st January 1953;

(b) whether it is a fact that this scale has not been introduced in the office of District Manager, Delhi Telephone District; and

(c) if the answer to parts (a) and (b) above be in the affirmative, the main reasons therefor?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a) Yes.

(b) Yes.

(c) Appointments in the scale of Rs. 80—220 are to be made from the eligible clerks on the basis of seniority-cum-fitness. As the question of fixation of seniority *inter se* of the officials of the Delhi Telephone District is under consideration and also because the number of appointments in the 80—220 scale is less than the number of officials, it has not been possible to introduce the scale.

### Railway Claims

**864. Thakur Jugal Kishore Sinha:** Will the Minister of Railways be pleased to state:

(a) the value of the claims for which payment had to be made during the last five years, year-wise, in the North Eastern Railway; and

(b) the value of the claims which were not accepted?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) and (b). A statement showing the required information is attached. [See Appendix VIII, annexure No. 73].

### Railway Employees

**865. Shri J. R. Mehta:** Will the Minister of Railways be pleased to state:

(a) the number of candidates recently declared successful for the various branches of Indian Service of Railway Engineers, in the All-India Competitive Test held by the Union Public Service Commission;

(b) whether it is a fact that this selection holds valid only for a limited period;

(c) if so, the date up to which the last selection will hold good; and

(d) the number of existing vacancies in the various branches?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) 68 candidates have qualified for appointment in the Indian Railway Service of Engineers, on the results of the combined Engineering Services Examination held in December 1954.

(b) Yes.

(c) This selection is only valid until the advertised vacancies are filled or actual requirements for which the examination is held are met.

(d) 18 vacancies will be filled on the results of the examination held in December 1954.

### Pilots and Ground Engineers

**866. Sardar Iqbal Singh:** Will the Minister of Communications be pleased to state:

(a) the total number of pilots and ground engineers trained so far in India;

(b) how many are undergoing training;

(c) the amount spent annually by Government over the training of pilots and ground engineers, separately; and

(d) the number of pilots and ground engineers employed so far?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a) *Pilots.*

'A'	'AI'	'B'
3,225	162	1,201

*Ground Engineers:*  
904

(b) *Pilot Trainees:*

For 'A' licence	176
For 'B' licence	73

*Ground Engineer Trainees:* 82

(c) The expenditure incurred by Government on the training of pilots and ground engineers occurs in two ways—

(1) expenditure on the running of the flying and engineering schools at the Civil Aviation Training Centre, Allahabad; and

(2) subsidies to the flying clubs. The expenditure at the Civil Aviation Training Centre flying and engineering schools varies from year to year. During 1953-54, the expenditure incurred on the flying and engineering schools and on payment of subsidy to the flying clubs was as follows:—

(a) Flying School Rs. 2,62,258/-

(b) Engineering School Rs. 1,88,235/-

Subsidy to Flying Clubs Rs. 8,46,674/-

(d) Out of 524 holders of current 'B' Pilot licences, 458 were employed on 1st September, 1955. Out of the balance of 66 pilots, only two hold Dakota endorsement; one of these has left India and the other one is employed with a private owner of an aircraft. Of the remaining 64, 14 are under training for Dakota endorsement and the remaining 50 have yet to go in for this course.

287 L.S.D.—3

The only other category of pilots who can be employed for commercial purposes, are those holding 'AI' licence. There was only one person holding such licence on 1st September, 1955. It is not known whether he is employed.

715 qualified ground engineers are in employment and 35 are known to be unemployed on 1st September, 1955.

### Foreign Telegraph Traffic

**867. Sardar Iqbal Singh:** Will the Minister of Communications be pleased to state:

(a) the amount of revenue in respect of foreign telegraph traffic during 1952-53, 1953-54 and 1954-55; and

(b) whether any fresh communication lines with any foreign country are to be opened during 1955-56?

**The Deputy Minister of Communications (Shri Raj Bahadur):** (a)

1952-53	Rs. 1,23,79,083
1953-54	Rs. 1,15,86,254
1954-55	Rs. 1,25,41,304

(b) The following services have already been opened during 1955-56:—

*Radiotelephone Services with:*

USSR

Poland.

*Radiotelegraph services with:*

Poland

Yugoslavia

*Radiophoto Service with:*

USSR.

Opening of further services within the year is under contemplation but the actual number of services to be opened and the countries to be connected will depend on several factors, e.g. the availability of equipment, the traffic potential etc.

### Railway Employees

**868. Chaudhri Muhammed Shafie:** Will the the Minister of Railways be pleased to state:

(a) the number of ticketcollectors, travelling ticket-collectors and conductors, grade-wise, in the various Railways; and

(b) the total amount paid to them during 1954-55 as pay and allowances?

**The Deputy Minister of Railway and Transport (Shri Alagesan):** (a) and (b). A statement giving the required information is attached herewith [See Appendix VIII, annexure No. 74].



**Rampur-Lalkuwa Link**

869. **Shri C. D. Pande:** Will the Minister of Railways be pleased to state:

(a) whether it is a fact that the survey work on the proposed Rampur-Lalkuwa broad gauge line has commenced; and

(b) if so when it is likely to be completed?

**The Deputy Minister of Railways and Transport (Shri Alagesan):** (a) Not yet. Estimate for a traffic survey is under examination and will be sanctioned shortly.

(b) Does not arise.

**Blind Men**

870. **Shrimati Ila Palchoudhury:** Will the Minister of Health be pleased to state:

(a) the total number of blind people in India;

(b) whether any statistics have been maintained in respect of born-blinds and otherwise rendered blind; and

(c) if so, the number of born-blinds.

**The Minister of Health (Rajkumari Amrit Kaur):** (a). No reliable statistics are available regarding the blind population in India. The Joint Committee appointed by the Central Advisory Board of Health and the Central Advisory Board of Education estimated, in 1944, the blind population of India at 2,000,000.

(b) No.

(c) Does not arise.

**रेलवे इंजिन (लोकोमोटिव)**

८७१. { श्री एम० एल० द्विवेदी :  
श्री जनार्दन रेड्डी :

क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) ४३१ रेलव इंजिन (लोकोमोटिव) मंगाने के लिये जो आर्डर जर्मनी को दिया गया था उसमें से भारत में अब तक कितने इंजिन आ गये हैं तथा शेष इंजिनों के कब तक आने की संभावना है ;

(ख) इस आर्डर के साथ जापान, आस्ट्रिया, चेकोस्लोवेकिया तथा अन्य दूसरे देशों को जो आर्डर दिये गये थे उनमें से कितने

रेलवे इंजिन अब तक भारत आ गये हैं, और कितने इंजिन आने अभी शेष हैं ; और

(ग) ये सब इंजिन कब तक भारत आ जायेंगे ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन) : (क) ४३१ रेलवे इंजिनों के नहीं ४३६ के आर्डर दिये गये थे । ४३६ में से अब तक २०६ मिल चुके हैं । ८२ इंजन १९५५-५६ में और बाकी १५१ इंजन १९५६-५७ में मिलने की आशा है ।

(ख) १०० मिल गये हैं और ३६६ अभी मिलने को हैं ।

(ग) मार्च १९५७ तक ।

**यात्रियों को सुविधायें**

८७२. श्री के० सी० सोषिया : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) १९५२-५३, १९५३-५४ तथा १९५४-५५ में केन्द्रीय रेलवे के सागर तथा ललितपुर रेलवे स्टेशनों पर कितने यात्रा-टिकटों की बिक्री हुई है ;

(ख) क्या यात्रियों को सुविधायें देने की व्यवस्था करते समय इन आंकड़ों पर भी ध्यान दिया जाता है ;

(ग) यदि हां, तो क्या सरकार का विचार सागर रेलवे स्टेशन के प्लेटफार्म पर एक शोड बनाने का है ?

रेलवे तथा परिवहन उपमंत्री (श्री अलगेशन) : (क) मांगी गयी सूचना का विवरण साथ नत्थी है । [बेल्जिये परिशिष्ट ८, अनुबन्ध संख्या ७५.]

(ख) जी, हां ।

(ग) सागर स्टेशन के प्लेटफार्म पर छत बनाने का सवाल 'यात्री सुविधा समिति' की भगली बैठक में रखने की विचार है ।



### डाक व तार पदाधिकारियों के विरुद्ध शिकायतें

८७३. श्री के० सी० सोधिया : क्या  
संचार मंत्री यह बताने की कृपा करेंगे कि :

(क) डाक व तार विभाग की १९५४-५५ की रिपोर्ट (कार्य) के पृष्ठ ७ में उल्लिखित भ्रष्टाचार के ५३० मामलों में कितने गजेटेड पदाधिकारी ग्रस्त हैं ;

(ख) उन पदाधिकारियों के पद क्या हैं ;

(ग) उनके विरुद्ध क्या आरोप हैं ;

(घ) कितने मामलों में आरोप सही सिद्ध हुए हैं ; और

(ङ) इन मामलों में से प्रत्येक मामले में ग्रस्त पदाधिकारियों के विरुद्ध क्या कार्यवाही की गई है ?

संचार उपमंत्री (श्री राज बहादुर) :

(क) २६ ।

(ख) (१) डाक-घरों के अधीक्षक  
(Superintendent of Post offices) ११

(२) रेल मेल व्यवस्था के अधीक्षक  
(Superintendent of R.M.S.) २

(३) सब डिवीजनल अफसर, तार ६

(४) सब डिवीजनल अफसर, टेली-  
फोन . . . ३

(५) कन्स्ट्रक्शन अफसर, तार . १

(६) सहायक इंजीनियर, टेलीफोन १

(७) डिवीजनल-इंजीनियर, तार . १

(८) पोस्टमास्टर, श्रेणी । . १

(ग) भ्रष्टाचार, पक्षपात, उत्पीड़न  
(Harassment) आदि ।

(घ) ६ ।

(ङ) एक नौकरी से हटा दिया गया  
है । बाकी पांच के मामलों पर विचार किया  
जा रहा है ।

### Train Service

874. **Thakur Jugal Kishore Sinha:**  
Will the Minister of Railways be pleased  
to state:

(a) whether it is a fact that Government  
propose to provide a Mail train between  
Delhi and Patna or via Patna for the con-  
venience of passengers; and

(b) if so, when this proposal is expected  
to materialise ?

**The Deputy Minister of Railways  
and Transport (Shri Alagesan):** (a)  
No, Sir.

(b) Does not arise.

Vol. V  
9th September, 1955 (Friday)

# LOK SABHA DEBATES

(Part II—Proceedings other than Questions and Answers)



LOK SABHA SECRETARIA  
NEW DELHI

SIX ANNAS (INDIA)

TWO SHILLINGS (FOREIGN)

# CONTENTS

(Vol. V, Nos. 21 to 40, dated 22nd August to 16th September, 1955)

## MONDAY, 22ND AUGUST, 1955—

COLUMNS

### Oral Answers to Questions—

Starred Questions Nos. 977, 978, 981, 983, 984, 986, 988 to 992, 994 to 996, 999 to 1001, 1003, 1004, 1008 to 1010, 985, 1005 and 1007. . . . . 3931—60

Short Notice Question No. 7. . . . . 3960—63

### Written Answers to Questions—

Starred Questions Nos. 976, 979, 980, 982, 987, 993, 997, 998, 1002 and 1006. . . . . 3963—68

Unstarred Questions Nos. 514 to 534. . . . . 3968—76

## TUESDAY, 23RD AUGUST, 1955—

### Oral Answers to Questions—

Starred Questions Nos. 1013, 1015, 1017, 1019 to 1021, 1024 to 1028, 1030, 1031, 1032, 1034 to 1036, 1038, 1041 to 1046, 1048, 1049 1053 and 1054 to 1056. . . . . 3977—4007

### Written Answers to Questions—

Starred Questions Nos. 1011, 1012, 1014, 1016, 1018, 1022, 1023, 1029, 1033, 1037, 1039, 1040, 1047, 1050, 1051, 1052 and 1057 to 1064. . . . . 4007—16

Unstarred Questions Nos. 535 to 563. . . . . 4016—28

## WEDNESDAY, 24TH AUGUST, 1955—

### Oral Answers to Questions—

Starred Questions Nos. 1065, 1066, 1068 to 1072, 1074, 1075, 1079, 1081, 1083, 1085, 1089 to 1091, 1093 to 1095, 1098 to 1100, 1102 to 1106 and 1108. . . . . 4029—62

### Written Answers to Questions—

Starred Questions Nos. 1067, 1073, 1076 to 1078, 1080, 1082, 1084, 108 1088, 1092, 1096, 1097, 1101, 1107 and 1109 to 1123. . . . . 4062—74

Unstarred Questions Nos. 564 to 584 and 586 to 604. . . . . 4074—94

## THURSDAY, 25TH AUGUST, 1955—

### Oral Answers to Questions—

Starred Questions Nos. 1124, 1125, 1129, 1131, 1132, 1135, 1137 to 1139, 1141, 1145 to 1147, 1149, 1150, 1152, 1154 to 1156, 1158, 1133, 1126, 1148, 1144, 1153 and 1157. . . . . 4095—4123

Short Notice Question No. 8. . . . . 4124—25

### Written Answers to Questions—

Starred Questions Nos. 1127, 1128, 1130, 1134, 1136, 1140, 1142, 1143 and 1151. . . . . 4125—28

Unstarred Questions Nos. 605 to 618. . . . . 4128—34

FRIDAY, 26TH AUGUST 1955—

COLUMNS

## Oral Answer to Question—

Starred Questions Nos. 1159 to 1161, 1164, 1167, 1168, 1170, 1171, 1173, 1175, 1178, 1181, 1184, 1185, 1189, 1190, 1194, 1195 and 1196. . . . .	4135—64
Correction of Answer to S.Q. 1164. . . . .	4161

## Written Answers to Questions—

Starred Questions Nos. 1162, 1163, 1165, 1166, 1169, 1172, 1174, 1176, 1177, 1179, 1180, 1182, 1183, 1186 to 1188, 1191 to 1193, and 1197 to 1203. . . . .	4165—75
--	---------

Unstarred Questions Nos. 619 to 636. . . . .	4175—82
--	---------

TUESDAY, 30TH AUGUST, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1204 to 1206, 1211, 1212, 1214 to 1216, 1221, 1224, 1228, 1231, 1232, 1234 to 1239 and 1241. . . . .	4183—4214
---	-----------

## Written Answers to Questions—

Starred Questions Nos. 1207 to 1210, 1213, 1217 to 1220, 1222, 1223, 1229, 1230, 1233, 1240, and 1242 to 1254. . . . .	4214—25
--	---------

Starred Questions Nos. 637 to 668. . . . .	4225—40
--	---------

WEDNESDAY, 31ST AUGUST, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1255, 1256, 1258, 1262 to 1264, 1266, 1268 to 1270, 1272, 1274 to 1277, 1279 to 1283, 1288 to 1290, 1292, 1293, 1295 to 1299, 1301, and 1302. . . . .	4241—71
--	---------

## Written Answers to Questions—

Starred Questions Nos. 1257, 1259 to 1261, 1265, 1267, 1271, 1273, 1278, 1284 to 1287, 1291, 1294 and 1300. . . . .	4271—76
---	---------

Unstarred Questions Nos. 669 to 679. . . . .	4276—80
--	---------

THURSDAY, 1ST SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1303, 1306, 1307, 1309, 1310 to 1312, 1315, 1317, 1318, 1320, 1322 to 1324, 1326 to 1330, 1341, 1331, 1333, 1335 to 1337, 1340 and 1342. . . . .	4281—4310
---	-----------

## Written Answers to Questions—

Starred Questions Nos. 1304, 1305, 1308, 1313, 1314, 1316, 1319, 1321, 1325, 1334, 1338, 1339 and 1343 to 1345. . . . .	4311—16
---	---------

Starred Questions Nos. 680 to 701. . . . .	4316—24
--	---------

FRIDAY, 2ND SEPTEMBER 1955

## Oral Answers to Questions—

Starred Questions Nos. 1346 to 1355, 1359 to 1362, 1364, 1365, 1367 to 1374, 1376, 1378 to 1383 and 1386. . . . .	4325—57
---	---------

Short Notice Question No. 9. . . . .	4357
--------------------------------------	------

## Written Answers to Questions—

Starred Questions Nos. 1356 to 1358, 1363, 1366, 1377, 1384, 1385, 1387 to 1391. . . . .	4358—62
--	---------

Unstarred Question Nos. 702 to 740. . . . .	4363—80
---	---------

## SATURDAY, 3RD SEPTEMBER, 1955—

COLUMNS

## Oral Answers to Questions—

Starred Questions Nos. 1394, 1403, 1395 to 1397, 1399, 1400, 1404 to 1407, 1409, 1410, 1413, 1414, 1416, 1418, 1419, 1423, 1424, 1425 to 1428, 1430, 1392 and 1412. . . . . 4381—4409

## Written Answers to Questions—

Starred Questions No. 1398, 1391, 1401, 1402, 1408, 1411, 1415, 1421, 1422, 1425, 1429 and 1431. . . . . 4409—14

Unstarred Questions Nos. 741 to 753. . . . . 4414—18

## MONDAY, 5TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1433, 1436, 1437, 1440, 1441, 1443, 1444, 1447, 1448, 1450 to 1453, 1455, 1456, 1458, 1459, 1461, 1464, 1438, 1446 and 1449. . . . . 4419—42

## Written Answers to Questions—

Starred Questions Nos. 1432, 1434, 1435, 1439, 1442, 1445, 1454, 1457, 1460, 1462, 1463 and 1465. . . . . 4442—46

Unstarred Questions Nos. 754 to 780. . . . . 4442—58

## TUESDAY, 6TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1466, 1467, 1469 to 1471, 1474 to 1481, 1485, 1486, 1488 to 1494, 1496, 1498 to 1500, 1502, 1503 and 1505 to 1507. . . . . 4459—92

## Written Answers to Questions—

Starred Questions Nos. 1468, 1472, 1473, 1482, 1483, 1484, 1487, 1495, 1497, 1501, 1504 and 1508 to 1515. . . . . 4492—99

Unstarred Questions Nos. 781 to 810, 812 and 813 . . . . . 4499—4514

## WEDNESDAY, 7TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1516 to 1522, 1524 to 1527, 1547, 1528 to 1533, 1536, 1537 and 1539 to 1545 . . . . . 4515—45

## Written Answers to Questions—

Starred Questions Nos. 1523, 1534, 1535, 1538, 1546 and 1548 to 1554. . . . . 4546—49

Unstarred Questions Nos. 814 to 823 . . . . . 4549—56

## THURSDAY, 8TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1555, 1556, 1558 to 1560, 1562 to 1566, 1568, 1570, 1571, 1573 to 1576, 1578 to 1583, 1585, 1587 to 1589, 1591 and 1592 . . . . . 4557—90

## Written Answers to Questions—

Starred Questions Nos. 1557, 1561, 1567, 1569, 1572, 1577, 1584, 1586, 1590 and 1594 to 1596. . . . . 4590—95

Unstarred Questions Nos. 824 to 841. . . . . 4595—4604

## FRIDAY, 9TH SEPTEMBER, 1955—

COLUMNS

## Oral Answers to Questions—

Starred Questions Nos. 1597, 1598, 1600 to 1606, 1610 to 1613, 1615, 1620, 1622 to 1625, 1627 to 1630, 1632 to 1639 and 1641. 4605—38

## Written Answers to Questions—

Starred Questions Nos. 1599, 1607 to 1609, 1614, 1616, 1618, 1619, 1621, 1626, 1631, 1640 and 1642 to 1653. 4638—48

Unstarred Questions Nos. 842 to 874. 4648—64

## MONDAY, 12TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1654 to 1657, 1661, 1663, 1666, 1667, 1669, 1671, 1673, 1675, 1677 to 1680, 1682, 1684, 1685, 1668 and 1659. 4665—88

## Written Answers to Questions—

Starred Questions Nos. 1658, 1660, 1662, 1664, 1665, 1670, 1672, 1674, 1676, 1681, 1683 and 1886 to 1688. 4689—94

Unstarred Questions Nos. 875 to 884. 4694—98

## TUESDAY, 13TH SEPTEMBER, 1955—

## Written Answers to Questions—

Starred Questions Nos. 1689 to 1718 . . . . . 4699—4710

Unstarred Questions Nos. 885 to 902, 904 and 905 . . . . . 4711—22

## WEDNESDAY, 14TH SEPTEMBER, 1955—

## Written Answers to Questions—

Starred Questions Nos. 1719 to 1787 . . . . . 4723—55

Unstarred Questions Nos. 906 to 941 . . . . . 4755—70

## THURSDAY, 15TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1790 to 1792, 1794 to 1801, 1803 to 1811, 1813 to 1816, 1819 to 1821 and 1788 . . . . . 4771—4800

## Written Answers to Questions—

Starred Questions Nos. 1789, 1793, 1802, 1812, 1817 and 1818. . . . . 4800—02

Unstarred Questions Nos. 942 to 953. . . . . 4802—08

## FRIDAY, 16TH SEPTEMBER, 1955—

## Oral Answers to Questions—

Starred Questions Nos. 1822, 1824 to 1826, 1828, 1829, 1831, 1832, 1834, 1835, 1837, 1838, 1840, 1841, 1843 to 1853, 1855 and 1857 to 1860 . . . . . 4809—40

## Written Answers to Questions—

Starred Questions Nos. 1823, 1827, 1830, 1833, 1836, 1839, 1842, 1854, 1856 and 1861 to 1867 . . . . . 4840—46

Unstarred Questions Nos. 954 to 976 and 978 to 991 . . . . . 4846—62

INDEX . . . . . 1—161

(Part II—Proceedings other than Questions and Answers)

12937

12938

LOK SABHA

Friday, 9th September, 1955.

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair.]

QUESTIONS AND ANSWERS

(See Part I)

12 Noon

PUBLIC ACCOUNTS COMMITTEE

FOURTEENTH REPORT

Shri V. B. Gandhi (Bombay City—North): I beg to present the Fourteenth Report of the Public Accounts Committee (1954-55), on the Appropriation Accounts (Defence Services), 1951-52 and 1952-53—Vol. I.

BUSINESS OF THE HOUSE

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): Sir, yesterday I stated on the floor of the House that the order in which Government intend to take up the various items of business for which time has been allocated so far by the Business Advisory Committee would be announced by me today. Government legislative and other business will be taken up after the Companies and Chartered Accountants (Amendment) Bills are passed by the House, in the following order:

(1) Displaced Persons Compensation and Rehabilitation Rules, 1955.

(2) Reports of the Commissioner for Scheduled Castes and

Scheduled Tribes for the years ending 31st December, 1953, and 31st December, 1954.

(3) Debate on Foreign Affairs.

(4) General Agreement on Tariffs and Trade.

(5) Representation of the People (Amendment) Bill; and Representation of the People (Second Amendment) Bill.

For reference to Select Committee.

(6) Negotiable Instruments (Amendment) Bill, as passed by Rajya Sabha.

(7) Rajya Sabha amendment to the Spirituous Preparations (Inter-State Trade and Commerce) Control Bill, 1955.

(8) Discussion on Economic Policy (Agricultural Land, including Rural Credit).

Shri Kamath (Hoshangabad): May I know whether the current Session is likely to be extended?

Mr. Speaker: It is difficult to say, but we are trying to move towards a convention that the House should commence sitting on a particular or specified date each year and end also on the appointed date. It is difficult to say anything at present on the point.

Shri S. L. Saksena (Gorakhpur Distt.—North): May I ask whether there will be a debate on the flood situation in the country? We were promised this and, therefore, I think there should be a debate on the subject in this House. All information about the extent of floods has now been gathered by the Government, as is obvious from the booklets circulated.



**Shri Satya Narayan Sinha:** That question is under consideration.

**Mr. Speaker:** Yes, that question is under consideration.

# COMPANIES BILL—Contd.

## Clauses 610 to 649

**Mr. Speaker:** The House will now resume further consideration of clauses 610 to 649 of the Companies Bill. Out of 5 hours allocated to these clauses, about 2½ hours now remain. This would mean that these clauses would be disposed of by about 2-30 P.M. Thereafter, the House will take up the next group consisting of Schedules I to XII and clause 1.

There were some further selected amendments received yesterday to the group of clauses 610 to 649 which are as follows:

Clause 614—Nos. 1171, 1172 and 1173.

Clause 633—No. 1174.

A list incorporating these and the others moved earlier has already been circulated to Members last night.

The following clauses were held over for consideration and they should also be disposed of by the House before the Schedules are taken up:

Clause 273, 516, new clause 516A and new clause 609A.

**Clause 614.—** (Power to modify Act etc.)

**Pandit Thakur Das Bhargava** (Gurgaon): I beg to move:

(1) Page 286, line 4—  
after "notification" insert "to be".

(2) Page 286, line 6—  
add at the end:

"and discussed and passed by the Houses before it is issued."

(3) Page 286, line 6—

add at the end:

"and Parliament will be com-

petent to make such modification as it likes within a period of one month from the time such notification is laid at the Table of the House."

**Clause 633.—** (Power of Central Government to make rules.)

**Pandit Thakur Das Bhargava:** I beg to move:

Page 291, line 19—

add at the end:

"and Parliament will make such modifications in the rules as it chooses within a period of two months from the time they are placed at the Table of the House."

**Mr. Speaker:** These amendments are also before the House.

**Dr. Krishnaswami** (Kanchipuram): When the House rose last evening I was in the midst of an argument concerning the propriety of exempting Government companies from the provisions of company law. I wish to make it clear that where Government owns 100 per cent. of the shares in a company, obviously many of the rules applicable to ordinary companies cannot be applied. Indeed the well known authority on modern company law, Gower, summarised the position thus:

"It will be appreciated that the absence of shares and shareholders automatically renders large and important branches of company law totally inapplicable; rules relating to the raising and maintenance of share capital, the control of directors by members, protection of minority shareholders, company meetings and the like can have no relevance. As we have said earlier, the knotty problem of the relationship between the management and the members is solved by the abolition of the latter."

But the approach of our Joint Committee to this problem is difficult to appreciate. Government companies are put in a peculiarly privileged position. Last night I happened to pursue the minutes of the Fourteenth Meeting of the Joint Committee which considered this question. The recommendations submitted by the Finance Ministry miss the point.

[SHRIMATI SUSHAMA SEN in the Chair]

There have been exemptions suggested for certain types of companies, but I do not think that any purpose will be served by having any of the Government companies other than those in which Government has 100 per cent. shares brought within the purview of the exemption clause at all. Indeed, the recommendations of the Finance Ministry on this subject is a peculiar case of 'Love's labours lost'. We have to bear in mind that a Government company, in which 51 per cent. of the shares are held by the Government, is not a company which is the exclusive property of the Government. It is one in which the Government has a technical majority holding of the shares and in theory the Government, according to the provisions of the Bill, is given powers to revoke all the safeguards provided in the Companies Bill. Let me read out briefly the particular section which covers these exemptions:

"614. Power to modify Act in relation to Government Companies— (1) The Central Government, by notification in the official Gazette, direct that any of the provisions of this Act, (other than sections 612 and 613) specified in the notification:—

(a) shall not apply to any Government company; or

(b) shall apply to any Government company, only with such exceptions, modifications and adaptations, as may be specified in the notification."

I want to ask only a few questions of those who have taken a prominent part in the deliberations of the Joint

Committee. What is it that you seek to achieve by granting such an exemption? The Government can, if it deems necessary, cheerfully decide one fine morning to exceed the overall limit of managerial remuneration laid down in clause 197, which is applicable to all companies. Of course, such a dispensation will be said to be in the national interest and we would then have to reconcile ourselves to this change.

Under clause 234, Government has to entertain complaints from shareholders. But exemption from this provision can be made. Government companies after all are run by people of virtue. What business is it of the poor shareholder to complain? How dare he cast doubts on the competence of Government managers? No, Sir. We might remind our shareholders even as Lady Catherine De Bough, in *Pride and Prejudice* did: Are the shades of Pemberley to be thus polluted? How can we ever entertain any complaint against Government directors? Indeed, the blanket power that has been given confers on the executive full and complete authority to dispense with any or all the provisions of the Companies Act except two provisions to which specific reference is made. Of course, the argument would be trotted out that Government would not be unreasonable, that it will not exercise these powers. I fail to understand the validity of this argument. If you do not choose to exercise these powers, then why take such large powers and why should Parliament give these powers to people who might not use them at some future date? After all, a statute is in existence until it is amended, and at any moment changes can occur. Some day a rash Finance Minister might come to this House and dispense with all these elaborate safeguards which are meant to protect the interests of shareholders. I think it is morally unjust and constitutionally improper to confer these blanket powers on Government. Have the legal consequences of such powers being given been examined? I have grave doubts on whether this particular

[Dr. Krishnaswami]

provision is in conformity with article 14 of our Constitution. We have after all a written Constitution which assures equal protection under law. On what grounds of legality can we distinguish between shareholders in a Government company and shareholders in a private company? I believe the Courts would have something to say on this classification of categories which has been attempted by the Joint Committee. How can we strip them of their rights? The shareholders have already been stripped of their virtues by the Government which does not trust them and now we are called upon to deprive them of their rights in Government companies. Even in a corporation—State corporation—although it is true that shareholders have limited rights, where an infringement of the statutory powers by the corporation occurs or where there is an infringement of their rights, the aggrieved individuals have a right to go to courts of law. Under this peculiar provision, if it is held to be valid, it will mean that the Government, if it is so minded, can deprive shareholders of all their rights. There is also another point which has to be taken into account. What is the sort of control that Parliament can exercise over such companies? The Finance Minister knows that Parliament's right to interpellate is extremely limited because the rule that has been propounded is that in the case of nationalised companies which are creatures of statute, questions regarding their administration cannot ordinarily be raised. There should be some check by Parliament. No check has been provided in this Bill. It looks as though we are given power to Government to create constitutional monsters which can function without any check or control either by shareholders or by Parliament.

**Shri Kamath (Hoshangabad):** We might create new conventions regarding interpellations here.

**Dr. Krishnaswami:** I have perused all conventions on the subject and

having taken into account all these conventions I am putting forth this argument. When we are considering Government companies, it is but proper that we should bear in mind the difficulties that face Parliament. Had we merely a departmental authority operating an enterprise it would be an entirely different proposition. The degree of control by Parliament would be considerably greater. I have in view in particular those companies in which the Government has less than 100 per cent. of the shares. Obviously in a company where the Government has less than 100 per cent. shares, problems of minority and maladministration will arise and it is better that the shareholders be given those specific rights which they are given under his Company Law for the purpose of having their grievances redressed. Having made these observations let me point out that I do not share the view that the management in these Government managed companies should be subjected to harassment.

I feel that in those provisions which relate to the powers of the Auditor-General clarity of thought has not been displayed. The Auditor-General is undoubtedly an important person and occupies a key position according to our Constitution. But we have to realise the limitations under which an Auditor-General functions. His technical competence to determine what should be the proper type of accounts is extremely limited. I have to point out that the function of an auditor is to decide whether the action taken is properly authorised. It is not for him to make an assessment as to whether the action is proper. The first is no doubt limited. The second is liable to be more dangerous. The first is an interpretation of facts. The second is an evaluation of the action of those responsible. It must be left purely to the Public Accounts Committee and the Estimates Committee to make an estimate or evaluate the actions of those responsible.

In this connection, I should like to bring to the notice of the House that

some of the Auditor-General's reports on companies create a doubt in our minds as to whether he has understood the criteria which should be taken into account. I hold no brief for the Industrial Finance Corporation. But reading the report I came across the criteria which could not be justified by anyone in this House. We have for instance the novel proposition trotted out that if an individual is given a loan at a different rate of interest, then ipso facto there is discrimination. No financial body can function unless it distinguishes between the types of borrowers and if we wish to allege anything unfair against a particular body we must find out whether there are other circumstances which have led to its indulging in discrimination.

In giving Auditor-General these powers we should be extremely careful not to saddle with functions which he cannot perform efficiently. The other function that has been entrusted to him under this Bill, namely, that he shall give comments on Government managed institutions, has to be curtailed. I feel that when there are comments given by the Auditor-General, they should be comments given to the Public Accounts Committee and should not be published; these comments should not be published because the management has very little chance of answering allegations that happen to be enquired into by the Parliamentary Committees. They are put in a disadvantageous position. If we wish on the other hand that the comments of the Auditor-General should be published, then the management's comments also on what the Auditor-General has said should be published simultaneously and the Public Accounts Committee should be seized of both. There is a practice in vogue in Government enterprises in the United Kingdom. A rider has been added in the case of the United Kingdom that where the State owns less than 100 per cent. shares principles of commercial accounting should be followed as far as possible and that the Controller and Auditor.

General should only supervise these criteria.

I, therefore, feel that by these provisions—clauses 612, 613 and 614—we are setting up a very dangerous precedent. We are creating by statute as it were a privileged community of Government-owned enterprises. I can understand the argument that we should have nationalisation on a large scale. But where we have two enterprises in which there are shareholders, there is no justification whatsoever for exempting one from the provisions of the Company Law and making the other subject to restraints. After all Government-owned enterprises must feel the pinpricks of these restraints and must not live in an atmosphere of cushioned comfort. Therefore, I think it is completely wrong that we should provide for exemptions except in the case where the Government owns 100 per cent. of the shares.

Now, I pass on to the other point to which my hon. friend, Pandit Bhargava made a reference yesterday. The Finance Minister the other day viewed my proposal to have a reviewing commission rather unkindly. I do not propose to use harsh expressions. But I should like to point out that such a commission is absolutely necessary. You have given so much executive discretion to the official hierarchy and these powers are liable to be abused—that it is absolutely necessary that there should be a reviewing commission. I cannot understand the argument that it need not be included in this Act. Every Act includes birth, marriage, death, and judgment after provisions and this is a very salutary provision. It ought to be in the Act because that would give an opportunity for reviewing the manner in which the Advisory Commission has exercised its powers and also the manner in which the Ministry has implemented the recommendations. In the amendment that stands in the name of Pandit Thakur Das Bhargava and myself, we have pointed out that the reviewing commission should give its opinion.....

**The Minister of Finance (Shri C. D. Deshmukh):** Which amendment?

**Dr. Krishnaswami:** Amendment No. 1157 to clause 631. I shall read out the amendment: we want to substitute the following clause:

**"631. Annual report on working of Act and Review Commission.—**

(1) Central Government shall cause a general report on the working and administration of this Act to be prepared annually.

(2) For the purpose of reviewing the working and administration as disclosed in the annual report prepared under sub-section (1) the Central Government shall—

(a) constitute a reviewing Commission consisting of not more than five members with suitable qualifications of whom at least one shall be a Chartered Accountant of ten years experience,

(b) appoint one of these persons to be Chairman of the Commission.

(3) It shall be the duty of the reviewing Commission to review—

(aa) the working and administration of the Act as disclosed in the report; and

(bb) to submit its report with its recommendations to the Central Government within three months from the receipt of the report by the Central Government.

(4) The Central Government shall cause the Central Annual Report prepared under sub-section (1) and the report of the reviewing Commission submitted under sub-section (3) to be laid before both Houses of Parliament within one year of the close of the year to which the annual report relates."

**Shri Morarka (Ganganagar-Jhunjhunu):** Does he want a reviewing commission to be established every year?

**Dr. Krishnaswami:** I do not want a reviewing commission to be appointed every year; it may be appointed for five years, or it may be appointed for three years. But, it has to perform the function of reviewing the doings of the Government in respect of Company Law Administration once a year. I do feel that it would exercise a salutary effect on the administration of our Company Law. Let us, after all, remember that the vast amount of powers we have given under the Company Law, may, in certain cases at least, exercise a degrading influence on our society. Unless there are possibilities of checks and balances in any political society it would be impossible for us to have a sound administration. People may say.....

**Shri Rane (Bhusaval):** May I know whether there is any such provision in the English Act or any other Act?

**Dr. Krishnaswami:** The English Act does not make an official a demi-God. No other democratic country makes an official a demi-God. We have in our wisdom chosen to make officials demi-God. Therefore, we should have a reviewing commission for the purpose of putting the fear of God into these demi-Gods.

I am unhappy, Madam, about the provisions which exempt Government companies from the provisions of the Company Law. Speaking on a former occasion I pointed out that some of the provisions in our company law might lead to the development of a servile society or a corrupt society; a servile society in which people wish to be on the right side of the Government or a corrupt society in which people want to persuade the Government to their own point of view. We should avoid either of these calamities because either of these societies different from the socialist pattern of society as anything can be.

**Shri A. M. Thomas (Ernakulam):** I wish to make certain observations regarding the clauses under the heading: "Application of the Act to Government Companies". I am afraid that

the trend of the discussions does not disclose the proper approach to this problem and it is high time that we adopt a corrective attitude. The impression that will be given to the public from the discussion on the floor of this House is that the Government is going to do something improper. I want to disabuse the minds of the hon. Members as well as the public of any such impression. We have to bear in mind the background of the growth of public enterprise in this country.

When the Bhabha Committee was asked to report on the problem of companies the practice of constituting our State enterprises into private limited companies had not been adopted—it is more or less a matter of recent growth—so that it was never called upon to report on this matter nor has it reported on it. The first company that was to be formed as a private limited company was the Sindri Fertilizers and Chemicals Limited in December, 1951. Then in January, 1952 the Hindustan Shipyard was formed with two-third share by the Government and one-third by the Scindia Company. In 1952 itself the Hindustan Cables Ltd., and the Nahan Foundry Ltd., were formed. In January, 1953 the Hindustan Housing Factory was constituted as a private limited company and in 1953 itself we had the Hindustan Machine Tools Factory also constituted into a private limited company. With regard to Sindri Fertilizers and Hindustan Cables they are all owned and financed by the Government of India. I have already mentioned that with regard to the Hindustan Shipyard two-third share is owned by the Government. With regard to the Hindustan Antibiotics Ltd., it was constituted on 1st January, 1954 and this also is a wholly State-owned enterprise. The Hindustan Insecticides Ltd., which manages the D.D.T. Factory, was constituted into a private limited company on 1st April, 1954 and that also is fully owned by the Government. The Hindustan Housing Factory which, as I have already submitted, was constituted in

January 1953, is more or less a partnership concern with Messrs. Basakha Singh Ltd. The Nahan Foundry Ltd. was constituted into private limited company in 1953.

We have to bear in mind that all these State enterprises which have been constituted into corporate concerns are all private limited companies. I do not know whether the hon. Members have borne that distinction in mind when they dealt with the companies which we have already constituted. We know that all the provisions in this Bill are not applicable to private limited companies and they enjoy several exemptions and several privileges which are not, as a matter of fact, being enjoyed by public limited companies. Another fact that we have to bear in mind is that with regard to almost all these companies cent. per cent. ownership is vested with the Government. There is another feature also with regard to these companies which we have to bear in mind and that is that agreements have been entered into with other participating concerns so much so the working is, as reality, controlled by the provisions of those agreements. Those agreements have all been placed on the Table of the House and they are all available in the Parliament Library also. We have also to bear in mind, in view of our several future Plans and especially in view of the socialistic pattern of society, the necessity of a growing public sector.

Madam, when this House has adopted the socialistic pattern of society and when there is a demand from all sections of the House—except from the section to which my friend Shri Tulsidas and others belong—that State must more and more enter into the sphere of industrial enterprise, I am surprised that hon. Members should be influenced by the whispering campaign that is going on in our country that everything is wrong with regard to the public enterprises. We had recently a leaflet published somewhere from Calcutta to the effect

[Shri A. M. Thomas]

that all our national enterprises which we have undertaken are being run on a loss and the affairs are being mis-managed in a most hopeless fashion. I feel that, perhaps, the Members have been a little influenced by that sort of campaign that is going on in our country.

What I want to impress on the House is this. A set pattern for government companies is not possible at this stage. That was the reason why the Joint Committee has not chosen to adopt the various provisions which the Government itself introduced at the Joint Committee stage, as will be seen from the minutes of the fifty-seventh meeting of the Joint Committee. The Joint Committee did so very wisely and I am surprised to find that some Members of the Joint Committee even now feel that the various provisions should have been detailed in the very Bill itself. It is not advisable to incorporate them when we are not sure of the future pattern of the companies which will take out management of State enterprises, to set up a uniform pattern which will be applicable to all the companies. Although there have been statements on the part of hon. Members that there is absolutely no justification for making any distinction or any discrimination at all between the companies owned by the Government as well as other companies in the private sector, it has been, I feel, recognised that some sort of exemption will be necessary in the actual working of the companies which are Government-owned. I do not think that fact will be disputed at all. To what extent exemptions should be introduced is a matter of dispute between the several Members and that may be the reason why although the Joint Committee had various provisions which can be incorporated in the Bill, which will empower the Government to give exemptions with regard to companies, they proceeded on certain basic principles. We find at page 173 of the *Minutes of the Companies Bill*,

which has been circulated, the following passages:

"The Committee took into consideration the draft 12A proposed by Government to be inserted in the Bill. The Finance Minister explained to the Committee that this draft chapter was an attempt to give form to the assurance given by him in the House, when the House discussed these establishments of a committee of Parliament for going into the Government enterprises. The Committee accepted the following:

So far as Government companies are concerned, it would be inappropriate to apply to them the clauses of the Bill imposing penalty in respect of failure to do certain things," by the directors, managers, etc. "But clauses prescribing routine things like supplying information to shareholders, filing returns, issuing prospectus, etc., should be made applicable to them like any other company."

That is the general principle adopted by the Joint Committee. Then, in the next paragraph, which is very important, they say:

"Having accepted the principle as stated in the preceding paragraph, the Committee started examining the different clauses of the draft, Part 12A."

They are the clauses which exempt Government-owned companies from the operation of this Bill.

"But after some discussion it was felt that the scheme of the existing clause 575 with certain amendments would be a more suitable one for the purpose of this Part 12A. So, the Committee reverted to consider clause 575".

We find the result of the Joint Committee's discussion at page XXV, paragraph 155, of the Joint Committee's Report. I do not want to take up the time of the House by reading those relevant paragraphs from page XXV.



My friend Dr. Krishnaswami, disputed the very wisdom of constituting State enterprises, into private limited companies.

**Dr. Krishnaswami:** No, I did not, except where Government hold less than 100 per cent. shares in companies public and private.

**Shri A. M. Thomas:** Anyhow, my hon. friend complained that Parliamentary control over those undertakings has been taken away by constituting those enterprises into private limited companies. I beg to differ from my hon. friend. It has been universally recognised that some amount of internal autonomy and freedom from the day-to-day working is necessary for managing these enterprises. We have frequently come across the controversy connected with Parliamentary control and this controversy has more or less assumed a permanent character. This controversy has been going on in the United Kingdom. My friend Dr. Krishnaswami, has been comparing the pattern of State enterprises that we have adopted by forming these private limited companies with the pattern in the United Kingdom. I should think that Dr. Krishnaswami, knows that with regard to the management of State enterprises, so far as U.K. is concerned, they have been constituted into statutory autonomous corporations different from the private limited companies which we have formed. There are two claims: the claim to have the working of these State enterprises with freedom with regard to the day-to-day working, and the claim of the representatives of the people to have a check on these State enterprises. It is just to adjust both these claims that the Government have been adopting this practice of constituting these State enterprises into private limited companies without special legislation.

The withdrawal of monies from the Consolidated Fund takes place with the approval of Parliament. In the case of ordinary Government department, Parliament exercises its overall supervisory powers by ques-

tioning the Minister in charge on matters of policy, and by a debate over the budget, the annual reports and statements of accounts. All these are available in the case of the working of these private limited companies also. I would request any Member who has got doubt concerning this matter to go through the latest administration report of the Ministry of Production, and know for himself how all available information has been given concerning the work of these private limited companies.

Another fact which I wish to bring out—and it has been hinted by Dr. Krishnaswami, towards the close of his speech—is with regard to the control that the Comptroller and Auditor-General can exercise over the working of these companies. As a matter of fact, when we go through the clauses of this Bill, we will surely see that the Government companies are not in a privileged position at all. I have already indicated that so far as the companies now working are concerned, they are private limited companies, and there is no obligation cast upon any private limited company which is working in the private sector to have its accounts audited by the Comptroller and Auditor-General. So, my submission is this: the government companies are not at all in a privileged position. They are, if I may submit so, in an exacting position. So far as the articles of the various private limited companies are concerned, even now, a provision exists giving the right to the Comptroller and Auditor-General to make arrangements for independent audit. What has been done by the Joint Committee, under the provisions of this Bill, is to give statutory recognition to the practice already existing. If you go through any of the articles or the memorandum of association of those companies, you will see that an article provides for independent audit by the Comptroller and Auditor-General, and the Bill now gives statutory recognition to that practice which is being adopted in the matter of those companies. So, I submit that the best

[Shri A. M. Thomas]

guarantee for getting an opportunity to study the affairs of the company is given by the provisions contained in this Bill for the Government companies.

After having said this much, I wish to refer to the amendments which stand in the name of Pandit Thakur Das Bhargava, and my humble self. They are amendment Nos. 1171 to 1174, both inclusive. Amendment No. 1171 is this:

Page 286, line 4—

after "notification" insert.

"to be".

With this amendment, the clause will read thus:

"A copy of every notification to be issued under sub-section (1) shall, as soon as may be after such issue, be laid before both Houses of Parliament".

The insertion of these words will be clearer from the other amendments that I intend to move. Amendment No. 1172 runs as follows:

Page 286, line 6—

add at the end:

"and discussed and passed by the Houses before it is issued."

Then, amendment No. 1173, is as follows:

Page 286, line 6—

add at the end:

"and Parliament will be competent to make such modification as it likes within a period of one month from the time such notification is laid at the Table of the House."

The next amendment is No. 1174 which says:

Page 291, line 19—

add at the end:

"and Parliament will make such modifications in the rules as it chooses within a period of two

months from the time they are placed at the Table of the House."

These amendments are explanatory. The object with which these amendments have been moved is only this. It is difficult to provide in the Bill which of these clauses should not apply to Government companies at present. But when any company is sought to be exempted from the operation of any section of the Act, the Parliament should have an opportunity to decide whether it is proper to exempt that company from the operation of that section. If such a provision is not possible, the alternative amendment that has been suggested is that the exemptions which are sought to be given may be placed before the Parliament by the Government and the Parliament must have an opportunity to modify it or, to negative it or to add to it after it has been notified within a particular time. Even if the Government finds it difficult to adopt the first amendment, I believe it will not be difficult for the Government to accept the last two amendments that we have moved.

Lastly, I wish to submit that the power which has been taken under clause 614 is not to put any premium on inefficiency in the management of Government enterprises. We have also to bear in mind that as far as these State enterprises are concerned, they are all open books from the very start. We know that even when the preliminary investigations are carried on, the Minister-in-Charge takes the House into confidence. When any preliminary agreement is entered into, as we have seen in the case of Hindustan Steel Limited and also in the agreement with the U.S.S.R., the House is being taken into confidence from the very preliminary stages, so that it may not be necessary as in the case of other companies to have prospectuses for floating these companies. From the very nature of things, regarding several of the provisions which are intended to be applied to companies in the private sector, it will be

superfluous to apply them to the Government companies. I have also submitted that it is not possible to achieve uniformity nor is it desirable, because the constitution of each company will be different—it may be entirely State-owned or State-owned to the extent of 51 per cent. or 80 per cent. So, we have to adopt the provisions as circumstances require the Government to act in any particular category of companies. Shri Tulsidas was waxing eloquent on the fact saying "You adopt all these provisions in the case of companies in the private sector; but with regard to companies which are State-owned, it is a power of discrimination that is, going to be adopted." Shri Tulsidas also said that according to the present provisions, if any private company does not commence business within a particular period, that company will have to go; but in the case of public companies, there is no such provision. We have to bear in mind one distinction at this stage. As far as the public sector is concerned, the State is not coming in in all sorts of enterprises. We are still following the industrial policy resolution of 1948, so that the private sector is given complete freedom with regard to many industries. But the State interferes only in a limited class of industries—basic and other strategic industries. Also, it is a matter of experience that the private sector is not prepared to venture into those enterprises. That is the reason why the State has to take up those enterprises. For example, we have propose to work a synthetic oil plant as a State enterprise. We know that it may not be a profitable concern and so the private sector will not be forthcoming for undertaking such a task. We have also other enterprises of a similar nature where the private sector will not come forward. Therefore, it is not possible to adopt all the provision, which we require to adopt in the case of companies in the private sector, which has got a long history and long experience of the management of such companies, in the case of Government enterprises.

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

**Shri A. M. Thomas:** I will finish in one minute.

My submission is that the House should not at all be influenced by the fact that any discrimination is sought to be made by clause 614 of this Bill. I would like to go a step further and say that limited companies formed by the Government are in a more exacting position, having regard to the audit provided by the Auditor-General, than other private limited companies, or for that matter, any other public companies in the private sector. One argument is advanced by Pandit Bhargava, and others saying 'with regard to all these matters, the companies which the State has started should set up an example to the other private sector also.' That is a proposition which cannot be disputed. In the matter of labour participation or in the amenities given to labour etc., it is certainly advisable that the State should be a model employer with regard to these undertakings. Beyond, that, it is not advisable to adopt all the provisions that we have in this Bill to these State companies also.

One word more and I have done. We are not going to have managing companies for these Government companies at all. The very keynote of this Bill is to put restrictions on the managing agency system. All these restrictions are meant to curb the evils of the managing agency system. If that managing agency system is not adopted in the case of government companies, I do not understand why the provisions which are intended to curb these evils should be adopted in the case of government companies.

I commend the provisions that have been adopted by the Joint Committee with suitable modifications as have been suggested by me as well as by the Finance Minister.

**Shri Kamath:** I shall be very brief. Before I come to the clauses under discussion, I shall briefly refer to the

{Shri Kamath}

new clause 516A the draft of which has been sent to me, in accordance with the suggestion made by the Speaker yesterday, by the hon. Minister. I am glad that the hon. Minister has decided to stick to his resolve to accept the principle of my amendment. I would only request you that it should not be taken up before 2-30.

Coming to the clauses under discussion, I have got five amendments—amendments Nos. 1158, 1159, 1160, 1161 and 1162. Taking the last amendment, 1162, first I am aware that there is a clause already, No. 610 regarding the application of the Act to insurance, banking, electricity supply and other companies governed by special Acts. I think the draft of this amendment of mine is simpler. Either it may go as a new clause or as a substitute to clause 610 already in the draft Bill. I have suggested:

"635A. Nothing in this Act shall affect the provisions of any special law relating to any particular types of companies and compliance with such law by companies governed by it shall be deemed to be compliance with the provisions of this Act."

It is self-explanatory and does not need any comment.

I now proceed to amendment 1161 to clause 634, relating to the rule-making powers of the High Courts. The Calcutta, Madras and Bombay High Courts are the only High Courts which have got original jurisdiction and I understand that they have got very elaborate rules which have been in operation for a number of years. I do not think that any departure from these rules already in existence and in operation for a long time is necessary or desirable at this stage.

Coming to amendment No. 1160 to clause 632, there is nothing much of principle in it. I want to make sure that the Government will publish not merely the amended or altered

rules and schedules, but also the alterations themselves. Clause 632 says:

".....alter any of the regulations, rules, tables, forms and other provisions contained in any of the Schedules to this Act....."

I want the Government not merely to publish the altered rules, but the alteration itself, in each case because very often it happens that when the altered rules are published, unless you refer to the old rules, you do not know what has been altered. I have suggested that in lines 38 and 39, the words "by notification in the Official Gazette" be omitted and at the end of the clause 632(1), the words "by publishing the alterations in the Official Gazette" be added, so that we will have an idea of the alterations, and not merely the altered rules and regulations and Schedules.

Coming to amendment No. 1159, clause 613, refers to audit. I have suggested that without prejudice to the provisions already contained in clauses 223 to 232 which deal with the appointment and remuneration of auditors, this clause may be amended according to the suggestion made by me in this amendment. I would only like to make a slight change here. On second thoughts I think that instead of empowering the Central Government here.....

**Mr. Chairman:** Is this a new amendment?

**Shri Kamath:** Yes. Amendment No. 1159, to clause 613: this has been circulated. I think it would be better to have the "Comptroller and Auditor-General" instead of the "Central Government." In place of all these sub-clauses of clause 613, we may have a simpler formulation of this provision, as I have suggested in my amendment No. 1159.

Then, I come to my first amendment, No. 1158, last and I shall take only a couple of minutes. This relates to Government companies envisaged in clause 611. I want to bring within

the ambit of Government companies some other companies as well, by defining Government companies a little more widely, by casting the net a little wider. The Explanation to the amendment reads:

"Government means the Central Government, State Government or both together or any Government company."

If this last bit of the explanation be not accepted, there is a danger of Government trying to extend its patronage to other companies without that other company coming within the ambit of this clause. Further, I have suggested in this amendment that a company in which not less than half of the shares are held by the Government may be deemed to be a Government company. I have said the same about loans. That also should be provided for in this definition of Government company.

That is all I would like to urge in respect of my amendments. I am sorry I have to hurry away in connection with some urgent engagement. If I get a chance after 2-30, I would crave your indulgence again.

**Shri K. K. Basu** (Dianong Harbour): On these clauses?

**Shri Kamath**: No, but 516.

**Shri K. K. Basu**: In respect of these provisions regarding Government companies, I have moved a number of amendments that stand in my name and the name of some of my hon. friends. First, I shall deal with the subject that has been dealt last by my hon. friend **Shri Kamath**, regarding definition of a Government company. I have also moved an amendment in which I have reduced the size of Government shareholding from 51 per cent. to 30 per cent. and also I have tried to bring in those companies where Government has given a guarantee for loans or for a fixed dividend. There are certain companies whose shareholders may be either banks or other institutions, but the

Government guarantees a certain fixed return, dividend at a stipulated rate or within a certain varying rate. Return on the capital is more or less guaranteed by the Government. There are special agreements nowadays coming up every now and then. In some cases, it may be that huge sums of money are being taken as loans from either the International Monetary Fund or any other foreign agencies or in the internal market for which Government gives guarantees. In the existing provisions of the Industrial Finance Corporation Act, an amendment was made whereby irrespective of the share capital or paid-up capital of the company, Government may guarantee loans to any extent. It means that a company with a capital of Rs. 50 lakhs may raise a loan of Rs. 5 crores in the international market or anywhere else and Government stand guarantee for that. Also as my hon. friend **Shri K. P. Tripathi** said, we are faced with a situation in which in some oil companies in Assam, Government will have 30 per cent. shares. If you restrict the proposition to 51 per cent., it means that except in those cases where Government have a majority of the shares, these provisions will not apply, as also the powers that we are taking as regards the control of the Auditor General. We know fully well that under the planned economy, whether mixed or adulterated or whatever it may be, Government are going to either join in partnership or by themselves establish quite a number of public corporations and it is necessary that a certain power should be embodied in the Company law itself. Of course, so far as we are concerned, we do not accept the proposition that where the Government are cent per cent. shareholders, there is necessity to have a public corporation because that takes the whole thing out of the purview of Parliamentary control so far as administration is concerned. We are often told that autonomy is necessary, but I shall deal with that point later, but we

[Shri K. K. Basu]

know fully well that there is a method by which we can develop business administration even in respect of those companies which are run as a department of the Government or directly under it. For example, in the Railways or in the defence industries—you may say that the defence industries are run on a no-profit no-loss basis—or even in the Posts and Telegraphs department we have certain institutions for manufacture and repairs, which though managed under a department can be run on somewhat business-like lines.

L.R.M.

But, my whole attitude is this. When the nation is investing some money or is a guarantor for the payment of certain money, it is absolutely necessary that the minimum control which the Parliament can have through the Auditor-General should be there, and unless we call all those companies Government companies I do not think the provision under this particular chapter may come into being. Because, I give an example. In the case of a company in which the Government has 30 per cent. of the shares, of course, it may be argued that as it is incorporated under the law of the land, there are the provisions regarding investigations and that Government has the power to investigate and force them to adopt proportional representation or whatever it may be, and therefore Government can have some control. But my proposition is this. Supposing there is a company in which Government has 30 per cent. of the shares and other people outside have 70 per cent. Naturally, the majority of shareholders will always have control of the organisation as such, unless Government possibly on the recommendation of the minority shareholder—Government itself is the shareholder—invokes certain special provisions regarding investigation etc. Otherwise, the question of audit and management is bound to be determined by the

majority shareholders, and therefore Government will have no control over the most important part namely control of audit through the Auditor-General. And we will be told in the House that Government has invested so much money, or has earned no dividend, or there may be a casual reference to it which may find a place in the annual report of the Ministry to which the particular establishment is attached.

We have seen in the recent past, and also in the future quite a number of concerns will come into being in which Government will participate. Apart from going into the policy or the principle behind it, what I would like to urge is that in all these cases where Government has a substantial interest either as shareholder or as guarantor for loan or guarantor for a fixed rate of dividend, it is absolutely necessary that Government should have some control over that. Therefore, I have moved the amendment in order to see that these are declared as Government companies.

Some of my friends may argue that as soon as it is declared to be a Government company, it becomes entitled to certain privileges, and the other shareholders may not try to work with them, but I do not understand the logic behind this, because when the other shareholders come forward with a proposal to the Government and ask the Government to participate in the share capital or guarantee the loan or guarantee the payment of a dividend at a fixed rate, naturally at that stage they come to an agreement as to the manner in which the administration is to run. Unless a private company is forced into the situation that without Government help they cannot get the money, they will never approach the Government either for participation in the share capital or for becoming a guarantor of the loan or dividend at a fixed rate of interest. Therefore, it is absolutely necessary that at that point of time an agreement should be reached as to

what sections of this Act should be applicable to such a company. There will not be any difficulty, because it is not every private company which is affected. Those companies which ask for Government help should be bound by certain limitations, and it is absolutely necessary that this should be provided for.

The nation is going to invest a huge amount. These are bound to be big companies where the share capital would be of the value of Rs. 5 or Rs. 10 crores. We know very well that a loan of Rs. 12 or Rs. 15 crores has been obtained from the International Monetary Fund for development of iron and steel in Bengal, and Government is the guarantor. I was told, but I am not sure, that Government has advanced to the Tata Iron and Steel Co. a loan or guaranteed a loan three or four times the actual paid-up capital. Somebody was telling me. I do not know the exact amount. In such cases Government should have a certain interest, at least a certain authority to see the accounts and how they are run. It may be argued that Government directors are there. We know fully well that they are the Joint Secretaries or Secretaries, and they might change from one department to another in six months, and there may not be any continuity. There will not be the same person who will continue to be the director. And naturally a director who attends just one or two meetings may be able to express only a general opinion to the Government and may not be in a position to know the detailed administration of the company which is absolutely necessary. Therefore, what we want is that in all these cases where huge sums of the nation's money are at stake, it is absolutely necessary they should come within the purview of Government companies.

In this connection, I of course support the principle of one of the amendments of my friend. Shri Kamath wherein he says that Government companies should not only be restrict-

ed to the actual participation of Government itself; it may be that a Government company like the Industrial Finance Corporation in which Government has a large stake or shareholding may advance a loan or may participate in the shares of another company, in which case the latter company should also come within the limitations of this particular chapter regarding Government companies. Because, the other day we were told, and it came out in the press, that a certain corporation has underwritten shares. We may have many State organisations or many State investment corporations which may be autonomous bodies with some Government share and some share by outside bodies like banks, insurance companies and other credit institutions, but all these institutions may participate in the share of a particular company but that particular company will not be considered as a Government company as Government itself is not directly participating in the shares of the company or is not a guarantor or loan etc.

Our whole attitude is this. There is no point in saying as some friends have said: "Let the private sector run amuck; we have nothing to do with it." In spite of our criticism, Government has accepted today a mixed economy, and there will be side by side the public and the private sectors, and they may also have a common sector, the public and private sectors combined with joint participation. Therefore, it is absolutely necessary that some form of Parliamentary control which looks after the requirements of the country must be there, and the most important point is the power of the Auditor-General to look into the affairs of the company. He is, under the Constitution, an independent authority. He is not directly under the control of Parliament as such. Under the present definition of Government companies I do not think the Auditor-General's jurisdiction can be invoked so far as the question of



[Shri K. K. Basu]

looking into the affairs of these companies is concerned. This is so far as our argument regarding the extension of the scope of the definition of Government companies is concerned.)

Then, in dealing with these Government companies we have another amendment, No. 1165, which is insertion of a new clause 613A. This clause says:

*"Government companies to have twenty-five per cent. directors from amongst the employees.—In the case of a Government company, twenty-five per cent. of the total number of directorships or two, whichever number is greater, shall be elected from amongst the employees of the company in the manner prescribed by the Central Government."*

I want to put in this amendment because we know fully well that in the case of all these Government companies there is a director usually who is supposed to represent labour. The Finance Minister might say that he has not yet decided as to labour participation in the management, as to what form it should take and when it should be. That may be applicable so far as companies in the private sector are concerned. But for the Government companies we have accepted this principle that there should be a person who should be a representative of labour. I have put it at 25 per cent. I feel that unless we develop this system of participation of labour in Government undertakings at least, labour will not feel that they are common participants in the development of the nation. And when we have accepted that proposition that there should be one man representing labour, what I want is he should be one who should be elected by the labourers who are engaged in the particular concern. For, we know how labour representatives are chosen when Government float a company, as for instance, the steel plant in Orissa.

Somebody is chosen as a representative of labour, who might have worked as a labour leader either in Bihar or possibly in Bombay or somewhere else. That appointment is more or less a stepping-stone for him for a Ministership.

Shri T. B. Vittal Rao (Khammam): Ahmedabad textile expert.

Shri K. K. Basu: Today he may be a textile expert, but tomorrow he may become a Minister, and the next day he may become a Governor. That is not the type of representation that we want. If Government accept the theory that labour should be represented, then why should there be any nomination? Of course, at the stage of promotion, you may say that there should be some gentleman who is supposed to be connected with labour movement. But why should not Government as a model employer develop the idea that the labour employed in a particular undertaking should elect their own representatives to function as labour directors or whatever it might be. In my amendment, I have asked only for twenty-five per cent. of the total number of directorships or two, whichever is greater. If Government are not willing to concede that, at least they can concede that in the case of these labourers, they will have their own elected representatives.

As a Member of the Estimates Committee, I have gone round some of the government undertakings, and I have seen how the labour directors there have been chosen. Unless he comes from a particular union, he is not chosen. We know fully well that in the area in which a particular undertaking is situated there are very often two or three schools of unions, if I may use that expression—and unless a person belongs to a particular union, he is not chosen. The result is that the actual person chosen as labour representative on the directorate has no connection with the labour working in that undertaking. He comes like

any other director, attends the meeting of the board of directors, and reacts to the discussion there according to commonsense or in whatever way he likes, and then he goes away. That sort of representation for labour is of no use.

What we would like to emphasise is that is the case of government companies at least there should be a statutory provision to the effect that soon after the promotion of the companies—if it is not possible at the time of promotion—a labour director should be elected by the labour themselves. I have kept the method of election open. I have left it to Government to decide, because if I give any particular suggestion, Government might come forward and say, this system may work well in Sindri, but it will not work well in the Hindustan Shipyard, there some other method would be required and so on. It may be that undertakings situated in different areas may require different methods of election. But what I want is that Government should at least concede the principle that a labour director will be elected by the employees themselves in any particular undertaking. In my amendment I have suggested twenty-five per cent. of the total number of directorships or two. But if Government are prepared to concede the principle of my amendment I would be satisfied, and they can have modifications or alterations to the amendment that I have suggested.

I feel that if in these nationalised undertakings we are not able to generate enthusiasm among the employees who actually with the sweat of their brow are producing the wealth of the nation, then they will never feel that they are participants in the building up of the nation. You may talk much about the socialistic pattern or whatever pattern it might be. But I am not concerned with any pattern, because we may talk about many things without actually doing

300 L.S.D.

anything. What I am concerned with is only this. Whenever you establish a nationalised undertaking, it is absolutely necessary that you as a model employer should make everybody,—right from the managing director down to the ordinary peons who are working in it,—feel that they are participants in the building up of the nation of the future, where they expect that they will have a better life. This is what I would like to say with regard to my amendment seeking to introduce a new clause 613A.

I have also got another amendment in my name, namely amendment No. 1150. By this amendment, I seek to substitute the words 'on the advice of' for the words 'after consultation with' in amendment No. 1067 moved by the Finance Minister. According to that amendment, the Finance Minister seeks to provide that the auditor of a government company shall be appointed or reappointed after consultation with the Comptroller and Auditor-General of India. I want that the auditor should be appointed on the advice of the Comptroller and Auditor-General of India. That is the short point of my amendment. The hon. Minister might say that that is precisely what he has in mind. But I would like to point out that the expression 'after consultation with' does not make the position very clear. I am not sure whether that expression will make it a statutory obligation on the part of Government to abide by the advice tendered by the Comptroller and Auditor-General; according to me, that expression would mean that you may take the advice of the Auditor-General, but you may or may not abide by that advice. But if you put in the words 'on the advice of' specifically—and that is the expression used in many other places—it would make it clear that every auditor that is going to be appointed in respect of a Government company will be a person chosen under the advice of the Auditor-General. That is the short

[Shri K. K. Basu]

point I would like to make in regard to this amendment.

I now come to a proposition which has been so loudly championed by Dr. Krishnaswami and others, namely the role of the private sector. I for one believe that so far as the industrial expansion of our country is concerned, there has to be an increase in the role of the private sector. However, I fully concede that for some time to come, it would be in the interests of the nation to allow the private sector to continue and to develop in certain specified industries or in specified sectors of production. In regard to the public sector which is being expanded, I should urge that by and large, it should be under the control of Parliament.

Of late, a theory has been developed that unless there is some autonomy for the public sector, it cannot grow. But what does this autonomy mean? We have seen how these autonomous enterprises of Government are working. I would not like to refer to any particular undertaking, but I would say that as a Member of the Estimates Committee, I had occasion to go round some of these government undertakings. I found that a person who was in charge of the P. and T. Department had been appointed on his retirement as the head of one of the factories, the Sindri factory, or the steel plant or some other undertaking. In Sindri we find that a person who was working in the Ministry of Railways is now working as managing director; he is now in charge of the business management. I do not know how he came to acquire all this business experience all of a sudden, and how he will be able to run it.

One result of this theory of the need for autonomy is that there is a lot of bureaucratisation. The bureaucrats in these autonomous bodies think that they are all powerful. We cannot even put questions about the details relating to such undertakings, because they are autonomous. I am

willing to concede that since Parliament is so busy with a lot of legislative work, it may not find time to go into the details very minutely. But what I would urge is that they should at least come under the direct control of Parliament. And Parliament may devise some suitable device to ensure supervision of those undertakings. For the last several years, we have asked for the setting up of a Parliamentary committee to supervise the working of these nationalised undertakings, but Government have not agreed to that. But I say that it is absolutely necessary that Parliamentary control should be there.

Apart from the question of the nation's money being wasted, there is also the point to be considered that we are now developing a new sector of industry, and the experience that Parliament derives from its working should be utilised in either expanding it or modifying it in the future. To-day, there is no denying the fact that we have no intention to go back. On the other hand, possibly the public sector will be on the increase. We on this side of the House want that it should expand with greater speed. But my hon. friends opposite may not like that. As they profess, they would say that it will have to be at a slower speed, and we have to move with caution or moderation. Whatever that may be, my point here is that these public undertakings should be under parliamentary control. After all, it is the Parliament that will decide what is in the interests of the nation, and how that is to be done.

As I mentioned earlier, this question of autonomy has led only to over-bureaucratisation, without any increase in business efficiency. I am not therefore prepared to agree that this autonomy should be there and that these undertakings should be organised as corporations or as limited companies, in order to ensure that autonomy. In fact, we can determine here what are the undertakings run by the Ministry of Production which will have a particular type of management

and so on. We can also establish a convention that the appointment of X or Y should not be insisted unless it be vital in the national interests.

As I said earlier, like the Public Accounts Committee or the Estimates Committee, we can have another statutory committee consisting of Members of Parliament to guide and advise the Ministry as to how to run these undertakings. The report of that committee and their advice can be brought before Parliament, and we can discuss the matter threadbare.

So, it is not necessary that these undertakings should be established either as corporations or as limited companies having autonomy. I say that such a theory is absolutely wrong. As we have seen, such autonomy has only resulted in the powers being exercised without proper parliamentary check. Of course, we have the Public Accounts Committee, but that committee conducts only a *post mortem* examination after a period of three or four years.

In the Estimates Committee, we know fully well that in one year we cannot deal with more than two Ministries. And when the matter which relates to the Ministry of Production, or whatever it is, comes up, it will be six or seven years afterwards. By that time, so much money must have been drained away and wasted, possibly a hundred crores of rupees. Therefore, it is necessary to have a new method of management which should be developed; it should be directly under the control of Parliament. I for one is not enamoured of this theory of autonomy which very much suits the philosophy of the vested interests. I for one want to see a new type of management; there can be either a managerial cadre or there can be control by Parliament over these enterprises as a convention. We can adopt some such procedure.

What the work of the reviewing authority suggested by Dr. Krishnaswami will be, I do not know. If it

is that the reviewing authority will be such as will consist of some Members of Parliament who will form a Committee and consider the reports and discuss the whole thing, I am willing to concede that there should be some such authority. But to ask for a reviewing Commission, when we have already an Advisory Commission, which will be composed of experts who will be appointed by Government has no meaning. It will be like one expert body sitting in judgment on another expert body, both of them nominated by Government. I for one believe,—and I have also moved an amendment to that effect,—that the Auditor-General's report and the report of the Government on the administration of this Act in relation to companies should be made available to the House, and Parliament should be given opportunity to discuss the whole matter and see how the Government have utilised the provisions of this law, to what extent the Auditor-General has reported on these things and so on. Therefore, I for one am completely opposed to the idea of giving such authority to a reviewing Commission suggested by Dr. Krishnaswami. I suggest that Parliament should discuss the working of the Act, the way in which the exemption clauses have been utilised, whether they have been misused or used in the best interests of the nation and so on. Because I feel that this company law is not only a matter between company management and shareholders, but it also reflects the application of the economic policy that the Parliament has directed Government to follow in the course of their activities.

**Shri N. C. Chatterjee (Hooghly):** This Parliament will stultify itself and the Government will be open to very strong criticism in the country if clause 614 is enacted, as it stands. If you kindly look at clause 614, it says: 'Power to modify Act in relation to Government companies'. The Central Government may, by notification in the Official Gazette, direct that any of the provisions of this Act (other than sections 612 and 613) specified in the

[Shri N. C. Chatterjee]

notification shall not apply to any Government company. There is certain amount of misgiving that the hon. Finance Minister, who was a very experienced bureaucrat at one time, is entering into some kind of device in order to arrogate powers so that all Government companies shall be completely immune from the scope and operation of the Companies Act, and is trying to have power so that the Companies Act should be a dead letter with regard to all Government companies. Only two sections have been specifically made compulsorily operative with regard to government companies, sections 612 and 613. Section 612 says:

**"Future Government companies not to have managing agents:** No Government company formed after the commencement of this Act shall appoint a managing agent."

Clause 613 says:

**"Application of sections 223 to 232 to Government companies."**

This deals with audit and other matters.

I have no doubt that there is no such sinister design on the part of the Finance Minister to arrogate power or to take such wide and extraordinary power in his hands that he can make the Companies Act completely nugatory. That will be an evil day for this Parliament, that will be an evil day for the public sector, and we will be open to the charge that while we are tightening up and putting so many restrictions on the private sector, we are really doing nothing to see that Government departments and government companies also function properly. I do not think there was any such sinister design on the part of the Ministry or the Government. The whole difficulty was this. We had some kind of a list. But unfortunately the list could not be so finalised in the Joint Committee. This is in Part XIII, which in itself is a bad number. It is the last part. I

wish it were some other part. The Committee found that it was very difficult to frame a complete pattern of rules or sections which would be applicable to government companies. Still, I think in fairness to government companies and in order to pacify public opinion and to show the bona fides of the Government the Finance Minister ought to make his position clear in this House. I would appeal to him to make it clear that certain essential things must be made applicable to Government companies. Take, for instance, clause 197. It seems to be one of the most important clauses which we have in our wisdom enacted here. Clause 197 says that the overall maximum for managerial remuneration shall be fixed at 11 per cent. You have fixed the overall managerial remuneration for directors, managing agents, secretaries and treasurers and managers at 11 per cent (maximum) of the net profits of the company. You ought to say that that overall maximum shall be applicable also to government companies. I know that there will be no managing agents or no secretaries and treasurers, but still, whether you have managing agents or not, it does not matter; you will have managers or some directors and other people functioning who will work these companies. That overall maximum should not only be made applicable to private companies but also to Government companies, so that we know where we stand. We know that there is some restriction put and we shall know that that maximum shall not be allowed to be exceeded in the case of a Government company.

**Shri C. D. Deshmukh:** How do we manage that now? Do we have in amendment giving the numbers of clauses from which companies cannot be exempted? Or would the hon. Member like to pick out a few clauses in respect of which no exemption shall be given? Then there will have to be an amendment, say, provided that

no such exemption shall be given from the operation of clauses.....

**Shri N. C. Chatterjee:** You have already got clauses 612 and 613.

**Shri C. D. Deshmukh:** I know. More to be added to these?

**Shri N. C. Chatterjee:** That is what I am pointing out. It can be easily done. There are certain cardinal clauses. I call them cardinal because...

**Shri C. D. Deshmukh:** What is say is; is the hon. Member prepared to give a list of them here and now?

**Shri N. C. Chatterjee:** I think I can.

**Shri C. D. Deshmukh:** It has to be done now.

**Shri N. C. Chatterjee:** What I am saying is that if the hon. Finance Minister has got his mind clear on this question, we can formulate the point and if he accepts, it can go through. At least, he should give an assurance to the House that in respect of these matters, there is absolutely no desire on the part of Government to exceed the maximum or in any way to defect from the principles enunciated in this Act.

**Shri C. D. Deshmukh:** Clause 197 is a bad example to take, because exceptions are allowed there.

**Shri N. C. Chatterjee:** First of all, am I to understand that the general desire on the part of Government is not to apply clause 197?

**Shri C. D. Deshmukh:** No, no. To apply clause 197 as it is passed by the House, which gives power to Government to relax. One hon. Member pointed out that it had no meaning.

**Shri N. C. Chatterjee:** First of all, is it not the general desire, is it not the intention of the statute that 11 per cent. should be the ordinary maximum in the case of managerial remuneration?

**Shri C. D. Deshmukh:** I am talking of circumstances in which there is no

profit. In a new concern, when there is no profit and the minimum of Rs. 50,000 is likely to be exceeded, it is only then that a question of making an exception arises. Now, the clause, as passed, provides for making all these exceptions. So if clause 197 is applied, as passed, we do not secure anything very important because Government themselves are the deciding authority

**Shri N. C. Chatterjee:** Still Government will decide on certain principles. Certain criteria have been laid down. Ordinarily, the maximum overall remuneration is prescribed at 11 per cent. Cannot the Finance Minister, Madam, even give an assurance to the House....

**Shri C. D. Deshmukh:** Certainly.

**Shri N. C. Chatterjee:** ...that in respect of these matters, there is absolutely no intention to make any exception in the case of a Government company? That is with regard to overall remuneration. Or take another instance. We have been talking a lot about oppression of minorities and so on. We have made special provision against that. That is in clause 407. We have also got the provision that any member can approach the court in certain cases. Would you simply give an immunity that in no case where the Government is managing a company, however much a minority may feel oppressed, they cannot enforce the provisions of these sections? Will that be a fair thing to do?

Take for instance, clauses 396 to 406. If you look at page 201 you will see it says 'Prevention of oppression and mismanagement'. Clause 396 is application to court for relief in cases of oppression. It reads:

"Any members of a company who complain that the affairs of the company are being conducted in a manner oppressive to any member or members (including any one or more of themselves) may apply to the Court for an order under this section...."

[Shri N. C. Chatterjee]

Is it the intention of Government that in no case of any charge of mismanagement, even if it is founded on cogent grounds, will this clause be applicable; or that it cannot ever be invoked by any members of the company merely because it is managed by Government? Would that be fair? Therefore, I am saying that there are certain cases which you have provided and which are vital and which are likely to improve the private sector. At the same time, it would not be fair to give immunity to government companies. Otherwise, people will suspect that you are taking a licence in order to indulge in all sorts of activities without the salutary provisions of this Act applied.

There are also other things. I do not know about winding up. In certain cases, winding up is permissible. Is it the intention of Government that no government company, however mismanaged or at whatever loss it may be carried, can ever be wound up or for ever there can be no application for winding up? Supposing the Minister is taking a particular view and is not taking any action, or supposing a particular department has got a soft corner on a particular government company; am I to understand that even if it is carried on at much loss for years and years, will there be no question of winding up? Will you not allow the shareholders to apply to the court for winding up? These are very vital things. Although it is not quite feasible to think of a complete list, in respect of certain matters it is not simply fair to do so.

If you look at page xxv of the Report of the Joint Committee, it is said:

"The Committee are of opinion that so far as Government Companies are concerned, it will be inappropriate to apply the clauses of the Bill which impose a penalty in respect of failure to do various things by directors, managers etc. But the provisions requiring the supply of information to shareholders, the submission of returns

and the like should be made applicable to Government Companies also in the same manner as in the case of other companies."

My only quarrel is that you should not stop there. You should go further ahead. As Pandit Thakur Das Bhargava has said, we are complaining that the private sector has misbehaved and we are also complaining that there are certain black spots also in government managed companies. Therefore, it is vital in national interests, in the interests of public funds, in the interest of having our control to see that these healthy recommendations which we have embodied in the Bill should be made applicable to government managed companies also. It may not be that all these things should be applied in every government company but the main things you are taking more care to be put down in this should made applicable. Then there will be a feeling that everything is above board and that there is no interest on the part of the Minister and the Government to keep back anything. Otherwise there is some point or force in what Shri Tulsidas has said that in order to get complete immunity from parliamentary control the Government can start a company and get it registered and so on. If they have it as a department of Government they will be amenable to parliamentary control. Thereby you make parliamentary control illusory. Therefore it is very material that the hon. Minister should give an assurance to the public and to this Parliament that there is absolutely no desire to keep back anything or to make the company law completely dead so far as government companies are concerned. It should be in their interest to see that the full searchlight of public criticism is available. We are now enlarging the scope because formerly it was 80 per cent. and now we have made it 51; that is if there is 51 per cent. of government shareholding then it becomes a government company. Therefore, it is still more necessary



that all these salutary provisions should be made applicable to them so that there should be no kind of hush hush policy and trying to get immunity or getting licence to do whatever they like simply because government runs a particular company or has got an upper hand in the management.

**Shri C. D. Deshmukh:** I feel that the issue which is essentially a simple one has been rendered complicated by the importation of a great deal of feeling arising out of the Bill that is before the House, at least in the case of some hon. Members. I am thinking, particularly of the hon. Member opposite who referred to questions of the relative efficiency of the private and the public sectors. I hardly think that this is a place for entering on that controversy because none of the provisions that we have now suggested have any intention to give any unfair advantage, as a balancing factor, to the public sector. The hon. Member has also raised the question of parliamentary control. That is, again, a separate issue which is still not closed. It was raised at one time on the basis of information that a special Parliamentary Committee had recommended that a special committee be set up in U.K. for examining, from the policy point of view, the affairs of the Government Companies and Corporations. We investigated that matter, followed it for a little while and discovered that that particular recommendation had not been accepted by the Parliament. I do not know whether hon. Members are aware of it; but, our information is that it was not accepted. Therefore, the matter is still left to the Parliament to take a view on.

The view we put forward tentatively was that between themselves, the Estimates Committee and the Public Accounts Committee should be able to deal with this issue. But, it is possible to argue that when one embarks on an enlarging field of government companies and corporations, some *ad hoc* arrangement would have to be made for the simple reason that these

two committees will not be able to do their normal work and yet deal with a situation where they have to go into the affairs of Government Companies. When that stage comes, I have no doubt that some one will suggest and, possibly, Government will accept that Parliament should approve of some special arrangements. But, in essence, it is a matter for Parliament to decide on general grounds and not so much on the ground of what Government participation in any matter is. Here we are dealing merely with the question of shareholding. There are other ways in which Government monies are engaged and may be in jeopardy if control is relaxed. One hon. Member who moved his amendment referred to loans and guarantees. As far as I can see, that is a process that will go on in an increasing measure as we go along with the implementation of a planned economy. And it is not possible to bring all those cases within the four corners of the company law. Government interest may be a small one and yet may be a vital one in which case it would still be right for Parliament to urge that Parliamentary control should be exercised. Therefore, I suggest that we should dissociate the matter of Parliamentary control from the question of definition of a government company and the limited aspect in which we exercise that control, namely, through an audit by the Comptroller and Auditor-General. In that amendment, the hon. Member suggested that government companies should be not only those for which there is a loan or a guarantee but enterprises which obtain loans or obtain investments from such companies. A time will come, it seems to me, when almost every company in this country will be a government company....

**Shri T. S. A. Chettiar** (Tiruppur): It must be majority of shares—51 per cent.

**Shri C. D. Deshmukh:** It has nothing to do with majority at all. The other amendment is that it should be reauc-

[Shri C. D. Deshmukh]

ed to 30. Therefore, what I gather is this. One example was given—IISC0. God knows in how many companies it has shares; and all those companies should be regarded as government companies. If Government has placed a loan at the disposal of the Industrial Credit and Investment Corporation, as we have, because it is created for the purpose of underwriting and giving loans to other companies, then all those companies, without a single direct investment, should be regarded as government companies. I say that it is a *reductio ad absurdum* of the theory of parliamentary control. I would be the last person to resist any suggestion that Parliament must not relax control, and whatever methods are open to Government they must make the executive to adopt—whether it is an annual report, whether it is a report by the Comptroller and Auditor-General, whether there are any other special report. After all, the Industrial Finance Corporation is not a government company according to the definition that we have given. Originally when it was started, it would have been even a government company under the amendment suggested by the hon. Member.

**Shri K. K. Basu:** Then, some other amendment would have been there.

**Shri C. D. Deshmukh:** That is the trouble, because it is not on the merits of the thing but because an amendment has to be given. If it is a matter of principle, I say that in that case 20 per cent. was held by the Reserve Bank which was not then owned by the Government. It was in 1948. Then the nationalisation of the Reserve Bank came in, and the rest of it was held by banking companies, insurance companies and co-operative societies, and yet we have lost no opportunity—we have done it rightly—to see that where Government money is involved there is a guarantee there. Therefore, it is open to us to take every opportunity of criti-

cising the working and operations of a company like that or a corporation like that. I agree with the hon. Member that it is possible to over-strain the meaning of autonomy. I am not myself a great believer in autonomy so far as Parliament is concerned, and that was the feeling, if I may say so, with the Damodar Valley Corporation at one time. There was a feeling in their minds that "since Parliament has given us this power, we are autonomous." If I may give a personal reminiscence, I came to Delhi in November 1949, and then the Damodar Valley Corporation and the Ministry of Irrigation and Power were not on speaking terms, because the D.V.C. claimed that they were autonomous. Since then much water has flowed under the bridge and we have the Parliament....

**Shri K. K. Basu:** The bridge was raised after the water had flowed?

**Shri C. D. Deshmukh:** After the turbid water passed under the bridge, limpid water has started flowing under the bridge. That is why I am mentioning this, and I do not wish to mention anything which is a current difficulty. Those difficulties are all over and an understanding has been reached, and I am at one with the hon. Member when I say that all these corporations, autonomous bodies and so on should be subjected to the control of Parliament, that Parliament is supreme and must exercise its control. Parliament must know of every little wisp or trace of money that goes anywhere. After all, we give grants to thousands of institutions. Are they government institutions? Do we say that a school for deaf and dumb, which receives Rs. 10,000 as grant, is a government institution? Something must be done and the Auditor-General must go and audit the accounts of that institutions in that case.

**Shri K. K. Basu:** But you still insist on certain checks by the Government. You have a set of rules within which they must come. It is not just giving them the money and leaving them to do what they like.

**Shri C. D. Deshmukh:** The hon. Member has made a point for me. Therefore, apart from law, Government must know and secure its interests. I quite agree that even if Rs. 10,000 is mis-spent, that particular Ministry or Government is responsible, and if it then appears that these grants are wasted, certainly Government might show that it is taking reasonable care to follow them up. Therefore, Government may make a stipulation that whoever receives a credit or a loan or a guarantee must agree to an audit by the Comptroller and Auditor-General. That is a matter to be agreed between the recipient and the Government. Similarly it seems to me that it would be a matter to be agreed upon and it is usually done that way by the appointment of a Government director or audit by the Comptroller and Auditor-General. In such cases where we have no predominant interest, we still have or could have a stipulation by which the Comptroller and Auditor-General could audit the accounts. Therefore, we should dissociate that general issue from the question of framing a definition of what is a government company. I suggest that since we have come down from 80 to 51, we really have made all reasonable requirements, that is to say, if there is a Government majority and if there is an effective Government control, it should be regarded as a government company. The use of those words will be rightly understood, I think.

When we brought this list before the Joint Committee, the Joint Committee did not go into the details of it. There it is that we lay our cards on the table. We said that here are instances in which we feel that the law would not apply, but when it was reduced to 51, then it is quite obvious that the original list could not have

stood. In other words, even if the Joint Committee had thought of including a list in a schedule for instance—not in a main section—it could not have given that list, and I readily accept the criticism that when there are minorities, obviously there must be some protection against oppression. Prospectus and other things have got meaning because certain representations are made by a large number of people—thousands of people and there is no reason why the State companies should be exempted. All I can say is that it is not the intention. Our difficulty—I think the difficulty of the Joint Committee also was how to apply all these to companies where Government participation may be from 51 to 100 per cent. In the case of 100 per cent., hon. Members who have generally opposed this generally agree that certain exemptions must be made. There are exemptions in other countries where when a nationalisation law was passed, exemptions had to be given because the thing was absurd on the face of it. Arranging the affairs in the way of rather a department is another matter. Whatever Government's motives may be I suggest there is no reason to impugn it. The principal reason is that there should not be departmental interference in the day-to-day affairs in which case there is bound to be red tape. On the one hand there is complaint of red tape but on the other there could not be a complaint against this expedient by which we want to insulate the day-to-day work of these companies from interference of the Ministries. That is the only reason why we are forming these companies. In such companies where there is a majority of Government shares, we want that we should have some way by which we can distinguish between a company with, say 80 or 90 per cent. Government holding and a company with 51 per cent. If I had any right means of generalising by sections 197 or 396 or whatever it is I shall be very happy to have such a provision. I myself think from whatever thought I have given to this matter that it is going to

[Shri C. D. Deshmukh]

be extremely difficult and therefore we are left only to this expedient of exemption.

I am very glad that hon. Member who spoke last had exonerated the Finance Minister from any sinister motive to bureaucratised these institutions. I do not think that anything could be gained by doing so.

I was in agreement with certain hon. Members who have suggested amendments here that the proper remedy is to bring the matter before Parliament. If every time the matter comes before Parliament, where is the danger? We bring the matter—every single matter—where a notification is to issue before the sovereign body and we will place all our notifications before them. We will say that for these reasons we think that the following sections will not apply—not only not apply but will appear ridiculous if you apply them. I have taken notice of the argument of an hon. Member: if something does not apply let it not apply. If you cannot have complaints of members, let there be no members to complain? On the other hand there are certain other matters where we cannot comply with the letter of a particular provision. We shall bring all those facts before the Parliament. Therefore, I am prepared to accept the amendment.

The amendment is in two forms. One is No. 1167 and the other, amendment Nos. 1171 and 1172. There are two forms in which these amendments have been given. We prefer the latter one—namely, 1171 and 1172, but in a slightly changed form which I will read:

“A copy of every notification proposed to be issued under subsection (1) shall be laid in draft before both Houses of Parliament for a period of not less than 30 days while they are in session and if, during that period, either House disapproves of the issue of the notification or approves of

such issue only with modifications, the notification shall not be issued or as the case may require, shall be issued only with such modifications as may be agreed upon by both the Houses.”

This is a redraft of that and I think this will secure all legitimate purposes and all legitimate interests. I shall hand this over.

**Shri N. C. Chatterjee:** Do kindly make it clear. This notification will not be issued unless it is placed before the Parliament. Is it?

**Shri C. D. Deshmukh:** I read out:

“A copy of every notification proposed to be issued under subsection (1) shall be laid in draft before both Houses of Parliament....shall be issued only with such modifications as may be agreed upon by both the Houses.”

It is as if you are legislating on every occasion and I think that should meet all legitimate demands.

The next point is about taking advice before we draft such a notification. I accept the amendment of Shri T. S. A. Chettiar—No. 114. We have already passed clause 410 and all matters connected with the Advisory Commission—what should be referred to them and what not—were all discussed when we discussed that clause and passed it. Nevertheless, I give an assurance to be recorded here that we shall consult the Advisory Commission before we draft such a notification and place it before the House and I think the House should be satisfied and content with the arrangement that we are proposing.

There is no question of trying to secure any special standard of morality, concessional code of ethics for public sector nor need we embitter the relations between the two sectors by making charges and reading out **Scaife's report (Interruptions)**. There is a lot of controversy about that particular report; neither are the facts

very correct. Of course that is for the Production Ministry; its representative is here and I have no doubt that we shall have plenty of opportunities to deal with this matter sometime or the other. But all the facts are not necessarily correct. There was a statement made that as soon as one firm at Harihar started producing these items Government started producing them at Jalahalli factory and it was the most amoral or immoral thing that has come to the notice. All that is a very unbalanced and an unrestrained kind of statement. The actual idea of the Government machine tool factory had its germ long time ago before the factory at Harihar started production. I have visited both and I have had discussions with both the Government—Production Ministry—as well as the people who run that factory. The difficulty is that by the time Government made up their minds, the capital was collected, the work started and the experts came, time rolled by as it does and in the meanwhile a preliminary meeting of all the machine tool manufacturers went to show that it would be all right and that there was enough and plenty of supply for everyone in the country. By the time all these were settled and the factory started—it is about to be inaugurated in October—they have started and their point is that Government should not manufacture those lathes which they were manufacturing. Since then, again the scene has changed. As a result of this they have reduced their own production target to 400. Now the point I was going to make is this. In the meanwhile we are thinking in terms of larger industrialisation, a steel target of 4.5 million tons supporting light and heavy engineering industries and really it will take us all our ability in finding out what the demand for machine tools will be. I have no doubt that there will be a common production programme for all the machine tool manufacturers and ourselves. I am not sure if all of us will be able to meet the requirements.

Therefore, I would beg the House not to be carried away by that particular report. In any case it is not a matter of abuse or malpractice and the use of the word 'immorality' is a very strong one in this context. I leave the matter there.

I think the House will be satisfied with the amendment that has been redrafted and that I am going to accept in this matter.

## 2 P.M.

Then the other question is about the reviewing commission. Here again, I must thank the hon. Member opposite for his support. I really do not understand what a reviewing commission is. Only the other day I gave the composition of the Advisory Commission. I said that it should be a Judge at the head or a public man with adequate experience. I said that there should be a chartered accountant—the President or one of the ex-Presidents, I should suggest, if the President is not available. I also said that there should be a labour representative, a top-ranking man. The hon. Member is not here—he has sent me a note saying that he is sorry he would not be here as he has to go somewhere—and I regret that he is not here to listen to what I say. He said that perhaps one of the members ought to be a chartered accountant. Now, I really cannot understand how one chartered accountant would report on the work of another chartered accountant indirectly; because, the House will remember that we have already promised to accept almost every recommendation of the Advisory Commission—0.05 per cent., I said, that was our record of rejection in the past and, may be, we might better it. In such a case this reviewing commission's report, if it is damaging, would certainly bear unfavourably on the work of the Advisory Commission and I do not think any self-respecting person would elect to be a member of the Advisory Commission if at the end of the year his work is going to be reviewed by a reviewing commission, nor I think would any self-respecting Minister

[Shri C. D. Deshmukh]

agree to the work of the Central Government being reviewed by a reviewing commission which has to report to itself within three months of the receipt of the annual report which it has prepared. I do not like using strong words but I think the conception is absurd and the idea is absurd and if at all there is a review necessary it must come on the initiative of the Parliament. If Parliament were to say: "Well, we have studied all these reports; we have discussed them from time to time, but we are not satisfied that the enterprises in the public sector are doing very well; we would like a commission to be appointed to go into this whole matter," that is a different issue. That is not arranging for everything as if everything is going to be wrong. Reviewing committees are usually committees of experts who are appointed from a sort of higher or more comprehensive sphere. For instance there is a reviewing committee to review the work of our national laboratories because our own scientists say: "We should like judgment of international scientists in our field—whether it is physics or anything else—and they should come and tell us what they think of the research that is being carried on." The two fields are different. They have experience which is not confined to this country and I think that is a very valuable thing. But, what is suggested here is covering the same ground by another body. Therefore, I am strongly opposed to this amendment in regard to the appointment of a reviewing commission.

I think I have dealt with the two major issues on which hon. Members had some observations to make. Now, I come to some of the least difficult points. There is the question of clause 619 dealing with payment of compensation in cases of frivolous or vexatious prosecution. There is an amendment which seeks to make it "false and frivolous or vexatious"; that is to say, language similar to section 250 of the Criminal Procedure Code. I am prepared to accept this

amendment on the ground that, as between two strangers one cannot be punished under section 250 of the Criminal Procedure Code unless the magistrates come to the conclusion that not only was he frivolous or vexatious but also false too. As between members of the same family—as the members would be, in regard to a member of a company and the company—it is not sufficient, therefore, merely to say that frivolous or vexatious complaints are enough to bring one within the mischief of this, because within a family a little more is required. Therefore, I think it is only right that . . . . .

**Pandit Thakur Das Bhargava:** Even outside the family according to the Criminal Procedure Code, both things must be proved—falsity as well as the other thing.

**Shri C. D. Deshmukh:** That is what I say. I accept that. Therefore, it is wrong to expose members of a family to the danger of paying compensation and so on merely on the ground that something was frivolous or vexatious. I do not doubt for a moment that the magistrates or the courts will come to a proper conclusion that "frivolous and vexatious 'would be' untrue, frivolous and vexatious." But, what I say is, that is not sufficient. An ordinary member really will not be able to find out when he is being frivolous and when he is vexatious. After all he can only have a perspective of an individual. He won't have the perspective of the company and what the company may regard as frivolous and vexatious may be a genuine complaint in the eyes of a small shareholder. Therefore, I accept it—I do not know what the amendment number is, it is 87 or 887.

**Pandit Thakur Das Bhargava:** It is the latter one.

**The Minister of Revenue and Civil Expenditure (Shri M. C. Shah):** According to one list it is 887.

**Shri C. D. Deshmukh:** In the new yellow list it is 887 and in the white list it is 87.

**Shri C. C. Shah** (Gohilwad-Sorath): They have issued a correction correcting 87 into 887.

**Shri C. D. Deshmukh:** Then it must be 887. I accept that. With regard to the rest, I am sorry I cannot accept the other amendments suggested, but I must refer to one, and that is with regard to 25 per cent. representation of employees on Government companies. We have been bandying arguments in this matter and I have been saying that this is a matter which has to be decided; yet, there is one observation I should like to make and that is: on the one hand the hon. Member wants a very wide and expanded definition of Government companies and on the other he wants 25 per cent representation. In other words, as I said, a time may come when every company in this country would be a Government company under his definition. Therefore, what he is suggesting, that at least in Government companies the Government should show to be a model employer....

**Shri K. K. Basu:** Under existing rules, in the Government companies—at Sindri and others and even in the Rourkela plant—you appoint a director who is supposed to represent the labour. What I have suggested is that it should be specifically made clear—even if you cannot accept the principle of 25 per cent. for the time being—that at least that one director should be elected by the employees.

**Shri C. D. Deshmukh:** In which companies?

**Shri K. K. Basu:** On all the Government companies. My point is, in the Government companies you already have one director who is supposed to be representing labour but he is nominated.

**Shri C. D. Deshmukh:** If the meaning of the amendment is that,

so far as Government companies—there is no definition of Government companies today....

**Shri K. K. Basu:** No.

**Shri C. D. Deshmukh:** ....and for the purpose of applying the Act one would have to define Government companies. One cannot say "Government companies as they are to-day" because that is an expression which cannot be interpreted.

**Shri K. K. Basu:** Now, as soon as this Act comes into being, Government companies can be more or less defined as having 51 per cent. shares or whatever it may be.

**Shri C. D. Deshmukh:** My point is, when Government companies will be companies with 51 per cent. shares and companies in which these companies have shares, then, as I have argued some time ago, the number of companies to which this would apply would be far more numerous than the what the hon. Member had in mind.

**Shri K. K. Basu:** That part you are not accepting. So far as extending the scope of Government companies is concerned, you are not willing to accept that part. But my point is, even in the companies which are predominantly run or owned by the Government, like Sindri or even the Orissa steel plant, there is a director who is supposed to be representing the labour. What I say is, he should not be a nominee of the Government, but he should be an elected representative of the employees.

**Shri C. D. Deshmukh:** I suppose, Madam, that is an observation to be taken notice of, but it does not really help us for the purposes of this Bill. There may be some point in what the hon. Member is suggesting. He is referring to the mode of selecting an employees' representative, where there is already a director. That is a point which can be taken notice of executively.

Now, in regard to the amendment No. 1144 to clause 619, I should like to accept the amendment.

**Shri C. C. Shah:** I think those words occur in both sub-clauses (2) and (3) of clause 619.

**Shri C. D. Deshmukh:** We accept the amendment in both the places.

**Pandit Thakur Das Bhargava:** These are the words taken from the Criminal Procedure Code.

**Shri C. D. Deshmukh:** Yes, from section 250. It should be "was false and either frivolous or vexatious". That is to say, it should be false, and then, one or the other—either frivolous or vexatious.

**Pandit Thakur Das Bhargava:** My amendment 1144 refers to those words only at one place. A similar change may be made in the other place also.

**Shri M. C. Shah:** Yes. On page 287, line 17.

**Shri C. D. Deshmukh:** Yes; there also, for "was frivolous or vexatious" substitute "was false and either frivolous or vexatious". We accept the amendment in both the places.

Now, I have given thought to the various other verbal amendments which have been suggested by Shri Kamath. I am sorry I am not able to accept them. His amendment No. 1162 suggests a sort of improved drafting. It does not commend itself to me. The objective is the same. "Nothing in this Act shall affect the provisions of any special law..." etc., convey the same meaning as ours. The meaning is the same, but we still think that our drafting is better.

In amendment No. 1160, Shri Kamath has suggested an extension of the clause with the words, "by publishing the alterations in the Official Gazette". It seems a very simple amendment but I should like to explain why I cannot accept it. He says that you should publish the alterations in the Official Gazette. His reason is that people ought to know what the old rules are and what the new rules are and where the

change has been made. This reasoning is of such general application that either you should have this in all laws and for all rules and regulations, which should be a very terrific business, or not at all. In other words, it will double the volume of every rule and regulation that we issue. It seems to me that the public must get used to comparing what the requirements of the old rules are and what the requirements of the new rules are. Therefore, I think we should be accepting a very troublesome principle if we were to accept this particular amendment.

Then, I frankly confess that I have not understood the point of his amendment No. 1161. It is not clear to us why the Calcutta, Madras and Bombay High Courts are proposed to be kept out of the rule-making power of the Supreme Court under this clause. Sub-clause (3) of clause 634 makes it abundantly clear that until rules made by the Supreme Court, "all rules made by any High Court on the matters referred to in this section and in force at the commencement of this Act shall continue to be in force in so far as they are not inconsistent with the provisions of this Act".

There is another amendment which refers to the rules under clause 634 and says that the rules should be laid before the House in the same way as the notifications, for exempting government companies. That also, I think, will hold up matters a lot, because there will be a large body of rules under the company law, and I do not think there is the same necessity to have the rules placed before Parliament and to have the prior approval of the rules, before they are issued. Therefore, I am not able to accept that amendment either. That is all I have got to say.

**Shri K. K. Basu:** In your amendment No. 1087, the auditor of a government company shall be appointed or re-appointed by the Central Government after consultation with the Comptroller and Auditor-General of India. You may not accept his advice,



if this is so. So, I would like to have my amendment No. 1150, which is an amendment to amendment No. 1067, accepted.

**Shri C. D. Deshmukh:** These amendments of ours are generally on the advice of the Comptroller and Auditor-General. These amendments themselves have been put in on his advice. It is possible that in some special matters, we may have some disagreement with him. Usually, after discussion, those disagreements are ironed out, but I do not think it will be right for us to say, "on the advice". The implication is that, "on the advice" means Government is bound by the advice of the Comptroller and Auditor-General. But if we do not accept it, we are answerable to the House. We do not accept anyone as sovereign except the Parliament.

**Shri K. K. Basu:** This is only in respect of the appointment of the auditor. Naturally, the Constitution will come in so far as the Auditor-General is concerned, as regards his removal, and otherwise, he is supreme. When you go through the whole gamut of this Bill, you will find that what we guarantee is that the auditor should be an independent person and the audit should be done by an independent auditor. So, naturally, the Auditor-General, being in charge of the audit of the Government, should have the last say so far as the appointment of an auditor is concerned.

**Shri C. D. Deshmukh:** Do you mean ✓ the auditor to the Government companies? If so, I do not mind that.

**Shri K. K. Basu:** That is what my amendment says, and the Government amendment No. 1067 refers to the Government companies.

**Shri C. D. Deshmukh:** So, you want the words "on the advice of".

**Shri K. K. Basu:** Yes.

**Shri C. D. Deshmukh:** I accept it. ✓

**Mr. Chairman:** The question is:

"That clause 610 stand part of the Bill."

*The motion was adopted.*

*Clause 610 was added to the Bill.*

**Mr. Chairman:** There are some amendments to clause 611. I shall put them.

The question is:

Page 285—

for clause 611, substitute:

"611. Definition of 'Government Company'.—Government Company means—

(a) any company to which the Central Government, or a State Government or Governments or a Government Corporation, either alone or in combination with others mentioned above, have contributed finance in the shape of share capital, debenture capital or loans and advances of an aggregate value exceeding 50 per cent. of the total of the paid up share capital and debenture capital of the company; and

(b) any subsidiary of a Government company or institution.

*Explanation.*—For the purpose of this section, a Government Corporation shall mean any body corporate established by an Act of the Central or State legislature."

*The motion was negatived.*

**Mr. Chairman:** The question is:

Page 285—

for clause 611, substitute:

"611. 'Government company' means any company—

(a) not less than half of whose subscribed share capital is held by the Government, or

(b) to which the Government has made advances exceeding half the total amount of the loans taken by the company:

Provided that sub-clause (b) above shall not apply where the total loan amount is less than one-fourth of such subscribed capital.

[Mr. Chairman]

*Explanation.* — Government means the Central Government, State Government or both together or any Government company."

*The motion was negatived.*

**Mr. Chairman:** The question is:  
Page 285, line 14—

for "fifty-one per cent." substitute "eighty per cent."

*The motion was negatived.*

**Mr. Chairman:** The question is:  
Page 285, line 14—

for "fifty-one per cent" substitute "thirty per cent."

*The motion was negatived.*

**Mr. Chairman:** The question is:  
Page 285, line 17—

add at the end:

"or in which the Government is a guarantor for any loan or rate of interest."

*The motion was negatived.*

**Mr. Chairman:** I shall put clauses 611 and 612 together.

The question is:

"That clauses 611 and 612 stand part of the Bill."

*The motion was adopted.*

*Clauses 611 and 612 were added to the Bill.*

✓ **Mr. Chairman:** I now take up clause 613. There is Government amendment No. 1067. Then again, there are Government amendments Nos. 1068 and 1069.

**Shri K. K. Basu:** Government have accepted my amendment No. 1150 which is an amendment to Government amendment No. 1067.

✓ **Mr. Chairman:** I am putting it first.

The question is:

In the amendment proposed by **Shri C. D. Deshmukh**, printed as No. 1067—

for "after consultation with" substitute "on the advice of"

*The motion was adopted.*

**Mr. Chairman:** So, I shall put amendment No. 1067, incorporating **Shri Basu's** amendment.

The question is:

Page 285—

after line 24, add:

"(1A) The auditor of a Government company shall be appointed or re-appointed by the Central Government on the advice of the Comptroller and Auditor-General of India."

✓ *The motion was adopted.*

**Mr. Chairman:** The question is:

Page 285, line 33 —

for "such persons" substitute "such person or persons."

*The motion was adopted.*

**Mr. Chairman:** The question is:

Page 285, line 34—

add at the end:

"and for the purposes of such audit, to require information or additional information to be furnished to any person or persons so authorised, on such matters, and in such form, as the Comptroller and Auditor-General may, by general or special order, direct."

*The motion was adopted.*

**Mr. Chairman:** I shall now put the other amendments to clause 613.

The question is:

Page 285—

for clause 613, substitute:

"613. (1) Without prejudice to the provisions of sections 223 to 232 it shall be lawful for the Central Government to authorize an independent audit of Government companies by persons to be specified by notification in the official Gazette.

(2) Copies of the reports of such persons shall be placed before the annual general meetings of the companies concerned and shall also be periodically laid before Parliament by the Central Government."

*The motion was negatived.*

**Mr. Chairman:** The question is:

Page 285, line 28—

after "shall be" insert "compiled and".

*The motion was negatived.*

**Mr. Chairman:** The question is:

Page 285, line 31—

add at the end:

"being instructions which shall conform with the best commercial standards."

*The motion was negatived.*

**Mr. Chairman:** The question is:

Page 285—

after line 41, add:

"(5) The auditor's report together with the comments of the Comptroller and Auditor-General shall be placed before Parliament."

*The motion was negatived.*

**Mr. Chairman:** The question is:

Page 285, after line 41, add:

"(5) The annual report, the balance sheet the Auditor's report along with the comments of the

Auditor General shall be submitted to the Parliament.

(6) The annual budget and the progress report of the previous year of all Government companies shall be submitted to the Parliament."

*The motion was negatived.*

**Mr. Chairman:** The question is:

"That clause 613, as amended, stand part of the Bill."

*The motion was adopted.*

Clause 613, as amended, was added to the Bill.

**Mr. Chairman:** The question is:

Page 285—

after line 41, insert:

"613A. Government companies to have twenty-five per cent. directors from amongst the employees.—In the case of a Government company, twenty-five per cent. of the total number of directorships or two, whichever number is greater, shall be elected from amongst the employees of the company in the manner prescribed by the Central Government."

*The motion was negatived.*

**Mr. Chairman:** I shall now put amendment No. 1070 and amendment Nos. 1171 and 1172 as redrafted, to clause 614.

**Shri C. D. Deshmukh:** Amendment No. 1070 is a consequential one.

**Mr. Chairman:** The question is:

Page 285, line 45—

for "sections 612 and 613" substitute "sections 612, 613 and 631A."

*The motion was adopted.*

Amendment made: Page 286—

for lines 4 to 6, substitute:

"(2) A company of every notification proposed to be issued under sub-section (1) shall be laid

[Mr. Chairman]

in draft before both Houses of Parliament for a period of not less than thirty days while they are in session and if within that period either House disapproves of the issue of the notification or approves of such issue only with modifications, the notification shall not be issued or as the case may require, shall be issued only with such modifications as may be agreed on by both the Houses."

[Shri C. D. Deshmukh]

**Mr. Chairman:** I shall now put the other amendments.

**The question is:**

Page 285, line 45—

after "613" insert "and 613A".

*The motion was negatived.*

**Mr. Chairman:** The question is:

Page 286—

after line 3, insert:

"Provided that before doing so, the Government shall consult the Advisory Commission constituted under section 409 of this Act."

*The motion was negatived.*

**Mr. Chairman:** The question is:

Page 286—

after line 3, add:

"Provided that no such notification shall be issued unless the subject matter of the notifications have been referred to the Advisory Commission and the Government have considered that advice of the Advisory Commission."

*The motion was negatived.*

**Mr. Chairman:** The question is:

Page 286, line 6—

add at the end:

"and Parliament will be competent to make such modification as it likes within a period of one

month from the time such notification is laid at the Table of the House."

*The motion was negatived.*

**Mr. Chairman:** The question is:

Page 286—

after line 6, add:

"(3) No such notification shall be issued unless a resolution containing the purport of the proposed notification has been moved and adopted by both Houses of Parliament."

*The motion was negatived.*

**Mr. Chairman:** The question is:

"That clause 614, as amended, stand part of the Bill 55."

*The motion was adopted.*

**Clause 614, as amended was added to the Bill.**

**Mr. Chairman:** The question is:

Page 286, line 15—

after "company" insert:

"or on the application of the registered union where there is any."

*The motion was negatived.*

**Mr. Chairman:** The question is:

Page 286, line 16—

add at the end:

"suo motu or on the application of not less than 50 employees."

*The motion was negatived.*

**Mr. Chairman:** The question is:

That clause 615 stand part of the Bill.

*The motion was adopted.*

**Clause 615 was added to the Bill.**

**Mr. Chairman:** The question is:

"That clauses 616 to 618 stand part of the Bill."

*The motion was adopted.*

*Clauses 616 to 618 were added to the Bill.*

**Mr. Chairman:** I shall now put amendment No. 1144, as redrafted with a new number in respect of clause 619.

The question is:

Page 287—

(i) line 7 for "was frivolous or vexatious" substitute "was false and either frivolous or vexatious;" and

(ii) line 17, for "was frivolous or vexatious" substitute "was false and either frivolous or vexatious".

*The motion was adopted.*

**Mr. Chairman:** I shall now put the other amendment.

The question is:

Page 287, line 7—

for "frivolous or vexatious" substitute "false and frivolous or vexatious."

*The motion was negatived.*

**Mr. Chairman:** The question is:

"That clause 619, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 619, as amended was added to the Bill.*

**Mr. Chairman:** The question is:

"That clauses 620 and 621 stand part of the Bill."

*The motion was adopted.*

*Clauses 620 and 621\* were added to the Bill.*

**Mr. Chairman:** I take it that the amendments to clauses 622 to 624 are not pressed. I shall now put clauses 622 to 629 together.

The question is:

"That clauses 622 to 629 stand part of the Bill."

*The motion was adopted.*

*Clauses 622 to 629 were added to the Bill.*

**Mr. Chairman:** I shall now put amendment: Nos. 1071, 1072, 1073 and 1074 to clause 630. They are all Government amendments.

The question is:

Page 290, line 23—

omit "225".

*The motion was adopted.*

**Mr. Chairman:** The question is:

Page 290, line 24—

after "268" insert "273(2)".

*The motion was adopted.*

**Mr. Chairman:** The question is:

Page 290, line 25—

after "345" insert "346(2)".

*The motion was adopted.*

**Mr. Chairman:** The question is:

Page 290—

for line 26, substitute:

"409, 410(b), 446, 604, 608, 614, 631, 632 and 633."

*The motion was adopted.*

**Mr. Chairman:** The question is:

"That clause 630, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 630, as amended, was added to the Bill.*

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\* In part (ii) of sub-clause (1) of clause 621, line 16, the words "and time", were inserted after the words "at a place", as patent error under the direction of the Speaker.

**Mr. Chairman:** I take it that amendment No. 1157 to clause 631 is not pressed.

The question is:

"That clause 631 stand part of the Bill."

*The motion was adopted.*

*Clause 631 was added to the Bill.*

**Mr. Chairman:** I am now putting Government amendment No. 1075.

The question is:

Page 290—

after line 35, added:

*"Annual reports on Government Companies*

*631A. Annual reports on Government companies to be placed before Parliament etc.—(1) in addition to the general annual report referred to in section 631, the Central Government shall cause an annual report on the working and affairs of each Government company to be prepared and laid before both Houses of Parliament together with a copy of the audit report and any comments upon, or supplement to, the audit report, made by the Comptroller and Auditor-General of India.*

(2) Where any State Government is a member of a Government company, the annual report on the working and affairs of the company, the audit report, and the comments upon or supplement to the audit report referred to in sub-section (1), shall be placed by the State Government before the State Legislature or where the State Legislature has two Houses, before both Houses of that Legislature.

*631B. Validation of registration of firms as members of charitable and other companies.—Any firm which stood registered at the commencement of this Act, as a member of any association or company licenced under section 26 of the Indian Companies Act, 1913 (VII of 1913) shall be deemed to have been validly so registered with effect on and from the date of its registration."*

*The motion was adopted.*

*New clauses 631A and 631B were added to the Bill.*

**Mr. Chairman:** I take it that amendment No. 1160 to clause 632 is not pressed.

The question is:

"That clause 632 stand part of the Bill."

*The motion was adopted.*

*Clause 632\* was added to the Bill.*

**Mr. Chairman:** The question is:

Page 291—

lines 18 and 19—

*for "each House of Parliament" substitute "both Houses of Parliament."*

*The motion was adopted.*

**Mr. Chairman:** I take it that amendment No. 1174 is not pressed.

The question is:

"That clause 633, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 633, as amended, was added to the Bill.*

**Mr. Chairman:** I take it that amendment No. 1161 to clause 634 is not pressed.

\*In the proviso to sub-clause (2) of clause 632, line 3, the words "or addition", were omitted as patent error under the direction of the Speaker.

The question is:

"That clause 634 stand part of the Bill."

*The motion was adopted.*

Clause 634 was added to the Bill.

**Mr. Chairman:** The question is:

Page 292—

lines 26 and 27—

omit "to the extent specified in the fourth column."

*The motion was adopted.*

**Mr. Chairman:** The question is:

"That clause 635, as amended, stand part of the Bill."

*The motion was adopted.*

Clause 685, as amended, was added to the Bill.

**Mr. Chairman:** The question is:

Page 292—

after line 27, insert:

"635A. Nothing in this Act shall affect the provisions of any special law relating to any particular types of companies, and compliance with such law by companies governed by it shall be deemed to be compliance with the provisions of this Act."

*The motion was negatived.*

**Mr. Chairman:** The question is:

"That clauses 636 to 649 stand part of the Bill."

*The motion was adopted.*

Clauses\* 636 to 649 were added to the Bill.

Clauses 273, 516, 516A and 609A

**Mr. Chairman:** The House will now take up consideration of clauses 273, 516, new clause 516A and new clause 609A which had been held over.

**Shri M. C. Shah:** To this clause we are accepting an amendment No. 128 already moved:

Page 142, line 18—

after "offence" insert "involving moral turpitude".

We have given notice of another amendment No. 1170.

I beg to move:

Page 142—

(i) line 21, omit "or any firm in which he is a partner"; and

(ii) line 23, for "or the firm" substitute "whether alone or jointly with others."

**Shri K. K. Basu:** How can we move an amendment now? These clauses were discussed and only voting was held over. How is it possible to move a basic amendment now?

**Shri M. C. Shah:** The first one was already moved by Shri Ranje; the other one was circulated.

**Pandit Thakur Das Bhargava:** May I submit that I had given notice of an amendment similar to No. 128. You should either be logical and accept all, or not accept any.

**Shri C. D. Deshmukh:** The Hon. Member is perhaps referring to clause 335. There is nothing that can be done about it, because it was not left open.

**Pandit Thakur Das Bhargava:** If there is a mistake, it can be rectified even now.

**Shri C. D. Deshmukh:** It is not a mistake. On merits I see the managing agents may be different. We are talking of directors and others. On merits we may join issue with the hon. Member. I am taking the point that clause 335 is already finished.

**Mr. Chairman:** The two amendments under consideration are 128 and 1170. Both are to clause 273. Since

\*In clause 640, lines 20 and 21 the words "enactment of this Act", were substituted by the words "enactment in this Act", as patent error under the direction of the Speaker

[Mr. Chairman]

the clause was postponed they are in order.

**Shri K. K. Basu:** Theoretically they may be in order. The clauses were discussed threadbare and only voting remains now. How can the Government move a new amendment?

**Shri M. C. Shah:** This is just to remove a patent inconsistency.

**Shri K. K. Basu:** If it takes seven days for the Minister to remove a patent inconsistency and that with the help of the Official Gallery, how long do you expect the other Members to take?

**Shri Bogawat (Ahmednagar South):** So long as the Chair holds an amendment to be in order, why should it not be admitted?

**Mr. Chairman:** I hold the amendments are in order.

[SHRI BARMAN in the Chair.]

**Shri K. K. Basu:** Is there an additional new Minister? We find Shri Morarka there. There are now Ministers of so many affairs, that we do not know whether there is a Minister for Company Affairs.

**Mr. Chairman:** I shall now put the amendments to vote.

The question is:

Page 142, line 18—

after "offence" insert "involving moral turpitude".

*The motion was adopted.*

**Mr. Chairman:** The question is;

Page 142—

- (i) line 21, omit "or any firm in which he is a partner"; and
- (ii) line 23 for "or the firm" substitute "whether alone or jointly with others"

*The motion was adopted.*

**Mr. Chairman:** The question is:

"That clause 273, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 273, as amended, was added to the Bill.*

**Shri M. C. Shah:** You may put to the House clause 516. Then, we can take up 516A.

**Mr. Chairman:** The question is;

"That clause 516 stand part of the Bill."

*The motion was adopted.*

*Clause 516 was added to the Bill.*

**Shri M. C. Shah:** Now, the new clause 516A may be put to the House.

**Mr. Chairman:** The question is....

**Shri K. K. Basu:** Is it amendment No. 1147? I am told that there is a further draft. Is it the old draft that you are putting to the House.

**Shri M. C. Shah:** We have got a revised draft. We had circulated an amendment. Only one word 'Official Liquidator' has been omitted.

**Shri C. D. Deshmukh:** This is a new clause for giving power to the liquidator to make a report similar to a report that an official liquidator can make.

**Mr. Chairman:** The point is whether it is amendment No. 1147 as it was.

**Shri C. D. Deshmukh:** The word 'Official Liquidator' has been omitted in consultation with Shri Kamath.

**Mr. Chairman:** I should like to read it out.

**Shri K. K. Basu:** They should have given us some more copies at least.

**Shri M. C. Shah:** We have already circulated. The wording was 'Official Liquidator or Liquidator'. Now



after consulting the Law Ministry, we have put in clause 516A like this:

*"516A. Application of liquidator to court for public examination of promoters...."*

**Mr. Chairman:** I shall read it out.

Page 241—

after line 37, insert:

*"516A. Application of liquidator to Court for public examination of promoters, directors, etc.—"*

(1) The liquidator may make a report to the Court stating that in his opinion a fraud has been committed by any person in the promotion or formation of the Company or by any officer of the Company in relation to the company since its formation; and the Court may, after considering the report, direct that that person or officer shall attend before the Court on a day appointed by it for that purpose, and be publicly examined as to the promotion or formation or the conduct of the business of the company, or as to his conduct and dealings as officer thereof.

(2) The provisions of sub-sections (2) to (11) of section 475 shall apply in relation to any examination directed under sub-section (1) as they apply in relation to an examination directed under sub-section (1) of section 475 with references to the liquidator being substituted for references to the Official Liquidator in those provisions."

**Shri K. K. Basu:** I would like to know what is the idea of dropping out the word "Official Liquidator"?

**Shri Rane:** It is provided in clause 475.

**Shri K. K. Basu:** After clause 516, when you are making a new clause, you are dropping this word. Is it because it is covered by clause 475 or is it something else? You said that you have consulted the Law Ministry. What is that?

**Shri M. C. Shah:** As a matter of fact, yesterday, it was pointed out by some Members that this clause 516A as was circulated was not necessary in view of clause 475. Therefore, we consulted the Law Ministry. The Law Minister said that the Official Liquidator comes under clause 475 and so in clause 516A the Official Liquidator may be dropped, and only liquidator may be kept. As I said the other day, I accept the principle of Shri Kamath's amendment. We wanted to have it redrafted. In clause 516, it cannot fit in. Therefore, this clause 516A has been brought forward.

**Shri K. K. Basu:** In clause 516A, you are giving powers to liquidators other than Official Liquidator, more or less on the lines of clause 475. Official Liquidator comes under clause 475. That is the whole thing.

**Shri M. C. Shah:** Yes.

**Mr. Chairman:** The question is:

Page 241—

after line 37, insert:

*"516A. Application of liquidator to Court for public examination of promoters, directors, etc.—(1) The liquidator may make a report to the Court stating that in his opinion a fraud has been committed by any person in the promotion or formation of the company or by any officer of the company in relation to the company since its formation; and the Court may, after considering the report, direct that that person or officer shall attend before the Court on a day appointed by it for that purpose, and be publicly examined as to the promotion or formation or the conduct of the business of the company, or as to his conduct and dealings as officer thereof."*

(2) The provisions of sub-sections (2) to (11) of section 475

[Mr. Chairman]

shall apply in relation to any examination directed under sub-section (1) as they apply in relation to an examination directed under sub-section (1) of section 475 with references to the liquidator being substituted for references to the Official Liquidator in those provisions."

*The motion was adopted.*

**New clause 516A was added to the Bill**

**Shri M. C. Shah:** Then, we may take up clause 609A, a clause which was before the House. It has been redrafted.

**Shri C. D. Deshmukh:** I should like to explain the matter. I said yesterday in suggesting postponement of clause 609A that I should like to think over it in the light of observations made by hon. Members. I should like to make a little statement in regard to this to explain the position.

I referred yesterday to the Collection of Statistics Act which was passed in 1953. One thing that I have discovered is that this Act has not yet been brought into force although two years have elapsed since it was passed. There is some difficulty in regard to embodying in the rules to be made under it rules which had been made by the Labour Ministry in a similar Act of 1943. Some time has been taken in reconciling these internally in the Government. Although we expect that it will soon be finalised, in any case, I have come to the conclusion that that Act is entirely for a different purpose, that is to say, for the collection of statistics. Indeed, there is an officer designated under that Act. Therefore, the general policy would be to prescribe forms by the rules for the collection of various information required by the departments of Government which are interested in economic and cognate matters and to issue those

forms to industrial or commercial concerns at large.

**Mr. Chairman:** Under that Act?

**Shri C. D. Deshmukh:** Under that Act. Therefore, it is essentially a statistician's Act. I have therefore come to the conclusion that that Act will not serve our purpose. What we want is an Act which will enable us to call for information which we require to administer this Act. Now, hon. Members will ask, are there not powers given under the Act itself for various purposes. The answer is, yes to a certain extent. The Registrar has been given powers to call for certain returns and so on. But, these are only ad hoc powers given for specific purposes. There are other purposes of the Act for which we have not got any means of eliciting information. Wide powers are proposed to be vested in the Government for exercising control over various matters relating, for instance, to the management and working of companies. We feel that precise information as to the working of companies will be required by the Government to enable us to discharge our responsibility by exercising these powers effectively and judiciously. General powers therefore for obtaining information will be required for these purposes. I shall give a few examples.

Under clause 323, the Central Government will have power to notify that companies engaged in a specified class of industry or business shall not have managing agents. Obviously, we shall require data relating to the companies engaged in a class of industry or business to enable us to take a decision in the matter. We may choose one industry after another. It would be very awkward if some particular unit refused to give us information, because that is not anything that concerns necessarily its own fortunes. Similarly, under clause 43 (5)(b), a prospectus will

be deemed to be untrue if certain relevant facts are omitted from it. Now, to enable Government to decide whether the prospectus is really untrue or not, it is necessary for us to ascertain the true facts from the company.

Under clause 325 we have to decide whether certain persons are fit and proper for purposes of appointment as managing agents. For this purpose it may be necessary for us to ascertain the details of working and management of the company with which the person concerned may be connected.

Under clause 236 we have the power to appoint inspectors to inspect the affairs of a company if in our opinion the business of the company is being conducted for a fraudulent or an unlawful purpose or in a manner oppressive to its members or where the management has been guilty of fraud, misfeasance or other misconduct or where the company has withheld essential information from the members. Here again, it is necessary for us to obtain from the company concerned all information that may require us to come to a decision.

Under clause 233, the Registrar has the power to call for information or explanation from a company for the purpose of deciding whether a fuller investigation is called for.

Where an inspector has been appointed, the directors and officers of the company are required to produce before them all the books and documents that he may require. It has been found from experience that in a number of cases the management of companies were agreeable rather to face the penalties prescribed for non-production of books and documents than face an investigation by producing the books and documents. It is necessary therefore that we should have directly the power to obtain the necessary facts from the companies and as a matter of fact,

our experience has been that in a number of cases where inspectors were appointed, the management of the companies refuse to produce the books and documents before the inspectors. As a result, the investigation in those cases had practically to be abandoned. I have here the names of about seven companies which have behaved in this manner. And therefore, if we had the resources to secure further information from the companies then obviously we could have taken some effective step in the matter.

In one case, when the Registrar of a State asked for certain information about managing agencies at our instance through a circular letter addressed to several joint stock companies in that State, one Chamber of Commerce objected to this action. In another instance, when the Registrar of Companies asked from another company for particulars of their investments at our instance, the company declined to furnish the information unless the Registrar undertook not to use the information for the purpose of section 137(1), that is for the purpose of any contemplated investigation.

So, in view of this unsatisfactory position we have now almost refrained from asking companies for information. It is true that in certain cases they do give information; for instance, the Commerce and Industry Ministry has been asking for information in regard to the employment of Indians in certain companies—not foreign companies, but subsidiaries and so on and so forth where foreign interests predominate—and they have supplied the information, but that is because they know that although the Statistics Act is not in force it could be brought into force and then they would expose themselves to the sanctions and penalties of that particular Act. Therefore, where information is of a general nature, it is usually easy to obtain it, but where it is a matter affecting the company itself and probably exposing it to the perils and

[Shri C. D. Deshmukh]

jeopardy of prosecution or whatever it may, or disciplinary action, there we have found it difficult to collect the information. That is why I think a special section for our purposes, and strictly for our purposes—not to find out what the labour situation is, not to find out what profits were made or any other purpose, but enable us to discharge our duties, the duties that have been cast on us by the company law we want an instrument, and this amendment, namely, the new clause 609A, purports to be that instrument.

**Mr. Chairman:** Modified or....

**Shri C. D. Deshmukh:** I have modified it a bit. I am explaining it.

**Shri M. C. Shah:** It has been given a new number—1201.

**Pandit Thakur Das Bhargava:** I would like the Minister to circulate it. He may circulate it even now, so that we may see it.

**Shri C. D. Deshmukh:** I am pointing out where the changes have been made. I am explaining that two changes have been made.

There was some objection taken to the use of the words "summary investigation". We thought we would soften it by using "summary inquiry". The new sub-clause (5) reads:

"The Central Government may also, by order, direct a summary inquiry to be made by any person or persons named in the order—"

The rest is the same. That is one.

Then, we have taken notice of the criticism that foreign companies as defined in the Act should not be excluded. Since our purpose is to collect information for purposes of effectively administering the Act, I do not see why and where the Act applies to foreign companies or where the investigation of their affairs is necessary for carrying out our duties,

we should not obtain information from them. A case in point is a Sterling company which is the managing agency of a company here, an Indian company. Now, supposing we are investigating the affairs of the Indian company and find it necessary in some connection—under 323 or 325 and so on—to obtain information which is available only with the managing agents, now, as managing agents they might feel that they are exempt from the operation of this 609A, and therefore I think it is right that we should include them within the scope of 609A, the object, as I said, being strictly to be able to discharge effectively the duties that have been cast on the Central Government by this Act as amended.

Now, therefore, we have added a sub-clause here, sub-clause (8). That is the second change we have made.

**Shri K. K. Basu:** Sub-clause (8) is already there.

**Shri C. D. Deshmukh:** It is substituted. Sub-clauses (5) and (6) have been combined into new sub-clause (5). Sub-clause (7) has been re-numbered as (6), and (8) has been re-numbered as (7). What I am reading is a new one, which is (8).

**Shri K. K. Basu:** Sub-clauses (5) and (6) you have combined?

**Shri C. D. Deshmukh:** Yes. Only "summary inquiry" instead of "summary investigation".

**Mr. Chairman:** Sub-clauses (5) and (6) of the original one have been combined. The original amendment is 1146.

**Shri C. D. Deshmukh:** Instead of sub-clauses (5) and (6) we have now a new sub-clause (5) which more or less is of the same substance, but only instead of "investigation" we have "inquiry". And then, as I said, the other sub-clauses are re-numbered as

(6) and (7), and I am going to read out the eighth which is a new matter:

"Where a body corporate incorporated outside India and having established an office within India carries on business in India, all references to a 'company' in this section shall be deemed to include references to the body corporate in relation and only in relation to such business."

3 P.M.

**Pandit Thakur Das Bhargava:** May I say a word in respect of this change from "investigation" to "inquiry". These two words have been defined in the Criminal Procedure Code. Investigation is always by some person other than the court, whereas an inquiry refers to an investigation by a court. For instance, we say 'police investigation', but 'court enquiry'. Here it is investigation by an inspector. So, there is no use changing the word here into 'inquiry'. After all it will not be discourteous if you use the word 'investigation', because you say that the powers of the inspector will remain unchanged in regard to clauses 239 to 245, and therefore all the consequences flow from the report of the inspector. So, there is no difference at all. I am glad that there is no difference, because I do not want that there should be any difference or discrimination. The only difference, therefore, is one of words. Instead of the word 'investigation', the word 'inquiry' is used. Does the hon. Finance Minister kindly agree with me that nothing will be gained by changing the word 'investigation' into 'inquiry'? I know that some persons raised an objection to this yesterday, and that is why you have not got the words 'summary investigation' today. But the word 'summary' may be regarded....

**Shri C. D. Deshmukh:** The word 'inquiry' has been defined in the Criminal Procedure Code, and therefore it pursues it throughout, wherever an inquiry has to be made. Here, for instance, we may say in

economic matters an inquiry may be made. I am quite certain—although I cannot place my finger on it—that in hundreds of places we shall find the phrase 'and shall direct an officer to make an inquiry'. When the two words 'inquiry' and 'investigation' are used, it may be necessary to define the one as against the other. But where we are using the word 'inquiry' here, I do not think one can import the meaning of the definition given there.

**Shri K. K. Basu:** What are you gaining by this change?

**Shri C. D. Deshmukh:** Nothing except to mollify an amenable lawyer.

**Shri K. K. Basu:** Summary investigation or investigation or whatever it might be is restrictive in scope. Therefore, by changing the word 'investigation' into 'inquiry' what do you gain, except that you may be satisfying somebody who wanted it?

**Pandit Thakur Das Bhargava:** So far as the changing of the word is concerned, if the Finance Minister wants to use the word 'inquiry' I would not object to that, because I know that the word 'inquiry' has been used indiscriminately here, and the word 'investigation' also has been used indiscriminately, so that both the expressions mean the same thing.

**Shri C. D. Deshmukh:** I would choose the word 'inquiry'.

**Pandit Thakur Das Bhargava:** Then, we shall have the word 'inquiry'.

Now, what is the significance of the word 'summary'? So far as the other provisions relating to the inspector are concerned, the word 'summary' has not been used in them.

**Shri C. D. Deshmukh:** It was intended to save trouble. There is no taking of evidence, and so on. You know all these things. 'Summary' is 'Summary'.

**Pandit Thakur Das Bhargava:** How can there be any investigation without taking evidence?

**Shri C. D. Deshmukh:** In a formal kind of inquiry, the man goes and says: 'Where are your books, produce them' and so on.

**Pandit Thakur Das Bhargava:** But why say 'summary'? It is an investigation or an inquiry, conducted under the powers which are given to the inspector. The word 'summary' is objectionable from the point of view of those people who objected to it yesterday. They do not want any summary enquiry. My point also is the same. If you say 'summary inquiry', then that inspector will not go deeply into the matter. So, I would say that you may simply say 'investigation' or 'inquiry'. The word 'summary' may be taken away, for there is no sense in using that word.

**Shri C. D. Deshmukh:** I do not know what the feeling of the House is. I am entirely indifferent if the word 'summary' is omitted. I do not mind if that is the feeling as I have gathered. We can have 'inquiry' without the word 'summary'.

**Shri Morarka:** The inquiry is only to the extent of the statistics which will have to be supplied. So, the purpose of the inquiry is limited, namely whether the statistics are genuine or not. That is the only purpose. So, what difference would it make?

**Pandit Thakur Das Bhargava:** Kindly look at the amendment, and also clauses 239 to 245 of the Bill which relate to the powers given to the inspector. The same words which are used in those clauses are used in this amendment also. So, it is not right to say that the inquiry will be confined only to the statistical purposes. All the consequences that flow from the report of the inspector in the other case will follow in this case also, with regard to winding up of the company, or the matter going before the court, or prosecution or anyone of the things that are mentioned in clauses 239 to 245. I am very glad that the powers of the

inspector are not restricted at all in this case. If the powers are not restricted, I do not see what the sense is in using the word 'summary'. So, I should say that it ought to be 'inquiry'. And 'inquiry' includes summary inquiry as well as plenary inquiry.

What difference does it make if you omit the word 'summary'? Those who objected to it yesterday will be satisfied if you delete that word, and those who object to it today will also be satisfied. So, you may take away the word 'summary' and make it only 'inquiry'.

**Shri C. D. Deshmukh:** I take it that that is the voice of the House, because no other Member has spoken. I agree to the deletion of the word 'summary' and having only the words 'an inquiry'.

**Mr. Chairman:** I think that is accepted, and there is no objection to that. I shall now put this amendment to vote with the change that has been accepted now. This amendment is the same as amendment No. 1146, but with the addition of one sub-clause, namely sub-clause (8), and with the change of the words 'direct a summary inquiry' into 'direct an inquiry'—the word 'summary' being deleted.

**Mr. Chairman:** The question is:

Page 284—

after line 38, insert:

*"Collection of information and statistics from companies."*

**609A. Power of Central Government to direct companies to furnish information or statistics.**—(1) The Central Government may, by order, require companies generally, or any class of companies or any company, to furnish such information or statistics with regard to their or its constitution or working, and within such time, as may be specified in the order.

(2)(a) Every order under sub-section (1) addressed to companies generally or to any class of companies, shall be published in the Official Gazette and in such other manner, if any, as the Central Government may think fit.

(b) The date of publication of the order in the Official Gazette shall be deemed to be the date on which the demand for information or statistics is made on such companies or class of companies, as the case may be.

(3) Every order under sub-section (1) addressed to an individual company shall be served on it in the manner laid down in section 51.

(4) For the purpose of satisfying itself that any information or statistics furnished by a company in pursuance of any order under sub-section (1) is correct and complete, the Central Government may require such company—

(a) to produce such records or documents in its possession or under its control for inspection before such officer and at such time as may be specified by the Central Government, or

(b) to furnish such further information as may be specified by the Central Government and within such time as may be fixed by it.

(5) The Central Government may also, by order, direct an inquiry to be made by any person or persons named in the order—

(a) for the purpose of obtaining any information or statistics which a company has failed to furnish as required of it by an order under sub-section (1); or

(b) for the purpose of satisfying itself that any information

or statistics furnished by a company in pursuance of an order made under sub-section (1) is correct and complete; and in so far as such information or statistics may be found to be incorrect or incomplete, for the purpose of obtaining such information or statistics as may be necessary to make the information or statistics furnished correct and complete; and a person or persons so appointed shall, for the purposes of such inquiry, have such powers as may be prescribed.

(6) If any company fails to comply with an order made under sub-section (1) or sub-section (4) or knowingly furnishes any information or statistics which is incorrect or incomplete in any material respect, the company, and every officer thereof who is in default, shall be punishable with imprisonment which may extend to three months, or with fine which may extend to one thousand rupees, or with both.

(7) An order requiring any information or statistics to be furnished by a company may also be addressed to any person who is, or has at any time been, an officer or employee of the company, and all the provisions of this section so far as may be, shall apply in relation to such persons as they apply in relation to the company:

Provided that no such person shall be punishable under sub-section (5), unless the Court is satisfied that he was in a position to comply with the order and made wilful default in doing so.

(8) Where a body corporate incorporated outside India and having established an office within India carries on business in India, all references to a company in this section shall be deemed to include references to the body corporate in relation

[Shri C. D. Deshmukh]  
and only in relation to such  
business."

*The motion was adopted.*

*New clause 609A was added to the  
Bill.*

#### **Schedules I to XII and clause 1**

**Mr. Chairman:** The House will now take up Schedules I to XII and clause 1, for which four hours have been allotted. Hon. Members who wish to move their amendments to these clauses will kindly hand over the numbers of their amendments, specifying the Schedules to which they relate, to the Secretary at the Table, within 15 minutes.

**Shri M. C. Shah:** The following are the Government amendments to the schedules: Amendments Nos. 1078 to 1081 to Schedule I, amendments Nos. 1082 to 1088 to schedule III, amendments Nos. 1089 to 1095 to schedule IV, amendments Nos. 1096 to 1098 to schedule IX and amendment No. 1099 to schedule XII.

These are all small amendments, which seek to correct some mistakes and inconsistencies which are there. I do not think I should take the time of the House in trying to explain them. The first amendment to schedule I corrects an error there. There is no reference to schedule I in clause 13, and therefore, the word '13' is sought to be omitted.

**Shri K. K. Basu:** What error? Printing error or substantial error?

**Shri M. C. Shah:** The first amendment to schedule I reads:

**Page 295, line 3 omit '13'.**

The word '13' is sought to be omitted, because there is no reference to schedule I in clause 13.

The other amendments also seek to correct such error and inconsistencies. I do not think I should take the time of the House in trying to explain the whole thing, for it is not necessary.

**Shri N. B. Chowdhury (Ghatal):** I have amendments from No. 1175 onwards to No. 1189 standing in the names of Shri K. K. Basu and myself. I shall speak only on the First Schedule, that is, with regard to amendments Nos. 1175 to 1183. The first amendment is to the effect that in the agenda for the general body meeting of the company, there should be an item like this:

"List of business to be transacted which shall include the charities made during the year along with the organisation and their character thereto."

Already, in connection with a relevant clause, we moved an amendment seeking to make provision that no contribution should be made to any political party or any other organisation with which responsible Ministers or others are connected without the matter being referred to the members. Here we want a specific provision to the effect that whenever a charity is given, it should be brought before the general body meeting for consideration. That is our object in moving this amendment. We know there are various kinds of charities. Sometimes charity is made in order to get something in return. In the name of charities in this country, so many things take place. So we want that there should be a specific provision to this effect.

Regarding amendment No. 1176, the object is to restrict the amount of dividend payable. You know very well that many companies, particularly the tea gardens, tea companies, now give dividends even to the extent of 100 per cent. There are other companies who pay dividends of 25 per cent. and 30 per cent. and so on. There is no limit at present, and in this new consolidated company law, they have not also made any provision to restrict dividend. Now, in this country we have come to a stage when it is very necessary that there should be some restrictions put upon the amount of dividend that may be granted by companies. So we have put in the words



"eight per cent. unless sanctioned by the Central Government" instead of "the amount recommended by the Board". We want that in case they want to pay more than 8 per cent. dividend, they should require the formal sanction of the Central Government; otherwise, they would continue to give huge percentages of dividend and that will not be in the best interests of the country at present.

Then I come to amendment No. 1177. Here we want that while making provision for inspection of accounts etc. we should include the branches of these companies also. They may be spread all over the country. So it is very necessary that branches should also be included here.

Then I come to the most important point in this connection—I refer to the reserves. These reserves accumulate due to the sacrifices made by the workers. When these reserves are created, we find that sometimes they are not utilised for the purpose of having new plant or machinery, but when they seek to capitalise it, they do so without paying anything to the workers. So my object in moving this amendment is to see that the workers who have sacrificed to create these reserves should get at least 50 per cent. of these reserves by way of bonus. We are not opposed to any bonus shares in principle, but at this stage when we are not paying adequate wages to the workers, it is very necessary that before capitalising these reserves, we should pay bonus to the workers. With this object we have moved certain amendments, Nos. 1178 to 1180. The object is to see that there should be some provision, a specific legal provision, for paying to the workers bonus at least equal to three months' wages, before making any attempt to capitalise the reserves. There is another reason for this. By maintaining these reserves, they are also depriving the exchequer of taxes. Now, it has been said that they will later on make some law to see that

these reserves are not maintained without payment of any taxes. But up-till now, there has been no such provision. So we must make a specific provision thereby assuring the workers their due bonus before any such capitalisation takes place. Bonus, as has been pointed out by Shri K. P. Tripathi, in India should be regarded as a sort of deferred wage, because the workers are so much under-fed and have sacrificed so much for the creation of such reserves, that there is no justification for capitalising these reserves without payment of due bonus to them.

Then I come to amendment No. 1181. The objects should not be more than six, which are all connected with and ancillary to one another. In the course of the debate on this Bill, many Members have referred to the present position. We know that so many managing agencies and companies are doing innumerable kinds of business. We have heard of a cloth mill, which is primarily meant for manufacturing cloth, starting sugar factories, vegetable oil factories and so on. So it is very necessary that this should not be allowed; they should not be allowed to meddle in so many things. They should confine themselves to certain specific fields so that they can devote their full attention to those fields and develop the things in a more competent way than would be possible if they were allowed to undertake so many different things. With this object, we have moved certain amendments, and we want a specific provision made in this law so that a company or a managing agency may not meddle in so many things.

**Shri Bansal (Jhajjar-Rewari):** I have only a brief observation to make, in regard to Schedule VI, part III, clause 7(2). The meaning of this clause, shorn of all verbiage; is that in future as soon as this Act comes into force, all companies will have to declare their secret reserves. Now, as you know, secret reserves consist of investments in properties, mainly,

[Shri Bansal]

or in the case of a mill, if, for example, depreciation has been fully written down, then nothing will be shown against the asset item while the value of the actual asset will be there, and that value analysed in the balance sheet will be secret reserve. The effect of this amendment will be that all the companies will have to revalue their assets and liabilities all at once. That will not be all. When the markets go down and the values of the properties go down in the market, then the assets will have to be written down. But, if after a few years, the values go up, then the assets will have to be written up. So, I think, this particular provision will not be very helpful either to the companies or for the purpose for which it is meant.

This situation was fully considered when the U.K. Companies Act was being amended and to safeguard the position at least of certain companies where it was found that the secret reserves do play a very wholesome part in the financial structure of the companies, Government took powers to exempt certain companies from declaring their secret reserves. If you make a reference to Schedule A of the U.K. Companies Act of 1948, Part I, 6B, it will be seen that the Board of Trade is given the discretion to exempt a company from showing details of secret reserves when such withholding of information does not prejudice the company or public interests. I want similar power to be given to Government in India also.

**Shri K. P. Tripathi (Darrang):** The amendments which I have tabled are 1152, 1153 and 1154. In 1152, I have said:

"The company in a general meeting or the Board may declare bonus to workers. This may be wholly in cash, or partly in cash, and partly in bonus shares of the company."

I agree with my friend that in India wages are not yet at the living wage stage. Most of them are minimum

wages. Obviously, any industry which pays wages has a duty to pay living wages. If it is paying less than the living wages, then, to that extent, it is starving out labour. Therefore, labour has a right to get out of profits, by way of deferred wages, bonus and this right has been accepted in India. Therefore bonus has become a part of the wage structure of this land.

In the last tribunal that was set up for banking, the award has proved that actually such bonuses are deferred wages. Bonuses cease to be deferred wages only when they are given after the living wage stage. All bonuses paid before the living wage stage continue to be wages. Here is a ruling of the tribunal:

"If that be true, in that case, obviously, bonus when it is said should be paid in cash, and should go for raising the standard of living of the workers. It should not be freed as bonus shares."

In that case, why have I put it here is a question. Why do I then advocate that the Government may have the right or duty to declare bonus shares to the workers? There is a contradiction in this amendment and the position which I took earlier. The reason is this. Although we have been advocating this theory which has been accepted by tribunals that bonus is part of the deferred wages in this country, yet in practice we have found that bonus is not declared particularly when profits are not distributed in dividends and they are freed as reserves or capitalised as bonus shares for the shareholder.

Recently, it will be remembered that in the plantations there has been so much of profit that this industry is rolling in profits and the employers do not know what to do with them. And yet, when the demand for bonus is made, nothing is granted. We asked the State Government and we were told that the Commerce Ministry has issued instructions to go slow

and so bonus is not issued. A committee was set up and that committee has set up another committee to find out whether bonus is paid in the plantation industry and, if so, how much. Here is a patent case in which although there is huge profit, bonus is not given although the workers are getting only minimum wages and although the workers agreed to share during the crisis in 1952. What does it mean? It means that the Government as well as the industry think that bonus should be given but the industry should be permitted to capitalise reserves by way of bonus shares so that labour welfare measures might be undertaken—like house-building etc. Now, what happens? Supposing the tea garden capitalises the reserves and out of that begins to build houses. That becomes the property of the industrialists but does not become the property of the workers. You are permitting bonus shares to be issued to the shareholders so that any property acquired out of these in the name of labour welfare also becomes the private property of the industrialist. It does not become the property of the worker. Therefore, we have felt that ultimately it may be necessary in such cases that the distribution of bonus shares also might be on an equitable basis. The idea is that so far as cash distribution of dividends and bonuses is concerned, it should be on an equitable basis between the workers and the employers, that is, the shareholders. So far as the non-distributed profit is concerned, that is profit which is converted into reserves or which is converted into bonus shares for the shareholders there also there should be equitable distribution. Then only will the labour interests be fully protected. Otherwise, there seems to be no way in which we can get substantial justice because although the Government has accepted in principle the theory of bonus to workers, yet, in practice, they have not accepted it fully and they have always acted in a way which has been a support for the

300 L.S.D.

employers—the shareholders—rather than for the workers. Therefore, in utter disgust I have been forced to move this amendment so that at least where Government thinks that the major portion of the profits should be capitalised, there the workers' share may be permitted to be capitalised in the same manner so that the worker may at least get from the dividend what he is not getting by way of bonus which he was fully entitled to.

The second amendment which I have tabled is:

Page 308, line 31—

for "meeting contingencies or for equalising dividends"

substitute: meeting contingencies like compensation for lay off and retrenchment or for equalising dividends, wages and bonus".

Now, it is very well-known that employers have begun the practice of setting up separate reserves for separate purposes. One of the most important funds is the dividend equalisation reserve fund. Similarly, there is reserve for machinery and those things; there is reserve for taxation and so on. But the only reserve which is missing is the reserve for the workers.

Mr. Chairman: I think the hon. Member will take more time. He may continue the next day. It is time we take up the other business.

#### COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

##### THIRTY-SIXTH REPORT

Shri Raghunath Singh (Banaras Distt.—Central): I beg to move:

"That this House agrees with the Thirty-sixth Report of the Committee on Private Members'

[Shri Raghunath Singh]

Bills and Resolutions, presented to the House on the 7th September, 1955."

Mr. Chairman: The question is:

"That this House agrees with the Thirty-sixth Report of the Committee on Private Members' Bills and Resolutions, presented to the House on the 7th September, 1955."

*The motion was adopted.*

# RESOLUTION RE. STATE MONOPOLY OF FOREIGN TRADE

Mr. Chairman: The House will now resume further discussion of the resolution moved by Shri A. K. Gopalan on the 12th August 1955 on state monopoly of foreign trade in certain commodities. Out of three hours allocated for the discussion of this resolution, 46 minutes are still left for further discussion today. Shri Karmarkar may continue his speech; he may take half an hour and thereafter I will call the Mover of the resolution to reply, if he so desires.

The Minister of Commerce (Shri Karmarkar): When I began my reply last time, I was saying that the subject of State trading was really a very important subject and I was happy that this important subject was raised on the floor of the House at this juncture. Really it is for more than one reason that I am happy that Shri Gopalan raised this very interesting debate. I should say at the outset that I particularly welcome his approach to the subject. I was very much gratified to hear him quote the Prime Minister on our economic policy with approval. I was even more pleasantly surprised to find that it is Shri Gopalan's anxiety to help the Government to bridge the gap between the resources and the requirements of the Five Year Plan that has led him to move this resolu-

tion. I would therefore have been very happy indeed to be in a position to accept his proposals if we were satisfied that they have been conceived in the context of conditions that prevail in our country and would achieve the objective which I am very happy to say he has in common with us. But I must confess that I am afraid we have no satisfaction. In this context I need not really take the time of the House and dwell at length on our general economic policy. It is enough for my present purpose to say that we are seeking to achieve our objectives by organising certain activities in the public sector and by stimulating and regulating the private sector over the rest of the field. Shri Gopalan views foreign trade as a strategic height which he considers we should capture in the interest of development. I do not know which particular aspect of foreign trade he has in mind. As far as we on this side are concerned, and I think the House will agree with me. I can only view foreign trade as an important sector of our economy, a sector which is at the moment very largely run by private trade and by private initiative. There certainly are some heights in this sector which indeed we have already occupied and it is our feeling that from these heights we can continue to regulate what goes on in the sector so that foreign trade of the country is carried on in accordance with the purposes of the Plan and to fulfil the objectives which we have set out for ourselves. The House knows that imports are strictly regulated so as to ensure that maximum possible benefit is derived by the economy of the country from the limited foreign exchange resources available to us. Exports too, especially of articles which are required for domestic consumption such as edible oils, cereals and such essential items such as chillies and onions, are regulated. We also use fiscal measures such as the quantum of export and import duties to keep within check the speculative tendencies to which Shri Gopalan drew the attention of the

House. There undoubtedly are wide fluctuations in prices but these fluctuations are caused by factors which lie outside the jurisdiction of the Government of India and which are not known to have been controlled even by Governments who enjoy a monopoly over foreign trade. I hope the Members opposite will not join issue with me when I say that world prices of Russian manganese ore, for instance, are as much susceptible to fluctuations as those of our manganese ore.

I would only claim here that because of the Government of India's fiscal and other measures of control, fluctuations in our internal prices have been considerably less than fluctuations in world prices or fluctuations in many other countries.

I now turn to Shri Gopalan's main thesis. It seems to be his contention that if we enforce State monopoly of foreign trade in the commodities mentioned by him, we will be able to find an extra Rs. 100 crores a year for financing our Plan. I have read and re-read the text of his speech but I have not been able to find out by which mathematical process he has arrived at this figure. Broadly, our total foreign trade is of the value of Rs. 1200 crores a year—both ways, that is, imports and exports. Shri Gopalan had not proposed imports to be nationalised. In any case, quite a large part of our imports are, as it is, affected on Government account and the proportion of imports needed for the public sector will inevitably go on increasing. Even on the export side, Shri Gopalan has not mentioned all our staple lines of export and I think he has deliberately left out products of our new industries in which we are hoping to build up sizable export markets. Thus, even if I were to accept the proposal put forward in this resolution, I doubt whether the total turnover by the proposed State organisation will exceed Rs. 400 crores. Shri Gopalan has assumed that trading firms earn a profit of 10 per cent. of their trade.

I do not know how he has worked out his estimate. I do not know whether he is not making any distinction between what are called gross profits and what are called net profits—gross profits are certainly more than net profits. I would indeed be surprised if net profits, after allowing for wages, transport costs, salaries of numerous employees, taxation payable to local bodies, State and Central Governments, would work out to anywhere near the figure Shri Gopalan has in mind. It is true that I have no detailed information in regard to the profits earned by trading firms. If I had this information, I would have been glad to use it to rebut Shri Gopalan's guesses. I can only say on the basis of our general experience that while some firms may be making reasonably high profits and while excessive profits might have been earned in the past over short periods by and large, for purposes of our present argument, it would be unsafe to base our Plans on the assumption that if a State Monopoly was enforced on the lines proposed, it would be possible to make a contribution to the resources of the State to the extent of 10 per cent. of the trade. When considering what return could be expected from a State monopoly, we should not forget that even under existing arrangements the State expects trading operations to make a sizable contribution from their profits by way of direct and indirect taxes and by way of investment of savings in the developmental effort in the private as also in the public sectors. Thus, if a full balance sheet is drawn up, the House will find that the proposal made by the Members opposite will not result in more than a very small augmentation in the resources available for the financing of the Plan.

Let me for a moment assume that my estimate of the amount of profit that we could make by setting up a State monopoly to handle certain lines of export is wrong and that the figure would be very much higher. But surely this return can be secured

[Shri Karmarkar]

only if the State were to undertake that large measure of investment which would be necessary to carry on this trade on a monopolistic basis. If as Shri Gopalan says we could find an extra Rs. 100 crores a year for financing the Plan and the trade normally makes a profit of 10 per cent., then it needs no high degree of mathematical ability to say that the actual investment in trading would be of the order of Rs. 1,000 crores. At a time when we are finding it increasingly difficult to allocate all the resources necessary to undertake new tasks to set up new industries and to finance our various programmes of social welfare, I would ask whether this House would be in favour of diverting such a substantial proportion of our total resources in order that the State rather than someone else should do a job which is already being done. Trade, I would remind Shri Gopalan, is not like industry in one very important sense. My friend Shri Gopalan might believe in expropriation. He may perhaps want to take over industries without paying any compensation but we do not. But that is beside the point.

But even Shri Gopalan could not take over trade and run it without finding the capital for it because it is not like a plant or machinery where he will take over the physical assets. His suggestion to take over export trade would cost us on his own calculations about Rs. 1,000 crores and I hope the House will agree with me that we could not afford this at the moment.

**Shri K. P. Tripathi (Darrang):** That is a fallacy in the argument.

**Shri Karmarkar:** There may be many other fallacies, but my friend may wait till I finish.

**Shri K. P. Tripathi:** At a time you will not require Rs. 1,000; the sum will be required over a long period of years.

**Shri Karmarkar:** I would ask my friend to watch for all the other fallacies; he can assist Shri Gopalan with all the fallacies. Besides—I am quite sure Shri Tripathi at least will not say that this is fallacy—traders do make a loss; if past experience is any guide, a State trading enterprise is no exception in this respect. The House has usually been most critical of any loss made in trading which has been undertaken by the Government in the past even when the object of that trading was not to make money but to serve a particular economic or social need, for instance, foodgrains. I doubt, therefore, whether the kind of doctrinaire approach which he had suggested will have many supporters in this House even if it were to be implemented.

I have assumed for the purpose of argument so far that we will have no practical difficulties in enforcing the proposed State monopoly. This assumption will not be found to be warranted if we rely on the conclusions reached by the two committees which studied the problem of State trading in the recent past. They recorded a lot of evidence and they gave a lot of consideration to this subject. The committee presided over by my friend and colleague Dr. P. S. Deshmukh reported in 1950. This Committee only recommended that the trading activities then carried on by the then Government departments in items such as foodgrains and fertilisers should be taken over by a statutory State trading corporation which might in addition take up the import of East African cotton and the export of short staple cotton and cottage industry products. As conditions in international markets began to stabilise and as India's own production of foodgrains, fertilisers and cotton made—what may be called—tremendous progress a three man committee which was later presided over by Shri Krishnamurthy Rao, the present Deputy Chairman of the Rajya Sabha, was asked to go into

the matter further. This committee came to the conclusion that in the altered circumstances in which it found itself compared with the earlier committee, it was not necessary for a State trading corporation to take over even the import of food-grains and fertilisers. They only recommended that a start should be made by the establishment of a State trading corporation to undertake the export of handloom cloth and certain selected small scale and cottage industry products. I may inform the House that we are still considering this recommendation and are naturally approaching the subject cautiously.

Not very long ago, there was a short period, as my friend Shri Gopalan will be able to appreciate, when the sellers of most of the commodities mentioned by the Members opposite could have their way because it was then easy to sell—it was a peculiar market owing to some extraordinary circumstances, for instance in the case of pepper, Indonesia and Sarawak were out of the picture and we were enjoying the results of a boom. It was then not too difficult to earn sizable profits. As the House is aware, conditions have since changed and the world supply now exceeds the demand for most of the items mentioned in the resolution. We are facing severe competition all round. With the devaluation of the Pakistani rupee, competition has become even more intense, particularly for our jute goods. With the lessening of world tension, the demand for mica might be expected to do down. Our manganese ores and other metallic ores are not selling as easily as before; last year was a year of difficulty for us, for larger supplies are available from competitive sources. Pepper is now being exported in larger quantities by Indonesia. Indeed, on account of increasing competition, we have in the recent past been reducing our export duties on items like jute manufactures, cotton textiles, pepper, manganese ore, etc.

It may be doubted whether in these conditions a State trading corporation will be as advantageously placed as private parties in picking up business from individual business houses scattered all over the world and taking advantage of changes in prices and price fluctuations by competitors in other countries.

Shri Gopalan has mentioned long-term contracts as the panacea for all evils. As the House is aware, there should be two parties to conclude a deal and I do not know of many buyers who under present world conditions are willing to enter into long-term agreements. It is because they also would like to seek competitive sources of supply unless we are sole monopolists in any particular commodity and we can dictate the terms of supply to the world. Even if some may be willing, they will naturally wish to conclude a deal on the basis of prices which we might not regard as reasonable. Any ordinary trader knows that in respect of prices it is not wise to enter into long-term deals. It may not be good except in the case of a commodity which we badly want and which it is in our interest to secure at a reasonable price. Apart from that, an agreement is bound to affect us in another way. A trader would like to be unfettered so far as the prices are concerned; he would like them to be changed from year to year and such agreements would tie one's hands for a number of years. If in respect of a particular commodity, world conditions make it possible to have a higher price, we would not be able to get that higher price because then it will not be proper for us to urge for a higher price after having tied our hands fully well.

Not even the countries who have put into practice the pattern of trade which the Members opposite are commending to us have not so far as I know sought to develop the export of the kind of items mentioned in the resolution with western countries by means of long term agreements. I

[Shri Karmarkar]

am not opposed to long term agreements as such but my point is whether it is in the interest of the country; I feel that the value of such agreements in the present conditions is strictly limited.

There is one other aspect which worries us; that is the employment aspect. We are trying our best to create additional jobs. Surely, if I may respectfully say so, it would be quite wrong for us to take any step at the same time which might increase unemployment. I have no accurate figures of the number of people employed in the foreign trade over sector but if I may say from memory, in trade as a whole, there is sizable number of our population, almost about a crore of people. I have no figures of people engaged in foreign trade alone. There is, however, no doubt that these trading firms provide considerable employment to them, directly and indirectly. In Calcutta, for instance, large numbers of people make their living one way or another by taking some part in the jute trade.

**Shri A. M. Thomas (Ernakulam):** Can they not be converted into State trading agencies?

**Shri Karmarkar:** Certainly, but my hon. friend would like to make it a smaller number so that there may not be any superfluous personnel. We cannot have it both ways. If it is a State organisation it must be able to do it, with all its machinery, with a less number of people.

**Shri V. P. Nayal (Chirayinkil):** Experience is otherwise.

**Shri Karmarkar:** It may be my hon. friend's experience. Likewise, cotton in Bombay, hides and skins in Madras, pepper and coconut including its derivatives in Travancore-Cochin are important sources of employment. A State monopoly in the field of trade will naturally not need such a large number of employees.

Most of the small traders as well as the people in their employ will naturally not have any vocation. That is also an important aspect which is to be considered. This is a prospect which the House will not be prepared to contemplate with equanimity.

We, however, are not fond of a doctrinaire approach in such matters as I said already. We have to take a pragmatic view and we are not in any sense averse to embarking on State trading—it is not as if we are, on principle opposed to state trading; in fact that is the way in which things will slowly develop—in commodities or in situations in which such a course appears to be desirable or expedient in the country's interests. In the past the import of foodgrains has been handled by Government themselves. I do not, Sir, set much store by the conclusions arrived at in the pamphlet quoted by Shri G. D. Somani. In my view the monopoly handling by Government of the import of foodgrains helped the country to tide over a period of grave national emergency. Even if this responsibility had been left to the private sector the additional cost to the consumer would have been greater than any net loss Government had incurred in these transactions. Even though the Government had exercised the strictest control in the distribution, we know there were two parallel prices; one was the fair market price at which the Government sold and the other was the free market price. There have been occasions in the past when Government entered into barter deals, or, to put it in other words, into specific commitments for the purchase and supply of specified quantities of specified commodities with countries like Argentina, U.S.S.R. and China. As the House is aware, for trade with countries which handle their foreign trade through monopolistic organisation there is much to be said—and there I think Shri Gopalan and I would agree—for having a corres-



ponding organisation in the country which can negotiate these transactions on equal terms. Shri Raghuramaiah made some observations on the difficulties that arise from private parties having to negotiate sale and purchase agreements, in competition with one another, with representatives of State organisations in foreign countries. We do appreciate the services of Shri Raghuramaiah as leader of the delegation that went to China and which, as the House is aware, had brought fruitful results. His suggestion is naturally, therefore, something coming out of experience. Again, it was, I believe, Shri Gopalan who observed that our existing pattern of trade was not affording adequate scope for the development of useful trading relations with countries where foreign trade is handled by Governments. In this connection, I should say that both Shri Gopalan and our friend Shri A. M. Thomas who made useful contributions to the debate, and Shri Raghuramaiah who had experience of such a deal—I should say with appreciation—have made valuable points in this regard and I am happy to say that Government are giving active consideration to the views expressed in that regard. But, apart from trading with such countries Government have had occasions in the recent past to discover the inadequacies of the existing trading mechanism in ensuring adequate supply at reasonable prices of some critical items in which temporary gaps between supply and demand appear, and where world supplies are controlled by international cartels. We have tried with a measure of success in such situations by quasi-monopoly arrangements. I should say, we are considering whether it will not be advisable to set up an organisation which could help government—and I think this would meet Shri Gopalan's point of view, partially at least—to deal with such problems if and when they arise more effectively.

Sir, in regard to some of the commodities listed by the hon. Mover, we

have to rely mainly on our regulatory powers and to ensure that the foreign trade of the country is conducted in accordance with the objectives and purposes of the Plan. We also hope that with the aid of fiscal measures we have already employed and which we might employ in future, we will be able to induce the trading section to make all the contribution it can make to the success of the industrial part of our Plan. We propose to keep the position under constant review and if we discover that in any particular respect the regulatory powers and our fiscal measures are proving inadequate or that the State is likely to benefit in a larger measure by changing the pattern of trade, we will not hesitate to supplement it by more positive action on our part. Already there is a substantial field in which the State makes its own purchases. This field, as the requirements of the public sector increase, is bound to become wider and wider; that is, naturally, resulting in greater and greater State purchases. In addition, we propose to examine and consider whether it is necessary to set up a State trading organisation in order, firstly, to facilitate the development of trade with countries where trade is in Government hands, and, secondly, to assist Government in solving difficulties and problems for which private trading channels are found to be inadequate.

Now, coming to the point about the Committee, as I was just trying to explain to my friend Shri Ramachandra Reddi, this is a matter in which the Government will have to think within themselves, in the sense that the data that would be available to a committee is already there before the Government. In the earlier stages we asked these two committees to go thoroughly into this matter. They considered all the aspects; but then they considered the data that was relevant at that time. As the House is well aware, trade is a dynamic thing. It moves on from point to point. It is not so much the absence

[Shri Karmarkar]

of material that is the difficulty. We do not want to put the country or the national interest to a loss by taking any hasty measure in respect of this very important subject. Therefore, we believe that a committee of this kind at this stage would not help us in the matter.

These are the only observations that I should like to make at this time. This subject, as I said earlier, is composed of very important aspects. Certain people used to say that trade is a fishy thing. In one sense it is, because in entering trade one is not on sure grounds. In running an industry you start with capital and machinery and produce goods, but when you put them into the market, there is both profit and loss. I am quite sure my friend Shri Gopalan would not ask us to hazard hastily in this matter. As I said earlier we are on the subject as to what machinery we should develop to deal with such countries as have their trade absolutely under their control, and secondly as to what would be advisable with regard to the commodities which we are purchasing already—and, as I said a moment ago, that sector is likely to increase in the near future on account of increasing State requirements.

I have tried briefly to deal with the important points that were dealt with in the course of the debate. I really think that a useful purpose has been served by inviting the attention of the House through this resolution and also drawing the attention of the public to this all important subject. I am not sure whether Shri Gopalan thought that immediately this resolution was moved he would have all his objectives achieved; but I think he has succeeded quite well in drawing the attention of the House as well as attracting the attention of the Government; because every time the House discusses a subject the attention of the Government is also necessarily attracted more and more towards that subject. But, I may say

that our task on this side is a little more difficult. We have to take all the difficulties into consideration whereas it is not so in the case of our friend over there who is shaking his head. In any case, on a subject like this, I should certainly think a hundred times before taking the advice from Shri Kamath.

**Shri Kamath (Hoshangabad):** I was a member of the State Trading Committee which your predecessor appointed.

**Shri Karmarkar:** If he does not take my words to be....

**Shri Kamath:** Perhaps that is why he shelved the report we presented.

**Shri Karmarkar:** I was on a point and I should not like to lose the link. I think, I would be in unsafe hands if I were to consult him in the matter of State trading because for him it is a "fling all" or "get all" policy. We may gain hundred per cent. success or complete failure.

**Shri Kamath:** It is not my personal advice. I was a member of State Trading Committee, and your present colleague Dr. P. S. Deshmukh was also there.

**Shri Karmarkar:** I am not dealing with the report; I am dealing with Shri Kamath's nods with regard....

**Shri Kamath:** You can deal with that outside.

**Shri Karmarkar:** Outside I shall develop that argument further, but inside, there being parliamentary restrictions, I have to restrain myself. But outside, he will pardon me for my language, and I will pardon him.

**Shri A. K. Gopalan (Cannanore):** The other day there were some hon. Members who opposed the resolution, but at the same time it was a hopeful case because though they opposed the resolution they accepted the principle that State trading in some of the commodities must be there.

But, today, when I heard the speech of the hon. Minister I was thoroughly disappointed. There are two reasons why I am disappointed. One is, it was only five days back I read in paper that one of the sub-committees of the AICC gave a report saying that in order to find more resources State trading must be taken up. If that report is correct, I think the hon. Minister, being a member of the Congress Party, would have at least accepted this and said that State trading in some of the commodities must be taken up. But today, instead of saying that, what he has pointed out is, there is no profit, that there is only loss and so "do not embark us into another situation where there would be loss". Not only that. He said there is no capital and that there must be about Rs. 1,000 crores for this State trading.

4 P.M.

The first thing that I wanted to point out is that not only the Minister but others also took up only one aspect of the question. It is true that the resolution is worded like this:

"...to implement successfully the Second Five Year Plan Government should immediately enforce State monopoly of foreign trade in commodities..." etc.

So, it is not only one aspect of profit. Because the resolution was worded in that way, the first thing that was taken up by the Members who opposed it was there is no profit, and so, this cannot be taken up. There are two other main points that I have shown. It is not only a question of profit. Of course, there will certainly be profit. When I made my speech the other day I asked the hon. Minister—I did not get the particulars from the Research Division here—as to what are the important trading houses in this country and what are the profits. The Minister has replied today also that he is not able to find out and said that there are no sources to find out what the

profits are. If there are no sources to find out what the profits are, then I do not know why the Minister has come to the conclusion that there would be loss and there will be no profit. If there are no sources to find it out, there is at least one source by which we can understand that there is profit. As far as most of the commodities that I have mentioned in the resolution are concerned, there are certain houses that had been trading in those commodities and those houses had not been wound up or closed, because there is profit. Profits were due to the fluctuation in prices. If there had been a loss, for so many years, then certainly they would not have continued their business. When the trade is in private hands, when there is speculation there would be fluctuation in prices and according to the fluctuation in prices it may be that in one year there may be a little loss, but taking the trade as a whole, there is no reason to believe that there has been so much of loss in the country, that the monopoly trading houses in the country had been working at a loss and that they had stopped trading or they had closed their business. There is absolutely nothing of the kind. They are continuing. So, when we have no sources to find out the profit and when we understand they are continuing their trade, certainly we can understand there is absolutely no loss. Proceeding a little further, I would say that it is the duty of the Government to see that this is not only a question of profit, but it is a question of production also and also of economic stability.

As I have shown the other day when I spoke, the fluctuation in prices is so big that the lowest price in 1951 is 50 per cent. less than the highest price in 1955. As far as the lemon-grass oil or pepper are concerned, there is a great fluctuation in prices, and the fluctuation is so great that the growers of those commodities find that they cannot even get back the cost of production

[Shri A. K. Gopalan]

from the prices that obtain for those commodities. Then certainly they will stop their business and go on to some other thing. Now, if there must be stability in production, if the production must be stable, even then, there must not be big fluctuations in prices. In my opinion, these fluctuations in prices will not be there, only if the State takes up the trading in those commodities, and I shall try to prove it.

So, it is only a question of profit. I want the Minister to understand that. Even if the profit is very little, even—I would say,—if it is a question of loss, as I have already said, the other aspects should be considered. We have got the development plan. We have got so many plans. We can use those plans if there is no profit, and even if there is a little loss, we will say, 'take up the State trading in those essential commodities which I have mentioned'.

There are two other things. The price for the peasant, must also be considered, with reference to the fluctuation in prices. We have discussed the fluctuation in prices on the floor of this House frequently during the last four or five years and we have shown that the fluctuation in prices causes misery and hardship to the peasants. As far as the production of those commodities are concerned, if there is such a fluctuation every now and then, certainly it will cause some difficulty in regard to production also. So, the first point that I want to say is that it is not only a question of profit but it is also a question of economic stability as well as production. Even now, I am not sure whether there will be enough money forthcoming through our planned schemes. The Minister told us that there are no sources to find out the figures regarding the trading in commodities by private houses, but even then, I would say that there will be no loss. There is profit. Even if the profit is

little, at least for the sake of avoiding misery and hardship to the peasants, in this country, it is necessary that the Government must take up trading in those commodities.

Now, among those Members who spoke the other day, Shri G. D. Somani, opposed the resolution. I can understand Shri Somani opposing the resolution. He is very frank. He said, 'let us do it; loss or profit does not matter. Let not the Government do it, because they are inefficient, and they have no personnel. They have no good persons to work it out, and so we will do it.' I can understand Shri Somani. He was very frank and he said, 'leave it to us and let not the Government go in for trading'. Shri Raghuramaiah, Shri A. M. Thomas and Shri L. N. Mishra, also spoke on the resolution the other day. Shri L. N. Mishra, said that as far as jute is concerned, it must be taken up and the Government must trade in it. As far as Shri Raghuramaiah, is concerned, he also said, pointing out special reasons, that tobacco must come under State trading. As far as Shri A. M. Thomas, is concerned, he pointed out the reasons and said that pepper, ginger and lemon-grass oil and a few other commodities must be taken up for State trading. I want the hon. Minister to accept those things at least—what Shri Raghuramaiah said, what Shri L. N. Mishra, said and what Shri A. M. Thomas, said—and begin State trading at least in those commodities.

**Shri Karmarkar:** Is it because, in this particular aspect of the question, Shri A. M. Thomas, plus Shri Raghuramaiah plus Shri L. N. Mishra are equal to Shri A. K. Gopalan?

**Shri Raghuramaiah (Tenali):** Does it not mean that it is equal to zero?

**Acharya Kripalani (Bhagalpur-cum-Purnea):** Yes; so far as the Government is concerned.

**Shri A. K. Gopalan:** The common point is that there are violent fluctuations in the price of our exported goods in foreign markets and so it is not advisable for the Government to take the risks. Shri Thomas went a little further and said that fluctuation itself provides the ground for not resorting to State trading, meaning thereby that because there is fluctuation the State should not take up State trading. The Minister has told us now that in one sector of trading, there are two markets and in one market or, so to speak, in one sector, where trade is in the hands of the State, there can be a long-term agreement, and the Minister has also said that as far as that long-term agreement is concerned, Government will try to see that a kind of State Corporation is organised to see that trading is done. So, as far as the Minister is concerned, I think the Minister has agreed now that there are some States where trade is under the control of the State.

**Shri Karmarkar:** If I may make the position precise, because this is a most important point. There are certain countries which have got foreign trade completely under their control and there are some countries where the foreign trade is completely in private hands. We have dealt with some countries which control their foreign trade and also with some countries where the foreign trade is in private hands. In order to facilitate dealings of the earlier kind, I said we are considering as to whether we cannot have some organisations or something of the kind. I should not be understood as having committed myself to the desirability of long-term agreements. In fact, if I said anything, I said that those long-term agreements with this country or that country may prove sometimes disadvantageous where we are the sellers. That is what I said.

**Shri A. K. Gopalan:** I say there must be a long-term agreement and if there is a long-term agreement or

arrangement with some countries that want to trade with us, they can purchase the articles which we have got here. Then certainly there will be no violent fluctuation in prices. As far as tobacco or pepper is concerned, there are certain countries, not one country, but two or three countries, with whom there is an arrangement. There is the cost of production. There is also the margin of profit to the peasants. After that there is the sale of these things to the other countries, and so, if there is a long-term arrangement or agreement for, say, five or six or ten years, certainly there will be no fluctuation in prices as far as those commodities are concerned. Because there is competition in this country, the private traders will never be able to come to a long-term arrangement. They will not also come to a long-term arrangement. The other day I pointed out about trade in tobacco with China, and also about other articles. The private traders want that their agreements should be only for one year because they are waiting for prices to increase or for depression. It has been said that, if the prices go up, the private trader will be at a loss. What I say is, it is not a question of prices going up or going down. If the Government takes up the trade, we do not want the prices to go down and we do not want to get more profit. When the prices also go up, there will be loss. As I said, it is not a question of prices going up or coming down. What I want is that in order that there may be no big fluctuation in prices, there must be a long-term agreement. That agreement should be on the basis of these factors. We must consider the cost of production and but little more profit on that. On that arrangement, there should be long-term agreements for some years. At present, there is speculation; suddenly the prices go down, or shoot up. I say that this fluctuation in prices can be stopped only if the State takes it up. Not only that. The State must take up trading with all the countries as far as possible that are trading in certain specific commodities and there must be long-term agreements. For instance, there may be an agreement for four

[Shri A. K. Gopalan]

years. Before the agreement concludes, the Government must consider the situation and they can have another agreement or they can renew the agreement. When they renew the agreement they should see what the cost of production is and if necessary they can even have a new agreement. What I say is that only if there is a long-term arrangement with other countries, this fluctuation in prices can be stopped.

The next point I heard was about losses. Most of the hon. Members who spoke said that there was a loss in food. I say that the loss was calculated on the understanding that incidental charges and retailers' charges could have been 50 per cent. less. I do not know how these figures had been got; I do not think those figures are correct. It was also said that it was due to the inefficiency of the people who dealt with it. Among those who spoke about it, Mr. A. M. Thomas, quoted Chou En-lai and said "even in China there had been some difficulties; how is it that we can do it?" That is not an argument when we are having such a big planning in this country. Is it that, when we took up the first Five Year Plan and when we are taking up the second Five Year Plan, everything is perfect and is it only trade that is not perfect?

**Mr. Chairman:** The hon. Member's time is up. Forty-six minutes were left and the Minister has taken half an hour.

**Shri A. K. Gopalan:** I shall conclude shortly. There are many people who are experienced in trading and they also may be taken up, if the Government undertakes the trading.

The next question is about unemployment. I do not know how this unemployment question will come in if the Government takes up the trading. Even when the Government takes it up there will be co-operatives, buying and selling organisations and so on. Our experience is that whenever Government takes up anything, it is a

question of more people being employed and it is not a question of unemployment.

Then, something was said about the freedom of trade. Even in those countries where there is no trading by the State, there are big monopolists who carry on the trade with other countries; it is they who sell and buy things. In order that there may be good bargain with them, it is necessary that the State must take up the trade; the private traders could not do it. There are many other points which I would like to explain, but because there is no time, I am unable to mention them.

I will only say this. Egypt, for instance, wants quality tea and it is prepared to pay higher prices for it; but, for want of foreign exchange, they are unable to do it. Therefore, it is only when the State takes up the trade that we can come to long-term arrangements with those countries who want to purchase things from India. As far as profit and loss are concerned, I say that if the State takes up the trade, there will be only profit; there will be no loss. Moreover, the question of profit and loss is not so important; the more important question is how to stop the fluctuation in prices which affects the economy of our country. Many people are in misery because of this fluctuation in prices. It is to help them that there must be State trading in all these commodities. As I have said, if the State takes up the trade, there will be profit and this profit can be used for the development of the country and also, for ensuring the economic stability of the country can be maintained.

Although the Minister has not accepted my Resolution today, when the A.I.C.C. discusses this matter next time and when it says there must be State trading, I am sure he will support it there when it comes before the Congress. I think he will show the same face here in the Parliament also. Although he has opposed the spirit of the

Resolution, I think he also thinks that certainly it will be profitable to have State trading. The Minister has said that as far as some commodities where there is State trading in other countries are concerned, the Government is thinking of some kind of State control in the trade of those commodities. I request that he may do at least that much.

**Shri A. M. Thomas:** The hon. Minister has said in his reply that with regard to some of the articles mentioned by him, pepper for instance, there are other competing countries like Indonesia and Sarawak. With regard to the other articles, lemon-grass oil for instance, one of the competing countries is Guatemala which has taken it up for State trading. Has the Minister examined how it is being worked in Guatemala and also why we cannot adopt the same thing in our country? There are other articles where we have got practically a monopoly; in cashew-nut for instance, we can dictate terms. Why cannot the State take up such articles for State trading?

**Shri Karmarkar:** I am sure that Government will carefully consider all the views that have been expressed by the hon. Members. I think the hon. Mover—if I am wrong, he will correct me—is partially satisfied with the debate and I hope that he will withdraw his Resolution.

**Mr. Chairman:** I shall now first put the amendments to the House. There are four in the names of Shri Ramachandra Reddi, Shri V. P. Nayar, Shri Bogawat and Shri Sivamurthi Swami.

**Shri Bogawat (Ahmednagar South):** I beg leave to withdraw my amendment.

*The amendment was, by leave, withdrawn.*

**Mr. Chairman:** The question is:

That in the Resolution, for the word "enforce" substitute "appoint a small expert Committee to report on the question of".

*The motion was negatived.*

**Mr. Chairman:** The question is:

That in the Resolution, after the word "rubber" insert "cashew-nuts, lemon-grass-oil, ginger".

*The motion was negatived.*

**Mr. Chairman:** The question is:

That at the end of the Resolution, the following be added:

"This House is further of opinion that an Expert Committee should be appointed to examine the question of State monopoly of foreign trade of our country in respect of all such other commodities which will conduce to increase our national reserves."

*The motion was negatived.*

**Mr. Chairman:** Now the main Resolution.

The question is:

"This House is of opinion that in order to implement successfully the Second Five Year Plan Government should immediately enforce State monopoly of foreign trade in commodities like jute, hides and skins, coconut, pepper, tea, cotton, rubber, manganese, mica, coal and other metallic ores."

*The motion was negatived.*

#### RESOLUTION RE: APPOINTMENT OF COMMISSION FOR DEVELOPMENT OF INDIAN SHIPPING.

**Mr. Chairman:** Three hours are allotted for this Resolution.

श्री रघुनाथ सिंह (जिला बनारस—मध्य):  
भारतवर्ष के लिए आज बड़े महत्व का दिन है,  
जब कि लगभग आठ सौ वर्ष के पश्चात हम  
फिर इस हेतु समवेत हुए हैं कि हम विचार  
करें कि भारत का जहाज व्यवसाय अपनी पूर्ण-  
वस्था को प्राप्त हो। इस विषय पर विचार करने

[श्री रघुनाथ सिंह]

के पहले मैं थोड़ा सा इतिहास की तरफ दृष्टि डालना चाहता हूँ।

हमारे वैदिक, महाभारत और रामायण काल में "अष्टबल" का वर्णन मिलता है। उसमें "नौबल" का बहुत महत्वपूर्ण स्थान रहा है। नौबल का अर्थ है नाविक सेना, मरकटाइल या मौराइन नौवी। रूयार्ड किमलिंग ने कहा है कि "ट्रांसपोर्टेशन इज सिविलाइजेशन"। इस विषय में मैं आपको यह दिखाना चाहता हूँ कि भारत की सभ्यता का विकास और उसकी सभ्यता के विकास का आधार भारत की नाविक शक्ति था। इसी प्रकार यदि हम इंडो-चीन की ओर अपना ध्यान आकर्षित करें, तो हमें ज्ञात होगा कि ४४५५ वर्ष पूर्व भी इंडो-चीन के पास अनेक जहाजों का एक बंदर था और ४० जहाजों का उसका एक बंदर व्यापार के लिए फोनीशिया गया था और उस समय व्यापार के साथ ही साथ इंडो-चीन और फोनीशिया के मध्य सभ्यता का भी आदान-प्रदान हुआ।

आप को यह बात जान कर भी आश्चर्य होगा कि यद्यपि आज हमारी ओवरसी ट्रैड की अवस्था कोई बहुत अच्छी नहीं है और उस की मात्रा बहुत कम है, परन्तु ४६५० वर्ष पूर्व हमारे जहाज अरब की खाड़ी में जाया करते थे, रैड सी में जाया करते थे और चीन में जाया करते थे। हा० साई ने, जो कि एक एसीरियोलाजिस्ट हैं, एसीरियन आर्कैओलाजिस्ट हैं, साबित किया है कि आज से ४६५० वर्ष पूर्व हमारे जहाज बेबीलोन तक पहुँचा करते थे। इसी प्रकार आप देखेंगे कि आज से २२५० वर्ष पूर्व मॅगस्थनीज ने भारतीय बंदों की बहुत प्रशंसा की है। जिस समय भारत पर अलगजेन्डर का आक्रमण हुआ था, उस समय पॉर्स ने भारतीय जहाजी बंदों के साथ उस का सामना किया था और जब अलगजेन्डर हिन्दुस्तान से लौटा, तो वह ५०० भारतीय जहाजों पर गया, जो कि हिन्दुस्तान में ही बने थे।

इसके बाद आप देखेंगे कि क्रीट, ग्रीस और रोम इत्यादि राज्यों की जो सभ्यता थी, वह केवल मॅडीटीरैनीयन तक ही सीमित थी, महद्द थी, जो कि एक प्रकार की भील थी। इस का कारण यह था कि उनका जहाजी बंदर, उनका जहाजी व्यवसाय इतना विकासशील और उन्नत नहीं था कि वे ओशन में जा सकें। लेकिन यह उल्लेखनीय है कि हमारे भारतवर्ष का जहाजी बंदर आज से चार हजार वर्ष पहले ओशन में जाता था। हम देखते हैं कि २२०० वर्ष पूर्व अशोक काल में अशोक पुत्र महेन्द्र और संघमित्रा पटना से—पाटलिपुत्र से—सिंहल जाने के लिये रवाना हुए और ताम्र-लिपि बन्दरगाह से जहाज पर चढ़ कर वे वहाँ पहुँचे और अनुराधापुर में उन्होंने बाँधि वृक्ष की शाखा लगाई।

इसी प्रकार आप देखेंगे कि सन् १ ए० डी० में सौराष्ट्र के राजा प्रभुजय पहले व्यक्ति थे, जो कि समुद्र पार कर के जाया गए और उन्होंने वहाँ अपनी सभ्यता का प्रचार किया। आप यह भी देखिए कि हमारे भारतवर्ष के वांगमय में जहाजों और नौबल का इतना महत्व था कि सन् १७३ ए० डी० में राजा यज्ञश्री ने अपनी मुद्रा पर अपना चिह्न नहीं दिया बल्कि उन्होंने उस पर जहाज का चिह्न दिया। इस से ज्ञात होता है कि प्राचीन काल में हमारे देश में जहाजी व्यवसाय का कितना महत्व था। उस समय सौराष्ट्र, गुप्त, हर्ष, कर्लिंग, चोल इत्यादि राज्यों ने भारतीय बंदों के विकास और उसकी वृद्धि के लिए घोर प्रयत्न किया और उन्होंने संसार भर की बन्दरगाहों में अपने जहाज भेजे। सन् १०१८ से लेकर १०२५ तक राजेन्द्र चोल ने बंगाल की खाड़ी को एक प्रकार से भील बना दिया और वह इस तरह से कि वहाँ पर इतने भारतीय जहाज थे कि किसी को समुद्र का भय नहीं था और आवागमन अत्यन्त सुगम हो गया था। ग्यारहवीं शताब्दी का एक ग्रन्थ प्राप्त हुआ है जिसका नाम है "एथिपि



कल्पित"। उससे ज्ञात होता है—आप को यह ज्ञान कर आश्चर्य होगा—कि हमारे दश में उस समय २७ प्रकार के जहाज बनते थे और २३०० टन के जहाज तैयार होते थे। यह ठीक है कि एक हजार वर्ष तक हम लोग गुलाम थे और उस काल में हम कोई जहाज नहीं बना सकें। लेकिन वास्तव में हमारे जहाज-व्यवसाय का अन्धकारमय युग उस समय आरम्भ हुआ जब कि बारहवीं शताब्दी में विजय और चोल राज्यों में संघर्ष प्रारम्भ हुआ। १०२६ में भारत पर महमूद गजनवी का आक्रमण हुआ और इस दश का अन्धकारमय काल आरम्भ हुआ। इस विजय-चोल संघर्ष ने भारतीय बंदर का नाश कर दिया और ११६२ में जब पृथ्वीराज धानंरवर में हार, तो उसके साथ साथ पराधीनता भी हमारे सिर पर सवार हुई। इस लिए यह बारहवीं शताब्दी का काल भारत का घोर अन्धकारमय काल है, लेकिन फिर भी दीर्घण के जो हमारे हिस्से आया, उनमें जहाज बराबर बनते रहे। मार्को पोलो जब १२७५ में यहाँ आया, तो उसने देखा कि दीर्घण में इतने बड़े जहाज बनते थे कि लाइफ-बोट साइज की दस जायें एक एक जहाज पर लटकती थीं, ताकि अगर जहाज डूबने लगे, तो लोग लाइफ-बोट पर चले जायें, और एक एक जहाज पर ६० कौबन्ज अर्थात् कोठरियां बनी हुई थीं, जिनमें बैठ कर यात्री लोग यात्रा करते थे। लेकिन आप देखेंगे कि हमारे जहाज-व्यवसाय का अत्यन्त शोकमय काल उस वक्त आरम्भ होता है, जब कि २० मई, १४९८ को वास्कोडिगामा का कालीकट में आगमन हुआ। उसके बाद १४०६ में गोआ के पहले गवर्नर-जनरल जल्मुकर् साहब नियुक्त हुए और फिर १५२६ में मुगल राज्य की स्थापना हुई। भारतवर्ष और पुर्तगाल का जहाजी संघर्ष ६० वर्ष तक चलता रहा और महान वीर कुंजाली ने ४० वर्ष तक पुर्तगालियों से युद्ध किया और १५६६ में उसने दीव में पुर्तगाली बंदर को पराजित किया, जो कि दीव में इकट्ठा हो गया था। लेकिन १५६५ में कुंजाली की

मृत्यु हुई। उसके बाद पुर्तगालियों से शिवाजी ने होड़ ली, सन् १६७४ में शिवाजी का राज्याभिषेक हुआ। उनके दो सैन्यापतियों, मैनाक और दाँलत खाँ ने उस समय गोआ में घुसकर युद्ध किया। सन् १६८० में शिवाजी की मृत्यु हो गयी। लेकिन मराठों को इस बात का श्रय है कि उन्होंने स्वाधीनता के युद्ध का पीछा नहीं छोड़ा, बल्कि १६९६ से लेकर १७ या १८ साल तक कान्हाजी आंगरे ने घोर युद्ध किया और वह भी हिन्दुस्तानी बंदर के साथ। लेकिन उसके बाद आप देखेंगे कि १८४८ में लॉहे और लकड़ी का संघर्ष छिड़ा। सन् १८४८ में जब लॉहे के जहाज बनने लगे तो अंग्रेजों की नीति यह हुई कि भारत में लकड़ी के जहाजी बंदर का नाश किया जाय और १८४८ में भारतीय बंदर पूर्णतया ध्वंस किया गया।

आज से ४० वर्ष पहले की बात है कि हिन्दुस्तान में अंग्रेजों के काल में ४० जहाजी कम्पनियां शुरू हुईं और वे सब फेल हुईं और लिक्विडेट हुईं। लेकिन एक कम्पनी ने सरवाइव किया। वह थी सिंधिया स्टीम नेवीगेशन कम्पनी। १६२५ में लार्ड इंचकॉय जब रिट्रैचमेंट कमेटी के चैयरमैन होकर यहाँ आये तो उनके दिमाग में यह बात आयी कि यह जाँ छोटा सा न्यूक्लियस है यह किसी दिन ब्रिटिश से होड़ ले सकता है। उस समय सिंधिया स्टीम नेवीगेशन कम्पनी के २० रुपये के शेयर का दाम ६ रुपया था। उस वक्त लार्ड इंचकॉय ने कहा कि हम २० रुपये पर शेयर के हिसाब से दाम देने के लिए तैयार हैं आप अपनी कम्पनी को हमें बंध दीजिये। लेकिन श्री बाल चन्द हीरा चन्द की दशभक्ति के कारण यह कम्पनी कायम रही और आज वही भारतीय जहाजी बंदर का न्यूक्लियस है।

भाइयो, उसके बाद क्या हुआ ? एक कंट्रैक्ट हुआ। अंग्रेजों ने एक पालिसी चलायी जिस को कि तत्कालीन कांग्रेस के लोगों ने स्लेवरी बाँध कहा था। उस स्लेवरी बाँध में यह था कि

[श्री रघुनाथ सिंह]

दस वर्ष तक कोई भारत का जहाज ओवरसीज नहीं जा सकता। केवल छोटे जहाज बनाये जायें जो कि कोस्टल ट्रेड का काम करें। उसमें यह भी था कि कोई यात्री-जहाज न बनाये जायें। इस स्लेबरी बांड ने हमारी जहाजी कम्पनी को बड़ा धक्का पहुँचाया।

इस प्रकार इन्द्र से लेकर इंचकय तक की मैंने आपको कहानी सुनायी।

इसके बाद एक दूसरा अध्याय हमारा यहाँ आरम्भ होता है। वह सन् १९४९ से आरम्भ होता है। सन् १९४९ में जहाज बनाने के लिए सिंधिया स्टीम नेवीगेशन कम्पनी ने शिपवार्ड की नींव डाली। १९४६ में जल उषा को तरणी अर्थात् हल रखा गया और १९४७ में शिपिंग पोलिसी सब कमेटी की रिपोर्ट प्रकाशित हुई। इस कमेटी ने यह टारगेट रखा कि २० लाख टन अर्थात् दो मिलियन टन के जहाज हिन्दुस्तान के पास पास होने चाहिए। हमें अफसोस है कि उस कमेटी की रिपोर्ट के आठ वर्ष पश्चात् आज हमारे पास केवल ५,१२,००० टन के कुल जहाज हैं। अर्थात् जो टारगेट १९४७ में रखा गया था उसका हमारे पास इस समय केवल २५ प्रति सैकड़ा जहाज मौजूद है।

सन् १९४८ में भारत के जहाजी व्यवसाय का उष्णकाल आरम्भ होता है। जल उषा के ज्वरतरण से, जब कि पीड़ित जवाहरलाल जी ने पहले भारतीय जहाज का जलावतरण किया। अर्थात् सन् १९४८ में भारतीय जहाजी बेड़े का नाश किया गया और ठीक साँ वर्ष बाद सन् १९४८ में भारतीय जहाज व्यवसाय का उष्णकाल आरम्भ हुआ।

सन् १९४२ में हमारे शास्त्री जी के जिम्मे परिवहन मंत्रालय आया। मैं शास्त्री जी को धन्यवाद देना चाहता हूँ और इसीलिए धन्यवाद देना चाहता हूँ कि उन्होंने जहाजी बेड़े के वास्ते बहुत कुछ किया है। अभी तो जो वह करना चाहते हैं उसका शतांश

ही कर पायें हैं, पर हमें उम्मीद है कि जो वह करना चाहते हैं वह पूरा होगा।

आप दिसैं कि जहाजों के मामले में दुनिया में आज हमारी स्थिति क्या है। दुनिया में कुल ६,७०,२२,००० टन के जहाज हैं जिसमें भारतवर्ष के पास ५,१२,००० टन जहाज हैं। अर्थात् हमारे पास विश्व के कुल टनज का ५२ है। मैं आपको तीन चार उदाहरण और दूंगा। यूनाइटेड स्टेट्स आफ अमेरिका के पास २,७२,४४,००० टन जहाज हैं और दुनिया में उसके जहाजों का अनुपात २८.७७ है। इसी प्रकार संयुक्त राज्य के पास १,६०,९४,००० टन जहाज हैं और उसका अनुपात १६.५९ है। नार्वे एक बहुत छोटा सा देश है। उसके पास ६८,०५,००० टन के जहाज हैं। उस का अनुपात ७ प्रति शत है। डेनमार्क के पास १६,९४,००० टन के जहाज हैं और उसका अनुपात है १.६६। स्वीडन के पास २७,०९,००० टन के जहाज हैं। उसका अनुपात २.७७ प्रतिशत है। पुर्तगाल का भी जहाजी बेड़ा हमसे बड़ा है। उसके पास ५,६९,७७४ टन के जहाज हैं। उन जहाजों की तादाद २२६ है और उनका अनुपात ५० है। लेकिन पुर्तगाल की आबादी ८६ लाख है और हमारी आबादी २५ करोड़ है। हिन्दुस्तान का अनुपात होता है ५२।

मैं एक और आंकड़ा आपके सामने रखना चाहता हूँ जिससे मालूम होगा कि दुनिया में जहाजों का पर कॅपिटा शेयर क्या है। अमेरिका का पर कॅपिटा शेयर है ४९८ पाउंड, ब्रिटन का ८६६२ पाउंड, नार्वे का है ४५९९६ पाउंड, डेनमार्क का है ८५२ पाउंड, स्वीडन का है ८४६ पाउंड, पुर्तगाल का है १५२ पाउंड और हिन्दुस्तान का है २.२५ पाउंड।

श्री कामत (होशंगाबाद): रूस और चीन का कितना है ?

श्री रघुनाथ सिंह : वह आपको याद होगा, हमें याद नहीं है।

हमारे यहां ६ बरस में ६० लाख टन स्टील का टारगेट रखा गया है। जो हमारी द्वितीय पंचवर्षीय योजना बनायी गयी है, उसमें पांच साल में ६० लाख टन स्टील का टारगेट रखा गया है। लेकिन कल जब हमारे श्री कमरकर साहब ने एक प्रश्न का जवाब दिया था उससे मालूम होता है कि कुल ४.६२ लाख टन तक उत्पादन पहुँचता है। उन्होंने सारे स्टील के कारखानों का अलग अलग उत्पादन का आँकड़ा दिया था। उससे पता चलता है कि पांच वर्ष में ४.६२ लाख टन स्टील तैयार होगी। बता नहीं वह ६० लाख टन का टारगेट कहां से पूरा होगा।

अब मैं आपको यह बतलाना चाहता हूँ कि इन जहाजों से आपको फ़ैवज़नी आमदनी होती है। हमने शिपिंग की उपेक्षा की है लेकिन हमको उसके द्वारा कस्टम्स की सबसे ज्यादा आमदनी होती है। जो हमारे देश का बजट हमारे सामने है उसके अनुसार हमारी आय है ४ अरब ६० लाख और व्यय है ४ अरब ६८ लाख। इसमें से आपको कस्टम्स से जो आमदनी होती है वह है १६४ करोड़, अर्थात् रुपये में चार आने ६ पाई की आमदनी कस्टम्स से होती है। इसमें से अगर आप वह आमदनी निकाल दें जो कि लैंड और हवाई जहाजों द्वारा कस्टम के रूप में होती है, जो कि ४ करोड़ है, तो आपको सी कस्टम से एक अरब ६० करोड़ रुपये की आमदनी होती है। जो माल जहाज हिन्दुस्तान में बाहर से लाते हैं और जो माल हिन्दुस्तान से बाहर ले जाते हैं वह आमदनी आपको उससे होती है। लेकिन शिपयार्ड की जो द्वितीय पंचवर्षीय योजना बनी है उसमें १ अरब, ६४ करोड़ रुपये तो आपने आमदनी की और पंचवर्षीय योजना में शिपयार्ड के एक्सपेंशन के लिए खर्च आपने किया १ करोड़ ६६ लाख। एक परसेंट भी नहीं। इस वक्त दो, तीन जहाज बनते हैं और अगर वह शिपयार्ड का विकास हो जाएगा तो ६ बनेंगे। इसी प्रकार से डाई डॉक के वास्ते २ करोड़ १५ लाख रुपये रखे गये हैं। अब आप सोच सकते हैं कि पांच

वर्ष में यह जो पंचवर्षीय योजना है उसके अनुसार अगर हम नै पूरी स्पीड से बहाज बनाना शुरू किया तो २० जहाज बनायेंगे। अब अगर ८ हजार टन का जहाज ले लें गाँ कि ७ हजार टन के बनते हैं तो २ लाख ४० हजार टन के जहाज बना सकेंगे। हमारा टारगेट है, ५ लाख २५ हजार टन का। उसमें २ लाख ४० हजार टन के जहाज तो आप हिन्दुस्तान शिपयार्ड में बनायेंगे और २ लाख ६५ हजार यह टारगेट की कमी पूरी कैसे होगी? उसके लिए विदेशों पर निर्भर होना पड़ेगा। मैं आपसे कहना चाहता हूँ कि अगर आपको सचमुच जहाज के विकास की ओर ध्यान देना है तो मैं अदब के साथ कहूँगा कि १ अरब ६४ करोड़ रुपये उस में से कम से कम ५ वर्ष में, अगर एक साल का रुपये इस शिपयार्ड में लगा दें, जहाजों के विकास के लिए लगा दें तो भारतवर्ष की वास्तविक उन्नति हो सकती है।

इस वक्त विषय में ६० लाख टन के जहाज शिपयार्ड्स में बन रहे हैं और उनमें से हमारा हिस्सा जैसा मैंने अभी ऊपर आपसे कहा कि २ लाख टन से कुछ थोड़ा से ऊपर है। हमारे यहां के जहाज पांच वर्ष में बन कर तैयार होंगे।

अब मैं आपके सामने दूसरे आँकड़े रखता हूँ। हिन्दुस्तान शिपयार्ड एक अजीब सी चीज है और मैं अभी आपको प्रमाण देकर बतलाऊंगा कि इस हिन्दुस्तान शिपयार्ड से कोई भी जहाज की व्यवसायी कम्पनी जहाज बनवाना क्यों पसन्द नहीं करेगी। मैं आँकड़े देकर बतलाऊंगा और आप की ही चीज से इसको साबित करूँगा। आपने ८० करोड़ रुपये इसके लिए लोन दिया है और डाई रुपये सैकड़ों का सुद परिबहन मिनिस्ट्री ने उस पर लगाया है। अब जहाज का हाल सुनिये। जहाज के वास्ते तीन चीजों की जरूरत होती है। पहली जरूरी चीज तो यह है कि हम

[श्री रघुनाथ सिंह]

जो कंटेनर प्लेस करें, अगर एक वर्ष का कंटेनर हो तो एक वर्ष के भीतर हमें जहाज तैयार मिलना चाहिए और अगर ६ महीने का कंटेनर हो तो ६ महीने के अन्दर मिलना चाहिए। लेकिन जो मैं आपके सामने आंकड़े पेश करता हूँ उनमें दो चीजें हैं। एक तो यह कि हिन्दुस्तान शिपयार्ड कम्पनी जो जहाज बनाती है उसका मूल्य वह किस आधार पर चार्ज करती है। ५० के० की पॉरटी पर ब्रिटन की पॉरटी पर वह चार्ज करती है जब कि आपको यह सुन कर ताज्जुब होगा कि ब्रिटन की जहाजी कम्पनियाँ अपने आर्डर्स जर्मन शिपयार्ड्स में प्लेस कर रही हैं। और वह इस वास्ते ऐसा करती हैं क्योंकि ब्रिटन में बने हुए जहाज का मूल्य २० से लेकर २५ परसेंट दुनिया के जहाजों के मूल्य से अधिक पड़ता है। व्यवसायी तो आखिर व्यवसायी ही हैं, चाहे वह अंग्रेज व्यवसायी हो और चाहे अमरीकन व्यवसायी हो, उसका तो हित इसी में है कि उसको सस्ते मूल्य पर जहाज सुलभ हो और इसी कारण ब्रिटन के लोगों ने और ब्रिटिश कम्पनियों ने भी अपने जहाजों का आर्डर जर्मन शिपयार्ड के साथ प्लेस किया।

एक माननीय सदस्य : क्या यह अच्छा किया ?

श्री रघुनाथ सिंह : मैं आपको बतलाता हूँ। अब आप इस बात को दुसरे कि एक तो जहाज हमको समय पर नहीं दिये जाते हैं और दूसरा कारण यह है कि जहाज हमें मंहगे पड़ते हैं।

Mr. Chairman: The hon. Member has got five minutes.

Shri Raghunath Singh: I want 45 minutes, Sir.

Mr. Chairman: There are other hon. Members also.

Shri Raghunath Singh: I am not saying a single irrelevant thing. I am saying something new and not repeating

anything that has already been said in this House.

Mr. Chairman: One thing I should tell the hon. Member. Generally, under the rules, the Mover is entitled to half an hour and then again he will have the right of reply. Other Members too must be given some time.

Pandit Thakur Das Bhargava (Gurgaon): But the time can be extended if the Chair feels that it should be extended. He is presenting new facts. His time may be extended.

Mr. Chairman: I have already got so many chits sent to me by Members saying that they wish to speak.

श्री रघुनाथ सिंह : अब मैं आपको बतलाता हूँ कि अमरीका में सन् १९१४ और १९१५ से पूर्व २१२ दिन में एक जहाज बन कर तैयार हो पाता था, १९३६ में १०५ दिन में बन कर तैयार होने लगा और सन् १९४५ में ५० दिन में एक जहाज उन्होंने तैयार करना शुरू किया लेकिन हमारे यहाँ के शिपयार्ड में जो पहला जहाज बना, वह २५ महीने में बन कर तैयार हुआ, दूसरा जहाज २१ महीने में बन कर तैयार हुआ, आठवां जहाज १२ महीने में और ९वां जहाज १५ महीने में बन कर तैयार हुआ। दो दो वर्ष का टाइम लगता है और कभी कभी उससे अधिक भी लगता है, अब आप ही बतलाइये कौन सी कम्पनी हिन्दुस्तान शिपयार्ड को जहाज बनाने के लिए आर्डर दीगी जब कि शेड्यूल टाइम दो, दो और तीन तीन बार आल्टर किया जाता है.....

Mr. Chairman: Let me repeat that these are matters which are known to most of the Members. If he dilates on these points of detail. I think he cannot finish within half an hour.

Dr. Ram Subhag Singh (Shahbad South): He may be allowed to continue

**Shri M. L. Dwivedi** (Hamirpur Distt.): Yes, he should be allowed more time. The time for this debate may be increased.

**Mr. Chairman:** Please bear with me. I have already got chits from thirteen Members saying that they wish to speak. If those Members say that the hon. Mover may be allowed this further amount of time, I have no objection.

**Shri M. L. Dwivedi:** The hon. Member is giving very important facts which are interesting. The time for the debate may be increased because the House is very much interested in this debate and the details he is giving are of benefit to the nation at large.

**Mr. Chairman:** Order, order. It is only one or two Members who are requesting me to allow the hon. Mover a further amount of time. I should like to know from the Members who have sent me chits whether they are also ready to forego their time.

**Shri M. L. Dwivedi:** Some more time may be allotted to this Resolution. (Interruption)

**श्री रघुनाथ सिंह :** I will finish very soon. अब मैं आपसे एक बात कहता हूँ कि यह हिन्दुस्तान शिपयार्ड कम्पनी का सवाल नहीं है। This is the challenge of the private sector to the public sector. अब तान का जहाँ तक सवाल है उसके बारे में मुझे यह कहना है कि द्वितीय पंच-वर्षीय योजना जो रक्खी गई है उसमें शास्त्री जी ने 50 करोड़ रुपये जहाजी कम्पनियों में लगाने की बात कही है। कोस्टल शिपिंग से 8 परसेंट आप सूद लेंगे और ओवरसीज से 2½ परसेंट सूद लेंगे। इस तरह मैं आपको दिखाता चाहता हूँ कि 20 करोड़ 50 लाख रुपया तो आप मूलधन में इनवेस्ट करने जा रहे हैं ईस्टर्न शिपिंग कारपोरेशन और पैसेन्जर जहाज में। प्राइवेट सेक्टर के जो जहाज होंगे,

उनको सिर्फ 85 करोड़ 54 लाख रुपया आप क्रेप देंगे जिसमें कि 10 करोड़ 24 लाख रुपया प्राइवेट सेक्टर से आयेगा। इसका मतलब यह हुआ कि आप जहाजी कम्पनियों को सिर्फ लगभग 84 परसेंट क्रेप देने जा रहे हैं लेकिन आपको मालूम होना चाहिए कि जापान ने 90 परसेंट सहायता दी है। जापान के डवलपमेंट बैंक ने 50 परसेंट और सीटी बैंक ने 20 परसेंट सहायता दी और जापान का जो नवा प्लान है उसमें जापान सरकार जहाजी कम्पनियों को 10 प्रतिशत सहायता देने जा रही है।

अब मैं दूसरी बात की तरफ आप का ध्यान आकर्षित करना चाहता हूँ और इस सम्बन्ध में मुझे शास्त्री जी को दो सुझाव देने हैं। एक सुझाव यह है कि जो सूद की दर है वह बहुत ज्यादा है। जो 2½ परसेंट और 8 परसेंट की दर है वह कम से कम आधी होनी चाहिये, अर्थात् 2½ और 2 परसेंट। जब तक हमारा टारगेट 20 लाख टन का पूरा नहीं हो जाता तब तक आप सूद की दर घटा दें। उस में आप का कोई नुकसान भी नहीं है क्योंकि जहाज तो आप के बनाए जा रहे हैं और कोई उन को ले कर भाग नहीं सकता है।

दूसरी बात आप देखिये कि पाकिस्तान में इन्डस्ट्रियल डवलपमेंट कारपोरेशन गुलाम फारुकी साहब की चैअरमैनशिप में स्थापित हुआ है। पार्टिशन के समय पाकिस्तान के पास सिर्फ चार जहाज थे, आज उन की संख्या हम से तिगुनी है। आप को इस बात को याद रखना चाहिये कि हिन्दुस्तान एक आर्टिलैंड है। हिन्दुस्तान के पास खैबर पास या बोलन पास नहीं हैं। हिन्दुस्तान की स्थिति वास्तव में बही है जो कि इंग्लैंड या अमेरिका की है। हमारा समुद्र बाहर से केवल जहाजों के द्वारा ही स्थापित हो सकता है। इस लिये आप को इस पर आज विचार करना है कि हिन्दुस्तान जहाजों पर ही निर्भर करता है।

[श्री रघुनाथ सिंह]

अभी लार्ड माउन्टबैटन साहब का एक वक्तव्य ५ सितम्बर को प्रकाशित हुआ है "न्यू ब्रुक आन दि स्ट्रक्चर आफ ब्रिटिश शिपिंग"। अमरीका ने भी एक कॉमिसन बनाई थी सन् १९४४ में। अमरीका की शिपिंग इन्डस्ट्री बहुत कम हो गई थी, उस का टर्नैब बल्ड में बहुत कम हो गया था, इसी तरह से इंग्लैंड में भी बहुत कम हो रहा था। उन्होंने कॉमिसन बैठलाई और उस के सामने इस प्रश्न को रक्खा। इसी तरह से आप दूखेंगे कि हिन्दुस्तान की एक आइलैंड सा हो गया है और विश्व से हमारा सम्पर्क केवल जहाजों के द्वारा ही हो सकता है, सिवाज जहाजों के सम्बन्ध में हमारी पालिसी बड़ी होनी चाहिये जो कि अमरीका या इंग्लैंड की हो सकती है।

कुछ शब्द अब मैं मर्वेन्ट नेवी के सम्बन्ध में कहना चाहता हूँ। किंग जार्ज फिफ्थ ने सन् १९१४ में कहा था कि मर्वेन्ट नेवी का नाम क्यों रक्खा गया। उन्होंने कहा कि यह सेक्रेट लाइन आफ डिफेन्स है। १५वीं शताब्दी में किंग हेनरी अष्टम ने मर्वेन्ट शिपिंग और नेवी शिपिंग को अलग किया। लेकिन सन् १९१४ में दुनिया की स्ट्रुटजी बदली और उस में मर्वेन्ट नेवी का प्रयोग सेना के लिये फिर से होने लगा। अमरीका में इस के वास्ते जी कॉमिसन है, उस का काम यह है कि जो स्पेसिफिकेशन जहाज के होते हैं वह पहले नैवल डिपार्टमेंट को सर्वायड किये जाते हैं। जब नैवल डिपार्टमेंट उन स्पेसिफिकेशन को पास कर देता है सब वह बनते हैं ताकि उन में यह प्रबन्ध रहे कि युद्ध के समय उन में एन्टी एयरक्रैफ्ट गन बगैरह रक्सी जा सकें।

इसके बाद मैं डिस्क्रिमिनेशन आफ दि प्लैंग के बारे में कहना चाहता हूँ। हम लोग कामनवेल्थ के मेंबर हैं, इंग्लैंड की ही तरह उस के मेंबर हैं, लेकिन लिबरल और लैंडन डाक्स में हमारे जहाजों को वह स्थान नहीं दिया जाता

जो कि इंग्लिश जहाजों को दिया जाता है। पहले उनका सामान उतारा जाता है, उस के बाद हमारे जहाजों को अवकाश दिया जाता है। इस प्रकार की जो प्लैंग डिस्क्रिमिनेशन की पालिसी है उस को हमें फॉरेन अलग करना चाहिये। इसी तरह से इजीप्शियन लाइन्स के जहाज अलैग्जैंड्रिया में जाते हैं तो उन को पहले मौका दिया जाता है, हिन्दुस्तान के जहाजों को बाद में।

इसी तरह से मैं कर्न्सी के बारे में कहना चाहता हूँ। कहीं भी कोई व्यापारी सामान खरीदता है तो अपने क्वायन्स में उस के लिये पै करता है, लेकिन भारतवर्ष को स्टॉक में पै करना पड़ता है। तो वह जो कर्न्सी का डिस्क्रिमिनेशन है वह भी दूर होना चाहिए। जो हमारे व्यापारी हैं वह हिन्दुस्तानी मुद्रा में पै करें। टोकियो में जो कांग्स हुई थी उस से हमें ज्यादा फायदा नहीं हुआ।

अब मैं ओवरसीज ट्रेड को लेता हूँ। सन् १९४५ में हिन्दुस्तान से १९८५ करोड़ रुपये का ट्रेड हुआ। आप को मालूम है कि अमरीका ने एक बिल पास किया है। उस में यह है कि ४० परसेन्ट ओवरसीज ट्रेड केवल अमरीका के जहाजों द्वारा होगा, बाकी दूसरे जहाजों के द्वारा होगा। हमारे ओवरसीज ट्रेड में जो हमारा कार्गो का शेर है वह सिर्फ ५ परसेन्ट है। वह कम से कम ४० परसेन्ट होना चाहिये। साथ ही मैं शास्त्री जी से निवेदन करना चाहता हूँ कि हिन्दुस्तान के व्यापारियों का सामान केवल हिन्दुस्तानी जहाजों में आवे और उन का इन्वॉयन्स हिन्दुस्तानी कम्पनियों के ही द्वारा हो।

कोस्टल ट्रेड के बारे में मेरे दूसरे मित्र कहेगे इस लिये मैं इस सम्बन्ध में ज्यादा नहीं कहूंगा, लेकिन जो हमारा एंजबेसेन्ट ट्रेड है जैसे बर्मा, लंका और पाकिस्तान से, उस में,

भी हमें १०० में ५०, ५० की पैरिटी रखनी चाहिये।

एक बात मैं पोटर्स के सम्बन्ध में कहना चाहता हूँ। धनुषकोटि का जो स्थान है वह समाप्त हो रहा है। उस के लिये मैं एक सुझाव यह देना चाहता हूँ कि हमें एक रास्ता बनाना चाहिये और वह रास्ता ऐसा हो कि जो हमारा जहाज आज कोलम्बो हो कर आते हैं वह सीधे जा सकें।

**Shri A. M. Thomas (Ernakulam):** Is the map for my friend's benefit or for the benefit of the House?

**श्री रघुनाथ सिंह:** For your benefit.

यह जो सीलोन की परिक्रमा कर के हमारा जहाज आता है, अगर हम धनुषकोटि में समुद्र को थोड़ा डीप कर दें और स्वेज कैनल की तरह से बना दें तो लगभग पांच सौ मील का रास्ता कम हो जायेगा। जो हमारा जहाज कोलम्बो में बंकरिंग करते हैं वह धनुषकोटि में करेंगे। यह काम थोड़े से धन से हो जायेगा और जहां से रामचन्द्र गये थे और जहां से तु बंधा था जो वह पोर्ट नष्ट हो रहा है, वह बन जायेगा।

सरकार के सम्बन्ध में मुझे ज्यादा नहीं कहना है क्योंकि शास्त्री जी उस पर काफी प्रकाश डाल चुके हैं।

ट्रेनिंग आफ पर्सनल का इन्तजाम होना चाहिये। शिपिंग का जो रेट है, उस के वास्ते शास्त्री जी ने कमेटी की स्थापना की है, इस के वास्ते मैं उन को धन्यवाद देता हूँ।

मैं एक बात और कह देना चाहता हूँ कि मैं कमिशन क्यों चाहता हूँ। शास्त्री जी से मैं साफ कह देना चाहता हूँ कि मैं पार्लियामेंट के सदस्यों का कमिशन नहीं चाहता। मैं गवर्न-मेंट के सदस्यों का कमिशन चाहता हूँ। मैं आफिशियल्स का ही कमिशन चाहता हूँ और परमानेंट बेसिस पर चाहता हूँ, परमानेंट आफिशियल बाडी।

**श्री एम० एल० दूबिषेरी :** प्रतिनिधि बाड़ी होनी चाहिये।

**श्री रघुनाथ सिंह :** जैसे कि अमरीका में है, जापान में है, सास कर अमरीका का पेट्रोल मुझे ज्यादा पसन्द है, उस में एंडीमिटीटी के आदमी होते हैं, उसके बाद एक प्रोडक्शन का आदमी, ट्रांसपोर्ट मिनिस्ट्री का एक आदमी।

**डा० एल० एन० सिंह (सारन पूर्व):** पार्लियामेंट के भी मंत्री हों तो क्या हर्ज है ?

**श्री रघुनाथ सिंह :** यहां की शिपिंग का सम्बन्ध पांच स्थानों से है। नेवी, प्रोडक्शन, ट्रांसपोर्ट, वर्क्स हाउसिंग एंड सप्लाय और कामर्स एंड इन्डस्ट्री। इस में पांचो डिपार्ट-मेंट से एक एक आदमी को ले कर के यह कमिशन बना दिया जाय। No financier; otherwise there will be too much fuss. There should be only constructive workers in this Commission and not table workers. Therefore, I say just on the American pattern create a commission comprising of these five departments which are directly concerned with our shipping. Their representatives should be there on the commission.

**The Deputy Minister of External Affairs (Shri Anil K. Chanda):** Is it a bilingual speech?

**श्री रघुनाथ सिंह:** हिन्दी।

इस प्रकार से मैं आप से कहना चाहता हूँ कि यह परमानेंट बाड़ी आप के सामने होनी चाहिये। आज होता क्या है कि जहाज चलाने की जिम्मेदारी तो शास्त्री जी के ऊपर बनाने की जिम्मेदारी रंझड़ी साहब के ऊपर आयात एवं निर्यात की जिम्मेदारी करमरकर साहब के ऊपर और जहाज के सामान की (Cargo) सप्लाय की जिम्मेदारी स्वर्ण सिंह साहब के ऊपर है। आखिरकार, इन पांचो आदमियों को कहीं एकत्रित करने वाली कोई संस्था तो होनी चाहिये। इस लिये मैं आप से कहता हूँ कि आप एक परमानेंट

[श्री रघुनाथ सिंह]

कमिशन आफिशियल्स का फॉरन नियुक्त कीर्तिबन्ध जो यह दर्शे कि कोआर्डिनेशन द्वारा भारतवर्ष के जहाजों की व्यवस्था कैसे की जा सकती है।

5 P.M.

अंत में मैं एक बात और कहना चाहता हूँ और यह है कि ५० करोड़ रुपया हिन्दुस्तान का बाहर की फॉरन कम्पनीज ले लेती है। इस सिलसिले में मैं मुगल लाइन की बात कहता हूँ। हज्र को जो यात्री जाते हैं वे मुगल लाइन द्वारा जाते हैं। आप के पास अपने हिन्दुस्तानी जहाज हैं। मुगल लाइन के जो जहाज हैं वे इंग्लैंड में रजिस्टर हुए हैं। इस तरह से हर साल समुद्रीपार व्यापार भारत का ५० से सौ करोड़ रुपया भारत की लक्ष्मी के रूप में बाहर जाता है। मैं यहां पर आप को याद दिलाना चाहता हूँ कि महात्मा जी ने ६४ करोड़ रुपये के वास्तु स्वर्दशी आन्दोलन आरम्भ किया और विदर्शी माल का बाईकाट किया। ६४ करोड़ रुपये की कपड़ खातिर घर घर और गांव गांव में उन्होंने विदर्शी कपड़ को होली लगाई। मैं शास्त्री जी से कहता हूँ कि जिस दिन आप ५० करोड़ रुपये को बचा लेंगे भारतीय जनता उस दिन आपको मुक्तहस्त और मुक्तमुख से धन्यवाद देगी।

**Shri S. C. Samanta (Tamluk):** On a point of order. Out of his enthusiasm, my friend Shri Raghunath Singh forgot to move his Resolution either at the beginning or at the end.

**श्री रघुनाथ सिंह :** जब मैंने अपना भाषण आरम्भ किया था उसी वक्त मैंने कहा था कि मैं अपना प्रस्ताव पेश करता हूँ और अपना भाषण आरम्भ करता हूँ।

I beg to move:

"This House is of opinion that a Commission be immediately appointed to suggest ways and means for the development of Indian shipping."

**Mr. Chairman:** Resolution moved:

"This House is of opinion that a Commission be immediately appointed to suggest ways and means for the development of Indian shipping."

Now, I would request the hon. Members who have given notices of amendments, to tell me whether they want to move their amendments.

**Shri S. N. Das (Darbhanga Central):** I want to move my substitute Resolution, but with a small change. It is only a verbal change. If you permit, me, I shall move the substitute Resolution with that verbal change. The verbal change is, instead of the words "trade including shipping," I want to add, "activities including shipping, ports and harbours".

**Mr. Chairman:** Yes.

**Shri S. N. Das:** I beg to move:

That for the original Resolution, the following be substituted:

"This House is of opinion that the time has arrived for the establishment by Government of an Indian Maritime Commission which should be entrusted to do all that is necessary for all-round development of maritime activities including shipping, ports and harbours."

**Shri B. K. Das (Contol):** I beg to move:

That for the original Resolution, the following be substituted:

"This House recommends that with a view to acquiring adequate tonnage for the Indian mercantile marine and affording proper facilities for their functioning more vigorous measures and a comprehensive policy be adopted for the development of the Indian Shipping including that of ports and harbours".



**Mr. Chairman:** Amendments moved:

That for the original Resolution, the following be substituted:

"This House is of opinion that the time has arrived for the establishment by Government of an Indian Maritime Commission which should be entrusted to do all that is necessary for all-round development of maritime activities including shipping, ports and harbours".

That for the original Resolution, the following be substituted:

"This House recommends that with a view to acquiring adequate tonnage for the Indian mercantile marine and affording proper facilities for their functioning more vigorous measures and a comprehensive policy be adopted for the development of the Indian Shipping including that of ports and harbours".

**An Hon. Member:** What is the time for the Members who are now to speak?

**Mr. Chairman:** According to the rules, each Member can have 15 minutes.

**Several Hon. Members:** Ten minutes.

**Mr. Chairman:** Obviously, there are several hon. Members who want to speak. Yes, ten minutes.

**Shri H. N. Mukerjee** (Calcutta—North-East): I support the resolution moved by my friend Shri R. N. Singh, and also, if I am permitted to do so, the amendments which appear to me to be amplifications of the wording of Shri R. N. Singh's resolution. This resolution appears to me to be absolutely unexceptionable and urgent and I do hope that my friend the Minister of Railways and Transport will have no difficulty in accepting it.

The development of our shipping is not just a matter of national prestige,

though of course, in view of our past achievements in the field of shipping, which was described proudly and rapturously by my friend Shri R. N. Singh, we might very well think of resuscitating our world position in this sphere. But quite apart from that, by reason sheerly of geography, we are a maritime country with a vast sea-borne trade. We have an enormous coast-line which is almost equal to the entire coast-line of the continent of Europe, and besides, we have a kind of strategic position in the Indian ocean region which makes it necessary that for purposes of defence as well as peaceful contact with different countries we do have a considerable shipping personnel and apparatus.

This is, therefore, of most vital concern and it is high time that the Government moves in the matter quicker than it has done so far. I find that as early as, I think, 1947, the Government of India had appointed a Fact Finding Committee comprising representatives of shipowners and other people and they set out a report fixing a target of 2 million tons of shipping in 5 to 7 years. I do not know exactly what has happened. I know certain things, for example, I know that there has been set up a Directorate of Marine Engineering and Training in Calcutta and also the setting up of the Cadet Ship "Dufferin" and so on and so forth. But actually we find that the target that was placed before the country in November, 1947, has been left unfulfilled. There is only one shipping corporation functioning instead of three, with a capital of Rs. 5.5 crores, instead of Rs. 10 crores. I want to know from the Minister what has happened to our plans of expansion.

Sir, the Mover has pointed out that we carry a very insignificant proportion of world trade and in our growing overseas trade, our tonnage is only about  $\frac{1}{4}$  million, as against the world tonnage of some 100 million. Our share in world trading is so infinitesimal that it can hardly be mentioned.

[Shri H. N. Mukerjee]

We pay enormous freight to foreign shipping companies for our imports and exports. I asked a question on the 23rd March this year and I got the reply that in 1951-52 foreign shipping companies charged freight to the extent of Rs. 95.9 crores; in 1953-54 it was still Rs. 65.5 crores and in 1954 during the six months from April to October, it was Rs. 38.2 crores. This, Sir, is a very serious state of things and we ought to do something about it.

As far as coastal shipping is concerned, thanks to the efforts of pioneers like Mr. S. N. Hajee, we have succeeded in getting coastal shipping reserved for Indian companies. As far as our overseas trading is concerned, it is still under the grip of the foreigner. In this we are told that there are many difficulties. The main difficulty is that overseas trading is controlled by foreign shippers who refuse to allow India a fair participation even in our own foreign trade. Until recently the two Indian companies, which now have got the rather dubious privilege of being members of the India-U.K. Continent Conference, had only restricted rights in the conference and it has taken years of agitation for the companies to secure full membership. Even the International conference held lately saw instances of flagrant discrimination against Indian interests. In spite of a very spirited championship of Indian interests by some representatives, today we are debarred from lifting cargoes from ports like Colombo, Aden Port Said etc. to U.K. ports and vice versa. The result is that the operation of Indian ships on the routes concerned has become relatively uneconomic. The foreign shippers have the insolence to object if Government chooses its own ships for its own cargo, cargo purchased by Government and controlled by Government. The foreign shippers say it is flag discrimination. These heights of hypocrisy have got to be checked. I know the Minister attended lately a conference of Indian shipowners and there he said he was going to do something about it. He

put his case rather mildly; but I hope that in the Minister's quietness there is strength; and it is time that we see the strength that must be there behind the quietness of the Minister's way of putting things.

I remember I quoted on another occasion in this House certain people, who cannot be accused of radical opinions at all, who have been very friendly with British Commonwealth interests, people like Dr. Ramaswami Mudalliar for example, to show how they have come out very openly against the discrimination practised by the Commonwealth countries, particularly by the leader of the Commonwealth gang, the United Kingdom. Shri Raghunath Singh. has tried to point out how it is happening. Membership of the Commonwealth is lauded to the skies by everybody including, pre-eminently, the Prime Minister. But, if membership of the Commonwealth means that this kind of discrimination is to be practised against us with impunity, something must be very wrong and that something has got to be tackled.

I have to hurry, because there are so many other hon. Members who have a lot to contribute. Another reason for the weakness of Indian shipping today is non-availability of financial resources. I wish the Minister says something reassuring in this regard. I know that certain low-interest advances have already been made by the Government to shipping interests. I do not know, I cannot vouch for it definitely on the basis of what I know myself, perhaps even interest-free advances may be decided upon. Now, I have been told that there is a demand on the part of shippers that, maybe subsidies have been taken recourse to by some countries like Japan and this Government may consider it. I am not in a position to say anything straightaway in regard to this matter. But, I would say this: I have found out from certain answers given by the Minister and his Deputy that there seems to be a proclivity to say that

shipping is in the private sector and therefore we cannot do very much more about it. Actually, there was an unstarred question dated 12th August this year, No. 308. The Deputy Minister, answering a question by Shri D.C. Sharma and Dr. Ram Subhas Singh, had said *inter alia* that shipping was in the private sector and the initiative for acquisition and expansion of tonnage rested therefore primarily on the Indian shipping companies themselves. That may be an unexceptional proposition as a statement of fact. But, it is, as Shri Raghunath Singh said, a challenge of the private sector to the public sector. I do not see why the public sector should not come more into the picture—this is very important—if we cannot subsidise these shipping companies. I do not know much about the owners. It may be that they have certain interests which I do not want even indirectly to be supported. But, it may be that the public sector should come forward in order to say specifically what it is going to do in the quickest possible time, so that Indian shipping can be raised to a really high level.

I have been told also about the non-availability of adequate personnel, specially in regard to Masters and Chief officers. This Session I had asked a question of Shri Alagesan and he told me that even now there are a certain number of Chief Officers and Masters in coastal shipping who are foreigners. I do not know why this should happen. I find also that the two establishments at Calcutta and Bombay are producing a number of trained personnel and many of them seem to be unemployed. I have got these figures from the *Economic Weekly* dated 28th May, 1955. It says:

"During 1954, no less than 170 Executives and 130 Engineers obtained the Ministry of Transport certificates of competency. But actually there was a demand for 12 Executives and 8 Engineer officers."

This is a queer state of affairs. We want to see that our shipping expands and more personnel are placed at the disposal of our country. But, even if after some very modest effort we produce some technically competent people, we cannot give them jobs.

There is another matter to which I want to make reference and that is the question of tankers. This question has been referred to by the Chairman of the Scindia Steamship Co., in his speech of the 23rd February, 1955. He says very modestly as is the want of commercial people who want to be on the right side of Government as well as of vested interests abroad:

"In our agreement with the three Oil Refineries, not only no provision has been made for India's participation in the carriage of crude oil to our shores, but for the 30 year period of the agreement, the oil companies have been given the right to operate their own or chartered tankers on the coast in spite of the fact that the coastal trade of India has been reserved for national ships. However, it should not be difficult with goodwill on both sides to modify the terms of the agreement entered into with the foreign corporations."

I am not so very sure about the goodwill on that side, but Shri Shastri believes in change of heart and I hope he tries to persuade the other side to get some change in our agreement with the oil refineries.

Then, we want the development of shipyards. The Hindustan Shipyard has come in for very caustic comments so many times and even today I find there are nine or ten French experts ruling the roost in that place. We know a good deal about these French experts, and those who belong to the Public Accounts Committee have found out heaps of material about the complete incompetence of these people who have for

[Shri H. N. Mukerjee]

years been masquerading as wonderful experts in regard to shipbuilding.

Then, we want the development of ports. In regard to the development of ports, I find that monies are allotted and they are not spent. This is really amazing. On the 10th of March, Shri Raghunath Singh himself asked a question. He asked for the figures regarding the expenditure incurred so far out of the amount earmarked for the development of Bombay, Calcutta, Madras, Cochin and Kandla under the Five Year Plan, and whether it was a fact that up till now not even 75 per cent. of the work had been completed. Shri Alagesan obliged him by saying that the work had not been completed, and he gave figures. Calcutta had got an allotment for the Five Year Plan period of Rs. 757.67 lakhs. Out of that, up to the end of January, 1955, Calcutta had spent Rs. 161.72 lakhs. Bombay had got Rs. 1450.57 lakhs. Out of this Bombay had spent 717.28 lakhs. Likewise, Madras, Cochin, Kandla and so on and so forth. These ports have got to be looked after. More ports have got to be opened up. Tuticorin is there. Cochin might be developed a lot more. On the east coast, our Andhra friends are always asking for the opening up of fresh ports,—maybe perhaps for fishing, maybe for all kinds of things. The Hindustan shipyard might produce fishing craft and there might be all kinds of ports, creeks and inlets and things of that kind where we can develop the raw material of a later Indian mercantile marine.

Now, I refer to another point, that is the interests of labour. I shall conclude almost at once. I want to say that the commission which I want appointed ought to go into the question of the rights of labour. We are told that dockyard labour is very recalcitrant, they are doing all sorts of nasty things, but we know also that Government has perhaps the whole story, it does not come out with it all the time. And we know

that foreign shippers have had the insolence to decide to impose a surcharge because they say that there was delay in the work of the Indian ports like Calcutta and Bombay. I found the Commerce and Industry Ministry giving a thumping good declaration telling them that if they did not want to come to our ports, we could do without them. It showed good spirit, but today the Deputy Minister gave a reply saying that they had only postponed but had not given up their decision to charge the surcharge. They have this kind of gumption, and they have this kind of gumption because they concentrate on one thing which is not quite true. They say: "Your dockyard labour goes slow, your labouring people are all rotten. Especially in a place like Calcutta and partly also in Bombay, all kinds of agitators are going about the place and they get the ear of the dockyard labourers, and that is all the reason for the delay in the clearance at the ports." That is completely wrong. And here I find in this Bombay weekly, the *Economic Weekly* which I have referred to several times, a very recent article in regard to the work of dockyard labour, and it comes to the conclusion that it is very necessary to find out what is wrong with the work in the dockyard. It may be that customs examination is part of the story, the conduct of the stevedores is another part of the story, the existence of casual labour is another part of the story. There has got to be something like a rational system, and actually some of the labour representatives have asked for the introduction of machinery which can get things to move much quicker. This is perhaps the only instance, as far as Indian labour is concerned, where rationalisation is demanded by the Indian workers but they are not getting it because our Transport Ministry perhaps is not ready, or perhaps it has not got all the facts before it.

If you have not got all the facts before you, appoint a commission;

give a target date; do not let that commission be a procrastinating proposition. Let that commission be asked to report by a certain target date. Therefore, I say, let a bold and imaginative view be taken by the Transport Ministry in regard to this matter. The country is no longer in a mood to listen to mild apologetics as to why we cannot do this or that or the other thing. I therefore suggest very humbly that the least that the Minister can do is to accept this resolution and appoint a commission and set a target date inside of which a report must be given; and in accordance with that report, after real consideration of the different aspects of the matter, Government should make their decisions and place them before Parliament and the country, and then alone we shall think that something serious is going to be done about this very vital matter.

**Shri S. N. Das:** There is no doubt that this subject of shipping is very important especially for a country which has a very long coast line, and which has a trade, both coastal and overseas, which is very great. There is no doubt also that Government are alive to the importance of the subject.

My hon. friend **Shri Raghunath Singh**, while moving this resolution has told us the importance that India attached to this industry and the place that India had in the past. But during our slavery this industry was throttled. The wound that was inflicted on our shipping industry is still to be healed, and the steps so far taken by Government, although they are to be welcomed, are not sufficient. It is therefore necessary that the whole working of this department as well as the retrospect and prospect of this industry which is very important should be enquired into; not only should they be enquired into, but effect should be given by Government to the proposals at a very early date.

This industry has two aspects. One is the trade aspect, and the other is

the ship building. So far as the trade aspect is concerned, India has taken up a strong attitude now with regard to coastal shipping, and I know that the whole coastal shipping is now in the hands of Indian concerns. But so far as the overseas trade, is concerned, I think the position of India is very unsatisfactory. As has been stated by my hon. friend, the percentage of overseas trade, export and import, which India has in the whole of the world is only 1.5 per cent. and our tonnage also is only 0.5 per cent. All these things go to show that the attention which this subject has been receiving at the hands of Government as well as at the hands of the private sector is quite meagre. It is therefore all the more necessary that we should have an organisation having both technical and administrative knowledge which will implement the policy adumbrated by Government and would see that the place of India on the shipping map of the world would be of importance.

I would like to invite the attention of Government to the fact that India is a party to the convention of the International Regime of Maritime Ports of 1923. At that time, India was not independent. It was the British Government which committed India to be a party to that convention. I think that international convention still exists. According to that convention, all foreign vessels should be granted equality of treatment with national vessels, coastal vessels excepted, in the maritime ports of the country as regards freedom of access to the port, berthing facilities navigation, commercial operations, port dues, charges etc. Under this convention, foreign vested interests which do not want this industry to grow, are now trying indirectly to apply checks. They are now putting impediments in the way of the development of this industry in India. Under this convention, when some action is taken by Government to help and give protection to this industry, the foreign interests stand up and pass a resolution in some conference or

[Shri S. N. Das]

other than that this is flag discrimination; and under this flag discrimination, no protection, which is very necessary and very right, is given to the nascent industry, the new industry, that India has to build up in our country. So I would request Government to consider the desirability of withdrawing from this international convention, or they should try to amend the convention in such a way that the protection that the Government of India want to give to Indian shipping in matters of several facilities with regard to berthing, port charges and other charges, may be interpreted as flag discrimination. This is one point I would like to stress.

Then I would like to point out that a great country like the U.S.A. passed a law long ago, which constituted a Commission like the one that I have suggested, in my Resolution. The point that I want to urge is this I think that there is a directorate at the Centre to look after the work. As has been pointed out by my friends, the growth and development of this industry is not satisfactory. Then I would like to suggest that there should be a permanent Commission to go into all these matters, not only to find out ways and means, but after finding out ways and means, implement the suggestions that they will give after making inquiries. That Commission should consist of both technical and administrative personnel. It would have technical knowledge at its disposal not only of shipping trade but of shipping industry, light houses, ports and other necessary things in this connection.

I would like to suggest some of the important functions of this permanent commission. These are—

Operating differential subsidies on vessels utilised on essential foreign trade routes;

financial aid in the construction of vessels, either with or without construction-differential subsidies, by deferment of a portion of the purchase price (granting loans);

applying to the purchase price of new vessels an allowance of credit for obsolete vessels taken in exchange;

restrictions on the sale or use of vessels owned or acquired by the Commission;

payment for national-defence features incorporated in the vessels;

low interest rates on construction loans;

establishment of reserve funds with attendant income-tax benefits to the vessel operators;

additional subsidies to offset the effect of governmental aid paid to foreign competitors.

All these functions should be entrusted to this permanent commission and they will administer all these things. It is not only for the economic prosperity of the country but also for the security, integrity and independence of our country that it is necessary to give impetus to it. It is with that object in view that I have suggested in my amendment that there should be a permanent commission for the growth and development of this industry.

The private sector has been trying to get some concessions from the Government just as loans on liberal terms etc. They have been getting these to some extent and yet they are not satisfied. I would like to urge on Government that side by side with giving some facilities and concessions to the private sector the Government should come forward with some schemes for giving impetus to this industry.

Sometime ago, there was a plan that there should be three shipping corporations in the country. But, so far, only one corporation has been established and two more are still to be established. I hope Government will soon look into the matter and try to establish two other corporations for this purpose.

Before closing, I would like to suggest that the working of the

Hindustan Shipyard has not been satisfactory. They have not been working to programme and it is necessary that the whole thing should be enquired into to find out whether the defect was technical or administrative that led to the delay in working to programme.

In the end, I will say that this question is such that it requires not a small department at the Centre as at present. I know that there is a Director-General and two or three Deputy Directors-General stationed in Bombay or Madras. I think that is not sufficient. The whole industry requires greater attention and care and all sorts of knowledge. It had been suggested by my hon. friend Shri Mukerjee, that the training that is given here in India—although it is gradually increasing—is not adequate and that both the training centres and shipping concerns are manned by foreigners. After eight years of independence, I think, India should have been self-sufficient in the matter of manning her mercantile marine and the navy in our country. But, progress in this direction is not satisfactory. I would urge upon Government to take immediate steps to offer more facilities, to open more schools for nautical engineering so that the personnel that is required in the private sector and that which will be required in the public sector, may be ready before we launch upon our schemes for the development of this industry. I hope the Government will accept my amendment, and the House will support it.

**Shri T. B. Vittal Rao (Khammam):** Provided you do not withdraw.

**Shri S. N. Das:** There is no question of withdrawing. It is for the Mover to decide whether he can accept my amendment or not. If he accepts it I will not withdraw it.

**Shri B. K. Dass:** The Mover of the Resolution has proposed a permanent commission for the development of this industry. Shri Mukerjee, also pointed out that there should be an enquiry into the working of the whole

department and the findings should be given effect to.

My object in moving an amendment to this resolution is that if the appointment of a commission does not find favour with the Government, the Government should at least take more vigorous steps so that there may be an all-round development of the industry. It has been pointed out that so far the development of this industry has not been satisfactory and also that the policy that has been adopted so far has not proved successful to the extent that it should. In our Five Year Plan a target was set forth for the development of our tonnage, for the development of our ports and harbours and also for the development of our lighthouses. The development of all these three sectors of shipping in this country was necessary so that it would have been possible for us to have enough tonnage for the coastal as well as for our foreign trade. Unfortunately, we find that the targets have not been fulfilled and the steps so far taken have not been enough for the purpose. If we refer to the target of tonnage that was to have been achieved by the end of the First Five Year Plan, we find that there is a shortfall. Of course, it is expected that the target would be fulfilled, but from knowledgeable quarters and from expert opinion we find that there is some doubt expressed about that. If we refer to the progress report that was given to us up to 1953-54, it says that the programme of development of shipping has proceeded rather slowly. This is about the whole programme. About the tonnage and other programmes, the same remark has been mentioned in several places of the report. In paragraph 21, the progress report says that the progress on the overseas tonnage has been slow. As regards the development of major ports, if we refer to the allotment of money and to the expenditure, we find that there has been a shortfall to the extent of several crores of rupees. There was a provision of Rs. 43 crores for the development programme of major ports, but up to the end of 1954, we

[Shri B. K. Dass]

find that the expenditure came up to only Rs. 9.67 crores, and it is remarked that the progress of expenditure on development programmes on ports and harbours has been slow and with regard to the progress port by port, the same remarks apply. The Bombay Port Trust authorities have made substantial progress on some of their schemes, but not on all. The Calcutta Port Trust, is much behind schedule. Regarding Madras, the progress of development has been very slow. As regards Kandla Port, which is to be developed as the sixth major port, the work is lagging behind, and the reason given is that the delays in the settlement of contracts and some other factors are responsible. When we look at the development of the lighthouses, we find that the plan for the development of lighthouses was estimated to cost Rs. 400 lakhs and is provided for the construction and modernisation of 100 lighthouses. But only half of this programme is expected to be carried out by the end of 1955-56. The progress has been rather slow. Out of 100 lighthouses that were to be constructed and modernised only 21 have been concluded by the end of the year 1953-54 and at the end of the Plan period it is not expected that more than half of the total number will be constructed or modernised.

It has been said that this industry comes under the private sector. Of course without going much into the controversy about the responsibility of the Government, we should say that there are certain specific measures which the Government should take up themselves. We may take the case of technical training schemes. These schemes depend entirely on Government's endeavours. We do not know how far we have been able to fulfil the target. The progress report says that the Plan provides for an expenditure of Rs. 1.1 crores on training schemes for marine engineers, etc. In the first three years an expenditure of Rs. 40.66 lakhs was incurred on the marine engineering training scheme. I

feel that the whole scheme for training will not come up to the mark at the end of the Plan period. In every sphere we find that the target that was set for the First Five Year Plan is very doubtful of being achieved; we do not think that the targets will be fulfilled.

As there is little time left I will refer only to one more point that the President of the Shipowners' Association referred to in the annual meeting. Mention has been made about the Vishakapatnam shipyard already. He said that one was led to the conclusion that something was seriously wrong with the management there on the technical as well as administrative side and unless steps were urgently taken to set that in order it would seriously continue to affect their expansion programme. He said that two factors stood in the way of fulfilment of the Plan target. One was the inordinate delay in the Hindustan Shipyard and the other was the steep rise in the world prices. The hon. Minister was present and he replied to several points raised by the President of that association. He pointed out that he had already taken steps in some respects and he was going to take some measures in other respects. But the hon. Minister did not make any reply as regard one of the burning questions, namely, development of cargo. When we are going to formulate our Second Five Year Plan, we should think of the cargo first. In one of the articles published in the *Indian Shipping*, we find that a grave doubt has been expressed as to whether we would be able to develop enough cargo for the target that we are going to set for our tonnage for the next five years. There is no doubt that this problem of development of sufficient cargo for the present and for the future should be examined. Of course, the committees that have been appointed for going into the questions with regard to sea and rail co-ordination, freight and other matters, will go into this matter, but I would like to draw the



attention of the hon. Minister to this point, that steps should be taken so that sufficient cargo is developed. Mention has been made of coal. There is sufficient scope for this cargo to be carried by our ships and I think there will not be dearth of sufficient cargo if this point is taken into consideration.

About other matters—which in a nutshell Sir Ramaswamy Mudaliar when thanking the hon. Minister pointed out—there are three factors which stand in our way. They are non-availability of financial resources, conditions of competition in overseas trade and non-availability of adequate personnel on the deck side, particularly of masters and chief officers. About training I have already mentioned and about overseas trade I do not find time to go into the matters. About financial resources the Ship-owners' Association has already pointed out that loan should be available to them on such terms that it may be possible for the shipping companies to pay them without difficulty. I think the hon. Minister replied that he had taken up the matter already and there had been already some improvement in this connection. Still, I think this matter ought to be examined because we find that to our steel companies in our development programme very liberal terms have been given. I think similar terms should also be made available for the shipping companies to promote development of our shipping industry. I hope the hon. Minister in his reply will make it clear what are the bottle-necks, what are the difficulties that stand in our way due to which there has been so much shortfall in fulfilling the targets that were set forth in the Five Year Plan.

**Shrimati Ila Palchoudhury** (Nabadwip): My hon. friend Shri Raghunath Singh has brought in a very excellent resolution. The amendment of Shri S. N. Das is also very good. I strongly support both of them because there is very little to choose between them, I think the question of shipping is very important to India because of a long

coastline. There can be no two opinions that shipping is one of the burning questions we are faced with today.

The First Five Year Plan contemplated a net increase in shipping tonnage of 219,000 tons. This was indeed a modest target, but when you look at what we have done, we do not seem to have reached it, and it is time we set about doing something about it. There was a Reconstruction Policy Sub-committee established in 1947. It was a very responsible committee and it recommended three things. It said: firstly, the entire coastal trade of India should go to Indian shipping; secondly, 75 per cent. of India's adjacent trade should be with Indian shipping; and thirdly, 50 per cent. of distant trade should be acquired. Fortunately, whatever the powers that be, they have to be thanked, at last we have got the first one, but as for the other things, we have not reached anywhere near the target. We are far short of what was contemplated and we hardly visualise anything like what has been recommended. The Sub-Committee had also estimated that to carry cargo the country needs a tonnage of about two million GRT. The total tonnage, if the First Plan is achieved, will only come to 600,000 a year. When we think of deciding a target, we must not only think of what one shipping company or another shipping company should do but we must think of a broad-based scheme that will really develop and expand Indian shipping. Our own commodities, I think, must be carried by Indian shipping. We can develop it and Government must give their backing to it. Take, for instance, tea. Tea, of course, is a very good foreign currency earner, but it is our own commodity. It is sold through foreign agents, carried in foreign ships, and sold in auction in a foreign country. So much money goes out of India, whereas if you could have shipped all this tea by Indian shipping lines, much money could have remained in India.

When shipping is thought of, one must not forget the small ships that

[Shrimati Ila Palchoudhury]

ply on our inland waters, and also the small crafts that ply near the coast-line. The development of harbours and river navigation must be given first priority in the next Plan. My hon. friend Shri Raghunath Singh said that there were 27 types of ships and boats that were built in ancient India. It is of interest to note that the small crafts that ply on our rivers today and have done so for hundreds of years have never changed their designs! They are of a very good design and these indigenous crafts and craftsmanship must be helped and kept up. This country-craft is also of very great service because it handles not less than 5 million tons of cargo, and the cargo is carried over practically 300 miles. But there, when you divide all this 5 million tons of cargo between 150 small ports, the individual tonnage carried is not much. So, there is much scope for expansion in this regard.

The first Five Year Plan provided Rs. 24.3 crores excluding expenditure on certain items such as the Kandla Port project, etc. But only Rs. 2.84 crores were spent during the first three years of the Plan, and out of the Rs. 19 crores allotted for general shipping, only Rs. 6.8 crores were spent. The total amount spent on the development of minor ports amounted only to Rs. 48 lakhs during the first three years. These figures will show that our development programme did not go as fast as it should have. It must be realised that swift-flowing rivers are the life of the country. It was estimated in 1950 that the country-boats in India and Pakistan carried a large quantity of cargo and now the rivers are getting silted up. The Calcutta Port is itself in danger, and the Ganga Barrage must be given utmost priority to save these rivers. The rivers that will not be affected by the Ganga Barrage must also be rescued from becoming useless. Therefore, effective steps must be taken to see that this aspect of inland waterways is borne in mind so that our inland navigation is expanded and the congestion on railways is removed. I submit that Gov-

ernment must also give a lead to help coastal shipping now that it is in Indian hands. I am afraid my friend opposite may not agree with me, but here is scope for private enterprise if it gets the Government's backing. With Government help people who have a certain amount of capital would invest it and go in for coastal shipping. If Japan, devastated and annihilated by the atom bomb, could step up her shipping by 90 per cent, surely, our young democracy can help private enterprise in coastal shipping and gain a lot of money for India. It is always said: *Vanijya Vasatej Lakshmi*. Let our Government help to keep Lakshmi on her full blown Lotus enthroned in India by expanding and helping shipping and trade, and by forming a Commission to see to the efficient administration of this side of our national expansion.

**Shri Matthen (Thiruvellah):** I have great pleasure in supporting the resolution so spiritedly and so effectively moved by my friend and colleague Shri R. N. Singh and so ably supported by Shri H. N. Mukerjee, and generally supported by other Members. I would like to join hands with him in paying legitimate compliments to the hon. Minister. His interest, ever since he took charge of this portfolio, has been noteworthy and he has been evincing a very sincere interest in developing shipping in this country. His further assurances to the Shipowners' Association, I think, shows his keen interest in what a Minister can do. I was all along feeling that the Members of this House generally had not been keeping themselves sufficiently alive to this, the greatest of problems that we have got. Today I am glad to revise my opinion. I am very grateful to the hon. Minister for the supporting way in which he reacted when I suggested a committee like this, a standing committee of shipping. Of course, the name has been changed to Transport; but the giant Railway has been separated. That is what I want. But what I want to stress is the whole-heartedness and the sincerity which he has been evincing in our discussions with him.

Germany, Italy and Japan, which were enemy countries, practically lost all their shipping during the Second World War. But when I was in Germany some two years ago, I saw the great revival of shipping there and it may interest the House to know that they have practically recovered more than 60 per cent. of their shipping during these 6 or 7 years. Although they had nothing left after the war, with the co-operation of America, they were able to achieve it. Italy, I believe, has today about 400 tons more than what it had in 1939. Japan has regained two-thirds of her original shipping. All these countries were smashed during the war, but they have recovered. As for our country, even though the Shipping Policy Committee recommended a target of 2 million tons in 7 years, today we have hardly 500,000 tons. At that time we had 350,000 tons and that means that we have been able to increase our tonnage only by 150,000 tons during the five years. Of course, there were lots of difficulties; but while countries like Germany, Italy and Japan are able to restore their shipping during the course of a few years, I cannot understand why we were not able to build more.

I shall try not to repeat the points which have been already stated. One point that I wish to stress is ship-building. My friend Mr. Mukerjee and other speakers have already referred to it. Of course we have to admit that the Hindustan Shipyard has failed, but...

**Shri A. M. Thomas (Ernakulam):** It has not failed; it had only teething trouble.

**Shri Matthen:** Whatever it may be, according to the Second Five Year Plan, we have to build 600,000 tons of shipping. Adding to it about 150,000 tons, which is the remainder of the first target, we will have to build about 70,000 tons during the five years. That means that we will never be able to have these ships built in our own shipyard. There is another point. The life of a ship is calculated as only about 20 years; that means about one-twentieth of the tonnage will have to be replaced every year over and above these 700,000 tons which we will have to build during the next five years.

**Mr. Chairman:** How much more time is required by the hon. Member?

**Shri Matthen:** I mean, during the next five years' time.

**Mr. Chairman:** I am asking, how much more time will he require? Will he need another five minutes?

**Shri Matthen:** No, Sir, I want more time to speak.

**Mr. Chairman:** In that case, the hon. Member may continue his speech on the next day.

6 P.M.

The Lok Sabha then adjourned till Eleven of the Clock on Saturday, the 10th September, 1955.