

Tuesday, 20th February, 1951



PARLIAMENTARY LIBRARY

250 (3)
4. 6. 62.

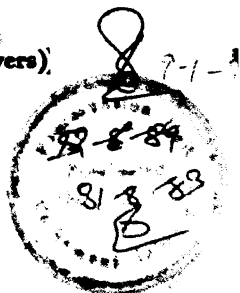
सत्यमेव जयते

PARLIAMENTARY DEBATES

(Part I—Questions and Answers)

OFFICIAL REPORT

VOLUME VI, 1951



(5th February to 31st March, 1951)

Third Session (Second Part)

of the

PARLIAMENT OF INDIA

1951

CONTENTS

Volume VI—from 5th February, to 31st March, 1951

	<i>Columns.</i>
Monday, 5th February, 1951	
Oral Answers to Questions	1137—1170
Written Answers to Questions	1170—1174
Tuesday, 6th February, 1951—	
Oral Answers to Questions	1175—1203
Written Answers to Questions	1203—1218
Wednesday, 7th February, 1951—	
Member Sworn	1219
Oral Answers to Questions	1219—1246
Written Answers to Questions	1246—1258
Thursday, 8th February, 1951—	
Oral Answers to Questions	1259—1285
Written Answers to Questions	1285—1292
Friday, 9th February, 1951—	
Oral Answers to Questions	1293—1319
Written Answers to Questions	1319—1332
Monday, 12th February, 1951—	
Oral Answers to Questions	1333—1364
Written Answers to Questions	1364—1373
Tuesday, 13th February, 1951—	
Oral Answers to Questions	1373—1399
Written Answers to Questions	1399—1408
Wednesday, 14th February, 1951—	
Oral Answers to Questions	1409—1438
Written Answers to Questions	1438—1454
Thursday, 15th February, 1951—	
Oral Answers to Questions	1455—1487
Written Answers to Questions	1487—1490
Friday, 16th February, 1951—	
Oral Answers to Questions	1491—1522
Written Answers to Questions	1522—1526
Monday, 19th February, 1951—	
Written Answers to Questions	1527—1556
Tuesday, 20th February, 1951—	
Oral Answers to Questions	1557—1586
Written Answers to Questions	1586—1596
Wednesday, 21st February, 1951—	
Oral Answers to Questions	1597—1631
Written Answers to Questions	1631—1638
234 P.S.D.	

	<i>Columns</i>
Thursday, 22nd February, 1951—	
Oral Answers to Questions	1639—1667
Written Answers to Questions	1667—1678
Friday, 23rd February, 1951—	
Member Sworn	1679
Oral Answers to Questions	1679—1704
Written Answers to Questions	1705—1712
Monday, 26th February, 1951—	
Oral Answers to Questions	1713—1739
Written Answers to Questions	1739—1750
Tuesday, 27th February, 1951—	
Oral Answers to Questions	1751—1783
Written Answers to Questions	1783—1802
Wednesday, 28th February, 1951—	
Oral Answers to Questions	1803—1830
Written Answers to Questions	1830—1838
Thursday, 1st March, 1951—	
Oral Answers to Questions	1839—1865
Written Answers to Questions	1865—1874
Friday, 2nd March, 1951—	
Oral Answers to Questions	1875—1901
Written Answers to Questions	1902—1914
Monday, 5th March, 1951—	
Oral Answers to Questions	1915—1949
Written Answers to Questions	1949—1956
Wednesday, 7th March, 1951—	
Oral Answers to Questions	1957—1987
Written Answers to Questions	1987—1996
Thursday, 8th March, 1951—	
Oral Answers to Questions	1997—2042
Written Answers to Questions	2042—2058
Friday, 9th March, 1951—	
Oral Answers to Questions	2059—2085
Written Answers to Questions	2085—2096
Saturday, 10th March, 1951—	
Member Sworn	2097
Oral Answers to Questions	2097—2131
Written Answers to Questions	2131—2314
Monday, 12th March, 1951—	
Oral Answers to Questions	2135—2166
Written Answers to Questions	2166—2186
Tuesday, 13th March, 1951—	
Oral Answers to Questions	2187—2217
Written Answers to Questions	2217—2224
Wednesday, 14th March, 1951—	
Oral Answers to Questions	2225—2254
Written Answers to Questions	2254—2222

	<i>Columns</i>
Thursday, 15th March, 1951—	
Oral Answers to Questions	2263—2295
Written Answers to Questions	2295—2308
Friday, 16th March, 1951—	
Oral Answers to Questions	2309—2340
Written Answers to Questions	2340—234
Monday, 19th March, 1951—	
Member Sworn	2343
Oral Answers to Questions	2343—2371
Written Answers to Questions	2371—2386
Tuesday, 20th March, 1951—	
Oral Answers to Questions	2387—2416
Written Answers to Questions	2416—2444
Wednesday, 21st March, 1951—	
Oral Answers to Questions	2445—2474
Written Answers to Questions	2474—2484
Saturday, 24th March, 1951—	
Oral Answers to Questions	2485—2518
Written Answers to Questions	2518—2526
Monday, 26th March, 1951—	
Oral Answers to Questions	2527—2461
Written Answers to Questions	2561—2576
Tuesday, 27th March, 1951—	
Oral Answers to Questions	2577—2606
Written Answers to Questions	2606—2618
Wednesday, 28th March, 1951—	
Oral Answers to Questions	2619—2651
Written Answers to Questions	2651—2658
Friday, 30th March, 1951—	
Oral Answers to Questions	2659—2688
Written Answers to Questions	2688—2698
Saturday, 31st March, 1951—	
Oral Answers to Questions	2699—2732
Written Answers to Questions	2733—2750

THE
PARLIAMENTARY DEBATES
(Part I—Questions and Answers)
OFFICIAL REPORT

1557

1558

PARLIAMENT OF INDIA

Tuesday, 20th February, 1951

The House met at a Quarter to Eleven of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

INDIAN SHIPPING (DEVELOPMENT)

*1569. Prof. S. N. Mishra: Will the Minister of Transport be pleased to state:

(a) whether Government had addressed any note to the Federation of Indian Chambers of Commerce about the development of Indian Shipping; and

(b) if so, whether they have received any reply?

The Minister of State for Transport and Railways (Shri Santhanam): (a) and (b). There has been some correspondence between Government and the Federation in regard to the development of Indian shipping. In reply to a letter from the Federation, asking for clarification on certain points, it was explained to them that the broad policy of Government was that the Indian Merchant Navy of the future should ultimately be built up with one hundred per cent. capital, control and management of the nationals of the country, but as the existing financial stringency set a limit to our own unaided efforts to build up our Merchant Navy, the Federation was asked for their views as to whether, in such circumstances, they would advise postponement of the development of Indian shipping until we were in a position to build up the industry ourselves without external aid or whether they would consider it worthwhile to expand it by taking help from outside, if available on satisfactory terms with adequate safeguards. In their reply the Federation have stated that they are definitely opposed to the formation of a ship-

320 P. S. D.

ing combine by Government with foreign shipping interests.

Prof. S. N. Mishra: What have the Government decided—whether the participation of foreign capital for the development of Indian shipping is advisable, and if so with any safeguards?

Shri Santhanam: For the present the Government are not contemplating it. But if at any future time the matter is to be considered, it will be considered on its merits.

Prof. S. N. Mishra: May I know whether there is any scheme with the Government for the development of Indian shipping?

Shri Santhanam: Sir, there is a scheme, but the scheme is held up on financial considerations.

Shri A. C. Guha: Has the Federation of Indian Chambers of Commerce given any idea as to how its constituents can contribute to the funds?

Shri Santhanam: The position of those people who are interested in Indian shipping today is that they are not able to find the money. They want the Government of India to find the money and they say that we should not take foreign assistance.

Prof. S. N. Mishra: May I know whether at any stage there was any talk for the formation of an Indo-British Corporation for the purpose and, if so, whether that talk has been abandoned?

Shri Santhanam: At no time was there any regular talk. Certain informal proposals were made at some time to the Government and it was on the basis of those informal talks that the Federation was consulted, and after the Federation sent their views the matter was dropped.

Shri Joachim Alva: Did the foreign shipping companies convey their reactions to these proposals in any shape or manner?

Shri Santhanam: There was no proposal. Certain foreign shipping companies made certain feelers and we wanted to find out the reactions of the Indian Federation to those feelers. When they were positively hostile the whole matter was dropped.

Shri Chattopadhyay: May I know what is the addition of tonnage due to the policy now being pursued by Government?

Shri Santhanam: Sir, the question referred only to the correspondence between Government and the Federation. I would require notice for further information.

Shri A. C. Guha: What is the present tonnage of Indian shipping?

Shri Santhanam: That matter was not referred to in the question at all. I want notice.

Shri Poonacha: May I know the percentage of goods handled by the Indian shipping concerns so far as our overseas trade is concerned?

Shri Santhanam: I would like to supply that information during the Budget debate.

Shri Kamath: It is pleasure deferred!

Mr. Deputy-Speaker: It will become more pleasant then.

TOOFAN EXPRESS ACCIDENT (ENQUIRY)

*1570. **Prof. S. N. Mishra:** Will the Minister of Railways be pleased to state:

(a) whether judicial enquiry into the causes of accident to 320 Down Goods and 7 Up Toofan Express trains on the night of August 12-13 between Karmnasa and Durgawati on the East Indian Railway has been completed; and

(b) if so, the results of the enquiry?

The Minister of States, Transport and Railways (Shri Gopalaswami):

(a) Yes.

(b) The hon. Mr. Justice Bose, who conducted the judicial enquiry into the accident, has rejected the theory put forward by the Bihar State Police that the derailment of the Goods train appeared to have been the result of some defect in the track or in the rolling stock. He has agreed *in toto* with the findings of the Government Inspector of Railways, namely, that—

(i) the derailment of 320 Down Goods train at mile 394/10-11 between Durgawati and Karmnasa in the early hours of the morning of the 13th

August, 1950, was due to the removal by a person or persons unknown of fishplates etc; and

(ii) the Drivers of the two trains took all possible steps within the time at their disposal to avert the accident to the 7 Up Toofan Express but could not do so.

Shri Deshbandhu Gupta: May I know if the hon. Judge who held the enquiry has passed certain strictures against the Bihar Police or the officers who were connected with the enquiry? If so, will the hon. Minister read out the observations made about the police officers concerned?

Shri Gopalaswami: Sir, I have not got the Report with me, but I remember that the hon. Judge did pass certain comments on what was done by way of investigation by the Bihar State Police. They were not altogether complimentary.

Prof. S. N. Mishra: May I know the reasons which have been assigned by the hon. Judge for controverting the theory placed by the Government of Bihar?

Shri Gopalaswami: If the hon. Member would wish to have the fullest particulars about this I am willing to hand over the Report of the hon. Judge to him for study.

Shri M. L. Gupta: Will the hon. Minister lay the Report on the Table of the House?

Shri Gopalaswami: I have no objection.

The Minister of State for Transport and Railways (Shri Santhanam): I think it is already in the Library.

Mr. Deputy-Speaker: Placing it on the Table of the House means that it has to be printed along with the Proceedings.

Shri Deshbandhu Gupta: May I know whether the comments passed by the hon. Judge amounted to this that the evidence given by some of the responsible police officers was false? If so, may I know what action has been taken on the remarks of the hon. Judge?

Shri Gopalaswami: I do not think he went so far as that. He certainly came to the conclusion that the conclusions reached by the Bihar State Police on certain evidence on which they relied were not correct and that really the conclusions reached by the Government Inspector of Railways were correct.

Shri Deshbandhu Gupta: Was not any attempt made, according to him, to create evidence?

Mr. Deputy-Speaker: The hon. Minister has not got the Report with him, nor the oral evidence etc.

Shri Sonavane: Has the hon. Judge who conducted the enquiry suggested any measures to avoid further accidents?

Shri Gopaldaswami: It is very difficult for any Judge to suggest measures for averting accidents.

Mr. Deputy-Speaker: I think in a matter like this the hon. Minister must have the report.

Shri Gopaldaswami: The report is already in the Library. If necessary, I will lay it on the Table of the House.

Mr. Deputy-Speaker: True, but the hon. Minister is asked questions and he has not got the report with him, which is relevant to the question.

Shri Gopaldaswami: If necessary, I will read from the notes. I have some extracts from it.

Shri A. C. Guha: Has the hon. Justice Bose suggested any *mala fide* or dishonest motives on the part of the Police Officer and if so, what steps have Government taken in the matter?

Shri Gopaldaswami: I do not know if he has suggested *mala fides*. I do not think he has. It is a mistaken kind of judgment and whatever comments he has made on the conduct of the State Police will be communicated to the proper quarters.

Shri T. Husain rose—

Shri Hussain Imam: I wanted to say that it may be laid on the Table of the House.

Mr. Deputy-Speaker: He has said so already. Hon. Members must be attentive and no one ought to speak except those who put the questions, so that this kind of request once again would not appear. The hon. Minister has already said that he has no objection to place it on the Table of the House.

GLIDER RESEARCH SCHEME

*1571. **Prof. S. N. Mishra:** (a) Will the Minister of Communications be pleased to state whether Government have any two-year glider research scheme?

(b) If so, how many gliders are proposed to be produced during this period?

The Minister of Communications (Shri Kidwai): (a) Research for the development of proto-type gliders was

undertaken during 1950-51 at the Civil Aviation Training Centre, Allahabad. The question of continuance of the scheme in 1951-52 is under consideration.

(b) One Primary proto-type glider has been constructed and test flown. A second Primary proto-type glider is under construction and is expected to be ready for flight test in March 1951. If it is decided to continue the scheme in 1951-52, the construction of two more proto-type gliders namely one intermediary glider and one "Olympia" advanced sail-plane will be undertaken.

Shri Kamath: How many gliders have been imported during the last year and from which countries?

Shri Kidwai: I will require notice for that question.

Shri Kamath: Is the hon. Minister aware that one Mr. Antonius Raub manufactured two gliders in 1948 in Baroda, and if so, what has happened to those gliders?

Shri Kidwai: I will require notice for that question also.

Prof. S. N. Mishra: What is the approximate cost of a glider?

Shri Kidwai: The proto-type glider manufactured in Allahabad did cost us Rs. 12,000 but it is estimated that if manufacture of that type is undertaken, the manufacturing cost will be Rs. 3,500 and the comparative cost of the proto-type glider of the same type will be about Rs. 4,950.

Shri Hussain Imam: Has the Hindustan Aircraft Factory been asked to undertake this and have any estimates been received from them?

Shri Kidwai: I am not aware of such requests being made to the Hindustan Aircraft Factory.

Shri Kamath: Is it proposed to depute any officers abroad to receive training in the manufacture of gliders?

Shri Kidwai: It is not necessary.

Shri Kamath: Are any experts being imported into India?

Shri Kidwai: If we decide to manufacture for our use, then we have got the personnel equipped for the manufacture of those gliders.

SUGAR FOR COCA-COLA

*1572. **Shri Sidhva:** (a) Will the Minister of Food and Agriculture be pleased to state what is the quantity of sugar supplied to Coca-Cola factories?

(b) Has any aerated water manufacturer made representation to Government regarding the short supply of sugar to his factories?

(c) Has any preference been shown to the Coca-Cola factories for the supply of sugar against the established manufacturers in India for their sugar quota?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) The quantity of sugar allotted to the Coca-Cola factory at Delhi since it went into production in October, 1950 is 37 tons for consumption upto the end of March, 1951.

(b) A representation was made by the Aerated Water Manufacturers' Association, in Delhi in October, 1950.

(c) No. A quota upto 50 per cent. of their estimated requirement has been allotted to the firm. This cut applies to others as well.

Shri Sidhva: May I know whether this quantity of 37 tons, which the hon. Minister has stated, has been given under the Food Production Control Order or ordinarily under the usual way by which manufacturers of aerated water get it?

Shri K. M. Munshi: The license is issued under the Food Production Order, 1948 while the sugar is given under the usual distribution of rations.

Shri Sidhva: May I know whether this Coca-Cola is considered to be harmful and is it a fact that the National Assembly of France passed a Bill (second reading) stating that this Coca-Cola is objectionable as it contains a certain percentage of injurious Caffeine? Is that correct and have Government made any analysis of this Coca-Cola?

Shri K. M. Munshi: It is said that it is a nutritious drug free from any harmful ingredients, manufactured and bottled in a hygienic way. Actual analysis is under verification.

Shri Sidhva: That is what the manufacturers say as far as their advertisements are concerned. May I ask whether his attention has been drawn to the Bill which has been passed in the National Assembly and whether Government have taken any steps to find out by analysis whether this is harmful?

Shri K. M. Munshi: I am glad the hon. Member has drawn my attention to what was said in France. As I pointed out the actual analysis of the product is under verification.

Shrimati Renuka Ray: Does the Government consider that the nutritious

value of Coca-Cola is greater than that of an indigenous aerated water or why else this preference?

Shri K. M. Munshi: It is difficult to say as to the relative merits of the others because those are synthetic products of certain essences, colours and saccharine.

Shrimati Renuka Ray: My question was: Does the Government consider, it has greater nutritional value?

Shri K. M. Munshi: Analysis will show that. I cannot say anything about it just now.

Shri Satish Chandra: On a point of order, Sir, is it proper for the hon. Food Minister to advertise a company's goods of which no analysis has been made so far? It is a third-rate aerated water.

Mr. Deputy-Speaker: I shall give the hon. Member an opportunity to put that question. Mr. Sidhva.

Shri Sidhva: May I know whether the aerated water factories of long-standing in Delhi have got the full quantity or have their quota been cut down because that quantity was given to this Coca-Cola Factory?

Shri K. M. Munshi: The quantity of sugar given to Coca-Cola is cut down in the same proportion as other manufacturers but Coca-Cola requires only one-third of the sugar that is necessary for other aerated waters because the imported syrup contains a quantity of sugar.

Shri Sidhva: May I know whether these manufacturers are opening branches and one is likely to be opened in Bombay and would the Government postpone granting of licences for the supply of sugar until they are satisfied about the analysis?

Shri K. M. Munshi: No application has been received so far as the Central Government is concerned. I do not know whether any application has been made to the Bombay Government.

Shri Sidhva: Will not the Central Government communicate to the Bombay Government the wishes of this House to hold over giving the quantity of sugar required?

Mr. Deputy-Speaker: Order, order. It is a suggestion for action.

Shri Hussain Imam: Will the hon. Minister inform us what is the principle on which they have been allowed to import sugar in the shape of syrup and have others also been allowed to import syrup from foreign countries?

Shri K. M. Munshi: In 1948 the Government of India decided to allow foreign exchange and import license for the working plant. The plan was sponsored really by the Government of India and syrup also came to be imported with the license of the Government of India.

Shri Kamath: In spite of the fact that, according to the hon. Minister himself, Coca-Cola requires only one-third sugar as compared to other aerated waters, is it a fact that the sugar allotted to this Coca-Cola factory in Delhi is more than double the total quantity of sugar given to all the aerated water factories put together?

Shri K. M. Munshi: It all depends on the quantity that is manufactured and the demand of the public. There is a large demand for Coca-Cola.

Shri Goenka: May I know whether at the time when this license was given for the importation of machinery and syrup for this Coca-Cola any undertaking was given to the Company that sugar will also be made available to them?

Shri K. M. Munshi: I have no idea. I do not think it is possible that any undertaking could have been given.

Shri Joachim Alva: Is the hon. Minister aware that the demand for Coca-Cola can be increased by cutting down the prices and giving preference in the matter of importing syrup?

Mr. Deputy-Speaker: It is hypothetical.

Shri A. B. Gurung: May I know whether it is a fact that Coca-Cola when put in cold storage gets fermented and becomes intoxicating?

Shri K. M. Munshi: I have no idea and no experience.

Dr. V. Subramaniam: The hon. Minister stated that it is being analysed. May I know what is the essence that is being used; whether it is cocoa or cola or any other?

Shri K. M. Munshi: It can only be known when the analysis is before me.

Shri Jnaani Ram: May I know how many other kinds of colas are being prepared in this country?

Shri Goenka: May I know whether the Government went into the merits of Coca-Cola at the time when licence was given for the importation of machinery worth 25 lakhs of rupees?

Shri K. M. Munshi: This was in 1948. If the hon. Member is so anxious to know, I might make enquiries. I do not know anything about it.

Shri Kamath: What is the total quantity of sugar allotted to all the other aerated water factories in Delhi during that period?

Shri K. M. Munshi: I should like to have notice about that.

Shri B. R. Bhagat: Since the introduction of this industry, other indigenous industries of aerated waters, which are being done on a cottage basis, are going out of the market and dying out. In the near future, vast unemployment may occur in the industry. May I know whether the attention of Government has been drawn to this aspect of the question and whether they have considered it?

Shri K. M. Munshi: First of all, fruit drinks are not cottage industries at all. They are synthetic products prepared from imported essences, colours and saccharine. There is no trespass upon their trade because the sugar that was being given to them is already given.

Shri Chaliha: What about sharbat? It is a cottage industry.

Shri Sarangdhar Das: May I know why it was necessary for the Central Supply Department to allot sugar to this Coca-Cola manufacturing concern while the other aerated water factories receive their quota from the Delhi State Supply Department.

Shri K. M. Munshi: I think—I speak subject to correction—this is also given by the Delhi Administration in the same way.

Mr. Deputy-Speaker: We have had enough of Coca-Cola. Next question.

Shri Goenka: One question, Sir.

Mr. Deputy-Speaker: Next question.

DELHI TRANSPORT SERVICE

*1573. **Shri Sidhva:** Will the Minister of Transport be pleased to state what was the profit earned during the last year by the Delhi Transport Service?

The Minister of State for Transport and Railways (Shri Santhanam): The net profit earned by the Delhi Transport Service amounted to Rs. 3,95,091 during the financial year 1949-50.

Shri Sidhva: May I know whether after the transfer of this D.T.S. from Government to the Delhi Transport Authority, they are considering the question of reduction of fares in pursuance of the statements made by the hon. Minister of State on the floor of this House, and if so, what is the result? If not, has the hon. Minister

drawn the attention of the Authority that they should consider this question?

Shri Santhanam: The Delhi Transport Authority knows very well the loadtakings given in this House. They have been informed of it and reminded of it. But, unfortunately, recent developments especially in the matter of taxation have put up the expenditure to a great extent. For instance, in 1949-50, the working expenses were 48.73 lakhs. They have risen in 1950-51, the estimate being based on the 9 months' actuals, to 55.45 lakhs. It is expected that there will be no profit even under the present charges for the year 1950-51.

Shri Sidhva: May I know whether this profit of four lakhs is after deducting for depreciation: whether it is gross profit or net profit?

Shri Santhanam: It is net profit after providing for depreciation, and deducting interest.

Shri Sidhva: In view of that, may I know whether the Government will consider the question of asking them to reduce the fares by 25 per cent., in view of the heavy demands on the passengers for the last four years?

Shri Santhanam: The hon. Member asked about the profit for the year 1949-50. I gave it as 3.95 lakhs. But, it is expected that in 1950-51, there will be no profit whatsoever.

Shri Sidhva: Why?

Shrimati Durgabal: What proportion of this profit was utilised for providing amenities to passengers? If any amenities are provided, what are they?

Shri Santhanam: The main amenity which is sought to be provided is the purchase of new and better buses.

Shri Deshbandhu Gupta: What was the average profit of the GNIT which was the predecessor of the Delhi Transport Authority?

Shri Santhanam: We have got this business from the beginning of 1949. I should conduct historical researches to get at the profits of that company.

[**Giani G. S. Musafir:** Whether the hon. Minister is aware of the fact that the Delhi Transport Service of the Capital is far less efficient in comparison to such services operating in the big cities of Bombay and Calcutta?]

Shri Santhanam: I am fully aware and I have already expressed to the House that because we had to take over the D.T.S. in a very deplorable condition, we have not yet been able to put this D.T.S. on a level with the services in other big cities. But, every effort is being made to improve. There are 40 new buses which have already arrived. Forty more have been ordered out of which 14 have arrived and 26 are arriving in the next two or three months. We are ordering another 80 buses of the same new type. When they arrive, I think the service in Delhi will be as good as in the other cities.

Shri Deshbandhu Gupta: My hon. friend stated that he is going to carry on some historical researches. I want to know the profits of the G.N.I.T. May I know whether, when the company was taken over, and big amounts were paid to them, the profit which that company was earning was not taken into account?

Shri Santhanam: May I suggest to you, Sir, that questions relating to 1947 and 1948 are out of date. Unless a particular question is put,—this D.T.S. is being under question for the last three years—to expect that I should carry figures for 1947-48 in 1951 is rather too much.

Shri Sidhva: It is not a big load that he cannot carry. (Interruption).

Mr. Deputy-Speaker: Order, order. When I am standing, do not hon. Members know that they should resume their seats?

I am afraid the hon. Minister must have all this information with him. (Several hon. Members:—Hear, hear). Order, order. The question is:

“Will the Minister of Transport be pleased to state what was the profit earned during the last year by the Delhi Transport Service?”

Naturally, he must expect supplementary questions on what were the average profits during the last 3 or 4 years to compare. In these circumstances, to say that 1947 is such a remote date is not understandable.

Shri Santhanam: Mr. Deputy-Speaker, I have got figures for all the years during which that Service has been under the Government of India. I am asked to state the profits which a private company obtained before we

گہائی جو - اڑس - پوسٹو : کو

ماتلہ ملتی اس بات سے راتف دوس

کہ جو راج دھانی کی دھانی ٹرانسپورٹ

سروس ہے وہ کلکتہ اور بمبئی ایسے

بڑے شہروں کے مقابلہ میں بہت

نکمہ ہے ؟

took over the Service. I think I will have to get at the balance sheets before I can supply those figures.

Shri K. C. Sharma: May I know, Sir, whether there is any rule to discuss whether to answer a question or not to answer a question? If an hon. Minister does not answer or wants notice, where is the occasion for such a long discussion?

Shri Deshbandhu Gupta: With your permission, Sir, one question. Does not the hon. Minister compare the profits which the D.T.S. is earning today with the previous company's profits? Unless this is done, how does the hon. Minister know that the Service is running efficiently?

Shri Santhanam: We do not propose to compare the service which the Delhi Transport Authority is rendering with the poor service which was being rendered by the D.T.S.

Seth Govind Das: May I know whether the fares for this service for various distances are the same as are in other cities or higher than in other cities?

Mr. Deputy-Speaker: We are straying far away.

Shri Santhanam: They are cheaper than in the Central Provinces.

Seth Govind Das: Sir, I am not asking about the Central Provinces, and it is not a right fling. I want to know whether the fares in Bombay and Calcutta.....

Mr. Deputy-Speaker: We now go to the next question. We are actually straying far, far away from the question proper which relates to profits. We are going to the question of fares in other services in various parts of India.

CIVIL AIRCRAFT ACCIDENTS (INVESTIGATION)

*1574. **Shri Sidhva:** (a) Will the Minister of Communications be pleased to refer to the answer given to my starred question No. 940 on the 18th December 1950 and state the result of the investigation on the 12 accidents of civil aircraft that took place?

(b) In the remaining 24 in which the causes of accidents were stated to be the fault of the pilot and other engine defects, what steps have Government taken?

The Minister of Communications (Shri Kidwai): (a) Investigation has so far been completed on ten out of the twelve accidents. 6 of these 10

accidents were due to errors on the part of the pilots, 3 due to engine trouble and one due to a man crossing the airstrip during the landing of the aircraft.

(b) I lay on the Table a statement showing the action taken. [See Appendix XII, annexure No. 18.]

Shri Sidhva: With reference to the 18 cases which were due to error on the part of the pilot, may I know what kind of error was that which necessitated the taking away of the life of so many passengers? I want to know whether the hon. Minister has borne in mind the seriousness of the matter and whether the punishment meted out has been sufficient?

Shri Kidwai: Error of judgment.

Shri Sidhva: But error of judgment of what nature? The lives of passengers are concerned and we would like to know whether the error of judgment was in connection with the decision given by the ground engineers that the plane could take off, whether the pilot acted in consonance with this decision or whether he exercised his own judgment and said that it would be safe to take off the plane against the judgment of the ground engineer?

Shri Kidwai: Error of judgment means the pilot's judgment about how to land and when to land, and not about any defect in the machinery.

Shri A. C. Guha: May I know whether there was any case of overloading?

Shri Kidwai: Not in these cases.

Shri A. C. Guha: May I know whether these cases relate only to passenger planes, or do they relate to planes carrying goods also?

Shri Kidwai: I would require notice, Sir

Shri A. C. Guha: Sir, May I know if there is any system of taking the weight of the aircraft before it takes off?

Shri Kidwai: Yes, there is some system.

Shri A. C. Guha: Is it in vogue in all the aerodromes?

Shri Kidwai: Yes, it is presumed to be so.

Shri T. N. Singh: Sir, with regard to the accidents arising out of engine trouble, may I know whether the ground engineer's certificate of reliability of the engine was available

and also what steps are taken to avoid such engine troubles?

Shri Kidwai: So far as commercial planes are concerned, every 24 hours a certificate of air-worthiness has to be obtained. These accidents have happened in the flying clubs and in other places where this is not necessary. Now we are formulating some rules which will necessitate this certificate in their cases also.

گیاتی چو، - ایوس - مسافر : لن
حادثوں سے کل نقصان کا کیا اندازہ
ہے ؟

[**Giani G. S. Musafir:** What is the estimated total loss sustained due to these accidents?]

की किरवाई : इस वक्त तो मेरे पास इस
की इन्फार्मेशन नहीं है क्योंकि यह एक
पिछला सबाल था जिस के बारे में उन्होंने
पूछा था कि क्या ऐक्शन लिया गया ।

[**Shri Kidwai:** At present, I have got no information on the subject as this is a question which was asked by him previously regarding the action taken by the Government.]

Shri Sidhva: With reference to the cases which were due to defects in the engine and other defects in the aircraft, may I know whether they were detected before the plane took off and also what happened to those engines later on? How were the defects removed and are they airworthy now?

Shri Kidwai: In all cases where the accident was due to the defect in the engine, of course, after the accident and not before. Otherwise the pilot himself would not have taken off.

Shri Sidhva: Sir, my point is whether a certificate of air-worthiness was given before they took off.

Shri Kidwai: They were private-owned flying club planes.

Shri Joachim Alva: On a previous occasion the hon. Minister said he would have a quick, ready-made and complete personnel to go to the place of an accident and investigate the cause, and not wait for an expert to come from Europe which delayed the investigation report by months. What has been done in this respect?

Shri Kidwai: We have got a personnel ready.

Shri Chattopadhyay: Sir, in view of the large number of accidents due to

error of judgment, may I know what steps are taken by the Government to examine whether a pilot has taken any intoxicating drink during the prohibited period?

Shri Kidwai: If the hon. Member will suggest any remedy for the cases he refers to, I will consider it.

Shri Jaipal Singh: May I know, Sir, if there is a Director of Training in the Civil Aviation Directorate?

Shri Kidwai: There is one.

Shri Jaipal Singh: May I know his name?

Shri Kidwai: I require notice, Sir.

Shri Dwivedi: Sir, is it a fact that most of these planes are Dakotas and not fit to be in service?

Shri Kidwai: They are planes in the flying clubs and not Dakotas.

Shri Kamath: Sir, may I know whether investigation into the accident which took place somewhere in the Nilgiris between Bangalore and Coimbatore early in December last has been completed?

Shri Kidwai: We have not yet received the report.

Ch. Ranbir Singh: Sir, what steps are being taken to see that the certificates of air-worthiness are issued after due examination of the machines?

Shri Kidwai: That is what the engineers responsible for it are supposed to do. Otherwise their licences will be cancelled.

Shri J. N. Havarika: Sir, is it a fact that the engines of most of our planes have deteriorated?

Shri Kidwai: No.

Shri Sidhva: Sir, it was stated that there were 37 deaths and 12 cases of major injuries; also that out of the 36 notifiable accidents, 12 are under investigation. May I know how many of those planes are private-owned and how many public-owned Dakotas?

Shri Kidwai: If the hon. Member is referring to the answer given to a question put in December, I have to say I have not got the information with me here now.

TERMINATION OF SERVICES OF JUSTICE R. PUTTARAJ URS

*1575. **Dr. Ram Subhag Singh:** Will the Minister of States be pleased to lay on the Table of the House a copy of the report of the enquiry made by the Chief Justice of India in regard

to the termination of the services of Justice R. Puttaraj Urs of Mysore High Court?

The Minister of States, Transport and Railways (Shri Gopalaswami): It is not in the public interest to disclose the contents of the report of the hon. the Chief Justice of India.

Dr. Ram Subhag Singh: Sir, may I know whether there was any judicial enquiry into the matter before the dismissal?

Shri Gopalaswami: It was not a public enquiry. The Chief Justice of India did make an enquiry but you cannot call it a judicial enquiry or a public enquiry.

Mr. Deputy-Speaker: The question was whether there was a judicial enquiry before the order of dismissal was passed?

Shri Gopalaswami: The President issued a notification fixing his tenure of office as judge of the High Court after the 26th January, 1950. That order was based upon reports received from the High Court of Mysore, the Government of Mysore and after consultation with the Supreme Court.

Dr. Ram Subhag Singh: Sir, may I know whether at the time of the public enquiry a copy of the charge sheet was denied to Mr. Urs?

Shri Gopalaswami: There was no public enquiry.

Dr. Ram Subhag Singh: What was the nature of the enquiry?

Shri Gopalaswami: The nature of the enquiry was this. The Chief Justice of India went to Bangalore and got together a number of persons who were likely to know the facts in connection with this matter, conferred with the Government, examined their records and I think also enquired into the previous history of this gentleman.

Dr. Ram Subhag Singh: May I know whether at the time of making this enquiry the Chief Justice of India did offer a copy of the charge-sheet to Mr. Urs?

Shri Gopalaswami: I think he informed Mr. Puttaraj Urs of certain facts which had been brought to his notice and asked him as to what he had to say about them.

Mr. Deputy-Speaker: The question is whether there was any formal enquiry and giving of charge-sheet and all that.

Shri Gopalaswami: I have already said there was no such thing.

Shrimati Durgabai: May I know whether Shri Puttaraj Urs was given an opportunity to make his own submission at any stage of the enquiry?

Shri Gopalaswami: Certainly; the hon. the Chief Justice did give him an interview—perhaps more than one interview—and heard his case.

Shri Kamath: What was the length of the period or tenure of office determined by the President under article 376 of the Constitution?

Shri Gopalaswami: It was about a week after the 26th January 1950.

Dr. Ram Subhag Singh: Is it a fact that the dismissal order was given on January 26th, 1950, the same day on which the Republic of India was inaugurated?

Shri Gopalaswami: I believe it was dated the 26th January 1950.

Shrimati Durgabai: What were the terms of reference to the Chief Justice for his enquiry?

Shri Gopalaswami: They were to find out whether he considered this particular person suitable to continue as a Judge of the High Court.

Shri Kamath: Is it a fact that the States Ministry asked the Mysore Government to treat Mr. Puttaraj Urs as being on leave and asked them to pay his leave salary?

Shri Gopalaswami: That is so, because Mr. Puttaraj Urs made a representation and before orders could be passed upon that representation a certain amount of time intervened. That period was asked to be treated as period on leave.

Shri Kamath: Am I to understand that the States Ministry more or less revised the order of the President determining the judge's tenure as one week?

Shri Gopalaswami: No, no. The whole question was whether after the termination he should be considered fit to continue as judge.

Shri Kamath: Has the Mysore Government paid his leave salary so far?

Shri Gopalaswami: I think the....
(interruption).

Shri Hanumanthaiya: Sir, on a point of order; I learn that a case is pending. Mr. Puttaraj Urs has filed a case against the Mysore Government in order to recover his salary. Whether questions on that subject can be allowed is a matter for your discretion.

Mr. Deputy-Speaker: A suit is pending regarding the recovery of leave salary and challenging the order of the President. We ought not to go into all those matters.

Apart from that I think that this question has been sufficiently answered (interruption).

Shri Kamath: Sir, on a point of order, you allowed my question regarding the leave salary of Mr. Puttaraj Urs. The hon. Minister was about to answer but the full answer was not given. If the question is allowed the answer must be given...

Mr. Deputy-Speaker: The question is disallowed with retrospective effect... (interruption).

Shri Kamath: Sir, on a point of order, may I ask, apart from merry-making, whether under the rules a question can be disallowed with retrospective effect?

Mr. Deputy-Speaker: A question has to be put first. Only after it is put I can allow or disallow it. The question was put but before the answer was given I disallowed the question.

Shri Kamath: The Minister had half answered it.

Mr. Deputy-Speaker: I must take my own time to hear arguments and then come to a conclusion.

Shri Kamath: rose—

Mr. Deputy-Speaker: Order, order.

Shri Kamath: I submit to your ruling under protest.

Shri Joachim Alva: I want to ask a question on principle. I want to know what is the policy of the Government of India in regard to the conduct of judges, whether it is their intention to ask the Chief Justice.....

Mr. Deputy-Speaker: Order, order. There is no use putting hypothetical questions. This is not a case generally of all judges. It is only the case of one judge. Possibly there is a case also pending.....

Shri Kamath: It is a very bad precedent.

Shri Joachim Alva: The Chief Justice has very important work.....

Mr. Deputy-Speaker: I disallow the question.

SERVICES OF AMERICAN AGRICULTURAL EXPERTS

*1576. **Dr. Ram Subhag Singh:** (a) Will the Minister of Food and Agriculture be pleased to state whether it

is a fact that the Union and some States Governments of India have requisitioned the services of some American agricultural experts to advise on and work out their land reclamation plans?

(b) If so, what is the number of those American agricultural experts?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) No American Agricultural Experts are being requisitioned specifically to advise on or work out land reclamation plans, but among the agricultural experts obtained under the U.S. bilateral aid programmes, the services of some experts, on agricultural engineering and allied subjects connected with Land Reclamation, will become available.

(b) The services of three such experts will become available, two for the Government of India and one for the Government of Uttar Pradesh. The experts for the Government of India are specialists in agricultural implements and operation and maintenance of tractors. The expert for the Uttar Pradesh Government is a specialist in organising the manufacture of agricultural implements and machinery. I may add that one of the experts I have mentioned has already arrived.

Dr. Ram Subhag Singh: What is the policy of the Government in regard to lending the services of agricultural experts to State Governments, whether the Government of India bears the cost or the State Governments concerned are supposed to bear the expenses?

Shri K. M. Munshi: Under the bilateral agreements I have mentioned all the emoluments of the expert, his subsistence allowance and travel to and fro, are met by the U.S. Government. India meets the local costs such as internal transportation, travelling office space and secretarial assistance.

Mr. Deputy-Speaker: He wants to know who bears the cost as between the State and the Centre?

Shri K. M. Munshi: It depends upon the needs of the State. If a State requires the assistance of an expert it is given, as in the case of the U.P.

Mr. Deputy-Speaker: Who bears the cost?

Shri K. M. Munshi: The cost will be borne by the State.

Ch. Ranbir Singh: May I know whether the expert has joined the Central Government Secretariat or the U.P. Secretariat?

Shri K. M. Munshi: The expert who has arrived is an expert in tractor organisations and he is now attending to the school opened at Bhopal for the Central Tractor Organisation.

Shri Hussain Imam: Is it under Point Four Aid that we have received this expert and what other help have we received in agriculture under Point Four?

Shri K. M. Munshi: These three experts are not under Point Four but under bilateral agreement. So far as Point Four Aid is concerned I think we have got two gentlemen: I am speaking subject to correction. They are Messrs Milon and Holmes.

Shri B. R. Bhagat: May I know whether in the near future India is likely to get the assistance of agricultural experts under the Technical Aid Programme of the Colombo Plan?

Shri K. M. Munshi: We have asked for several agricultural experts.

Shri T. N. Singh: With regard to the experts who have been brought by the Union Government is there any intention to make use of them for reorganising the Tractor Department?

Shri K. M. Munshi: The only expert who has arrived is an expert in organising Tractor schools, and as we found that our C.T.O. operatives were not up to the mark a school was opened at Bhopal and Mr. Rainbow was put in charge of it.

Shri Kamath: In view of the fact that Government have decided to avail themselves of assistance under the Point Four Programme am I to understand that Government have disapproved of or disagreed with the statement made by our Ambassador in Washington last year to the effect that the Point Four Programme is ridiculous?

Mr. Deputy-Speaker: Order, order. It is a matter of opinion.

Shri Kesava Rao: Is it not a fact that most of our young people who have been given expert training in foreign countries recently in agriculture have not been used properly?

Shri K. M. Munshi: I do not think so. That is not correct. These persons are experts: They are not students who have returned from America.

सेठ गोविन्द दास : यह जो अमरीकी विशेषज्ञ केन्द्र में रहेंगे, क्या वह सिर्फ केन्द्र के स्कूलों का काम करेंगे या जिन २ राज्यों में

इस समय ट्रेक्टर चल रहे हैं उन राज्यों को भी उन ट्रेक्टरर्स की संख्या के अनुसार भेजे जायेंगे।

[Seth Govind Das: Whether the American experts employed in the Centre, will only look after the schools maintained by the Centre or will they also be sent to the various States that are using the tractors, according to the number of tractors used by them?]

Shri K. M. Munshi: So far as Mr. Rainbow is concerned he also goes round to the States and gives such assistance as is required. As regards the other two experts, they also go about the States and even to the villages and study the problems. They advise the States according as they require.

Shri Rudrappa: I want to know how their services are utilised: whether they have submitted any concrete proposals to the Government of India regarding either intensive or extensive cultivation?

Shri K. M. Munshi: As I have already mentioned Mr. Rainbow is in charge of the School. He goes round the whole country with a view to help the States in organising the tractor operations. As regards Mr. Milon, the Agronomist, he is engaged in studying methods and making the laboratory research results available to the villagers. Mr. Holmes is an expert in extension service. He has worked out a scheme for the Government of India with regard to all-India extension service.

Shrimati Renuka Ray: In view of the fact that on many occasions it has been pointed out to Government on the floor of this House that many experts who come back trained abroad, are not fitted in, what steps has the Government taken to see that those Indian agricultural experts who have come back after training abroad are fitted into the scheme?

Shri K. M. Munshi: I have already answered the question, Sir.

Shrimati Renuka Ray: That is not a satisfactory answer to that question. I wanted to know what steps Government have taken?

Shri K. M. Munshi: Unless a specific instance is put to me of an expert who has come back and whose services are not availed of, I cannot answer the question.

Shri Ramaswamy Naidu: Does the Tractor Organisation stand in need of reorganisation?

Shri K. M. Munshi: Well, it is already reorganised. Reorganisation started from last July and it is now practically complete.

Shri Meeran: The hon. Minister told the House that these experts are coming to India as a result of a bilateral agreement with America. If so, are we sending any experts to America, or are we doing anything in return for those experts?

Shri K. M. Munshi: I want notice of it. I do not know of our right to send any experts or even whether any expert has been invited by the United States.

Shri Meeran: The hon. Minister himself said it was a result of bilateral agreement between the United States and India.

Shri K. M. Munshi: Yes, but it is for the United States to ask for an expert from India. I do not know whether they have asked for any so far.

१ द्विवेदी : क्या इनमें से कुछ विशेषज्ञ मालवा कृषि योजना में प्रयोग किये जा रहे हैं ?

[**Shri Dwivedi:** Whether the services of some of these experts are being utilised by the Malwa Development Board?]

Shri K. M. Munshi: So far as the C.T.O. is concerned, it operates in a considerable part of Malwa and is working in close association with the Malwa Development Board.

Ch. Ranbir Singh: May I know whether Mr. Rainbow is expert only in heavy tractors or also in medium-size and small tractors as well?

Shri K. M. Munshi: As he runs a school, he is an expert in training people in all sorts of tractors—small, big and medium-size.

Shri Sidhva: May I know whether any British soil expert has arrived?

Mr. Deputy-Speaker: We will now go to the next question.

TRANSPORT OF GOODS TO ISRAEL

*1577. **Dr. Ram Subhag Singh:** Will the Minister of Transport be pleased to state whether Indian ships transport goods to Israel or call at Israeli ports?

The Minister of State for Transport and Railways (Shri Santhanam): No, Sir.

Shri Kamath: Is there any treaty of commerce, trade and shipping under consideration between the Indian Government and the Israeli Government?

Shri Santhanam: I am not aware of any such treaty.

Dr. Ram Subhag Singh: May I know whether Indian ships call at Israeli ports nowadays?

Shri Santhanam: Indian ships do not touch at Israeli ports at present.

Dr. Ram Subhag Singh: Since when have they been avoiding touching at Israeli ports?

Shri Santhanam: I do not think on their present runs they have to touch at Israeli ports.

Dr. Ram Subhag Singh: What about the past? Did they use to touch at Israeli ports or not?

Shri Santhanam: I do not think they have had to go to Israeli ports.

Shri Kamath: Have the Israeli Government made any approach to the Government of India in connection with the opening of trade between India and Israel?

Shri Santhanam: I do not think I can answer that question.

Mr. Deputy-Speaker: Next question—**Pandit M. B. Bhargava.** The hon. Member is absent. It is an important question. It may be taken as having been asked from the Chair.

The Minister of Food and Agriculture (Shri K. M. Munshi): I am very glad, Sir, you take so much interest in food.

FOOD RATIONING

*1578. **Mr. Deputy-Speaker** on behalf of **Pandit M. B. Bhargava:** (a) Will the Minister of Food and Agriculture be pleased to state the total population in India under (i) Statutory rationing; and (ii) informal rationing?

(b) What percentage does this bear to the total population of India;

(c) What is the total quantity of each kind of food grains supplied to such population in the (i) Statutory rationing, and (ii) Informal rationing areas?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) The population under statutory rationing

and other types of rationing on 31st December, 1950 was 45.36 million and 79.45 million respectively.

(b) The total rationed population on 31st December, 1950 formed about 35.6 per cent of the total population of the country.

(c) The total issues from Government stocks in 1950 against rationing commitments was about 7.6 million tons of foodgrains. Of these, approximately 4 million tons was accounted for by the statutorily rationed areas and the balance by the areas served by other types of rationing.

Complete information regarding grainwise offtake separately for statutory rationing and other types of rationing is not available. Of the total quantity of 7.6 million tons issued by Government in 1950 under different forms of rationing, approximately 3.4 million tons was rice, 2.7 million tons wheat and 1.5 million tons other grains.

Seth Govind Das: On a point of order, Sir. According to the rules is the Chair allowed to put a question which stands in a Member's name, as you have just done?

Mr. Deputy-Speaker: There was a desire expressed by a number of Members on this side that this question may be put though the person who tabled it is not here. When such questions are given notice of, on account of the importance of the question the House gets seized of it. I think the Chair has got every right, in the interests of the House, to put such questions. The Chair is not a dummy here.

Shri Hussain Imam: Is there any regular inspection to find out whether the accounts made out by the retailers in the statutory rationed areas is correct or incorrect?

Shri K. M. Munshi: I understand there is periodic inspection of these ration shops.

Shri R. Velayudhan: May I know what is the difference between statutory rationing and informal rationing and whether there is a demand for the introduction of statutory rationing instead of the other kind of rationing?

Mr. Deputy-Speaker: After so many years of rationing the hon. Member wants to know what is statutory rationing and what is informal rationing?

Shri K. M. Munshi: I do not know of any such general demand. At places where scarcity arises people do

ask for going over from non-statutory to statutory rationing.

Dr. Ram Subhag Singh: May I know whose responsibility it is to feed the rural population who have no food at all—is the State Government or the Central Government responsible?

Shri K. M. Munshi: Of course the State Government and the Central Government.

Ch. Ranbir Singh: May I know the difference in the issue price of grains between the statutory rationing area and the informal rationing area?

Shri K. M. Munshi: There may be a difference but I should like to have notice.

Shri B. R. Bhagat: May I know what is the present system of distribution of foodgrains in those areas where usually rural rationing prevails?

Shri K. M. Munshi: I am not able to follow the question.

Mr. Deputy-Speaker: The question hour is over.

Short Notice Question and Answer

FINANCIAL ADVISER (SINDRI FERTILIZER FACTORY)

Shri Sidhva: Will the Minister of Commerce and Industry be pleased to refer to the statement made in the House on the 7th February, 1951, regarding the Sindri Fertilizer Factory and state:

(a) when the Financial Adviser belonging to the Finance Ministry was appointed and posted at Sindri and what are his functions, status and salary;

(b) whether the Financial Adviser has been appointed exclusively for the Sindri Factory or he has other functions to perform;

(c) whether the General Manager is also vested with certain financial powers and, if so, what are the limits thereof; and

(d) whether there is any overlapping in the powers of the Financial Adviser and those of the General Manager?

The Minister of Commerce and Industry (Shri Mahtab): (a) There are two qualified Finance Officers now working in Sindri. One was appointed in June 1947 and the other in February 1950. Both of them have the same rank and status as Assistant Accounts Officers and draw the scale of pay of Rs. 500-35-850. They have been drawn from the Audit and Accounts Department of Government

of India. Their principal functions are the preparation of Budget, scrutiny of vouchers and authorisation of payments and maintenance of accounts. I may add that on the recommendation of the Ministry of Finance and the Auditor-General, Government have decided to appoint a very senior officer of the Audit Department of the rank of Accountant-General, as Controller of Accounts in the Sindri Factory. The Officer is expected to join duty in the next few days.

(b) Yes, exclusively for the Sindri Factory.

(c) Yes, Sir; I lay a statement on the table of the House [See Appendix XII, annexure No. 19].

(d) No, sir; these Assistant Accounts Officers work under the control of the General Manager.

Shri Sidhva: Was the Financial Adviser who was appointed in June 1947 from the Finance Ministry or from some other Department?

Shri Mahtab: These two officers were recommended by the Finance Ministry.

Shri Sidhva: The hon. Minister referred to the appointment of a Financial Adviser in June 1947. I want to know whether this officer was an employee of the Finance Ministry and was sent by the Finance Ministry to the Sindri factory?

Shri Mahtab: These two officers have been drawn from the Audit and Accounts Service. They hold a lien on their old posts.

Shri Sidhva: I have got here a definite statement of the Finance Ministry dated 9th January 1951 to the following effect:

"No Financial Adviser is attached to the Sindri Fertilizer Project, but certain financial powers have been delegated to the General Manager of the Project for administrative reasons. Cases beyond the financial powers of the General Manager are, however, referred to the Ministry of Industry and supply for sanction in consultation with the Ministry of Finance wherever necessary. The question of appointing a senior officer of the Indian Accounts Service as the Chief Accounts Officer attached to the Sindri Fertilizer Project is under the active consideration of Government."

As you will see, Sir, the Finance Ministry definitely state that there is no Financial Adviser attached to the

Sindri Fertilizer Project. In view of this, does the hon. Minister still maintain his statement that this gentleman was appointed by the Finance Ministry?

Shri Mahtab: With your permission, Sir, I may explain the difference between a Financial Adviser and an Accounts Officer. Financial Advisers are deputed by the Finance Ministry to facilitate disposal of matters. Instead of referring the matters to the Finance Ministry through the departments the matters are scrutinised on the spot by the Financial Adviser deputed by the Ministry of Finance. In this particular case, these Accounts Officers are there and their services have been taken over from the Finance Ministry by the Industry and Supply Ministry.

Shri Sidhva: But my definite question is: Is there a Financial Adviser attached to the Sindri Project or not?

Shri Mahtab: My clear answer to that is that there is no Financial Adviser, but there are two qualified Finance Officers.

Shri Sidhva: Then, say so. Now, Sir, the hon. Minister has stated in reply to part (c) of the question that he is laying a statement on the Table. Ordinarily, statements are to be obtained from the Notice Office. When I enquired, this statement was not available. Since this is a Short Notice Question, may I request that the hon. Minister may kindly read it?

Shri Mahtab: I have no objection, but it is a statement running to two pages.

Mr. Deputy-Speaker: Just as in regard to other question copies of statements are placed in the Notice Office, in respect of Short Notice Questions also the same thing should be done.

Shri Mahtab: Copies were placed, I believe. What has happened in this case is that this question was put down for yesterday and as you know, no questions were answered yesterday. Therefore, if the copies have not been placed in the Notice Office, I can place the statement now on the Table. Or, the hon. Member can read the statement from my file and ask questions on some other day.

Mr. Deputy-Speaker: The hon. Minister will kindly place it on the Table.

Shri Sidhva: I would like to be supplied with a copy, Sir.

Shri Mahtab: It will be done.

Shrimati Renuka Ray: In view of the fact that as far back as two years ago the Standing Finance Committee

took a decision that in all projects such as Sindri there should be attached independent Financial Advisers drawn from the Finance Ministry—and not under the direction of the Ministry concerned, such as the Industry and Supply Ministry—may I know why in the case of the Sindri Factory no Financial Adviser was attached and even now what is the objection to attaching one?

Shri Mahtab: If it is a fact that that was the decision of the Standing Finance Committee and if it is a fact that this has not been done, it is for the Finance Ministry to reply to it.

Shri Kamath: Is it a fact that the officers of the Finance Ministry stated before the Estimates Committee that the Sindri Factory would go into test production in December 1950 and if so, may I know whether that schedule has been adhered to?

Shri Mahtab: I do not think that that kind of statement was made before the Estimates Committee.

Shri Kamath: It is in the report.

Shri Mahtab: I don't think it is contained in the report either. No date was fixed by which production would take place.

Shri Kamath: Test production in 1950.

Mr. Deputy-Speaker: Anyhow, it does not arise here.

Shrimati Durgabai: May I know to whom the Accounts Officers attached to the Sindri Factory are responsible—are they responsible to the General Manager or to the Finance Ministry?

Shri Mahtab: Since the General Manager was appointed they are under the general control of the G.M. Before that, they were responsible to the Industry and Supply Ministry.

Shri Sidhva: Are the new officers who have been appointed under the Control of the Finance Ministry?

Mr. Deputy-Speaker: No. These are accounts officers appointed for being in charge of accounts. They are under the G.M. No Financial Adviser has been appointed yet by the Finance Ministry.

Shri B. R. Bhagat: In view of the positive opinion expressed by the Auditor-General of India that in State enterprises and Corporations there the Accounts Officers are under the G.M. or the head of the Corporation there is the possibility of there being no independent audit, may I enquire from

Government whether, in view of the fact the Accounts Officers in the Sindri Project are under the G. M., Government will reconsider this arrangement and make provision for independent audit?

Shri Mahtab: Without making any special arrangement for it, the Auditor-General even today has not the inherent power to make audit of all accounts of Government wherever Government money is involved. But unless there are Accounts officers under the G.M., I do not understand how the G.M. will maintain the accounts in a proper manner.

WRITTEN ANSWERS TO QUESTIONS

WOOL (EXPORTS)

*1579. **Shri Balmiki:** Will the Minister of Food and Agriculture be pleased to state which are the countries to which sheep wool is being exported?

The Minister of Food and Agriculture (Shri K. M. Munshi): The bulk of the exports goes to the U.S.A. and U.K. but small quantities are also exported to Canada, Australia, Japan, Saudi Arabia and some of the European Countries.

SUBSTITUTE DIET

*1580. **Shri Balmiki:** Will the Minister of Food and Agriculture be pleased to state:

(a) what recent researches have been made in connection with substitute diet;

(b) how far success has been achieved, in those researches; and

(c) what steps Government are taking to inculcate the habit of substitute diet among the people?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) and (b). Certain amount of work on partial replacement of rice or wheat diet by tapioca or sweet potatoes was recently carried out at the Central Technological Research Institute, Mysore. Further trials to confirm the results of investigations carried out in Mysore are being conducted at the Indian Dairy Research Institute, Bangalore. It is also proposed to carry out these trials at the Indian Veterinary Research Institute, Izzatnagar. The results so far obtained, however, are inconclusive.

(c) Certain experiments in substitute diet have been carried out by the all-India Women's Food Council. These experiments proved quite successful. In addition the All-India Women's Food Council:

(i) organised an exhibition of supplementary foods in New Delhi, where various nutritious diets and meals made of supplementary foods were exhibited;

(ii) have opened a Cafeteria of supplementary foods in New Delhi, where meals and snacks made of supplementary foods, without rationed cereals, are offered to the public at cheap rates; and

(iii) Women's Food Councils in various States have been formed to propagate the use of supplementary foods.

POSTAGE STAMPS

*1581. **Shri Raj Kawar:** Will the Minister of Communications be pleased to state:

(a) whether any postage stamps other than those of the India Government are still in use in any part of the country; and

(b) if so, the particulars thereof and the reasons therefor?

The Minister of Communications (Shri Kidwai): (a) No, except in the State of Travancore-Cochin where the local postal system is being run by the State Government on behalf of the Government of India on an agency basis. The postcards, envelopes and postage stamps as were current in the Travancore-Cochin postal system before the financial integration are still in use. Articles of postal stationery are valid for local correspondence only i.e. correspondence which is posted in Travancore-Cochin area for delivery also in Travancore-Cochin area only. For correspondence out-side the State limits the stamps that are current in the rest of the country have to be used.

(b) As the Travancore-Cochin postal system is being run on an agency basis and the postage rates for the local area are different for some categories from those that obtain in the rest of India, the use of the old postage stamps and postal stationery has been allowed as a temporary measure till stocks are exhausted. The particulars of such stamps and post-cards are given below:

(i) 'Anchal' postcards. 4 pies.

(ii) 'Anchal' envelopes. 1 anna

(iii) Service and ordinary postage stamps of the denominations of 1/6 anna, 1/3 anna, 1/2 anna, 1 anna, 2 annas, 3 annas and 6 annas.

BARTER AGREEMENT WITH CHINA

*1582. **Shri Prajeshwar Prasad:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether any Barter Agreement has been signed with China;

(b) whether it is a fact that China offered nearly one million tons of rice to India and that the present Agreement covers only 50,000 tons and if so, why; and

(c) whether it is a fact that Indian Jute goods are sold to China at black-market rates through Hong Kong?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) Yes.

(b) China never offered one million tons of rice. As to the 2nd part the quantity of rice definitely offered by China was 50,000 tons only and the offer has been accepted.

(c) Government have no information.

FOOD PRODUCTION IN ANDAMAN AND NICOBAR ISLANDS

*1583. **Dr. M. M. Das:** (a) Will the Minister of Food and Agriculture be pleased to state whether Government have any statistics of food production in the Andaman and Nicobar Islands?

(b) If so, what is the total production of food during 1949-50 and 1950-51?

(c) What amount of food was sent to the Andaman Islands during 1949-50 and 1950-51 to date?

(d) What was the expenditure incurred, if any, for increasing the food production in the Andamans?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) Yes.

(b) The principal food crop of the Islands is rice, the production of which during 1949-50 and 1950-51 was 1438.9 and 2108.8 tons respectively.

(c) A total quantity of 1,947 tons of rice and wheat was supplied to Andamans during the financial year 1949-50. During the year 1950-51, 1,730 tons of rice and wheat have been supplied, which cover their requirements upto the end of March, 1951.

(d) Upto 1949-50 no financial assistance has been afforded to Andaman Islands for food production schemes. During 1950-51 an expenditure of Rs. 4.425 was sanctioned for the construction of one bamboo flat irrigation well, out of the food bonus earned by the State Government.

RURAL RATIONING IN MADRAS

*1584. **Shri R. L. Malviya:** (a) Will the Minister of Food and Agriculture be pleased to state whether it is a fact that rural rationing is proposed to be abolished in the State of Madras?

(b) If so, how far has this proposal been carried out and how has it affected in the supply of food grains in the rural areas?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) and (b). Rural rationing has been discontinued in Madras State except in Malabar and Nilgiris Districts. The supply position is reported to be generally satisfactory.

LICENCE FEE FOR WIRELESS SETS

*1585. Shri P. Y. Deshpande: Will the Minister of Communications be pleased to state:

(a) whether it is a fact that the licence fee for wireless sets is collected by the Postal Department;

(b) whether it is a fact that the money so collected goes to the general treasury;

(c) whether any steps have been taken to estimate the number of unlicensed radio sets operating in the country and the consequent loss of revenue to Government; and

(d) if so, what is the estimated loss?

The Minister of Communications (Shri Kidwai): (a) Yes, Sir.

(b) No. A part of it forms revenue of the P. & T. Department and the rest of the All India Radio.

(c) and (d). It is not possible to have a census of unlicensed radio operators in the country, but every effort is made to discover unlicensed sets and steps are taken against persons keeping such sets.

DELHI TRANSPORT SERVICE

*1586. Shri Kamath: Will the Minister of Transport be pleased to state the number of buses plying between Delhi and New Delhi under the Delhi Road Transport Authority since 1st February, 1951?

The Minister of State for Transport and Railways (Shri Santhanam): One hundred and forty seven buses, spread over 27 routes between Delhi and New Delhi, are being run daily by the Delhi Road Transport Authority since 1st February, 1951.

LOCOMOTIVES FROM U. K.

*1587. Shri B. R. Bhagat: Will the Minister of Railways be pleased to state:

(a) whether the Government of India have placed an order recently for metre gauge locomotives in the United Kingdom;

(b) if so, the number of the locomotives ordered;

320 P. S. Deb.

(c) the total cost of the locomotives; and

(d) when is the delivery likely to be made?

The Minister of State for Transport and Railways (Shri Santhanam): (a) and (b). Yes. 10 were ordered in June and 100 in November 1950 from the United Kingdom.

(c) Rs. 314 lakhs.

(d) November 1951 to September 1952 ex-Works.

RAILWAY INCOME FROM PASSENGER TRAFFIC

*1588. Shri M. V. Rama Rao: Will the Minister of Railways be pleased to state:

(a) the income from first class passenger traffic during each of the years 1948-49, 1949-50 and 1950 (upto 31st December, 1950);

(b) the income from second class passenger traffic during the same years;

(c) the income from intermediate class passenger traffic during the same years; and

(d) the income from third class passenger traffic during the same years?

The Minister of State for Transport and Railways (Shri Santhanam): (a) to (d). A statement is placed on the Table of the House. [See Appendix XII, annexure No. 20.]

ROAD LINK OF INDIAN VILLAGES

*1589. Shri Kishorimehan Tripathi: (a) Will the Minister of Transport be pleased to state whether it is a fact that the Government of India have prepared a plan of connecting Indian villages by Roads?

(b) If so, has the plan gone under execution in any part of India?

(c) What cost does the entire plan involve?

The Minister of State for Transport and Railways (Shri Santhanam): (a) A road plan, called the Nagpur Plan, was drawn up by a conference of Chief Engineers of States in 1943. This plan provides for balanced development of all classes of roads in India including village roads and has been largely accepted by the Central and State Governments.

(b) Under this plan the Centre accepted provisionally, with effect from the 1st of April 1947, financial responsibility for certain roads called National Highways and, in consideration of the relief afforded to them on

his account, the States agreed to attach particular importance to the improvement of district and village roads which are their responsibility under the Constitution.

(c) The cost of the entire plan at current rates is about Rs. 700 crores and the Centre has spent so far (including the anticipated expenditure of the current year) about Rs. 1600 lakhs on National Highways. The expenditure by the States is not fully known.

NATIONAL INLAND WATERWAYS

*1590. **Shri Kishorimohan Tripathi:**

(a) Will the Minister of Transport be pleased to state what steps, if any, have so far been taken to specify and name the National Inland Waterways?

(b) If so, what are the details?

The Minister of State for Transport and Railways (Shri Santhanam): (a) No action has so far been taken to declare any inland waterway as National Waterway.

(b) Does not arise.

RICE FROM SIAM

*1591. **Shri Rathnaswamy:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that India has entered into an agreement with Siam for allocation of rice for 1951 and if so, for what quantity;

(b) what are the terms on which this agreement was entered into; and

(c) whether it is a fact that Indian gunny bags are to be exchanged for Siam rice?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) Yes, for 300,000 tons.

(b) Purchases of Siam rice are on straight cash basis. Payment is made in sterling in London through our High Commissioner.

(c) No.

SALARIES OF HIGH COURT JUDGES

*1592. **Dr. Deshmukh:** Will the Minister of States be pleased to state:

(a) whether the salaries of the High Court Judges in Part 'B' States have been finally fixed;

(b) if not, the number of Judges whose salaries have yet to be fixed; and

(c) what are the salaries they are receiving at present and what is the scale, if any?

The Minister of States, Transport and Railways (Shri Gopalaswami): (a) and (b). The matter is under the

active consideration of Government and an Order will issue shortly.

(c) I place on the Table of the House a statement showing the salaries at present being received by High Court Judges in the various Part 'B' States. [See Appendix XII, annexure No. 21].

CASH BALANCES OF MERGED STATES

*1593. **Shri D. S. Seth:** Will the Minister of States be pleased to state:

(a) the amount of the cash balances obtained by the Madhya Pradesh Government from the merged States in the State and the way in which it was spent;

(b) whether any records of articles, records and finances etc., obtained has been kept;

(c) the date from which the services of the employees of the merged States in the Madhya Pradesh have been recognised as also the date which is recognised for their retrenchment; and

(d) whether the newly appointed recruits in the merged States have superseded the old employees?

The Minister of States, Transport and Railways (Shri Gopalaswami):

(a) I invite the attention of the hon. Member to the reply given by my predecessor to starred question No. 876 by Shri Ramprasad Potal on 19th March 1948 and to starred question No. 250 by Shri Kishorimohan Tripathi on the 9th February 1949 and to the statements laid on the Table of the House.

(b) to (d). These are matters which are primarily the concern of the State Government, but I am having enquiries made and the information received will be laid on the Table of the House.

ALL INDIA WOMEN'S FOOD COUNCIL

*1594. **Dr. Deshmukh:** (a) Will the Minister of Food and Agriculture be pleased to state what is the extent of savings in the ration requirements as a result of the activities of the All India Women's Food Council in the Centre as well as in States in the matter of supplementary food?

(b) What is the future programme of work of this Council?

(c) What is the expenditure so far involved in the activities of the Council?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) The necessary information is not readily available.

(b) Briefly the programme of work of these Councils will be to popularise the use of supplementary foods in all possible ways, e.g. open canteens for supply of supplementary foods, organise exhibitions, popularise recipes for preparation of supplementary foods and arrange publicity.

(c) The expenditure for the year 1951 is estimated at Rs. 50,000.

KHANDSARI SUGAR

*1595. **Shri Satish Chandra:** (a) Will the Minister of Food and Agriculture be pleased to state whether cost of production was taken into account in fixing the ceiling price for Khand-sari sugar?

(b) Was any representation received in this respect from the Uttar Pradesh Gur and Khand-sari Manufacturers' Association, Bareilly?

(c) Have Government been successful in enforcing the ceiling price?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) Yes.

(b) Yes.

(c) Only partially.

EXPORT OF GRAM FROM U. P.

*1596. **Shri Satish Chandra:** (a) Will the Minister of Food and Agriculture be pleased to state the quantity of gram exported from Uttar Pradesh after the ban on its movement was lifted?

(b) What are the ceiling and market prices of gram in Kanpur, Bombay, Calcutta and Madras?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) The net export up to the end of November 1950 amounted to 44,663 tons. Figures for later months are not yet available.

(b) The ceiling and the current market prices have been reported as follows:

	(Rate per maund)		
	Ceiling price.	Market price.	
Kanpur.	Rs. 13/-	Rs. 16/13/2	on 3-3-1951
Bombay.	Rs. 16/-	Rs. 16/-	on 3-2-1951
Calcutta.	Rs. 16/-	Rs. 23/-	on 28-12-50
Madras.	Rs. 16/-	Rs. 22/1/-	on 26-1-1951

ROAD LINK BETWEEN BHADRAK AND CUTTACK

*1597. **Shri Jagannath Das:** Will the Minister of Transport be pleased to state:

(a) when Government propose to link up road between Bhadrak and Cuttack in Orissa; and

(b) whether Government are proposing to link up Ananopur and Keogar in Orissa by building a small bridge over river Vaitarini?

The Minister of State for Transport and Railways (Shri Santhanam): (a) As and when funds permit.

(b) The places referred to are probably Anandpur and Keonjhar. In that case, the work in question is a responsibility of the Government of Orissa.

N.W.R. EMPLOYEES' CO-OPERATIVE CREDIT SOCIETY LTD., LAHORE

*1598. **Kaka Bhagwant Roy:** Will the Minister of Railways be pleased to state:

(a) whether it is a fact that there was a N.W.R. Employees' Co-operative Credit Society Limited at Lahore;

(b) whether any amount was deducted from the salary of the staff towards the fund of the said Society; and

(c) if so, what has happened to the accumulated fund of the Society after partition?

The Minister of State for Transport and Railways (Shri Santhanam): (a) Yes.

(b) Instructions were issued to Railway Administrations and Railway Offices in India in November 1947 that recoveries should continue to be made from the India opting staff of the Ex-N. W. Railway on account of the amount due in repayment of loans taken by them from the N. W. Railway Employees' Cooperative Credit Society, Lahore, and credited to the Deputy Chief Accounts Officer, E. P. Railway, to be kept in deposit until the shareholders of the Society in India were paid off.

(c) The accumulated fund of the Society on the date of the partition has remained with that Society after partition, but recoveries effected from the staff as mentioned in the reply to part (b) above have been kept in deposit with the E. P. Railway.

IMPORT OF FOOD GRAINS

101. **Babu Gopinath Singh:** Will the Minister of Food and Agriculture be pleased to state:

(a) the names of countries which have been approached during the last three months by the Government of India for the import of food grains to

meet the present shortage of food stuffs in India;

(b) the names of countries which have agreed to the request of India for allowing exports from their countries to India, stating the kind and quantity of the grain allowed to be exported also;

(c) the names of the countries which did not agree to the Indian Government's request;

(d) the kind and quantity of grains which the Government of India were able to import from other countries during the last three months; and

(e) the kind and quantity of grains which the Government of India propose to import during the next six months?

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) Australia, Argentine, U.S.A., Canada, Uruguay, Thailand, Burma, Egypt, China and Iraq.

(b) A statement is placed on the Table of the House, showing purchases so far made or authorised to be made from foreign countries for import during 1951. [See Appendix XII, annexure No. 22].

(c) No country has so far refused to supply foodgrains to India.

(d) During November, December, 1950 and January 1951 the arrivals were:

Wheat and flour	351,000 tons
Rice	145,000 tons
Other grains	190,000 tons

(e) During six months February to July, 1951 expected arrivals are:

Wheat and flour	1208,000 tons
Rice	438,000 tons
Milo	332,000 tons

SUPPLY OF SUGAR TO SAURASHTRA

102. Shri Sidhva: (a) Will the Minister of Food and Agriculture be pleased to state the quantity of sugar supplied to Saurashtra Government during the year 1950?

(b) Has any representation been made to Government regarding the mal-administration of sugar rationing in Saurashtra?

(c) Is it a fact that some of the quantity of sugar from the quota given to Saurashtra Government was exported to Pakistan.

The Minister of Food and Agriculture (Shri K. M. Munshi): (a) 27,434 tons.

(b) No.

(c) No, not to Government's knowledge.

Volume VIII

No. 1-20

M. A. J.



Par. S.2. VIII. 1.51

838

Monday

5th February, 1951

to

2nd, March, 1951



सत्यमेव जयते

PARLIAMENTARY DEBATES

PARLIAMENT OF INDIA

OFFICIAL REPORT

Part II—Proceedings other than Questions and Answers

CHAMBER PUBLISHED ORIGINALLY CONTENTS

Deaths of Shri A. V. Thakkar and Ch. Mukhtar Singh [Cols. 2344—2345]

Motions for Adjournments—

Preparation of Electoral Rolls in English [Cols. 2345—2347]

Demolition of houses built by refugees [Cols. 2348—2351]

Implementation of recommendations of Tariff Board re: Workers in Sugar Industry [Cols. 2351—2352]

Cut in Food Rations [Cols. 2352—2355]

President's Assent to Bills [Col. 2356]

Papers laid on the Table—

Amendment to Union Public Service Commission (Consultation) Regulations [Col. 2356]

Reserve Bank of India (Staff) Regulations, 1948 [Col. 2356]

Preventive Detention (Amendment) Bill—Introduced [Col. 2356]

Hindu Code—Consideration of Clauses—not concluded [Cols. 2356—2423]

Price Six Annas

THE
PARLIAMENTARY DEBATES
(Part II—Proceedings other than Questions and Answers.)
OFFICIAL REPORT

3156

3157

PARLIAMENT OF INDIA

Tuesday, 20th February, 1951

*The House met at a Quarter to Eleven
of the Clock.*

[MR. DEPUTY-SPEAKER in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

11-55 A.M.

**DEMANDS FOR SUPPLEMENTARY
GRANTS FOR 1950-51—RAILWAYS.**

The Minister of States, Transport and Railways (Shri Gopalaswami): I do not know, Sir, what procedure you propose to follow—whether we shall take up each supplementary demand by itself and after discussing it vote upon it, or whether, as we did on the previous occasion, I introduce all the supplementary demands together with a few general remarks and than all hon. Members who have given notice of cut motions will generally discuss the position, stress their particular points of view, and at the end of it you take votes on the different cut motions.

Mr. Deputy-Speaker: This is personally my view. No doubt underneath each demand a vote has been appended giving a reference to the proceedings of the Standing Finance Committee. Instead of asking hon. Members to go through all that the hon. Minister will do well to give a general idea of the more important demands that are placed before the House. Then we will take the cut motions relating to each demand one after another. The hon. Minister need not move his motions. The motions will be placed before the House by the Chair. He may just make a few observations to indicate to the House what the overall excess supplementary demand is and what are the major heads under which he

330 P.S.

wants those demands, just giving the reasons in support of those demands. That will enable the House to address itself to the relevant portions before hon. Members move their cut motions.

Shri Sidhva (Madhya Pradesh): I understand the 'Guillotine' will be applied at four o'clock. In that case would you not kindly see that the hon. Minister's statement is confined to fifteen minutes only.

Mr. Deputy-Speaker: He will be glad not to speak at all; I am requesting him to give the more salient points of his demands to the House.

**DEMAND No. 4—ORDINARY WORKING
EXPENSES—ADMINISTRATION**

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 20,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Ordinary Working Expenses—Administration'."

**DEMAND No. 5—ORDINARY WORKING
EXPENSES—REPAIRS AND MAINTENANCE**

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 1,04,53,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Ordinary Working Expenses—Repairs and Maintenance'."

**DEMAND No. 6—ORDINARY WORKING
EXPENSES—OPERATING STAFF**

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 46,30,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in

[Mr. Deputy-Speaker]

respect of 'Ordinary Working Expenses—Operating Staff'."

DEMAND No. 7—ORDINARY WORKING EXPENSES—OPERATION (FUEL)

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 53,42,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Ordinary Working Expenses—Operation (Fuel)'."

DEMAND No. 8—ORDINARY WORKING EXPENSES—OPERATION OTHER THAN STAFF AND FUEL

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 37,63,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Ordinary Working Expenses—Operation other than Staff and Fuel'."

DEMAND No. 9—ORDINARY WORKING EXPENSES—MISCELLANEOUS EXPENSES

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 39,59,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Ordinary Working Expenses—miscellaneous expenses'."

DEMAND No. 11—APPROPRIATION TO DEPRECIATION FUND

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 13,00,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Appropriation to Depreciation Fund'."

DEMAND No. 14—APPROPRIATION TO REVENUE RESERVE FUND

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 2,23,56,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Appropriation to Revenue Reserve Fund'."

DEMAND No. 16.—OPEN LINE WORKS—ADDITIONS

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 1,28,96,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Open Line Works—Additions'."

DEMAND No. 17—OPEN LINE WORKS—REPLACEMENTS

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 4,21,04,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Open Line Works—Replacements'."

DEMAND No. 20—DIVIDEND PAYABLE TO GENERAL REVENUES

Mr. Deputy-Speaker: Motion is:

"That a supplementary sum not exceeding Rs. 71,54,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Dividend Payable to General Revenues'."

Shri Gopaldaswami: I do not propose to detain the House for a longer period than the one indicated by my hon. friend Mr. Sidhva. The total of the supplementary demands for grants that are being asked for comes to Rs. 24.47 crores.

The House will remember that in December last I obtained their approval to a certain set of supplementary demands and during the debate on that occasion I was asked questions by certain hon. Members whether I would give an assurance that no more supplementary demands would be asked for during the rest of the year. Of course, I said that I could give no such assurance, because the supplementary demands that were then asked for were based upon the actuals only of three months in the current financial year together with the approximate actuals for the fourth month. That of course, would not be sufficient for us to estimate what the expenditure was likely to be at the end of the financial year. At present I have at my disposal actuals for six months and the approximate actuals for one additional month, therefore, we

are in a position to estimate our requirements for the whole year more correctly and that examination has necessitated my coming to the House for a second set of supplementary grants.

Now, as I said, the total amount of these supplementary grants is Rs. 24.47 crores. Out of these there are three items which really could not be considered to be expenditure, in the sense that money will flow out of Government coffers into private hands, or firms or other concerns which supply materials, or in the shape of wages to people who do work and that sort of thing. They are amounts which will remain in the Government treasury, whether in the railway part or the closing cash balance under general funds part of it. The first of these demands is the one under demand No. 11 amounting to Rs. 13 crores. That relates to additional appropriation to the depreciation reserve fund. The House will remember that in the Budget of the current year we provided for a total appropriation of Rs. 17 crores to this fund. As a matter of fact the withdrawals from this fund have amounted to a much larger sum and are more in the neighbourhood of over Rs. 30 crores. The proposal here is that an additional Rs. 13 crores should be appropriated to the depreciation reserve fund in order to put sufficient money into that reserve which will have some relation to the withdrawal from that fund.

The next item is under Demand No. 14—appropriation to the revenue reserve fund. Hon. Members know for what purpose this reserve fund is being built up. We propose to add Rs. 2,23,56,000 to this fund.

The third item is an increase in the dividend payable to general revenues. As hon. Members know, we pay a four per cent. dividend on the capital at charge to general revenues. The amount of the capital at charge has increased during the current year with the result that we have to pay additional Rs. 71,54,000 as dividend to general revenues. I wish to emphasise the fact that these are really not expenditure. They go into the balances, and excepting the last item which will go to the credit of the general revenues, the other two items will stand at our credit in the closing balance.

With regard to other items, there is additional expenditure incurred on maintenance. There have been damages done by floods, earthquakes and the like for which expenditure not forecast in the budget had to be incurred in the course of the year. We have then to take account of the fact

that there has been a further rise in prices of indigenous stores and that has entailed additional expenditure. Then there is additional expenditure incurred on staff. We have had to implement the decisions on the recommendations of the Joint Advisory Committee which were issued in the course of the year. There has been a certain amount of increase in the expenditure on implementing the Adjudicator's award. We had extended provident fund benefits, expenditure on which depends on when confirmations of staff take place and it also depends, to a certain extent, on the conversion of temporary to permanent posts. There is again some increase in expenditure due to loss on grain shops in the course of the year. Since August 1950 the price of pulses which are supplied from these grain shops has increased from Rs. 470 to Rs. 507. There has also been a certain amount of expenditure which could not be escaped and which could not have been provided for in the earlier estimates, for instance freight at public tariff rates for carriage of railway materials. Before 1st April 1949 railway materials were carried at concessional rates, but with effect from that date they are carried at public tariff rates. The full effects of this change could be gauged only after the accounts of 1949-50 had been closed.

There has also been some increase in the amount of loss in the working of collieries, amounting to about Rs. 30 lakhs. As the House knows, the collieries belong to Railways but are worked by the Commerce and Industry Ministry. It has been found that in the working of certain collieries during the current year the loss has mounted up to a higher sum and we have to foot the bill, as we have always done.

In all these cases I only want the House to realize that the very fact that we enforce a very severe cut on the demands made by Railways for expenditure necessitates our having to approach the House later on for supplementary grants. The point is that in the course of a year in a running commercial concern like Railways, expenditure has to be met which could not have been foreseen and without incurring which it would be impossible to run the service at a proper standard. If we introduce a new train it means more expenditure, though it may bring more revenue. But the increased expenditure has to be incurred. And if it exceeds the budget provision already made, we have to come to the House for a supplementary grant.

[Shri Gopaldaswami]

I can assure the House that even after meeting this expenditure of Rs. 24.47 crores the financial position of the Railways will still be quite sound, and hon. Members would have noticed that we even expect a slight increase in the amount of the surplus estimated, at the end of the current year.

In spite of this increase in expenditure we have maintained the improvement in the operation ratio of the Indian Government Railways. Some figures which may interest hon. Members are that in 1948-49 this ratio was 75.2 per cent. In 1949-50 it was 70.4 per cent. In 1950-51 budget the figure was 72.4 per cent. and in the revised estimate for the current year it is expected to go down to 68.4 per cent.

A word about the supplementary grants asked for under Capital Account. There are two main items: Open Line Works—Additions Rs. 129 lakhs (Demand No. 16) and Open Line Works—Replacements Rs. 421 lakhs (Demand No. 17). Hon. Members will remember that we have tried to throw on Revenues the burden not only of repairs and ordinary replacements but we have thrown on Revenues the burden also of replacements which under previous conditions would have been charged to Capital. And that explains why we have to provide as much as Rs. 550 lakhs for the purpose of additions and replacements. Out of these we are providing for Rs. 50 lakhs worth of shares in TELCO, that is, the Tata Electric Locomotives Company, which is intended to produce locomotives in addition to what we shall be producing at Chittaranjan. Almost the entire balance of these Rs. 550 lakhs is due to thrown-forward expenditure, that is, expenditure which should have been debited to the accounts of 1949-50 but which, on account of want of information or some amount of delay in the completion of the accounts, have had to be thrown forward to the current year.

I have very little to say by way of remarks on the other items. And what I have said I hope will give some rough idea of what these items are composed of and what justification there is for our coming to the House to ask for supplementary grants.

Shri Sidhva rose—

Shri Frank Anthony (Madhya Pradesh) rose—

Mr. Deputy-Speaker: There is no general discussion on this.

Shri Sidhva: Last year one hour was allotted.

Mr. Deputy-Speaker: I thought the hon. Member was very anxious to avoid a general discussion of that kind. But if that is the wish of the House I shall have no objection.

Shri Gopaldaswami: Sir, may I also point out in endorsing what you have just now said that a general discussion, particularly today, should as far as possible be avoided because all these things, the general questions that are raised in the cut motions, will all come up for discussion on the Railway Budget which I shall be introducing the day after tomorrow. There will be three days of discussion on that, and after that the House will have an opportunity of debates on the cut motions.

Shri Sidhva: I did not mean general discussion generally, but on this motion.

Mr. Deputy-Speaker: Why not take up the cut motions? There will be ample opportunity to discuss those items.

The first cut motion is by Shri Jnani Ram to Demand No. 4 "to discuss the materials destroyed by rains and extra cut in T.A. etc." The hon. Member is new to the House evidently. Two items ought not to be clubbed in the same cut motion. Anyhow I will allow him to confine himself either to the one or the other.

DEMAND No. 4—ORDINARY WORKING EXPENSES—ADMINISTRATION

Materials destroyed by rains and extra cut in T.A. etc.

Shri Jnani Ram (Bihar): I beg to move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 20,00,000 in respect of 'Ordinary Working Expenses—Administration' be reduced by Rs. 100."

The supplementary budget has been sanctioned by the Standing Finance Committee for Railways which is reported in the Committee's Report, Volume 17, No. 3, page 6. As regards the general principle of presenting supplementary budgets I must make a casual remark. This august House had sanctioned a supplementary budget in December last and again, after two months, a supplementary budget is being presented. Each time this House comes and sits in session a supplementary budget is brought

before it. The reasons have been explained in the Standing Finance Committee's report of the same volume on page 2, thus:

"Secondly, by the time the August Review estimates are prepared the accounts of the previous year are not closed in all necessary details and, since the actuals of the previous year form the basis of the budget of the current year under many of the detailed heads, the Revised estimates are generally more accurate than the August Review estimates."

From the language it appears that it has been the general practice to bring Supplementary Demands each time the session sits. In the old bureaucratic days it may be excused but in the present set-up, it is not expected that such sort of things will be coming each time. After all, we are responsible people and it is the peoples' money. Everything is expected to be done in a better way and these estimates are to be prepared in proper time. It is not the general or normal way that such demands are to be brought each session.

Then, the Demand has been explained as due to several reasons. I invite attention of the House to the Standing Finance Committee's report, page 6, paragraph 3:

"Additional provision required for continuance of temporary staff engaged in various offices for implementation of Central Pay Commission and Joint Advisory Committee recommendations and Adjudicator's Award; additional staff for reclaiming materials spoiled by rains and floods in the Stores Department on the E. P. Railway and for Bongaigaon Stores Depot on the Assam Railway which is being developed."

The Railway employees are getting all sorts of facilities in comparison with the employees of other Departments and other employees of the Union and States. They are expected to be more careful. But things are being destroyed here and there; things are stolen and everywhere the property of the Railways is considered to be *res nullius* as it is nobody's property. This is not a solitary instance. The House will be amazed to know that in August of last year cash amounting to Rs. 1,20,000 was being carried to Calcutta or somewhere and the whole amount vanished in transit. It is a matter of regret that when I put a question, it was not admitted and this fact has not been mentioned anywhere. I think that unless these cases of embezzlement are included in supplementary grants, the

House is not expected to know anything about them. I expect that the hon. Minister will let this House know the circumstances under which this amount has been embezzled and the remedy to put a stop to these practices. I also expect that the Railway employees will be more cautious in taking care of Railway properties.

Regrouping of Railways

Shri Frank Anthony: I beg to move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 20,00,000 in respect of 'Ordinary Working Expenses—Administration' be reduced by Rs. 100".

Mr. Deputy-Speaker: When was this decision taken?

Shri Gopalaswami: On a point of order, Sir, I do not know where he gets the information about the decision. I shall have a good deal to say about this when I introduce the Budget. May I suggest that so large a question as that, is not connected with any of the supplementary demands we have now put forward and such a question should not be discussed at this stage. The hon. Member will have very full opportunity for giving us the benefit of his views on regrouping when I refer to it in the general discussion on the Budget.

Mr. Deputy-Speaker: Ordinarily after the previous year, if any matter involving any decision has to be taken, it is brought up before the Standing Finance Committee and then during the course of the Budget when Supplementary demands come in and if any amount is spent, then that is the opportunity to take it because in the previous budget that did not appear and therefore the House had no opportunity to discuss. The hon. Minister has not placed any amount under that head before the Standing Finance Committee either as actual expenditure or even as a demand. The matter is going to be brought up in the next Budget. So this is a matter of policy and it ought not to be allowed in the supplementary demand by way of a cut motion.

Shri M. L. Gupta (Hyderabad): On a point of information, Sir.....

Mr. Deputy-Speaker: I will dispose of these two other motions and then there will be a general discussion.

Shri Frank Anthony: Sir, you have already given a ruling on this and I have to bow to it. This decision was taken on the 17th and my own respectful submission is.....

Mr. Deputy-Speaker: It will be placed before the House.

Shri Frank Anthony: It may be placed before the House but Members have the absolute right to raise a discussion on any matter by way of a cut motion irrespective of whether the grant refers to that particular matter or not.

Mr. Deputy-Speaker: Order, order. No. It is not on a cut motion. The cut motion must relate to that particular subject. With respect to the Railway Board cut motions are given on a matter of general policy. Under the cut motions here, no amount has been spent. Here in this case cut motions ought not to be allowed. The matter is going to come up before the House during the Budget and the matter will be particularly referred to as the hon. Minister has said in his Budget speech. Members of the House will certainly have an opportunity to discuss then.

Cut motions standing in the names of Shri P. Kodanda Ramiah and Ch. Ranbir Singh are out of order (Inadequate amenities to third class passengers and overcrowding in third class compartments). That matter comes up once again during the Budget. It is a general matter of policy. Do hon. Members wish to speak generally on Demand No. 4?

Shri M. L. Gupta: While referring to Demand No. 4 on Administration, I invite the attention of the hon Minister to page 3, paragraph II of the report of the Standing Finance Committee for Railways:

Under 'additional expenditure on staff' it is stated:

"(b) Dearness Allowance due to (a) above, and more staff opting out of grainshop concessions (30)."

"(c) More losses on grainshops due to increase in the purchase prices of commodities and procurement charges etc."

I am unable to understand as to how the people who are opting out are paid Rs. 30 lakhs and why again we are incurring more losses on the purchase of grains.

I have been thinking hard about putting a question on the M. & S. M., S.I. and B.N. Railways, but I could not understand how the movement prices are higher for the Railways than the private consumers of coal. I would like the hon. Minister to explain these.

The Minister of State for Transport and Railways (Shri Santhanam): The first five pages of the Standing Finance Committee's report give an analysis of the total supplementary demands according to the items. They come under the various demands and if you prefer, I am prepared to answer all the questions which my hon. friend has raised so that they may not be raised again in the other demands.

Mr. Deputy-Speaker: They refer to demands 4 to 9. These are general remarks to demand Nos. 4 to 9 on page 2.

Shri Santhanam: I might take up the casual remark of Mr. Jnani Ram regarding the supplementary demand. As my hon. colleague has pointed out the budget of a commercial concern is entirely distinct from the budget of a purely administrative office. In the case of an administrative office, all the expenditure can be very approximately estimated and we may expect the results to very closely approximate to the estimates. In a commercial concern, it is not only expenditure on staff; it is also expenditure on working which brings revenue. As a matter of fact, this very supplementary Budget has shown nearly 16 crores of new appropriations to funds, which means 16 crores or more revenue. This has been obtained during this year, for which expenditure had to be incurred. Therefore, the general ruling that from the very beginning of the year, we must accurately estimate all the operations of the Railways and that we should not exceed the expenditure, will be very difficult, unless we curtail operations. What the House is entitled to ask is that expenditure should not be incurred without proper revenue coming into the exchequer. If we can get more and more revenue by more and more expenditure, I think the House will ask us to go on increasing the expenditure provided we get more than a proportionate income in terms of revenue. As a matter of fact, as the Budget will disclose, we hope to satisfy the House that the expenditure has been incurred from this commercial standpoint mainly with a view to increase the revenue.

Regarding the losses, a full explanation has been given at page 6 of the report of the Standing Finance Committee. The House knows the conditions in which the Delhi offices and stores had to be re-organised. They had all to be organised on an emergency basis. This year there were unexpected rains and some materials were spoilt in the Stores Department of the E.P. Railway and also in the Assam Railway where things

had to be done in a hurry and we could not make stable arrangements. After all, the total demand on that account is put as three lakhs. The other items are necessary items of expenditure. I do not think that we are asking the House a great deal. We are taking steps both here and in Assam to put things on a proper and stable basis. Till then, we have to manage as best as we can. That is the explanation of this small item.

I do not know what embezzlements the hon. Member spoke about. In every case which an hon. Member of this House has brought to my notice, I had had detailed enquiries made and whenever any kind of negligence or other factors come to my notice, we are taking drastic action. If the hon. Member will send me particulars about the particular embezzlement about which he spoke, I am quite willing to have enquiries made.

Regarding the points raised by the other hon. Member, the position is this. The Railway staff have a permanent right to opt out of the grain shops and take full cash allowance. Before 1949, they were paid part cash allowances, and part grain shop concessions. From January 1949, all the Railway workers were given the option, as a result of the report of the Grain Shops Enquiry Committee, to opt out and get their full cash dearness allowance in terms of the recommendations of the Central Pay Commission. Today, out of about nine to ten lakhs of workers, three lakhs are still retaining the grain shop concessions while the rest have opted out. Out of these three lakhs, any person can go out from the grain shops concessions to cash allowances at any time. Only he cannot come back to grain shop concessions, because it is our policy to liquidate these grain shops without hardship to those workers, who consider it is to their advantage. Therefore, whenever any workers get out of the grain shop concessions, we have to give them full cash allowances which comes to about Rs. 15 a month on an average per employee. It may vary from Rs. ten to Rs. 20; I am stating only on the average.

Shri Sidhva: Would it not be a saving to the grain shop also?

Shri Santhanam: To the extent they opt out, that is a saving in the expenditure on the grain shops. That is perfectly true. But, while that is saved, the prices are rising. For the people who retain the grain concessions, we are purchasing both grains, pulses and cooking oil at much higher prices. To calculate the increased

expenditure on grain shops, you must add the two amounts. The actual loss would be greater; it is partly compensated by a reduction in the expenditure, owing to opting out. The net increase is due to the increase in the prices.

Shri M. L. Gupta: It is stated to be 52 lakhs.

Shri Santhanam: I have got some figures here. In 1948-49, the total loss on grain shops was 29 crores; in 1949-50 the total loss on grain shops was 9.8 crores. Twenty crores were saved on grain shops; part of that had to be given back in the shape of cash allowances. In 1950-51, the revised estimate is 9.9 crores. Actually, the revised estimate is not much greater than the figures for 1949-50. But, we had estimated at a less figure; because the prices have risen, it has nearly come back to the level of 1949-50.

Shri Sidhva: What is the meaning of loss? Is it the estimated cost of the articles?

Shri Santhanam: Actual purchase price of articles minus the amount recovered from the workers. We are selling wheat at 2½ annas whereas we purchase at six annas or 6½ annas. The balance is the loss we incur on wheat. Similarly for all the other articles.

Mr. Deputy-Speaker: Is it the percentage of concession given to them?

Shri Santhanam: It is the amount of concession.

Mr. Deputy-Speaker: What is the percentage?

Shri Santhanam: It all depends. These concessions vary because they are based on families. If a man is single, the compensation is little; if a man has a family of eight members, it is much. In 1950-51, it works out, on an average to Rs. 33 a family. In 1948-49, it was about Rs. 26. It varies. There is a difference of Rs. seven per member on account of increase in the prices that has occurred in the interval.

Shri M. L. Gupta: Am I to understand that employees having a larger family will not opt out because it will be to their interest to retain the grain shop concessions and employees having small families will opt out because it will be to their interest? Is it the position?

Shri Santhanam: That has been the way in which the option has worked. But, that is not quite correct, because

[Shri Santhanam]

we have given lump sum allowances in some places and even when they had large families, some have opted out in order to get this lump sum payment. Barring such cases, all the big families have remained in the grain shop concessions and small families have opted out.

Shri Sidhva: One question, Sir.....

Shri Frank Anthony: May I raise a point of order, at this stage, Sir? I have just been reading the rules and I respectfully submit, that when a Demand in respect of Administration is put forward and notice of a cut motion in respect of any aspect of Administration is given, the Chair cannot rule out discussion of that cut motion. The Chair is fully competent to rule out discussion in respect of Supplementary Grants.....

Mr. Deputy-Speaker: Let him refer to the rule.

Shri Frank Anthony: I will refer to the rule on cut motions. With regard to general discussion, I admit that the remarks can only be confined, in the Supplementary Demands, to the items disclosed here. Under Demand No. 4, Administration is referred. There need not be any reference to this question of re-grouping of Railways. I can give a specific cut motion in respect of any matter. For instance, take amenities to third-class passengers. After all cut motions were given last time and they were permitted though there was nothing for amenities for third-class passengers.

Mr. Deputy-Speaker: May I refer to the rule for Supplementary Grants?

Shri Frank Anthony: The rules are exactly the same, unless they are specifically modified. I will read out the rules. Why should we be penalised for the lapse of the hon. Minister.

Mr. Deputy-Speaker: The hon. Member is going beyond the scope of the point.

Shri Frank Anthony: May I finish, Sir?

Mr. Deputy-Speaker: I have heard the hon. Member.

Shri Gopaldaswami: May he be permitted to say what the lapse of the hon. Minister is?

Shri Frank Anthony: I did not say lapse.....

Mr. Deputy-Speaker: Order, order. It is not a question of the hon. Member willing to go into that. When

there are a number of Supplementary Demands, hon. Members would like to go into all questions. We are not on a general discussion now. Am I to understand the hon. Member to say that because there is a portion relating to Administration, we can re-open the matters which were discussed in the general discussion during the Budget? That, *prima facie*, is out of order. As regards other matters of policy, I have got a ruling here. Generally, so far as Supplementary Demands are concerned, no matter of policy ought to be referred to. If necessary, I will quote:

".....Then Seth Govind Das asked;

'Besides cut motions, if a demand is put to vote, will it not be open to Members to make their remarks generally on those demands?'

Mr. Speaker said:

'There is no difference, as far as the scope is concerned, as between the supplementary demand itself and a particular cut motion, except this that the cut motion will have a still further restricted scope. But the real point is that these are supplementary demands, and in case of the original demands, for whatever objects they were made, the principle as well as the policy of those demands had been discussed thoroughly by this House at the time of the Budget, when the Budget was sanctioned in respect of those demands as also again at the time of the Finance Bill. Any further discussion over the whole demand, either in respect of the policy pursued or of the principles, will be nothing but a repetition of the same debate over and over again. It is, therefore, that the scope of the discussion will be only restricted to such new things or new items as had not come for discussion before the House when the Budget was voted upon.....'

Therefore, so far as policy is concerned, if any portion of this excess under Administration is due to policy, then of course, it will come for discussion. But there are various things in our Railway administration which can be taken up now in connection with the Supplementary Demands, if this principle is accepted. If a pie has been spent in addition, over and above what has been asked for during the previous Budget Demand, then it is a matter for comment. The hon. Member will certainly be within his right to say that this was not discussed and it relates to policy which was not before the House, that so much money was spent or is sought to be spent due

to this policy. But the question of regrouping of railways is not within these Demands and I stick to the ruling and the hon. Member ought not to revert to it.

Shri Sidhva: I find that a sum of Rs. three lakhs has been spent. I want to know how much of this is for contingent expenditure and how much for implementing the "Award", and whether the figure for contingent expenditure is more or less this year than in the previous year. It would have been better if these items had been put down separately here. You know, Sir, in the item of contingency usually there is a great deal of discrepancy. The figure necessary for implementing the adjudicator's award must, of course, have been worked out according to the award. So I will not say anything about that. But I would like to know the details of the contingent expenditure to see how they compare with those of the previous year.

Shri Santhanam: I need not remind my hon. friend Mr. Sidhva that the Railway Budget is a compilation of the budgets of all the individual railway administrations. Therefore these three lakhs of rupees may be composed of a few thousands for the S. I. R., a few thousands for the E. I. R., a few thousands for the E. P. R. and so on. The figure is arrived at by adding up all these figures of the various railways. I do not think I shall be able to give more details, and if the hon. Member wants the details on particular railways, I shall.....

Shri Sidhva: But what is the total contingent expenditure for the whole year?

Shri Santhanam: There is no demand as contingency, as such.

Shri Sidhva: But you have got it there under the sub-heads.

Shri Santhanam: Contingent expenditure occurs almost in every demand. If the hon. Member wants to know the total amount for contingencies for the ordinary expenses of administration, I shall try to get the figures compiled and give them to him. I do not think I have got them here. All these items were scrutinised by the Standing Finance Committee. I do not know if that Committee even would go into minute details of accounts which are compiled by the Accounts Officers in each railway administration and added up in the Railway Board's office.

Mr. Deputy-Speaker: In view of the explanation given by the hon. Minis-

ter, does the hon. Member want me to put his motion to the House?

Shri Jnani Ram: No, Sir.

Mr. Deputy-Speaker: Now I shall put the demand to the House.

The question is:

"That a supplementary sum not exceeding Rs. 20,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Ordinary Working Expenses—Administration'."

The motion was adopted.

DEMAND No. 5—ORDINARY WORKING EXPENSES—REPAIRS AND MAINTENANCE

Mr. Deputy-Speaker: Then we take up Demand No. 5.

Shri Sidhva: Sir, I want some information. Clause (ii) says:

"Maintenance of locomotives—on account of increased expenditure on standard repairs owing to increase in cost of duplicate parts....."

Mr. Deputy-Speaker: Let me first dispose of the cut motions.

Increase of Expenditure

Shri T. N. Singh (Uttar Pradesh): I beg to move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 1,04,53,000 in respect of 'Ordinary Working Expenses—Repairs and Maintenance' be reduced by Re. 1."

In moving this cut motion, I wish first to draw the attention of Government to the question of budgetting particularly under this head, pointedly. In the last Supplementary Demand, under this very head Rs. four crores were demanded. The Standing Finance Committee had then stated that this Demand was due to under-estimating in the Budget for 1949-1950. Now, after experience of the first three months of the current budget year as much as over Rs. 4½ crores nearly was granted as Supplementary Demand, Government have come for another Demand of over one crore of rupees as Supplementary Demand under this head. I feel that there is something wrong that under-estimating should go on like this. I am speaking from experience of other committee meetings where I have come across instances of under-estimating or over-estimating, so much so that sometimes

[Shri T. N. Singh]

Demands have been made right up to March and ultimately Government had to surrender large sums of money out of the Supplementary Grants made, because the original Demand or Grant that was there was sufficient. In this case that is now before us, another point arises and it is this. After the experience of 1949-1950, there was before the Government the general basis of expenditure under this head. The budgetted figure in 1949-1950 was Rs. 2,64 lakhs and odd. In 1950-51 budget there appears to have been a desire to reduce expenditure under this head and the item was reduced by nearly a crore of rupees. So when the Budget was prepared, it was felt that the Demand should be reduced and that there was intention to reduce expenditure under this head. Ultimately what happened? After experience of three months—such a short time—it was felt that over four crores would have to be spent additionally, and then again, after one month, when Parliament meets again, it is said that we shall have to spend another one crore. I say this is not the proper method of budgetting and there is something wrong somewhere in the Ministry which has to be looked into. It is a sort of thing which does not redound to our credit, nor to the Ministry nor to this House. If you persist in this kind of supplementary demand and so often you are not being fair either to this House or yourself.

Therefore I would like a thorough examination to be made into our system of budgetting: How the supplementary demands are made from time to time, why they are made, on what basis and why they were not anticipated. I quite see the force of the argument which the hon. Mr. Santhanam might advance that in a commercial concern it is very difficult to be very rigid. When there is a growing income there is bound to be more expenditure. That is perfectly true, but there is one factor which must be remembered. The Railways are a monopolistic concern. Secondly, we have a great tradition of railway administration. You know how you are working and what are the approximate expenses. Therefore it should be possible with a fair amount of accuracy to estimate your expenditure. Your income may go up and expenses may increase due to more running of trains and more passengers using the trains. But the question is whether all these items are due to the increase in your income? Certainly not. I find here so many reasons for the increased expenditure given but they are not exactly due to any increased work that the railways are doing. It seems that

the Ministry has decided that our standard of repairs must be raised and that we must expedite the rate at which we are carrying on the repairs. So there has been a change in your policy of repairs and maintenance. It is a good policy. But this policy must have been decided upon three or four years ago or at least you should have anticipated it. It should have been anticipated when the budget was prepared. That is the main point I want to raise. I do not want to go into details. I do feel that the system of budgetting does require a thorough going-into. I hope the hon. Minister will give us information on this point.

Mr. Deputy-Speaker: Cut motion moved:

“That the demand for a supplementary grant of a sum not exceeding Rs. 1,04,53,000; in respect of ‘Ordinary Working Expenses—Repairs and Maintenance’ be reduced by Re. 1.”

Inadequacy of Repairs

Shri Jnani Ram: I beg to move:

“That the demand for a supplementary grant of a sum not exceeding Rs. 1,04,53,000, in respect of ‘Ordinary Working Expenses—Repairs and Maintenance’ be reduced by ‘Rs. 100.’”

The provision of the supplementary Demand No. 5 has been sanctioned by the Standing Finance Committee for Railways and it is included in its report, Vol. XXVII, page 7. There is not a single item under which extra demand is not required for repair. Everything requires to be repaired such as locomotives, carriage and wagon stock, etc. It is not known why these things were not anticipated before. The increased demand is due to increase in train miles. This ought to have been known before. If there was increase in train miles there must be increase in the running of locomotives and they would require more amount for repairs. Under other expenses are mentioned repairs and replacement of tools and plant and station machinery, travelling cash safes, etc. I do not know what is meant by travelling cash safes. Perhaps they carry cash such as the cases in which money disappeared during transit. It is a matter of regret that the hon. Minister did not know about the disappearance of the cash chests including the amounts contained in

them. I hope he would give the details later.

Mr. Deputy-Speaker: Cut motion moved:

"That the demand for a supplementary grant of a sum not exceeding Rs. 1,04,53,000, in respect of 'Ordinary Working Expenses—Repairs and Maintenance' be reduced by Rs. 100."

Shri Sidhva: Sir, in this demand excepting two items, Rs. six lakhs and five lakhs under (viii) (a) and (b) relating to implementation of the Adjudicator's award and dearness allowance, all the others should have really come under the ordinary supplementary demands, if they were necessary, in the last December session. If you go through every item you will be pleased to observe that none of the items could have escaped the notice of the Railway Ministry in December last, if not during the preparation of the ordinary budget. As circumstances are, there could not have been any emergency which has arisen about all these items. Supplementary demands are made only in extraordinary circumstances.

Item 2 relates to maintenance of locomotives on account of increased expenditure on standard repairs owing to increase in cost of duplicate parts. About these Rs. 17 lakhs there was a great deal of discontent, to which a reference was made from time to time and I had also written to the hon. Minister about it. There is no doubt that these new engines are good. They are very heavy and faster in speed. Their life may be longer. I admit all that. But the question is whether they are suitable for our purpose, for I find that these engines have to go to the workshop frequently. Within six months of the arrival of the new engines several of them have gone to workshops. I do not think that the hon. Minister, Shri Gopaldaswami Ayyangar will deny that, because I have had correspondence with him, and he has tried to satisfy me on this matter. I do not want to condemn the engines as some others have done that they are not suitable. But I ask whether there is justification for the import of these engines which cost large amount of overhead charges, which have also considerably increased. It may be said that it is due to the engines being big. I have no information before me. But I have seen them and therefore I am making these remarks. In both the B. B. & C. I. and

G. I. P. workshops I have seen as many as twelve engines in June last year. These engines were absolutely new and they had to be sent to the workshop. I made a reference to the hon. Minister regarding them and the argument advanced was that some parts required replacement. Their engineer on whose advice they were ordered was looking into it. Some of the parts broke frequently. I do not know what is the position today. Many locomotives have arrived and new orders have been placed and I do not know whether they are the same type of locomotives. Though keeping in view the long life and the matter of speed of the engines, Government should also keep in mind the overhead and the high recurring expenditure. That is the more important thing in a capital investment. Take the case of the heavy tractors which have been imported. They are no good for our soil. When the subject comes up for discussion I will disclose that nearly five crores worth of tractors are remaining idle.....

Mr. Deputy-Speaker: We are on the Railway Ministry, not the Agriculture Ministry.

Shri Sidhva: It is only an illustration. Similarly our heavy engines may be good but I do not know whether our lines are sound and strong, in the sense that they have not been laid on solid foundation as in foreign countries. The hon. Minister has admitted that position. Therefore I would like to know what is the position regarding the new locomotives and how much of the 17 lakhs have been incurred on account of repairs to these engines.

Then we come to (iii)—Maintenance of Carriage and Wagon stock—chiefly due to more units to be repaired than anticipated and increased cost of periodical overhauls and running repairs, etc. Am I to understand that this was not noticed when the last Supplementary Demand was made but was noticed in the month of January only? How could it be that this amount of three lakhs was noticed only subsequent to the granting of the Supplementary Demand last time? Everywhere I have seen referred to "increased costs"—that is a common phrase which is used now on account of inflation and the high cost of labour. But we must have some detailed data about it showing in what respects prices have increased and who is responsible. I am actuated to bring this matter to the notice of the hon. Minister for this reason that many of our contracts are made on a cost plus basis. It

[Shri Sidhva]

was a new thing to know of this "cost plus". I came across it during discussion in the Estimates Committee with officials of one of the Ministries. This cost plus system is dangerous. The Ministry places an order at the price prevailing at that time. Plus means the difference between that price and the price prevailing at the time of shipment of the goods. If I place a contract for £10 this month, but if the price at the time of shipment in March is £17, I have to pay £17. It is a most extraordinary thing. It is no contract at all. We have played into the hands of those contractors. I do not think our Ministry was unaware of these things. Knowing what is the meaning of cost plus, they began placing orders. I do not say that this has happened in the present case but I want to know whether such a system prevails in the Railway Ministry. It is a dangerous system which has brought to our State very great loss and helped enormously the contractors and the intermediaries who have benefited and made millions out of our poor country's finances. Therefore, I would ask the hon. Minister whether such a system exists in his Ministry also and if it does I would request him kindly to see that it is immediately abolished.

Then I would like to know why the costs have increased. It is true that prices of all goods have increased. But do you purchase from the day-to-day market? You purchase crores worth stores—surely some sort of order has been placed earlier? Over and above such a normal order if you order again for an emergency purpose I can quite see the necessity for that. But if it is not for an emergency purpose, I would like to know who has erred in not indenting for the proper requirements needed during the year and what has necessitated their extra indenting. The other day I learnt that nearly two to three years' stocks are always kept in our workshops. That being so, what are the extraordinary circumstances that have necessitated the Ministry to indent for which we are to pay increased costs?

I now come to item (iv)—Maintenance of Electrical Services—Rs. 11 lakhs, again owing to rise in costs. If you say "rise in cost" in the case of every item, then we have no arguments. We should know how they have risen. If the hon. Minister says: "Everywhere there is inflation", that would be no answer. "Labour demands more and manufacturers demand more", if that is the argument,

it may be tenable from their point of view but.....

An Hon. Member: What is the solution?

Shri Sidhva: I want to know facts first of all. What is the use of asking, "What is the solution?" I want to know how really the price has risen. Somebody may be making money in the bargain. I am speaking without any books or papers and therefore I am entitled to know this answer. This increase in costs should not be made a common feature in every case in and out of season. Was attention paid at the time of placing the general order to find out whether all the requirements are covered? Or are these things due to extraordinary circumstances? If they are due to extraordinary circumstances then the House is entitled to have information on it. It is not a small amount involved here—it comes to a crore all put together. Of course I am glad that the hon. Minister has given us more information this time than was supplied last year. I am thankful for that. But a mere statement as given here will not satisfy the House.

The next item is (v)—Other Expenses—due to more repairs to and replacement of tools and plant and station machinery, travelling cash safes, tarpaulins, etc. and additional provision required for freight at public tariff rates for carriage of maintenance materials for which adequate data were not available at the time of the earlier estimate. The amount is Rs. 20 lakhs. Now why were those articles considered as emergency requirements and why were adequate data not available earlier? What were the data that were required but which were not available to the Ministry at the time of preparation of the Budget or even at the time of the last Supplementary Demands a month ago? How much does each of the items of expenditure like replacement of tools come to? How much was for travelling cash safes, how much for replacement of tools, how much for tarpaulins etc? If these amounts are given separately it would give us an indication of the amount spent under each head. But at present the figure of Rs. 20 lakhs is given under which all the expenses are jumbled together. As such we cannot make out whether there was an emergency or whether this increased expenditure is due to any mistake.

The next item, (v)—Maintenance of steamers and harbours—amounts to Rs. four lakhs. There also I want to know whether there was an emergency.

The last item, that is (ix)—Mainly due to adjustment under Special heads, such as inflationary element in expenditure incurred after 1942-43, etc. by writeback from D.R.F.—comes to Rs. eleven lakhs. It is only a matter of book entry and I do not want to say anything on it.

With these words I hope the hon. Minister will kindly consider my remarks in the spirit in which I have made them, and also give an explanation to the House as to what really was the emergency involved. I would also request him to tell the House what is the position of the new locomotives which I have mentioned earlier. I would also request him to give information on the other items that I have referred to.

The House then adjourned for Lunch till Half-Past Two of the Clock.

The House re-assembled after Lunch at Half Past Two of the Clock.

[MR. SPEAKER in the Chair]

Shri Hussain Imam (Bihar): In speaking on this Demand, I have first of all to point out certain deficiencies in the information supplied to us by Government. The expenditure as given in the Standing Finance Committee report No. 3 outlines the total amount whereas the Demand that has come to us only gives the particular Railways. There is no correlation between one Demand and the other and we do not know how far the sums proposed are distributed on the Railways individually. This is neither given in this Demand nor in the Standing Finance Committee report. I know that on page 8 of the memorandum information is given about the E.P. and O.T. railways. If something on those lines is given to hon. Members, we shall know exactly how much we are spending on each Railway.

Coming to the important items, it seems rather strange that although the floods occurred in August-September of last year, they were not reported to the Railway Board till November and no provision was made for this item in the Supplementary Demands which were placed before us in December last. I am referring to item 7 on page 8 of the Standing Finance Committee report No. 3. Although the damage caused in Punjab and Bihar was very wide, no demand was placed before the House in December and the Demand has come to us so late.

Another item to which I wish to refer is item 3—maintenance of carriage and wagon stock. This item finds a place also in the second report of the Standing Finance Committee held on the 9th of December. 9th seems to be a

favourite date with the hon. Minister. Both the meetings were held on the 9th, perhaps because our Constituent Assembly met on 9th December.

The Minister of State for Parliamentary Affairs (Shri Satyanarayan Sinha): I was also born on that date.

Shri Hussain Imam: I was referring to page 5 of Vol. II. Was it impossible to judge with accuracy the increase in the expenditure? What is the reason for so great a difference? In this connection, I am particularly anxious to find out whether the charge made by my hon. friend Mr. Sidhva is a correct one. I am not asking Government to give a reply immediately, but an examination should be made as to whether the charge was correct or incorrect. From the position that we occupy here it is not proper that charges should be made on Government for not having foreseen things and if a charge is made it is in the best interests of Government to enquire into it thoroughly and place a report before the House. Then there is a provision made for repairs to the banks of the Kosi river. We had a very bad flood on the Kosi river and that was very early in the year, or to be precise in July. A thing like this should have really come in the Supplementary Demands of December and not now. I would request the hon. Minister to throw some light on these points.

Shri M. L. Gupta: Referring to Demand No. 5, item 3(b), I made enquiry from the hon. Minister and he was kind enough to say that for 1949-50 he had provided for Rs. 9.8 crores and now there is provision for Rs. 9.9 crores. Over and above this, if you turn to page 3, para. 2, you will find that the consolidated expenditure for paying those who have opted is Rs. 30 lakhs and the expenditure on the grain-shops is Rs. 22 lakhs. I fail to understand how we are incurring this large expenditure on both sides. When people opt, there should be a proportionate reduction here. Contrary to that, we find an extra Supplementary Demand. I am not able to reconcile myself to the position and would like the hon. Minister to explain the position.

Dr. Subramanian (Madras): I want to make one or two observations in regard to the maintenance of locomotives and repairs. We are asked to sanction nearly Rs. 17 lakhs in this respect. I think previously there was a system on the Railways that each driver was entrusted with one engine and he was in sole charge of it. That system has been cancelled after the war due to shortage of engines. When repairs are found necessary, the driver when he hands over the engine to the loco shed has

[Dr. Subramaniam]

to note down the repairs which he has found necessary during the running and these items of repairs are done. Now, it is not certain that for his next trip he will be given the same engine, whereas previously he was certain that he will have to take the same engine and therefore he was more careful to note down the repairs and see that they were carried out in the proper place and within proper time. Now, he is not so much interested since he cannot get the same engine for the next trip. If the old system is revived, the engine drivers will be more careful and will take proper interest. Also, if there are small repairs, they will look into them and thus avoid major repairs. If this suggestion is carried out, great savings can be effected in locomotive repairs and maintenance.

Shri Khandubhai Desai (Bombay): When this Demand No. 5 has come before the House, I would like to place certain observations. Only two months back we had accepted a demand of about Rs. 4,42,00,000 for repairs and maintenance. Again a second supplementary demand for about Rs. one crore has been brought. The total amount of the supplementary demands made in December and now comes to about Rs. 45 to 50 crores in a budget of about Rs. 220 crores. When about 25 per cent. of the Budget is brought now and then before the House in the shape of supplementary demands, the natural presumption is that either there has been an under-estimate, or that there has been a deliberate attempt to do it. I personally feel that as the Railway Budget pertains to a commercial and industrial undertaking, I think the picture that is placed before the House does not appear to be a real picture. I do not know when after two days the hon. the Railway Minister will come before the House with his railway budget, on what figures he will base his estimate for the year 1951-52.—perhaps on the working of the Railways for two or three months only. I would, therefore, take this opportunity of placing before Government that some other form of budgeting should be evolved as far as the Railways are concerned.

If we look to the items, we find that some of those very demands in respect of which sums were voted in December have again been brought up. The question naturally arises why within two months the hon. Minister should come forward for additional amounts. The explanation may, perhaps, be that the working of the Railways have been better, with the result that they are able to provide for items like replacements and repairs, which previously

they thought they would not be in a position to provide for. But I feel that Railway budgeting should be done on a different basis. I suggest that while coming before the House for supplementary demands sometime in September, Government should give us a complete idea of the income which they expect to derive from the working of the Railways with full explanations of the supplementary demands which the House is asked to vote.

Shri Gopaldaswami: The debate on this particular demand has centred round the methods of estimating that are now adopted by the Railways. It has been complained that we came to the House for supplementary demands in December last and within two months we have come again for supplementary demands on several of the items in respect of which we obtained the sanction of the House for supplementary grants in December. That is so. I want the House only to realise this one fact. The supplementary demands that were brought before the House in December were really decided on by the Railways Ministry somewhere about August and but for the fact that at the session of the House then sitting it was not possible to take up the demands then, these demands would have been sanctioned somewhere about August. As a matter of fact the demands placed before the House in December last were based, as I said in my opening remarks, on the actuals of the first three months of the financial year and the approximate actuals for another month. It so happens that on account of the fact that the supplementary demands sanctioned in December were not related to up-to-date figures, certain of the items in the present demand for supplementary grants relate to what were demanded in December last. I do concede the position that if matters had been better arranged both by the Railways Ministry and as regards the business of the House, this particular criticism would not have been so insistent as it has been today.

Now with regard to estimates themselves, particularly in regard to the question as to why after having obtained budget sanctions for a number of items, we come in for large grants by way of supplementary demand later on, I wish to mention one other fact which I think the House ought to take into consideration. We have been trying to implement the economy drive both during 1949-50 and for 1950-51. We received estimates of the requirements of the various Railway administrations for the purpose of preparing our budget.

On account of the economy drive we cut those demands as much as we possibly could and practically every railway administration suggested that their demands had been cut to the bone and that it would be difficult for them to work within the monetary limits that we set for them in the budget. The directions that were issued from here were that they were bound to see that the budget grants were not exceeded and that if there is anything very extraordinary which prevented them from doing so, they must make out a special case and come up for sanction for supplementary grants. As a matter of fact the complaint has been almost universal amongst the railway administrations. Of course we cannot allow the services to fall below the standard and we have to look into every case of a request from a railway administration for additional grants and deal with it on the merits. In some cases it was unavoidable to sanction the additional grants the railway administrations wanted. That is one very important reason in this connection.

Let us take the provision under Demand No. 5. In 1948-49 the total under this head Repairs and Maintenance was Rs. 44.9 crores. In 1949-50 this mounted to Rs. 52.02 crores. In the budget for 1950-51, after having cut the demands drastically, we provided for Rs. 51.59 crores. In the August review, for the reasons which I have already indicated, we had to take the total up to Rs. 55.9 crores. A further few months of working brought to our notice that even this was inadequate, and we have had to ask for—it is put down as—Rs. 56.84 crores. If we compare Rs. 56.84 crores with Rs. 52.02 crores there is no doubt that there is an increase of about Rs. 4 crores in the aggregate. But due to the reasons I have already explained it was not possible for us to avoid this increase, because if we had granted the legitimate demands of Railway Administrations our budget provision should have been more generous than it was. And an increase of about Rs. 4 crores and odd which we obtained in December plus a crore now, I do not think, is in excess of the needs of the situation.

There has been some criticism of the increased allotments that are asked for under Maintenance, particularly Maintenance of Rolling Stock. A large slice of the amount that we are now asking for falls under increased cost of repairs to rolling stock. Of course this increase compared with what actually was spent in 1949-50 under this head is not excessive. But the real fact is that almost at the beginning of the year we noticed that the standard of maintenance of rolling stock on several of

the Railways was much below the proper level, and stringent orders were issued to Railway Administrations from here that the standard should not be lowered, it should be brought up and all arrears of maintenance and repairs of rolling stock should be overtaken by the end of the year 1951-52. That explains the bringing into existence of a somewhat accelerated programme of repairs to rolling stock. That also explains a part of the increase.

With regard to what fell from my hon. friend Mr. Singh I am not here to say that every item on which additional funds are now being asked for could not have been anticipated when we submitted our first list of supplementary demands. There are possibly a number of items where with a little greater foresight it might have been possible for us to include them in the December Demands and perhaps reduce the amount that we are now asking for. But as a matter of fact I may inform hon. Members that this has been noticed in the Railway Board's office already and the Administrations which failed to make proper forecasts of probable expenditure during the current year have been pulled up and told that this sort of thing should not occur again. I hope as a result of more stringent scrutiny of estimates that come from the different Railway Administrations and greater care on the part of the Administrations themselves in preparing their estimates this sort of thing will be minimised in the future.

That is also my reply to my hon. friend Mr. Hussain Imam. He said it would be better if information which is given in a particular form in regard to certain items was also given in that form in regard to certain other items. I shall certainly have that matter looked into.

Then I think Mr. Sidhva made a point of the fact that under every item the familiar words have occurred "due to increase in cost". That is to say, he wanted to know what exactly were the causes of this increase in cost and he added that these causes must have been stated in the information that is supplied to hon. Members. He will notice that each of the items under which this particular phrase occurs consists of a large number of small items lumped together and the total figure is taken and on a large number of these individual items there have been increases in price in the course of the year which could not have been foreseen when the Budget was presented. It is as a result of the recognition of the actualities of the situation as regards prices that this has happened. Now, take for instance the

[Shri Gopaldaswami]

question of prices. I am giving you some figures from the Economic Adviser's Index of Wholesale Prices. Under Industrial Raw Materials on 7-1-50 the index was 482, on 9-12-50 it was 530, and on 6-1-51 it had risen to 547. Similarly under Semi-manufactures it had risen from 333 on 7-1-50 to 355 on 6-1-51. And under Manufactured Articles there is an increase of ten between those two dates. Now, repairs of rolling stock involve labour. In the case of labour it may be workshop labour, but insofar as casual labour is employed we have got to pay whatever the market requires us to pay. But that perhaps is a very small item. If you take the materials that are required for carrying out repairs, some of them are issued from our stores and there the actual book value will be debited to the work concerned. But a large proportion of materials which go into the work of repairs to locomotives etc., is reported, have to be bought on the spot from the market and so forth. In those cases the figures I have given of the rise in prices would have a material effect on raising the cost.

There is one other point with regard to that which I want my hon. friend Mr. Sidhva to realize. What exactly is paid for a particular piece of work or for a particular quantity of raw materials used in that work, which is decided by a responsible officer, is checked by authorities to whom that particular function has been entrusted and we have got to assume, unless we come across any particular fraudulent transaction and so on, that these prices are prices which are reasonable and these are the market conditions. I can confess that I do not go into the details of every item which enters into the cost of repairs. It is not possible. If I were going to do that I should have to close every other activity that I am in charge of, nor can hon. Members of the House undertake this responsibility: Not even the Members of our Standing Finance Committee. A certain amount of confidence has to be reposed in people who incur this expenditure, who are responsible officers, whose work is checked by accountants and auditors. Therefore, I would put it to the hon. Mr. Sidhva whether it is really necessary that we should give all the details which apparently he has got in mind. If we were to do that, we shall give him about three or four sumptuous volumes to read. I am sure, that even with his well known industry, he will be unable to find time to read them.

3 P.M.

Shri Sidhva: What about repairs to new locomotives?

Shri Gopaldaswami: The hon. Mr. Sidhva has referred to new locomotives. Within six months of the arrival of some of them, he said they had to go into workshops for repairs. As a matter of fact there are locomotives which were designed by the Railway Board in their Central Standards Office. These specifications were given to the manufacturers; they manufactured them, shipped them and they came here. It is true that in the case of the first few engines there were a certain number of teething troubles. First they had to be tried out, used on our track and also there were some small minor defects noticed and in order to put these right instead of working them with all their defects on the lines, they were sent into these workshops for that purpose, of replacing a small part here and repairing another part there. It is quite likely that he saw a dozen locomotives at the same time in the workshops. That is quite possible. I may inform hon. Members that the condition of these engines at the time they arrived, has been given the most careful consideration and in regard to one or two which we considered were not strong enough or where the engine was concerned, we have had them replaced by the manufacturers. In the case of other certain alterations have been carried out at the instance and in consultation with our expert advisers and I may confidently say that the performance of these locomotives on our tracks has been entirely satisfactory, if not entirely satisfactory, to the extent of 95 per cent.

Shri Hussain Imam: Is he referring to W. P. engines?

Shri Gopaldaswami: Yes.

Shri Sidhva: Who paid the cost of replacement, Sir?

Shri Gopaldaswami: I cannot answer that question off hand. It is possible that some of the cost will be borne by us and some of the cost was thrown on the manufacturers themselves, but that is a matter on which if detailed information is required, I could collect and give it. I shall have something to say about this in my Budget speech. You will know what exactly we in the Ministry have done in respect of these engines, getting information of the durability and driving quality of these engines and what we propose to do in that connection. Dr. Subramaniam referred to the old practice of a locomotive being assigned to each driver, who as soon as a particular tour of work on a particular occasion was over used

to send it into the shed with a list of whatever defects he may have noticed in the performance of the locomotive during that particular trip. I understand that this system is still continuing on certain Railways. It is not continuing on other Railways because they thought that both economy and efficiency would be promoted by pooling these locomotives and carrying out the repairs to all of them. As regards the relative efficiency of the old system and the new system, I believe our expert officers have their own definite opinions. I myself have not gone into the merits of these opinions and I should certainly ask for a note of what particular experts think on this problem and shall take such action as may be considered desirable.

Shri Sidhva: They worked that scheme satisfactorily for thirty years.

Shri Gopalaswami: I will take that fact into account.

The last thing I need refer to is the suggestion that has been made by my hon. friend, Mr. Khandubhai Desai. That was something which arose out of the criticism that has been made today, namely, of the changes in estimating that have resulted on account of our having to apply for supplementary grants of large amounts. His suggestion was that being a commercial concern, not being amenable to the ordinary principles which govern administrative budget making, he would ask me to consider the desirability of presenting a budget on the eve of a particular year and submit another Budget with Revenue and expenditure and Capital receipts and capital expenditure somewhere about the beginning of autumn, say September and get the approval of the House. But such a supplementary budget would not be really a Supplementary budget. What he wants is that at the beginning of the year we should estimate both receipts and expenditure with the information then available and then modify these estimates at the beginning of the second half of the year, so that we may avoid as far as possible all demands for supplementary grants. This is rather an attractive idea. I do not know if it obtains in any commercial concern. I have not had experience of it in any commercial concern. With regard to the Railways they are a sort of administrative cum commercial concern and we have got super-imposed on all these the control of Parliament and it is for us to consider whether we should undertake in the case of Railways the making of two budgets and invite the House to sit on these two Budgets for 330 P.S.D.

days together for the purpose of passing them. I shall try to see what the merits of the suggestion made by him are and if at all it is possible to improve the present state of things, I shall do what I can.

Shri T. N. Singh: The hon. Minister stated in the beginning there was an attempt at economising and the budget figure was put at a lower level and then subsequently new expenses came in or new circumstances arose and they had to increase the expenditure. I want to know whether those higher standards were under consideration at the time the budget as prepared or whether those higher standards were considered later on in the year.

Shri Gopalaswami: All I can say is that the directive to attain higher standards, to liquidate all arrears of maintenance and repairs, was issued after the Budget was passed by the House. I am not in a position to say definitely whether we had not got this matter under consideration at the time of the Budget. It is possible that we had it under consideration; but we had not reached the conclusion to issue a specific directive on this question.

Shri M. L. Gupta: My point has not been met, Sir.

Mr. Speaker: What is his point?

Shri M. L. Gupta: I referred that last year, in respect of dearness allowances and food-grains allowances, five lakhs.....

Shri Gopalaswami: Do I understand the hon. Member's point to be that we provided fairly generous amounts under dearness allowances first; and that when the adjudicator's award came in it was possible to have adjusted the extra five lakhs that are now being asked for out of the large amounts that had been provided for in the Budget? Is that the point?

Shri M. L. Gupta: No, Sir. My point is this. We have provided 9.8 crores in the last year for foodgrains shops. This year we have provided 9.9 crores, as explained by the hon. Mr. Santhanam. After that, we are providing here.....

Shri Santhanam: This 9.9 crores includes the Supplementary Budget.

Shri M. L. Gupta: This 30 lakhs also?

Shri Santhanam: Yes.

Shri M. L. Gupta: This 22 lakhs also?

Shri Santhanam: Not probably.

Shri M. L. Gupta: We have been providing 30 plus 22 lakhs. We are told that some people have opted out and we have provided 30 lakhs for them. We have further provided 20 lakhs as loss on account of grainshops. If people have opted out of grainshops concessions, how is that we find increment on both sides?

Shri Santhanam: As I explained, the actual increase would have been much more than 52 lakhs but for the opting out of certain people to cash allowances. The net resulting increase is much less than what it would have been if they had not opted. The prices have risen much in pulses and cooking oil and cereals and as I explained in the morning the concession per family has gone up from Rs. 26 to Rs. 33. That would have been reflected full in the demand but for the fact that people have opted to cash.

Shri M. L. Gupta: But, we are providing.....

Mr. Speaker: We are going into an argument. I shall put the cut motions first.

Shri T. N. Singh: I beg leave to withdraw my cut motion.

The cut motion was, by leave, withdrawn.

Shri Jnani Ram: I beg to leave to withdraw my cut motion.

The cut motion was, by leave, withdrawn.

Mr. Speaker: The question is:

"That a supplementary sum not exceeding Rs. 1,04,53,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March 1951, in respect of 'Ordinary Working Expenses Repairs and Maintenance'."

The motion was adopted.

DEMAND No. 6—ORDINARY WORKING EXPENSES—OPERATING STAFF

Mr. Speaker: Demand No. 6. There is no cut motion.

The question is:

"That a supplementary sum not exceeding Rs. 46,30,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Ordinary Working Expenses—Operating Staff'."

The motion was adopted.

DEMAND No. 7—ORDINARY WORKING EXPENSES—OPERATION (FUEL)

Freight of coal and losses on collieries.

Shri T. N. Singh: I beg to move:

"That the demand for a supplementary grant of a sum not exceeding Rs. 53,42,000 in respect of 'Ordinary Working Expenses—Operation (Fuel)' be reduced by Re. 1."

I have moved this cut for the purpose of raising my voice against what I think is inefficient management of the collieries and the way in which fuel is being used and supplied on the Railways.

I feel, as may be very clearly established by looking at the collieries which are next door to the Railway collieries that we are not actually getting full value for all the money that is spent on the management and running of these collieries. This question engaged the attention of the House during the last session also and opinions were expressed that these collieries are not well managed, that they are not economically managed, and that, at the same time, the treatment of the workers—as some of those who are working among the labourers in these collieries will vouch for—is not satisfactory.

Shri Hussain Imam: On a point of information Sir. Did you put Demand No. 6 or 7? He is speaking on Demand No. 7.

Mr. Speaker: Demand No. 6 was carried by the House. Demand No. 7 is before the House and he is moving his cut motion.

Shri T. N. Singh: I feel that the management of these collieries is not all right. As a matter of fact when a supplementary demand is being made because of the increased cost of production in these collieries, I do feel that it is time that we voice our feelings on the subject.

Firstly, if you compare the working cost and the cost of production of the various collieries run by the same management, more or less in the same area, you will find that the working cost varies. This could be checked up by merely looking at the last year's literature which was supplied to us during the Budget time. Similarly, there are other collieries which are not economical to run. They require to be closed. Even if we work them and

use all our efficiency, they may not give the result that we expect. It is very necessary that a proper investigation should be made to find out which of the collieries can work economically and which of the collieries require new and proper machineries, so that they could give the maximum results for the money and labour spent on them. This is necessary especially when we find that the cost of production in these collieries is going up.

Secondly, there is an item which says that due to longer route by ship, the cost of coal supplied to the Railways has gone up. I do not know what the circumstances were; but I do feel that this does show a lack of co-ordination. After all, it is always possible to estimate where we want particular things to reach and at what time. Our demand for coal is known; we know what the Railway will approximately require, and when they will require. I see no reason why proper arrangements should not have been made in advance especially when we have got our own collieries, our own arrangements, and when we know what amount of coal is imported from outside, etc. When all these things are known, it is but proper that things should have been anticipated and this extra burden on the tax-payer should have been avoided. For these two reasons, I have raised this point and I hope the Railway Minister will kindly satisfy us on these points.

Mr. Speaker: Mr. Santhanam.

Shri Sidhva: I would like to speak on this, Sir.

Mr. Speaker: Let us hear what the hon. Minister has to say. It is better if he intervenes in the debate at this stage, and answers the points.

Shri Santhanam: My answer is brief. So far as the collieries are concerned, we are presenting the Budget according to the old practice. The collieries are actually managed by the Ministry of Works, Production and Supply, now, formerly by the Ministry of Industry and Supply. I know that it is not quite satisfactory that we should be presenting the Budget when somebody else is responsible.

Shri Khandubhai Desai: This is not presenting the Budget; this is presenting the losses that you are going to incur.

Shri Santhanam: The Demand also; the whole thing is put on the Railways. This is unsatisfactory and we have already taken steps to see that the Budget will be presented in future, by

those who are actually responsible to Parliament for the working of the collieries. But to the extent that I know, there are one or two matters about the Railway collieries which the House should consider. During the war a large number of small collieries have been induced to come into operation and it is the effort of the Government of India to see as far as possible, that these collieries also are enabled to be alive and to run successfully. That is why coal is controlled. There is the Coal Commissioner who controls both the production and the distribution of coal. It is the Coal Commissioner who allots coal even to the Railways from the Railway collieries. We have no right to bring coal from our own railway collieries to the railways. That too has to be allotted by the Coal Commissioner. If the railway collieries were to be worked to their full extent or capacity, probably there will be a good profit; but their production is limited to the needs of the country, in the light of the production from the private collieries also. Owing to this limitation and the practice of maintaining the same staff whether the production is at a particular level or not, some amount of loss has to be incurred. That is the general idea. As for details, as I have said, it is the Ministry of Works, Production and Supply that will have to give a proper account to the House.

As for the question of freight, I fully appreciate the point made by Mr. Singh that so far as coal is concerned, we know our needs and we should be able to estimate our costs. But here an element of doubt or uncertainty comes in. We are not able and sometimes we are not allowed to move all the coal required by the South Indian systems by the all-rail route. And today the sea route is much more costly than the all-rail route. So whenever we have to move coal either owing to the necessity or due to the general over-all policy, by ships, the cost goes up. We are forced to move a certain quantity of our coal by ships and we have to incur a higher expenditure. In order to maintain our coastal shipping industry, we have to move a certain amount of coal by sea. And also, the actual amount of coal that ought to be moved by any route it is not possible to forecast at the beginning of the year. If we have to move more grain from, say Calcutta to Madras, we may not be able to move as much coal by rail as we might have expected to do. So in that case, by real necessity also we have to move the coal by sea, and pay more freight. Due to this element of uncertainty we have had to come for an extra Demand. I can give certain figures here. In the original Bud-

[Shri Santhanam]

get, the sea-rail route freight was estimated for 1,60,000 tons and the all-rail route for 2,45,000 tons. Now in the revised estimates we are expected to move as much as 4,38,000 tons by sea and 20,000 tons by the all-rail route. The extra demand is solely due to this fact.

Shri Sidhva: I must say that I am not satisfied with the answer given by the hon. Minister about the working of the collieries. This is not the first time that the subject has been discussed in this House. As my hon. friend Mr. Singh said just now, last time also in this House this matter was brought to the notice of the hon. Minister and he definitely assured the House that this matter will be looked into. I remember in the Standing Railway Finance Committee, 18 months ago, my colleagues and I made a definite suggestion to the hon. Minister about the running of the collieries by the Railways instead of any other Ministry, and Mr. Gopaldaswami Ayyangar said he would examine the suggestion and let us know. But now, eighteen months have elapsed since this suggestion was made, and since it was raised in this House also and now here the Government have come forward and asked the House to pass a sum of Rs. 30 lakhs as loss. And we are told that the Ministry of Works, Production and Supply must account for it. Then why not refer this matter to that Ministry? We must have a full explanation from whichever Ministry is responsible for this. Our suggestion is not listened to, and at the same time the Ministry responsible for this loss is not accounting for it to Parliament, because the entry comes in the Railway Budget, and so, probably that Ministry is indifferent. All the same the loss is incurred, and the House must know what is this loss due to. We are not concerned about the question as to which particular Ministry is responsible. The Railway Ministry has brought this Demand before the House and the House must know all about this loss and how it has occurred. The hon. Minister himself did not seem to be quite satisfied; for I felt he made his statement very haltingly. I can, of course, appreciate his difficulty. But this loss comes up systematically and regularly and I therefore, submit that due consideration should be given to this matter by the hon. Minister. Let this item be held over and transferred to the proper Ministry who will then be bringing it before the House. They will then know the feeling of the House on this particular matter.

Then as regards the question of freights. I want to know whether we

are sending the coal by sea because of the shortage of waggons. Is that the reason why necessarily steamers are being employed for the carriage of coal? If so, what was the sum paid to the steamer companies? Were not waggons available? The coal must have been sent from the collieries to Calcutta by rail routes and from Calcutta to other destinations by sea. If waggons were available, why were steamers employed and the cost of freight thus increased? I do not know how much we have paid to the steamer agents. Could we not use our own waggons? We have already placed orders for more waggons. And waggons are already there. I want an explanation why steamers were employed or are going to be employed for the 400,000 tons that the hon. Minister referred to.

Mr. Speaker: The reason has already been stated in the explanation given, that it is for the purpose of maintaining the coastal shipping trade that we are trying to give them some freight sometimes.

Shri Sidhva: Is it because there are no arrangements for transporting the coal by railway? Is that the position?

Mr. Speaker: No. As far as I could see, there are two reasons. One is the maintenance of the coastal shipping trade. For that purpose whenever they fall short of trade, the Railways are directed to get their coal by steamers. That is one reason. It is not a question of shortage of waggons. The other reason is the general situation in the country. I think he quoted the food situation and said that it might become necessary to employ our railways to move grains or other things and then it becomes necessary to send the coal by steamers.

Shri Sidhva: If it is something in the nature of a subsidy to the steamers, I have nothing more to say.

An Hon. Member: Why?

Shri Sidhva: Because they are our own ships. If some companies own the ships and the profits go to them, that is not a very satisfactory arrangement. But it is not a good policy so long as we have our own State transport that we should encourage them. We ought to know whether freight was not available to those steamers. Last year there was so much freight that steamers were not available. But I do not want to go into that question. If the freight is given to Indian

steamers to maintain the coastal trade, it is done with the best of intention.

As far as the collieries are concerned, I want your ruling. The Minister said that he could not explain. Is it proper that the House should be asked to pay Rs. 30 lakhs? Should it not be held over in connection with the concerned Ministry's demands? This is not the first time, this is the second time that it has been brought before us in this fashion. I appeal to you to consider this matter. Some solution will have to be found.

Shri Frank Anthony: Sir, I want to secure your ruling. The Deputy-Speaker was in the Chair this morning and on one particular point I would be grateful for your clarification.....

Mr. Speaker: I may make one point clear. The clarification *prima facie*, from the opening remarks of the hon. Member, seems to be by way of an appeal to me over the Deputy-Speaker's ruling. I do not know what it was....

Shri Frank Anthony: The point was not considered....

Mr. Speaker: Whatever it may be, what has been done by the Chair at that time. I do not think I can sit in judgment over that. What has been done is done. When a similar point arises again and if anybody is quoting that as a precedent, certainly the Hon. Member will be entitled to make his remarks as to whether that was right or wrong. I may then consider it but not by way of a revision over what has been done. The Chair is the same whether it is the Speaker or the Deputy-Speaker who occupies it.

Shri Frank Anthony: I certainly submit to your finding. I do not wish to resurrect this matter but it is a matter of principle.....

Mr. Speaker: We shall discuss it when the occasion arises.

Shri Frank Anthony: You may say that since the matter has been virtually closed it will not arise. The point is whether on a supplementary demand, a matter of policy.....

Mr. Speaker: He need not raise that point now: it does not arise.....

Shri Frank Anthony: It was not considered this morning.....

Mr. Speaker: Assuming the hon. Member is right I can only sympathise with him. I cannot carry the matter any further than that.

Shri Khandubhai Desai: The question of the collieries has been coming before the House off and on. I believe seven collieries are owned by the Railways but they are worked by the Ministry of Commerce and Industry as the hon. Minister stated.....

An Hon. Member: It must be Works, Production and Supply.

Shri Khandubhai Desai: It may have gone there now: I do not know. What is asked is Rs. 30 lakhs as loss in the fuel account. I would like to know whether all the coal produced in our collieries is sold to the Railways. I do not think so. A portion of it may be sold to the Railways for fuel, whereas quite a large quantity of the coal produced by the collieries may be sold to private undertakings. Apart from the fact that the reply given to us is not satisfactory, the accounts also, in my opinion, are not satisfactory. Why should it go to the fuel account? It is some property held by the Railways and some loss has been incurred. Let that loss be debited to the general Railway finance. That is one aspect to which I want to draw the attention of the Railway Ministry.

These collieries, as I know, are very big ones compared to others that are managed privately. Being larger units they ought to make better profits. Instead losses are being debited to Railway finance. They should have brought some profits as so many other mines are working at a profit. It has been pointed out to us during the Railway Budget discussions that the Railways are being managed efficiently and that the Railways have shown some progress in the matter of their performance. Then why should this small property owned by the Railways not be worked by the Railways themselves? I cannot understand it. If they can manage the whole Railways in India so efficiently, as they claim, why should a portion of the railway property be managed by some other department, which is not capable of managing it? When this question is being raised every now and then the answer is given: "This is not my Department." But it is your own property. What have you been doing for the last two or three years when you have been writing off such large sums? It was the duty of the Railway Administration and the Railway Ministry to see that they themselves manage this undertaking. That is the only solution. It is very unfair for the Railway Ministry, which in my opinion is a part and parcel of Government, to tell us that it is not their concern but the concern of some other part of Government. We hold the Railway Ministry itself responsible for the losses.

Shri Hussain Imam: I wish to invite attention to this very material question of the losses on the collieries. In the old days the collieries were managed by the Railways and we were getting coal at a cheaper rate than the market price. But now with the changed administration and the handing over of the collieries to another department we seem to be face to face with the opposite situation.

I do not know the basis on which the losses are computed. Do the collieries charge the railways at the controlled rates or are they fixed under some kind of agreement, that they will supply coal to the Railways at a certain rate, irrespective of the cost of working. Some light should be thrown on the method of accounting.

Another point which I hope is not substantiated is the one made by Mr. Desai, that we are selling coal to outsiders at a cost less than the production cost. Why is it that the collieries in the private sector are making money and it is surprising that in the Government sector they should be incurring losses?

Mr. Speaker: I am afraid the explanation was not properly heard. As I heard the explanation, it was that in the interest of private collieries or other collieries they cannot work the collieries to the fullest possible extent. That is why they have to maintain sometimes a larger staff and the output is not great.

Shri Santhanam: That is correct.

Shri Hussain Imam: Formerly each colliery was being managed by a different Railway, such as the E.I.R. or B. N. Railway. Now all are under the management of Government. The more economical course would be to close down certain collieries if we are not going to consume all the coal and not keep the overhead staff and maintain it. It condemns for all time the question of nationalisation. I am looking at it from this point of view, that you are making a bad show of nationalisation. A thing which is desired by the House and by a large number of people outside is being condemned out of court because of this wrong handling of the situation. If you want less coal close down some of the collieries and work only three or four to meet your requirements. That way you will also be conserving coal. The idea behind working less is not so much to benefit the private collieries as to conserve our national resources. We are very short in first-class steam coal which is required for manufacturing steel, and therefore everyone has

to be on guard not to use up all the first-class coal.

I therefore invite the attention of the hon. Minister to the fact that this matter should not be brushed aside by a discussion on the Supplementary Demands but it should be examined thoroughly. A more economic method must be found for working these collieries in the future. Whatever has happened in the past has passed, but in future we have to be more careful and find out a more efficient and more commercial manner than Government red tape allows.

Shri Gopalaswami: I think I should express a great deal of sympathy with the view that has been expressed that the Railway Ministry which is to foot the losses of running these collieries should be in a position to influence the administration of these collieries and be responsible for losses or gains as they may accrue. The present position, however, is this. I can tell you straightaway that for the last eighteen months in respect of these State collieries if the Railway Ministry has done anything at all it is to press on the Industry and Supply Ministry to modify the position that now exists—plant responsibility where it is due and either hand over the collieries to the Railway Ministry or let them take over the ownership, the capital at charge, and everything else themselves and work them. That is the point of view for which the Railway Ministry has been standing all these months. But it is only with the present position that we are concerned so far as the demand for a Supplementary Grant is concerned, and the present position is that the Railways are the owners of these collieries, the capital at charge of these collieries is Railway capital. The collieries are in the hands of another Ministry which is a kind of a managing agent to us. Well, the managing agents so work these collieries that they incur losses. After all, profit or loss, even in an industry which is managed by a managing agency, has to come down on the head of the owners, the shareholders. Therefore, when they say, "We have incurred losses; you are the owners, you have got to foot the bill", we have got to foot the bill until the time we change the system altogether. I entirely sympathise with what has been said and I hope that with the transfer of coal—I think Mr. Santhanam made a misstatement, I myself was responsible for his making a misstatement. Mr. Santhanam pointed out that these collieries are now in charge of Industry and Commerce. As a matter of fact in the new re-organisation coal has gone to Works, Production and Supply—I

hope that with the more efficient management which we may expect from the new Ministry under my hon. colleague, Mr. Gadgil, this kind of thing will not recur in future.

The Minister of Commerce and Industry (Shri Mahtab): With your permission, Sir, may I say a few words on where the co-operation of the House will be necessary in order to reduce the cost of production of coal so far as the State collieries are concerned?

Until very recently these collieries were under my charge and I have very closely looked into this position. Some time back a Committee was appointed to look into the costs of production of these collieries. One of the main causes for the higher cost of production here is the higher labour charges paid here. On many occasions we came to the decision that the labour charges in the State collieries would be the same as in the other collieries, but for various reasons it was objected to, and probably on some occasion the very same Members who are now objecting to the higher cost here would object to the reduction of the labour charges. That is the trouble that we are faced with. Any way as soon as that decision was given effect to, and labour charges were brought to the same level as in private collieries, there were strikes and pressure was put on Government to continue the *status quo* till something else was found out. In that move many Members of Parliament also became interested and in the end the *status quo* is still continuing. If that is agreed to today I am quite sure the cost of production of coal from State collieries will come down.

Shri Hussain Imam: On a point of information. May I ask the hon. Minister whether under the re-organisation that has been started are these mines coming back to the Railway or not?

Shri Gopaldaswami: That question is still where it was.

Shri T. N. Singh: The hon. Minister of State for Railways stated that these collieries were running at a loss because the Coal Commissioner had fixed certain levels of production. The Commerce and Industry Minister says that they are running at a loss because of the higher labour charges. These two statements made on the floor of the House within less than half an hour seem to contradict each other. It is fair that this point should be explained.

Mr. Speaker: I do not think they are necessarily contradictory. Both may be contributory factors.

Now what about the cut motion? Do I put it to the House?

Shri Sidhva: What about the information, Sir? The House has not been given information as to how the loss occurred.

Mr. Speaker: I was thinking on different lines. I feel myself in a fix, but one thing I do feel that, whatever the inter-departmental or ministerial divisions, so far as the tax-payer and the House are concerned, Government must be functioning as a whole; and it can hardly be a defence that because the particular Minister who puts in a demand does not know anything about it, the explanation should come from the other Ministry. It is too much, to my mind, to ask the House to give its consent without knowing practically anything about the matter. How these things should be adjusted is a matter for the Cabinet and for Government to decide amongst themselves—it is not for me to suggest, nor is it possible to make any suggestions just at the moment. Of course, it will involve so many factors to be taken into consideration—as to under which Ministry and under what proper head it should be accounted for, the various reasons for it, etc. But some way must be found out so that when such demands are put before the House either the Minister responsible for it should make the demands or the Minister responsible should be present in the House to explain the particular point fully. The difficulty which I have been feeling is that practically the House is being called upon to vote this Demand without full knowledge of the facts.

Shri Sidhva: Without any knowledge, Sir.

Mr. Speaker: Some knowledge they have already got.

Shri Sidhva: That is nothing.

Mr. Speaker: It is not no knowledge. Some knowledge, howsoever little, is different from no knowledge.

Shri Sidhva: The main point is how has this loss come about. That has not been explained.

Shri Gopaldaswami: May I just intervene with one point of view which strikes me, Sir? After all, the expenditure under the existing arrangement has to be debited to the Railway Ministry and it is because of this that the Railway Ministry has come forward with this Supplementary Demand. I quite appreciate that when we want some amount to be granted to cover losses on particular transactions we should be in a position to explain the

[Shri Gopaldaswami]

whole of the transactions so that the House may be in a position to satisfy itself that the loss is legitimate. I quite appreciate your observation also that when two Ministries are connected with a matter of this description, even though one Ministry may put forward the Demand the representatives of the other Ministry should be present here with all the details so that hon. Members may be satisfied. That suggestion we shall certainly take note of and see that it is implemented in the future. But so far as the present Supplementary Demand is concerned, I would only ask the House to respect this position, namely, that so far as we are concerned we only pay what is demanded of us by the Ministry which is in charge of these transactions. Under the existing conditions, we are bound to pay what they demand. One explanation that we have obtained from the officers working under that Ministry is that the loss is almost entirely due to low output, that is to say, the collieries were not in a position to produce the quantity of coal that would have made the working of these collieries an economic proposition. I must say that we did not probe further into it in order to find out exactly what was the position,— who was responsible for the low output and that sort of thing. But the fact remains that there is this loss. If we do not pay this money to the other Ministry, I suppose really the hon. the Finance Minister will have to find Rs. 30 lakhs from some other source. So, I suggest that when the Works, Production and Supply Ministry comes up before the House in connection with the Budget, the House may get the fullest possible explanation.

Shri Sidhva: In order that the Cabinet may know the feeling of the House on this matter, I suggest that this item of Rs. 30 lakhs may be deleted.

Pandit Thakur Das Bhargava (Punjab): It may stand over, Sir.

Mr. Speaker: Keeping the Demand over will not really carry matters any further. The House has given a sufficient indication of what it thinks about this subject and the hon. Minister has also stated that he will bear it in mind. I think that we need not press this matter further. Of course, it is for hon. Members to vote or not to vote.

Shri Frank Anthony: Vote against!

Shri Sarangdhar Das (Orissa): May I know from the hon. Minister of Commerce and Industry who quoted

from the report of the Coalfields Committee that workmen's wages are too high whether this report has been made available to Members of the House?

Shri Mahtab: I will make it available, if it has not been done already.

Shri S. V. Naik (Hyderabad): I would like to raise a point of information. Last year, Mr. Massey raised the question of coal consumption and at that time the hon. Minister informed him that a Fuel Economy Committee had been appointed in October 1948 and he was expecting economy to be effected in coal consumption as a result of the Committee's deliberations. I want information as to what this Committee is doing and why there has been no economy.

Shri Santhanam: If the hon. Member would raise this during the Railway Budget, I shall give him full information regarding consumption of coal, the working of the Committee and the results we have achieved.

Shri T. N. Singh: Just now the Minister of Railways stated that during all these days he had not tried to find out why the losses have been occurring. In view of this admission on the part of the Railway Minister, I think the position becomes even more confused.

Mr. Speaker: Order, order. He is not asking for any information.

Shrimati Renuka Ray (West Bengal): The hon. Minister of Commerce and Industry stated just now that this loss of Rs. 30 lakhs was due to the *status quo* being maintained about the labourers' wages. I would like to know from him how much of this loss is due to the *status quo* being maintained and how much is due to other causes.

Shri Mahtab: So far as I remember offhand, the cost would have been reduced by about Rs. 16 lakhs if the recommendation of the Committee had been given effect to.

Shri Khandubhai Desai: But there were so many other recommendations too.

Mr. Speaker: Now, it is time to apply the guillotine.

Shri Sidhva: But how will you put this to vote, Sir?

Mr. Speaker: As a cut motion.

Shrimati Renuka Ray: Are we to pass this Demand without knowledge of facts?

-Railways

Shri Sidhva: May I just point out that if this Re. one cut motion is passed, it will mean a vote of censure on Government. If the hon. Member had moved for a cut of Rs. 100 it would have been all right. When you put this Demand, therefore, I suggest that you put it minus these Rs. 30 lakhs, and this figure may be deleted.

Mr. Speaker: It is entirely for the hon. Members to decide as to what they propose to do. One course would be, as Mr. Sidhva suggests, to pass this Demand minus these Rs. 30 lakhs and the question of Rs. 30 lakhs may be kept open. But I do not know how that will affect Government in the matter of making Demands. The other alternative which is one of compromise—and therefore always the best course—is that after expressing what the House feels on this question and after having the assurance of the hon. Minister, perhaps we may not go again into the matter and harp on the very same question.

An Hon. Member: In other words, forget and forgive.

Mr. Speaker: If a repetition occurs, then certainly the House may sit tight. But this being the first occasion, let there be something like a mild warning and nothing further. The procedure to my mind would be on a par with the procedure we adopt in regard to cut motions in the General Budget. It is technically the Finance Minister who brings in all demands, but so far as cut motions are concerned, the Departments are represented and it is the Minister in Charge of the particular Department who replies. If such a procedure is adopted here, I think, so far as the House is concerned, it would be a satisfactory arrangement.

4 P.M.

Shri Sidhva: But what is the definite assurance?

Mr. Speaker: The definite assurance is that somebody conversant with this subject and who will be able to give all the information that hon. Members want will be present.

Shri Santhanam: We are prepared to adopt either of the two courses.

Shri Gopaldaswami: May I make a suggestion for your consideration, Sir? The House wants to be fully in possession of the facts which explain this loss of Rs. 30 lakhs. It might perhaps be possible for us to drop these Rs. 30 lakhs for the present from the present set of supplementary demands and pass only the rest. I will bring up another supplementary demand for Rs. 30 lakhs sometime before the end of the year when the House can go into the whole question.

Mr. Speaker: It is now time for us to put all the demands. What I shall do is this then. I will put this demand minus Rs. 30 lakhs: that is a good solution of the whole thing.

Shri Gopaldaswami: It will mean my moving it later on. If we drop it, it might be thought that the House did not agree to Rs. 30 lakhs—I do not want that impression to be created.

Mr. Speaker: Then I will put it this way.

In view of the strong desire of the House to have more information on the demand for Rs. 20 lakhs on the item of 'Losses on collieries anticipated by the Chief Mining Engineer' the hon. the Railway Minister is agreeable to take this matter at a later stage, bring it in as a separate demand and, for the present drop it from the present demand.

Shri T. N. Singh: I do not press my cut motion, Sir.

Mr. Speaker: I will, therefore, put this demand reduced by Rs. 30 lakhs.

The question is:

"That a reduced supplementary sum not exceeding Rs. 23,42,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Ordinary Working Expenses—Operation (Fuel)'."

The motion was adopted.

Mr. Speaker: The question is:

"That the respective supplementary sums not exceeding the amounts shown in the third column of the Order Paper, except in case of heads of demands Nos 4, 5, 6 and 7, be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of the corresponding heads of demands entered in the second column thereof."

The motion was adopted.

[As directed by Mr. Speaker the motions for Demands for Supplementary Grants which were adopted by the House are reproduced below:—Ed. of P.P.]

DEMAND No. 8—ORDINARY WORKING EXPENSES—OPERATION OTHER THAN STAFF AND FUEL

"That a supplementary sum not exceeding Rs. 37,63,000 be granted to the President to defray the charges which will come in course of payment during the year ending

the 31st day of March, 1951, in respect of 'Ordinary Working Expenses—Operation other than Staff and Fuel.'

DEMAND No. 9—ORDINARY WORKING EXPENSES—MISCELLANEOUS EXPENSES

"That a supplementary sum not exceeding Rs. 39,59,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Ordinary Working Expenses—Miscellaneous Expenses'."

DEMAND No. 11—APPROPRIATION TO DEPRECIATION FUND

"That a supplementary sum not exceeding Rs. 13,00,00,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Appropriation to Depreciation Fund'."

DEMAND No. 14—APPROPRIATION TO REVENUE RESERVE FUND

"That a supplementary sum not exceeding Rs. 2,23,56,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Appropriation to Revenue Reserve Fund'."

DEMAND No. 16—OPEN LINE WORKS—ADDITIONS

"That a supplementary sum not exceeding Rs. 1,28,96,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Open Line Works—Additions'."

DEMAND No. 17—OPEN LINE WORKS—REPLACEMENT

"That a supplementary sum not exceeding Rs. 4,21,04,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Open Line works,—Replacements'."

DEMAND No. 20—DIVIDEND PAYABLE TO GENERAL REVENUES

"That a supplementary sum not exceeding Rs. 71,54,000 be granted to the President to defray the charges which will come in course of payment during the year ending the 31st day of March, 1951, in respect of 'Dividend Payable to General Revenues'."

APPROPRIATION (RAILWAYS) BILL

The Minister of States, Transport and Railways (Shri Gopalaswami): I beg to move for leave to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the year ending on the 31st day of March, 1951, for the purposes of railways.

The figure I had already given in the text supplied to the Parliament Secretariat is Rs. 24,46,57,000. On account of our holding over the Rs. 30 lakhs on account of colliery losses, the figure will be Rs. 24,16,57,000.

Mr. Speaker: In view of the dropping out of consideration at present of Rs. 30 lakhs, the figures given in the Appropriation Bill have to be revised in the light of it.

The question is:

"That leave be granted to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the year ending on the 31st day of March, 1951, for the purposes of railways."

The motion was adopted.

Shri Gopalaswami: I introduce the Bill.

EMPLOYERS' LIABILITY (AMENDMENT) BILL—Concl'd.

Mr. Speaker: The House will now proceed with the further consideration of the Bill further to amend the Employers' Liability Act, 1938. Clause 2 was under discussion. Amendment No. 1 was disposed of. Amendment No. 2 was moved by Dr. R. U. Singh and was placed before the House by the Chair. That has to be considered. I find that the hon. Member Dr. R. U. Singh is not present. In that case I shall put that amendment to the vote of the House.

The question is:

In clause 2, in sub-clause (ii) of the proposed clause (d) of section 3 of the Employers' Liability Act, 1938, omit "(not being a rule or bye-law which is required by or under any law for the time being in force to be approved by any authority and which has been so approved)".

The motion was negatived.

[MR. DEPUTY-SPEAKER in the Chair]

Shri Jnani Ram (Bihar): I beg to move:

Renumber clause 2 as sub-clause (1) of that clause and add:

"(2) In section 3 of the said Act, the following shall be added at the end, namely:—

'or by the reason of the fact that some emergency compensation was paid outside the court.'

This Bill has been brought for a formal amendment on account of certain decisions of the High Court, but I am seeking to add this for this reason. It generally happens that when accidents occur the employers pay some temporary emergency compensation on account of sympathy or necessity and sometimes they put forward the plea of estoppel in the court. I therefore think it necessary to add this provision.

Mr. Deputy-Speaker: Amendment moved:

Renumber clause 2 as sub-clause (1) of that clause and add:

"(2) In section 3 of the said Act, the following shall be added at the end, namely:—

'or by the reason of the fact that some emergency compensation was paid outside the court.'

The Minister of Works, Production and Supply (Shri Gadgil): This amendment is outside the scope of the Bill. The Bill deals with the deletion of certain defences which were open to the employer, such as 'common employment' for which the original Act of 1938 was passed. But on account of a certain ruling given by the Privy Council doubts were expressed as to the exact scope of section 3, particularly clause (d) of that section. That doubt is sought to be removed and the whole thing is made specific with the result that it is no longer open to the employer to say that an accident was due to 'common employment' and that he would not be liable to pay any damages.

What is sought by the amendment of my friend is that where emergency compensation was paid outside the court this defence should not be open to the employer. This deals more or less with the measure of damages and in fact does not amount to a defence, pure and simple. Therefore on the ground that it is outside the scope of this Bill I am unable to accept this amendment.

Shri Jnani Ram: I beg leave to withdraw my amendment, Sir.

The amendment was, by leave, withdrawn.

Mr. Deputy-Speaker: The question is: "That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

New Clause 3.

Mr. Deputy-Speaker: There is an amendment—new clause 3—in the name of Dr. R. U. Singh. The hon. Member is not here. There is an amendment to it by Mr. Jaspat Roy Kapoor.

Shri J. R. Kapoor (Uttar Pradesh): It is an amendment to an amendment. I have no occasion to move it because the whole thing goes.

Shri Gadgil: Sir, may I make a request. Although it is true that the hon. Member who has given notice of new clause 3 is not here, if the Chair permits any other Member to move it, I am prepared to accept it on behalf of Government—but not the amendment suggested by my friend Mr. Jaspat Roy Kapoor.

Shri Venkataraman (Madras): Sir, in fact I wanted to ask for your permission to move the amendment standing in the name of my friend Dr. R. U. Singh. I had a discussion with him and I thought because he had given notice of it I need not repeat it. The object of this amendment is to see...

Shri Syamnandan Sahaya (Bihar): Sir, have you given the permission?

Mr. Deputy-Speaker: I waive the notice. That is all. The amendment is there except that technically Mr. Venkataraman has not given notice of it in his name. He has to give notice normally. I waive the notice.

Shri Sidhva (Madhya Pradesh): Actually we have got notice. Only the name of the Member is different.

Mr. Deputy-Speaker: True. It was given notice of by another Member. It is only a technicality.

Shri J. R. Kapoor: It will then be open for me to move my amendment. I hope your ruling is not subject to the condition that the hon. Member accepts it.

Shri Gadgil: I never put a condition on the procedure of the House. Who am I to do so? What I stated was that this amendment is acceptable to Government but the one which is sought to be moved by my friend as an amendment to the amendment is not acceptable.

Shri J. R. Kapoor: I hope the hon. Minister will keep an open mind until he hears me.

Shri Gadgil: It is as much open as yours.

Shri Venkataraman: Sir, you are familiar that in social legislation provision is made for parties from being prevented from contracting out of the rights conferred by legislation. The object of the Employers' Liability Act is to see that employers do not raise the defence which is open to them under the law of Torts, of 'common employment' or of 'assumed risk'. It is now possible, after this amendment, that some enterprising employers may enter into contracts with their employees and say that notwithstanding the Act, that is the Employers' Liability Act, those who are affected or injured or who die in the course of performance of their duties in the industry may still not claim the rights under that Act. It is only to prevent such contracts being entered into that this amendment is suggested.

I beg to move:

After clause 2, add:

"3. Insertion of new section 3A in Act XXIV of 1938.—After section 3 of the said Act, the following section shall be inserted, namely:—

'3A. Any provision contained in a contract of service or apprenticeship, or in an agreement collateral thereto, shall be void in so far as it would have the effect of excluding or limiting any liability of the employer in respect of personal injuries caused to the person employed or apprenticed by the negligence of persons in common employment with him."

Mr. Deputy-Speaker: Amendment moved:

"3. Insertion of new section 3A in Act XXIV of 1938.—After section 3 of the said Act, the following section shall be inserted, namely:—

'3A. Any provision contained in a contract of service or apprenticeship, or in an agreement collateral thereto, shall be void in so far as it would have the effect of excluding or limiting any liability of the employer in respect of personal injuries caused to the person employed or apprenticed by the negligence of persons in common employment with him."

Shri J. R. Kapoor: I beg to move:

In the amendment proposed by Mr. Venkataraman, in the proposed new section 3A of the Employers' Liability Act, 1938, for all the words beginning with "in respect of personal injuries" to the end, substitute "under this Act".

Mr. Venkataraman's amendment as amended by my amendment would read thus:

"Any provision contained in a contract of service or apprenticeship, or in an agreement collateral thereto, shall be void in so far as it would have the effect of excluding or limiting any liability of the employer under this Act."

The amendment moved by my hon. friend, Mr. Venkataraman, if its intention is so simple and so innocent, I have absolutely no objection to it. This amendment as worded has much wider implications than is supposed by my hon. friend. This amendment if it is allowed to stand as it is in its entirety is either redundant or much beyond the scope of this Bill and has serious implications. In the first place, perhaps it may be unnecessary. I am no very great lawyer and it is for the legal luminaries here just to consider this question, whether it is necessary at all to have an amendment like this, because, as I understand, it is not open in law for any person to enter into a contract with any other person restricting the other person's rights under the specific provisions of any Act. Now under this Bill certain rights in an improved form are being conferred on a labourer who might be injured by the conduct of any co-worker. I do not think that it will be open to any employer to enter into an agreement with his employee whereby he can compel the employee not to seek reliefs in a court of law with respect to rights conferred on him by this amending Bill. That being the position, I think this amendment is unnecessary but if anybody has the slightest apprehension or doubt in his mind that some unscrupulous employer may enter into such an agreement and some law court may go out of its way or perhaps some law court may so interpret the law as to hold such an agreement valid and not *ultra vires*, then I submit that the object would be amply served by my amendment to this amendment being accepted, because thereafter, it will not be open to any employer to enter into such an agreement with any employee and even if he does, that agreement would be void. All I think that the hon. Minister in charge of this Bill is anxious about is that none of the provisions of this Bill should be violated by any agreement between the employer and the employee and that purpose would be amply served by my amendment being accepted.

If my amendment is not accepted, what would be the implication of this amendment? The implication would be that even if an injury is caused to a

worker by a co-worker acting outside the scope of his employment, acting contrary to the definite directions given by the employer to all workers in the factory, even then it will not be open to the employer to enter into an agreement with the employee. If an injury is caused to him by his own negligence outside the scope of his normal work, by his acting contrary to the directions issued, by his acting outside the scope of his employment, by his entering the factory beyond the factory hours etc., even then it will not be permissible for the employer to enter into such an agreement. I am afraid this amendment in its present form besides being beyond the scope and intention of the Bill, would be something of a very novel type and I suggest that it should not be adopted in its present form. I would request you, Sir, to consider whether this amendment in its present form is not beyond the scope of the Bill and out of order. I would request you to apply your mind to this aspect of the question also. It goes far beyond the scope of the present Bill and it introduces an entirely new situation. The scope of the Bill is that if an employee is injured by the conduct of a co-worker acting within the scope of his duties, then he should have the fullest right to sue for damages in a court of law. This amendment of Mr. Venkataraman goes much beyond the scope of the Bill. It refers not only to injury due to the conduct of a co-worker acting during the course of the employment but also injuries due to the conduct of a co-worker, even if inflicted by him, while acting out of the scope of his employment etc. and even then it should be open to the person injured not only to sue in a court of law but the employer should be absolutely barred from having that sort of arrangement for his own safety and security. They are much too wider in scope and I would earnestly request you to consider this aspect of the question and if you come to the conclusion that this is not in order, then, of course, it will be easy for the hon. Minister in charge of the Bill to accept my amendment to this amendment.

Shri Gadgil: I fail to see how the original amendment is out of order.

Shri Syamnandan Sahaya: I would like to speak on this but after hearing what Government have to say on the subject.

Mr. Deputy-Speaker: Normally the hon. Member cannot do it. He never stood up.

Shri Syamnandan Sahaya: An amendment had been moved by an hon. Member. We should then hear what Government have to say. It is only after hearing both sides...

Mr. Deputy-Speaker: That is not the procedure. As soon as an amendment or resolution is moved, any other hon. Member may support it or oppose it. Then it is for Government to reply, if perchance Government want to intervene at an early stage the House has the right to have the opinion of Government. Then it may intervene and state what its case is and then reserve once again the right of reply later. But here Government has not chosen to do so, nor has the hon. Member asked that Government should intervene.

Shri Syamnandan Sahaya: I thought that the hon. Minister was just replying...

Shri Gadgil: You speak on.

Shri Syamnandan Sahaya: The amendment moved by Mr. Kapoor appears in my opinion to be a very sound one. The new clause proposed by Mr. Venkataraman, could only have the meaning that it will relate to matters connected with the Act, and the injuries contemplated under this Act. If we look at the language used in the amendment, it will appear that it has a wider scope. I have no doubt in my mind that the hon. Minister also does not propose to bring in anything in the Act which may have, even wrongly, an interpretation of being wider than what the Act itself contemplates. The suggestion, therefore, in the amendment of Mr. Jaspal Roy Kapoor that the words "under this Act" be substituted for the words "in respect of personal injuries caused to the person employed or apprenticed by the negligence of persons in common employment with him" is most proper. The whole purpose of this amendment is that the employer might not be able to use undue influence, and even sometimes, coercion and threat, in order to secure a term or condition in the agreement of employment that the employee will not be entitled to the relief that he would otherwise be entitled to under this Act in the case of injuries. That, if I may submit, must be the purpose behind this amendment of Mr. Venkataraman. So far as that goes, there are no two opinions. All that we desire to submit is that nothing should be done to enlarge the scope, and therefore, the putting in of the words "under this Act", in my opinion, would meet the requirements of the case.

Shri J. R. Kapoor: It is all embracing.

Shri Syamnandan Sahaya: Perhaps, the amendment has not been carefully scrutinised by the hon. Minister and may have therefore difficulty in accept-

[Shri Syamnandan Sahaya]

ing it. I am therefore making a suggestion for his consideration that the words "under this Act" may be added, without replacing anything.

Shri J. R. Kapoor: At the end.

Shri Syamnandan Sahaya: At the end or even in the middle, the entire amendment of Mr. Venkataraman remaining as it is. I would suggest that the words 'under this Act' may be inserted at the place which I am pointing out. The new clause may read as follows:

"Any provision contained in a contract of service or apprenticeship, or in an agreement collateral thereto, shall be void in so far as it would have the effect of excluding or limiting any liability of the employer under this Act in respect of personal injuries caused to the person employed or apprenticed by the negligence of persons in common employment with him."

The words 'under this Act' are added after the word "employer". That would meet the requirements of the case. It would also meet the desire of the hon. Member who has moved this amendment and I have no doubt that it will not interfere in any way with the views which Government have in passing this amending Bill.

Shri J. R. Kapoor: Speaking for myself, it would be perfectly acceptable to me.

Shri Gadgil: I do not understand my hon. friend Mr. Jaspal Roy Kapoor when he says that the original amendment is itself out of order and yet he wants to propose an amendment to that amendment.

Shri J. R. Kapoor: To make it in order.

Shri Gadgil: Even then, it does not make it in order according to you because it extends the whole scope. The point is that the present amendment as moved by Mr. Venkataraman is an exact reproduction of sub-section (3) of section 1 of the corresponding Act in Britain. The position is, that having provided that this defence of common employment should not be available, it is necessary that no party for whose benefit this statutory provision has been made, should contract itself out of the same. In order to make the thing perfectly fool-proof, so to say, the provision in the English Act was incorporated. That is the reason why, I said, that Government is prepared to accept the amendment that was tabled

in the name of Dr. R. U. Singh. The amendment suggested by the hon. Mr. Jaspal Roy Kapoor is something which I cannot understand. In the first place, if what he suggests is deleted, I want to know out of what the party is going to contract out. The very preamble of the original Act of 1938 says:

"Whereas it is expedient to declare that certain defences shall not be raised in suits for damages in British India in respect of injuries sustained by workmen".

The contract can only relate to personal injuries suffered in the course of employment and when a suit for compensation is instituted, this defence of common employment should not be available. Therefore, the really important part of the whole amendment is sought to be deleted by my hon. friend.

Secondly, if for these words the words "under this Act" are substituted, the whole thing becomes meaningless. To limit any liability of the employer under this Act there is no liability for the Employer under this Act. The *raison d'être* of the whole Act is that certain defences are barred. The monetary liability to pay damages occurs under the ordinary law of Tort or under the Workmen's Compensation Act. Nothing like paying off damages is provided under this Act. For these reasons, I am unable to accept the amendment moved by my hon. friend Mr. Jaspal Roy Kapoor to the amendment of Mr. Venkataraman, which amendment I am prepared to accept.

Shri Syamnandan Sahaya: What about the insertion of the words 'under this Act' as I suggested? After all, this is just an amendment and I have a right to move an amendment. I suggested that the words 'under this Act' may be introduced after the word 'employer' and before the words 'in respect of'.

Shri Sidhva: He is not accepting that.

Shri Syamnandan Sahaya: I do not know what he will be pleased to say; I do not know whether he has applied his mind to this amendment.

Shri Gadgil: I have said all what I have to say.

Mr. Deputy-Speaker: May I ask why this was not introduced in the original Act of 1936? Was there any special reason why it was not included? This does not arise newly now. They may have said, "Notwithstanding any contract to the contrary, such defences..... etc."

Shri Venkataraman: May I explain, Sir? In the Workmen's Compensation Act, there is a similar provision. It must have been an oversight.

Mr. Deputy-Speaker: I shall put the amendment; it is a question for the House whether to accept it or not.

Shri J. R. Kapoor: I would request the Chair to be pleased to give a ruling whether the amendment as it is, is in order or not because it extends its scope.

Mr. Deputy-Speaker: I no doubt agree that this does not arise out of the amendment or this Bill. This might have equally been part of the original Act itself of 1938.

Shri J. R. Kapoor: That being so, it cannot be pressed now.

Mr. Deputy-Speaker: Government may bring forward any Bill at any time. It is not such an important part for which a new Act has to be brought. After all, it is for the House in such matters to decide. It would be for the House to accept or reject; it is not for the Chair to rule out any portion. He can put it to the House and it is left to the House to accept or reject it.

Shri J. R. Kapoor: I would very much like to know, Sir, whether it is the Chair's ruling that when a point of order is raised to this effect whether a particular amendment is within or without the scope of the Bill, it is for the House to decide and not for the Chair to give a ruling. I do not know; but my impression was that on such questions it is for the Chair to decide whether a particular amendment is admissible or not, whether it comes within the scope of a Bill or not. But, if it is your ruling, Sir, of course, we shall bow to it. But the precedents, so far as I know—I speak subject to correction—hitherto, have always been that when an amendment is considered by the Chair to be out of the scope of the Bill, it is declared to be inadmissible.

Mr. Deputy-Speaker: All that I can say is that it is open to Government to have introduced this clause also in the original Act and the hon. Member would not have objected now, saying that it is not within the scope of the Bill.

Shri J. R. Kapoor: In that case we might have applied our minds seriously to it and besides certain preliminaries would have had to be undergone.

Shri Ramalingam Chettiar (Madras): Government can bring forward its Bill, but then, Sir, it means that it will have to be published, objections

will have to be received. People will go through the provisions contained in the Bill and make representations if they want to do so. It is only after all this that a Bill can come here for consideration. But if by the side door, as it were, anything can be introduced in a Bill that is under consideration, that I am afraid would be a dangerous precedent. So far as this particular thing is concerned, I do not oppose it. But the ruling is too wide and I fear it cannot be taken as correct.

Mr. Deputy-Speaker: I have not given any ruling for all these remarks. All that I am saying is that so far as this matter is concerned I raised a doubt—and the Privy Council itself raised a doubt—that impliedly there might be an understanding that this risk has been avoided. And when expressly that risk is taken up, it is only an extension of this implied avoidance of the risk. Expressly it is said that these people have to be guarded against themselves. This might have been put in the original Act or brought in the Bill. This is so absolutely and intimately connected with the subject matter of the amendment that I find that it is absolutely in order. There are also precedents for this. It has been stated that the thing is so intimately connected with the object or the other provisions of a Bill that it ought not to be thrown out as being foreign to the scope of the Bill. In such matters ordinarily the Speaker of the Chair does not take the responsibility to rule it out or to say what portion is beyond the jurisdiction of the House or the scope of the particular Bill. It leaves it to the House. After all the Speaker's voice is only one and the voice of the House must prevail. He only speaks on behalf of the House. It is open to the hon. Member to convince the other Members of the House.

As regards notice, if there had been any question of referring the matter to public opinion or sending it to a Select Committee, then we could easily understand that the public are so very anxious about the matter throughout the country that we should not go without their opinion. But here nobody has interested himself over this Bill. There has been nothing in the Press even. Under these circumstances, let us not spend any more time over this. I will put the amendment to the House.

Shri Syamnandan Sahaya: What is the objection of the hon. Minister to my suggestion?

Mr. Deputy-Speaker: The hon. Member need not raise it over and over again. It is equally open to the hon. Minister not to agree. I am unable to

[Mr. Deputy-Speaker] understand such interruptions. Can the hon. Member force the Minister to give the reason? There should be some decorum observed in these matters.

Shri Syamnandan Sahaya: It was only a request.

Mr. Deputy-Speaker: But how many times is a request to be made? I can understand it being made once, twice but not perpetually so as to interrupt the work of the House.

Well, I shall now put the amendment of Shri R. U. Singh, now moved by Shri Venkataraman to the House.

The question is:

After clause 2, add:

"3. Insertion of new section 3A in Act XXIV of 1938.—After section 3 of the said Act, the following section shall be inserted namely:—

"3A. Any provision contained in a contract of service or apprenticeship, or in an agreement collateral thereto, shall be void in so far as it would have the effect of excluding or limiting any liability of the employer in respect of personal injuries caused to the person employed or apprenticed by the negligence of persons in common employment with him."

The motion was adopted.

Mr. Deputy-Speaker: Then we come to Mr. Kapoor's amendment.

Shri J. R. Kapoor: When Mr. Venkataraman's amendment has been carried, mine need not be put, Sir. It should have been put at first. Now it is immaterial whether it is put or not.

Mr. Deputy-Speaker: The question is:

"That new clause 3 stand part of the Bill."

The motion was adopted.

New clause 3 was added to the Bill.

Clause 1.—(Short Title)

Amendment made:

In clause 1, for "1950" substitute "1951".

—[Shri Gadgil].

Clause 1, as amended, was added to the Bill.

The Title and the Enacting Formula were added to the Bill.

Shri Gadgil: I beg to move:

"That the Bill, as amended, be passed."

Mr. Deputy-Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

RESERVE BANK OF INDIA (AMENDMENT) BILL

The Minister of Finance (Shri C. D. Deshmukh): I beg to move:

"That the Bill further to amend the Reserve Bank of India Act, 1934, as reported by the Select committee, be taken into consideration."

Before coming to the main features of the amendments made by the Select Committee, I should like to take this opportunity of expressing my appreciation of the valuable assistance given by the members of the Committee towards improving the Bill. Although this is not reflected in the Select Committee's Report, the discussions ranged over a wider field than was strictly necessary for the purposes of the Bill and touched upon such topics as the future of the Imperial Bank, or the better organisation of rural credit. I shall refer briefly to these topics a little later.

As I explained on the last occasion, the objects of the Bill before the House are of a limited character, namely, to effect certain amendments to the Reserve Bank of India Act which have become necessary in view of the changed constitutional position, particularly by the financial integration of Part B States, and in view of the experience gained by the Reserve Bank in the course of its operations. The Select Committee, while keeping these considerations in mind, have made several improvements in the Bill. Changes of substance proposed by them have been explained in the Report of the Select Committee and I shall confine my remarks to the more important of these changes.

The first important change made by the Select Committee is with regard to clause 6(2) of the Bill extending the usage of eligible agricultural paper under section 17(2)(b) of the Reserve Bank of India Act, from twelve months as proposed in the Bill, to 15 months. The consensus of opinion in the Committee was that while a period of

twelve months was normally sufficient for the purpose of financing seasonal agricultural operations or the marketing of crops, certain crops such as sugarcane required a longer period to mature and that it was, therefore, necessary that the Reserve Bank should be empowered to discount bills having a maturity up to 15 months. As I already pointed out in making my motion for reference of the Bill to the Select Committee, the period is not intended to cover the entire phase of agricultural operations, that is to say, from the purchase of seed and manure and tilling of the land till the crop is finally marketed, but only for the period the finance is required from the Reserve Bank. However, in order to meet the possible special requirements of certain crops, the maximum period has now been extended to fifteen months. As now proposed to be amended, I trust that Section 17(2)(b) of the Reserve Bank of India Act will prove to be of further usefulness in making finance available from the Reserve Bank to the co-operative movement for seasonal agricultural operations. I may mention in this connection that the Reserve Bank of India rediscounts agricultural bills for the state co-operative banks at the very low rate of discount of one and a half per cent.

The next important change made by the Select Committee is with reference to Clauses 8, 9, and 10 of the Bill. Under Article 283(2) of the Constitution, it has been provided that the custody of the Consolidated Fund of a State, the payment of moneys into such funds, the withdrawal of moneys therefrom, the custody of public moneys other than those credited to such funds received by or on behalf of the Government of the State, their payment into the public account of the State, and the withdrawal of moneys from such account and all other matters connected with or ancillary to matters aforesaid shall be regulated by law made by the Legislature of the State and until provision in this behalf is so made, shall be regulated by rules made by the Governor or Rajpramukh of the State. The Committee had to consider clauses 8 and 9 of the Bill as originally introduced in the light of this Constitutional position. Since the existing position in regard to Part A States is that under the present law the custody of their cash balances and the banking transactions are entrusted to the Reserve Bank and are governed by agreements entered into between them and the Bank, the Committee have amended clauses 8 and 9 of the Bill so as to confine the operation of Sections 20 and 21 of the

Reserve Bank of India Act to Part A States and thus continue the existing position. As regards Part B States, the Committee considered it advisable, in view of the provisions of the Constitution, that the terms of their banking transactions with the Reserve Bank should be left to be negotiated between the Bank and the Government of the relative Part B States, and have inserted a new clause 10 authorising the Reserve Bank to transact the banking business of the Governments of Part B States on agreement with them. I may mention in this connection that the entire question of treasury arrangements in Part B States was recently examined by the Rural Banking Enquiry Committee appointed by the Central Government and the recommendations of the Committee are now being examined by the Government in consultation with the Reserve Bank.

I should, at this stage, like to refer to the discussion in the Select Committee with regard to clause 13 of the Bill. The Committee felt, while approving the substitution of the term "sterling securities" by "foreign securities", that the existing provisions of Section 33(6) of the Act were too wide and that a suitable amendment to the section should be promoted in consultation with the Reserve Bank. Section 33(6) of the Act provides that "foreign securities" which may be held as part of the assets of the Issue Department of the Reserve Bank shall be securities of the following kinds payable in the currency of any foreign country which is a member of the International Monetary Fund. I need not quote all that. It takes into account (a) balances at the credit of the Issue Department with the Bank which is the principal currency authority of that country, or, if there is no such Bank, with any bank incorporated in that foreign country.

The point was made in the Committee whether the types of securities which may be held by the Issue Department of the Reserve Bank should not be defined in greater detail. My object in referring to the section is that the matter is somewhat complicated and involves a question of principle which has a bearing on the operations of the Reserve Bank. So we decided that the matter should be examined in consultation with the Reserve Bank, and a suitable amendment should be promoted later, if considered advisable. Sometimes it may happen that exchange is paid in the Banking Department and then some of it may have to be transferred to the Issue Department, so that the Banking Department cannot accommodate that. So the question has to be examined somewhat more carefully.

[Shri C. D. Deshmukh]

I shall now come to the changes made by the Committee in clause 14 of the Bill relating to the weekly returns to be submitted by the Scheduled Banks under Section 42 of the Reserve Bank of India Act. The main change made by the Committee in the clause is the extension of the period prescribed for the submission of the returns from two working days to five days. That was in response to the representation made by the Indian Banks Association that that period was found in practice to be too short and involved avoidable expenditure for the banks by way of telegraphic charges for obtaining the necessary information from their branches. In view of this consideration and having regard to the fact that the Bill proposes to enlarge the scope of the returns by calling for additional information relating to investments, money at call and short notice and balance with banks, the Committee proposed that the period should be extended to five days to enable the Banks to obtain information from their branches by post. At the same time in order to obviate the difficulties which any particular bank might experience owing to the geographical position of its head office or branches, it was provided that a provisional return may be submitted within five days, pending the submission of the final return within ten days from the period to which it relates. It is hoped that the fuller information that will be available will compensate for the delay, if any, in the submission of the returns by banks under the proposed amendment. At present, the weekly return of the Scheduled Banks relating to a particular Friday is usually published on the succeeding Friday, and ordinarily, it should be possible to continue the present practice even after the proposed amendment is passed. It is therefore aimed at the exceptional rather than the general case.

As a result of the discussions on the changes proposed to be made in section 42(2), the Select Committee have made an amendment in section 44 of the Act which relates to the submission of returns by State Co-operative Banks. At present, the power of the Reserve Bank to call for returns from State Co-operative Banks is restricted only to such of these Banks as have transaction with the Reserve Bank under Section 17 of its Act. The Committee thought it desirable that the Reserve Bank should be empowered to call for returns from all State Co-operative Banks whether they have transactions with the Reserve Bank or not, and therefore a new clause 15 has been added.

I now come to clause 17, which continues the present position of the Imperial Bank as the sole agent of the Reserve Bank in Part A and Part C States. As I said before, the whole question of treasury arrangements in Part B States was recently examined by the Rural Banking Enquiry Committee and their report is being considered by Government in consultation with the Reserve Bank. But until a decision is taken, obviously the existing arrangements would continue in Part B States, and in the meantime the right of the Imperial Bank to be the sole agent of the Reserve Bank will be confined to Part A and Part C States.

Lastly I would invite the attention of the House to the reference I made in my speech on the 21st November 1950 to the need for amending section 7(3) of the Act to enable the Governor to delegate to a Deputy Governor the powers vested in him under the Act. I did not, however, move any amendment at the Select Committee stage on the ground that the powers which vest in the Governor under section 7 were challenged in the Bombay High Court in connection with the affairs of the Exchange Bank of India and Africa (in liquidation). That case has since been decided by the Court on the basis of a compromise and I think it would be best if we now carry out not only the amendment regarding the delegation of powers to the Deputy Governor but also remove the ambiguity regarding the Governor's position and make it unequivocally clear that the Governor has full power to decide whether a special occasion as contemplated under section 18(1) has arisen, making it necessary or expedient for the Governor to act under that sub-section for the purposes of regulating credit in the interests of Indian trade, commerce, industry and agriculture. That sub-section, it may be recalled, was amended by the Reserve Bank Nationalization Act, 1948. Before the amendment, that sub-section provided that the formation of the opinion under section 18 could be done by the Central Board or by a Committee of the Central Board or by the Governor, if the powers are delegated to them by the Central Board, which was the case under the regulations then in force. Sub-section (3) of section 7 which was introduced under the Nationalisation Act, 1948, was intended to vest the Governor with full powers to transact all the business of the Bank which was transacted by the Central Board, and at that time it was thought that the functions under section 18(1) would also be available to the Governor, even after the Central

Board was brought into existence. Indeed my predecessor contemplated introducing an amendment in order to make a consequential change in section 18(3), but he did not move it as he thought that the law was clear enough in the sense mentioned. Unfortunately, an ambiguity did remain which became apparent only when the interpretation was challenged in the court. I am therefore going to move an amendment in order both to amend section 7(3) and make the consequential change in section 18(1) so that the Governor could in the case of an emergency exercise, as he must, the powers under section 18(1) without waiting for a meeting of the Central Board being convened for the purpose. It is also intended that the amendments to section 7(3) and section 18(1) should be retrospective from the 1st of January 1949, that is the date from which the original amendments to section 7 were effective.

Certain other minor amendments, more or less of a consequential nature, will also be moved when the Select Committee's report is taken into consideration.

So far as the Bill is concerned, that is all that I would have to say.

There are only two other points which I would like to refer to. One is that in connection with the Imperial Bank of India we have now received the recommendations of the Reserve Bank and after we are free of our immediate preoccupations it is our intention to examine them and to see what kind of amendment is called for in the Act relating to the operations of the Imperial Bank. As regards the other question which is in a sense connected, at least in the minds of some people, namely the organisation of

agricultural credit, at my instance the Reserve Bank had called a conference which I think has met now.

Shri Sidhva (Madhya Pradesh):
Conference of whom? -

Shri C. D. Deshmukh: I am going to say. It includes a large number of people who ought to know something about rural finance. It has particularly experts from Madras and Bombay, because I thought the idea was that if the Reserve Bank studied the problem with particular reference to some States then their conclusions could be extended with necessary modifications to other parts. The chairman of the conference was Prof. D. R. Gadgil who, it may be remembered, was chairman of the Rural Credit Enquiry Committee. Then it contains Shri Manila Nanavati, President of the Indian Society of Agricultural Economics, who had been a Deputy Governor of the Reserve Bank and is a Director now. Shri Ramalingam Chettiar, Shri Saraiya, Chairman of the Bombay Provincial Co-operative Bank, and a large number of other people—about fourteen or fifteen. Their terms of reference also are very wide. I shall be looking forward to the recommendations of this Committee with great interest and it may be then that we shall be able to hammer out something in the direction of organising rural credit.

Mr. Deputy-Speaker: Motion moved:

"That the Bill further to amend the Reserve Bank of India Act, 1934, as reported by the Select Committee, be taken into consideration."

The House then adjourned till a Quarter to Eleven of the Clock on Wednesday, the 21st February, 1951.