

PARLIAMENT LIBRARY

No.

Date.....

PARLIAMENTARY DEBATES

(Part I—Questions and Answers)

OFFICIAL REPORT

VOLUME I, 1952

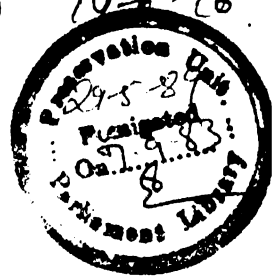
(6th February to 5th March, 1952)

Fifth Session

of

PARLIAMENT OF INDIA

1952



CONTENTS

Volume I—From 6th February to 5th March, 1952

	<i>Columns</i>
Wednesday, 6th February, 1952—	
Members Sworn	5
Oral Answers to Questions	1—23
Written Answers to Questions	24
Friday, 8th February, 1952—	
Oral Answers to Questions	25—46
Written Answers to Questions	46—52
Monday, 11th February, 1952—	
Oral Answers to Questions	53—72
Written Answers to Questions	72
Tuesday, 12th February, 1952—	
Oral Answers to Questions	73—100
Written Answers to Questions	100
Wednesday, 13th February, 1952—	
Oral Answers to Questions	101—109
Written Answers to Questions	109—110
Thursday, 14th February, 1952—	
Oral Answers to Questions	111—129
Written Answers to Questions	129—130
Friday, 15th February, 1952—	
Oral Answers to Questions	131—144
Written Answers to Questions	144—146
Monday, 18th February, 1952—	
Oral Answers to Questions	147—158
Written Answers to Questions	158—160
Tuesday, 19th February, 1952—	
Oral Answers to Questions	161—186
Written Answers to Questions	186—188
Wednesday, 20th February, 1952—	
Oral Answers to Questions	189—216
Written Answers to Questions	216—222
Thursday, 21st February, 1952—	
Oral Answers to Questions	223—244
Written Answers to Questions	244—246
Friday, 22nd February, 1952—	
Oral Answers to Questions	247—281
Written Answers to Questions	281—288
Monday, 25th February, 1952—	
Oral Answers to Questions	289—323
Written Answers to Questions	323—332

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

111

PARLIAMENT OF INDIA

Thursday, 14th February, 1952

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

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS
REHABILITATION OF DISPLACED PERSONS

*77. **Shri Raj Kanwar:** Will the Minister of Rehabilitation be pleased to state:

(a) the total number of displaced persons from (i) West Punjab (ii) Sind and (iii) East Bengal rehabilitated in India so far;

(b) the corresponding approximate number of those still remaining to be rehabilitated; and

(c) the estimated amount required for the rehabilitation of the remaining displaced persons and the period likely to be taken in the completion of the work at the present rate?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) to (c). Attention of the hon. Member is invited to my reply to Starred Question No. 1312, by Dr. Ram Subhag Singh, on 9th February, 1951. For the reasons stated therein, it is also difficult to answer part (c) of the question in precise terms. The estimated expenditure during the next year is likely to be Rs. 33.3 Crores.

Shri Raj Kanwar: May I know whether there are any new housing schemes in contemplation for the benefit of displaced persons, and if so, what are they?

Shri A. P. Jain: We decided to build houses for what we call category A persons, namely persons who were living under canvass, or who were
384 PSD

112

squatting on the road side or on public lands, or who were living in *dharma-shalas* and religious places, or squatting in Government quarters. That phase of our programme has been largely completed. For the time being, we propose to complete the remaining part of it.

Shri Raj Kanwar: What is the latest date by which it is hoped that every displaced person will be suitably housed?

Shri A. P. Jain: I have stated times out of number in this House that in a matter like rehabilitation, at least for a person like me, it is not possible to fix dates for everything.

Shri Raj Kanwar: What is the approximate number of displaced persons who have not been able to find gainful employment?

Shri A. P. Jain: That, again is a very difficult question to answer. We have got statistics of persons for whom we have found employment by obtaining services. We have also statistics of persons to whom we have advanced loans under the Small Loans scheme and under Rehabilitation Finance Administration loans. We have also got figures of persons to whom we have given training. But, when people on such a large scale are involved, it is impossible to say how many of them have made good use of the benefits given by us and how many of them have not.

Shri Kamath: Is it a fact that the policy of Government with regard to these displaced persons is not to give them adequate or commensurate compensation for their property left behind in Pakistan, but only to rehabilitate them? Has the question of compensation been given up finally?

Shri A. P. Jain: I would request the Chair to consider whether this question arises from the question.

Shri Kamath: Rehabilitation; I think it is covered.

Mr. Speaker: The question was also dealt with in this House recently.

Shri A. C. Guha: In what States the displaced persons from West Pakistan and East Pakistan have been generally rehabilitated and what is the number in those States?

Shri A. P. Jain: I think practically in all the States of India displaced persons from West Pakistan and East Pakistan have been generally rehabilitated.

Shri Kamath: With regard to displaced persons covered by part (a) of the question Sind, West Punjab and East Bengal, how much money approximately has been spent on their rehabilitation and how much on compensation to them?

Shri A. P. Jain: We have not spent any money on compensation. On rehabilitation and relief we have spent about 147 crores.

Shri M. Naik: May I know how many of these displaced persons have been rehabilitated in agriculture?

Shri A. P. Jain: As for displaced persons from West Pakistan, under the quasi permanent Land Allotment scheme in the Punjab and PEPSU, evacuee land measuring 24,33,000 standard acres of land have been allotted to 5.77 lakh persons. The number of persons who have actually taken possession of the land allotted is 3.76 persons. Besides this, in States outside the Punjab and PEPSU, another 50,000 persons coming from West Pakistan have been given land. As regards displaced persons coming from East Bengal, 2,83,920 families comprising 14,19,600 persons have been given rural benefits in West Bengal, 10,448 families comprising 52,240 persons have been given rural benefits in Assam, and 17,583 comprising 87,915 persons have been given rural benefits in Cachar. Altogether 16,41,422 persons coming from East Bengal have been given rural benefits in all the States.

Shri A. C. Guha: May I know what the hon. Minister means by rural benefits? Does he mean that these people have been agriculturally rehabilitated?

Shri A. P. Jain: Rural benefit means that either the person is given a plot of land together with a hutment or money for building a hutment, some money for buying bullocks, agricultural implements, seed, etc., or he is rehabilitated as a small shop-keeper or artisan in a village.

Shri A. C. Guha: What is the average acreage of land given to these agricultural families for agricultural purposes, not for residential purposes?

Shri A. P. Jain: I want notice of the question.

Mr. Speaker: Next question.

Shri A. C. Guha: May I know...

Mr. Speaker: I am calling the next question.

CUSTODIAN GENERAL'S DEPARTMENT

***78. Shri Raj Kanwar:** Will the Minister of Rehabilitation be pleased to state:

(a) the personnel of the Custodian General's Department;

(b) the total number of properties taken over by the Department and the approximate value of such properties; and

(c) the total rent collected so far by the Department on such properties?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) A statement showing the existing sanctioned strength of the office of the Custodian General is laid on the Table of the House. It will not be possible to collect the sanctioned strength of the Custodians' Offices all over India without considerable expenditure of time and labour, which will not be commensurate with the results achieved.

(b) A whole-time Chief Settlement Commissioner and staff under him both in the States and at the Centre have been appointed to make an evaluation of the evacuee property and the figures of the value of property will be available after this work is completed. The total number of properties declared evacuee up-to-date is being ascertained.

(c) The information is being collected and will be laid on the Table of the House.

STATEMENT

The existing strength of the Office of the Custodian General of Evacuee Property, New Delhi.

Sl. No.	Designation of post	No. of posts sanctioned
1	2	3
GAZETTED		
(1)	Custodian General.	1
(2)	Deputy Custodian General.	1
(3)	Deputy Asstt. Custodian General.	1

1	2	3
(4) Registrar.		1
(5) Private Secretary to Custodian General.		1
NON-GAZETTED		
(1) Superintendent.		1
(2) Reader.		1
(3) Completion Clerks.		3
(4) Judgment Writer.		1
(5) Stenographers.		3
(6) Inspectors.		2
(7) Assistants-in-charge.		2
(8) Accountant.		1
(9) Assistants, Upper Divn: Clerks.		18
(10) L. D. Cs. and Machine Operators.		23
CLASS IV SERVANTS		
(11) (Daftries, peons, Jamadar, Farsah, Chowkidar, and sweeper).		27

Shri Raj Kanwar: What is the total amount of rent in arrears which remains to be realised and may I know what steps are taken to realise the same?

Shri A. P. Jain: I shall be in a position to give the figures after I have collected the figures referred to in part (c) of the question. As for realisation, we are trying to recover as much of the rent as possible. We cannot, however, forget that some of these displaced persons are in difficult conditions and we cannot take too strict an action against them.

Shri Raj Kanwar: Are there still any properties which are yet to be taken over by the Custodian General, and if so, what will be their number?

Shri A. P. Jain: There may be some properties which have not yet been taken over. I am not in a position to state what their number would be.

Shri Raj Kanwar: When is this department likely to finish its labours?

Shri A. P. Jain: This again is a question of the same nature. We are trying to do our best to complete the work as soon as possible.

Shri Kamath: Is there any truth in the reports that appeared in a section of the press that after the exit of Mr. Achchru Ram, certain employees of his department were dismissed, or to use a popular term, victimised?

Shri A. P. Jain: That is totally false.

CLOTH FOR BIHAR

***79. Shri Jnani Ram:** Will the Minister of Commerce and Industry be pleased to state:

(a) the total quantity of cloth allotted and supplied to Bihar from July to December, 1951; and

(b) the quantity required during that period?

The Minister of Commerce and Industry (Shri Mahtab): (a) Allotted—115,080 standard bales of 1500 yards each. Despatched—133,665 standard bales of 1500 yards each.

(b) The Bihar Government had not intimated any specific quantity of cloth required by them, but the monthly mill cloth quota due to Bihar on the basis of quotas fixed for all the States in December, 1948, computed in accordance with the 1941 census is 22,700 bales.

Shri Jnani Ram: Is it a fact, that coarse cloth is in great demand in this area?

Shri Mahtab: That is a fact not only with regard to Bihar but with regard to many other States. As I have explained already on the floor of the House in reply to previous questions, medium and coarse cloth are in great demand and the production is not enough because of the want of Indian cotton.

Shri S. N. Das: May I know what are the percentages of superfine and fine, medium and coarse cloth in these allotments?

Shri Mahtab: These figures are not with me here, but I remember having given them in reply to previous questions.

Shri S. N. Das: May I know whether Government are aware that even now in the State of Bihar people are compelled to buy unpopular cloth together with popular cloth?

Shri Mahtab: That I do not know; but the facts are there as I have stated them.

DISPLACED PERSONS FROM EAST PAKISTAN

***80. Shri Jnani Ram:** Will the Minister of Rehabilitation be pleased to state:

(a) the number of displaced persons from East Pakistan rehabilitated in India up till December 1951; and

(b) the States where they have been rehabilitated?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) Attention of the hon. Member is invited to

the answer given by me to Question No. 1312 by Dr. Ram Subhag Singh on the 9th February, 1951.

(b) West Bengal, Bihar, Assam, Orissa, Tripura, Manipur, Uttar Pradesh and Andamans.

Shri Jnani Ram: May I know the number of persons who have gone away from these rehabilitation camps?

Shri A. P. Jain: I do not have the figures of these persons; nor do I think it possible to collect them.

EXPORT DUTY ON PEPPER

*81. **Shri Iyyunni:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether a change has been effected in the export duty in respect of pepper to be exported to foreign countries; and

(b) whether the export of pepper has now decreased?

The Minister of Commerce and Industry (Shri Mahtab): (a) and (b). The answer is in the negative.

Shri Iyyunni: May I know what are the reasons which induced Government to effect a change in the export duty on pepper?

Shri Mahtab: There has been no change. I said the answer is in the negative.

Shri Joachim Alva: Since the Middle-East countries are great importers of pepper what steps are Government taking to popularise the export of pepper to those countries?

Shri Mahtab: According to our information America is one of the greatest consumers of pepper. I do not know whether there is great demand in the Middle-East or not. If there is, it is the duty of the traders to find it out and carry on the trade.

Shri Iyyunni: May I know whether the price of pepper has gone down?

Shri Mahtab: I think it has.

Shri Iyyunni: To what extent?

Shri Mahtab: I have got here the figures of prices for the last several years and I can read them out, but it will take time.

Shri R. Velayudhan: May I know whether the old duty on pepper is still continuing?

Shri Mahtab: Yes.

Shri R. Velayudhan: And may I know whether this duty is responsi-

ble for the present fall in the price of pepper?

Shri Mahtab: I don't think so.

Shri R. Velayudhan: Then what are the reasons for this fall in the price of pepper?

Shri Mahtab: I think the price is being controlled by the ordinary laws of supply and demand—the ordinary economic theory. The duty has nothing to do with it.

VIZAGAPATNAM SHIP-BUILDING YARD

*82. **Shri Alexander:** Will the Minister of Works, Production and Supply be pleased to state:

(a) whether it is a fact that the Vizagapatnam ship-building yard is to be taken over by the Government of India and whether it is to be managed directly by Government or by any other agency;

(b) if it is to be managed by an agency, what are the main features of the agreement between the agency and Government and the basis of distribution of capital between Government and the agency; and

(c) whether the work in the yard is now suspended and if so, when it is to be resumed?

The Deputy Minister of Works, Production and Supply (Shri Buragohain): (a) and (b). A private limited Company, the Hindustan Shipyard Ltd., which was incorporated and registered at Delhi on the 21st January 1952, will effectively take over the yard on the 1st March 1952. The Board of Directors of the Company will consist, for the time being, of four nominees of Government, including the Chairman, and two nominees of the Scindia Steam Navigation Company Limited. In this company Government will have a controlling two-third interest and Scindia the remainder.

(c) The work is not suspended.

Shri Alexander: May I know whether the subsidy hitherto being paid to the shipyard will be continued?

Shri Buragohain: No subsidy was being given to this shipyard. Government only placed orders with them for building certain number of ships in two batches. Altogether orders were placed for six ships.

Shri Dwivedi: Is any compensation likely to be paid to the present owners?

Shri Buragohain: The proposal is to take over the assets of the yard at actual cost, after deduction depreciation of all kinds.

Shri S. N. Das: May I know the names of the Directors appointed by Government?

Shri Buragohain: Government appointed four directors—Shri N. R. Pillai, I.C.S., Chairman, Shri R. L. Gupta, I.C.S., Managing Director, Shri K. R. P. Aiyengar, Director and Capt. A. H. T. Hunt, Director.

Shri Kamath: Is there any proposal before Government to invite Japanese ship-builders to advise India in the ship-building industry?

Shri Buragohain: There is no such proposal before Government. But it is the intention of Government to convert this private limited company into a public limited company within one year. Negotiations are also taking place to associate a French firm of naval experts in the operation, management and functioning of this company.

Shri Kamath: And no Japanese experts?

Shri Buragohain: No.

Shri A. C. Guha: Do the Government expect that after the conversion of the company into a public limited company, the cost of ships built by the company will compare favourably with those built by foreign countries? Will the ships built by this company be cheaper than the ships built now?

Shri Buragohain: In due course it will be economical. At present there are only two berths completed and the third is in the course of completion. There are proposals to have as many as eight berths. When all these are completed, in due course, I think the price of ships built here will be comparable to the price of ships built in foreign countries.

Shri A. C. Guha: When do Government expect all the eight berths to be completed?

Shri Buragohain: I am afraid I cannot give an idea off-hand.

Shri Kamath: Is it not a fact that Japan has a better reputation for building cheaper ships than any country in the West?

Shri Buragohain: I am afraid I cannot answer that question.

Shri M. Naik: In what proportion is the capital proposed to be shared

by Government and the company in this concern?

Mr. Speaker: He has said in the answer that it will be in the ratio of two-thirds and one-third, I think.

Shri Buragohain: Yes, Sir, that is so.

Shri R. Velayudhan: May I know whether any Japanese ship-builders or experts had offered to build ships at a cheaper cost than what is being proposed now?

Shri Buragohain: Not to my knowledge, so far as this company is concerned.

Shri A. C. Guha: The hon. Minister has stated that within one year with the collaboration of the French experts, they expect this shipyard to be converted into a public limited company. Could the hon. Minister give us some idea of the terms entered into with these French experts?

Shri Buragohain: Negotiations are taking place and therefore I mentioned this fact. They are not yet finalised.

Shri Amolakh Chand: What is the number of ships built by this company and what is the number of ships that are now under completion with the company?

Shri Buragohain: The company has not yet started functioning. It will start functioning from the 1st of March next. So far eight ships have been built in the yard up to this year, two each year during the past 4 years since 1948.

CHANDMARI CAMPS

*86. **Shri A. C. Guha:** Will the Minister of Rehabilitation be pleased to state:

(a) the number of displaced persons in the Chandmari (Kanchrapara, West Bengal) Group of camps;

(b) the longest period for which a displaced person has been kept in those camps;

(c) the nature of relief given to them; and

(d) whether there is any scheme for their rehabilitation?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) 2,618 persons.

(b) The inmates of the camps are permanent liabilities, and many of

them are continuing to live in the camp since it was started in August 1948. Others have come later.

(c) A monthly dole of Rs. 12/- per adult and Rs. 8/- per child of less than 12 years age and clothes, blankets, free medical aid, free residence and light and marriage grants in case of marriageable girls. The inmates are at liberty to supplement their income by earning through work.

(d) There is no specific scheme for their rehabilitation, but those who are capable of receiving training are proposed to be given training.

Shri A. C. Guha: May I know how many camps are there in the Chandmari group of colonies?

Shri A. P. Jain: I have no ready information with me on that point.

Shri A. C. Guha: My information is that there are four camps. May I know how many of the inmates are permanent liability persons?

Shri A. P. Jain: The whole of that camp is a permanent liability camp.

NILDARPAN COLONY

*87. **Shri A. C. Guha:** Will the Minister of Rehabilitation be pleased to state:

(a) the number of families and individual displaced persons already accommodated in the Nildarpan Colony (24 Parganas—West Bengal);

(b) how many *bighas* of land have so far been purchased;

(c) if it has been purchased from a third party land-broker, what percentage of profit has been allowed to him; and

(d) whether Government have satisfied themselves that the price given for the land was not far above the prevailing price?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) 207 families consisting of about 1000 displaced persons.

(b) About 100 *bighas*.

(c) No third party land-brokers were involved in the transaction.

(d) Yes. Government are satisfied that the price paid is fair.

Shri A. C. Guha: May I know what is the price paid for each *bigha* of land?

Shri A. P. Jain: Rs 150. That also includes roads and some open spots.

Shri A. C. Guha: Was the land directly purchased from the villagers or acquired under the Land Acquisition Act?

Shri A. P. Jain: The land was acquired privately by the refugees from bigger landlords.

Shri A. C. Guha: May I ask whether the hon. Minister has enquired if his information is correct that land was purchased by the refugees from the bigger landlords, or was it purchased from third party agents, who purchased the land at Rs. 30 to Rs. 50 per *bigha* and sold the land at Rs. 150 per *bigha* to the refugees?

Shri A. P. Jain: My information was obtained from the West Bengal Government and I trust that information is correct.

HABRA DISPLACED PERSONS' COLONY.

*88. **Shri A. C. Guha:** Will the Minister of Rehabilitation be pleased to state:

(a) whether Habra (West Bengal) has been declared to be an Urban Displaced Persons Colony;

(b) if so, what urban amenities have so far been provided in that colony; and

(c) whether Government have as yet started any industry (small or big scale) in the colony?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) The Press note issued in April 1949 indicated that a part of the Habra Colony would be urban. Notification creating a municipality for the area is under the active consideration of the West Bengal Government. The rest is a rural colony.

(b) *Pucca* roads, surface drains, tube wells, parks etc. have been provided and Post Office, Police out-post, Girls High English School and Boys High English School have been started. Necessary arrangements for running four buses between Barasat and the Colony have been made by the Transport Department. A *bazar* is in the making.

(c) Attention is invited to the reply given by me to part (h) of Unstarred Question No. 9A on the 7th August, 1951.

Shri A. C. Guha: Have the Government any scheme for the technical training or any other sort of training for the refugees?

Shri A. P. Jain: In reply to question 9A referred to in reply to part

(c) of this question, I had stated that a training-cum-work centre had been set up for 400 displaced persons.

Shri A. C. Guha: May I know the total number of refugees rehabilitated in the urban and rural parts of Habra?

Shri A. P. Jain: The urban colony has 850 families and the rural colony has 2600 families.

Shri A. C. Guha: Is there any hospital for any of these colonies?

Shri A. P. Jain: Yes, there is a dispensary.

Shri A. C. Guha: May I know the number of houses that have been built in the urban colony, how many of them have been occupied by refugees and how many are left vacant as yet?

Shri A. P. Jain: My information goes to show that 1100 houses were built out of which 850 have been occupied.

Shri A. C. Guha: Has the Hon. Minister received any complaint about the construction of these houses, whether they have been leaking, or have there been any other discomfort to the occupants?

Shri A. P. Jain: I answered that question some months ago, and the complaints have been redressed since then.

Shri Barman: I understood the hon. Minister to say that some houses are still unoccupied. Is the hon. Minister aware that in certain parts of West Bengal, in certain districts, there are unattached women and children who are being housed in requisitioned houses which are not comfortable and has he considered the desirability of removing these unattached women and children to these unoccupied houses?

Shri A. P. Jain: I do not think it will be possible to do this. The problem of unattached women and children is quite a different one and we generally put up homes of pretty big sizes for their accommodation, so that community arrangement may be possible.

Shri Barman: What is the present project of Government for building homes for these unattached refugees who are permanent liabilities and housing them in properly constructed refugee houses?

Shri A. P. Jain: I am paying adequate attention to this problem. So far as the West is concerned, I have been able to complete that program-

me to a very large extent. So far as the East is concerned, I have not been able to implement it fully because the rush of refugees is continuous and there is such a large number of persons who are temporarily in camps and whom we want to settle first. As soon as this has been solved, I shall pay full attention to this problem.

Shri A. C. Guha: It is stated in the answer that buses are running between Barasat and the Colony. May I know since when the buses started running?

Shri A. P. Jain: I am sorry I cannot carry in my head all that information. There are hundreds of colonies and I cannot be expected to remember when these buses started running.

SALT MANUFACTURE IN NORTH KANARA

*89. **Shri Joachim Alva:** (a) Will the Minister of Works, Production and Supply be pleased to state what facilities are offered by Government to salt manufacturers of North Kanara District in the Bombay State?

(b) Have the salt manufacturers there made any representation to Government that they should depute their officers to help them in improving the quality of salt?

The Minister of Works, Production and Supply (Shri Gadgil): (a) A statement showing the usual facilities offered to private manufacturers is placed on the Table of the House. These facilities are also enjoyed by the North Kanara District manufacturers.

(b) No.

STATEMENT

The facilities offered to private manufacturers of salt.

(i) The manufacturers are helped with technical advice with regard to the actual manufacture of salt and the lay out plan of the factory etc., in order to enable them to improve their production both in quality and quantity and adopt scientific methods of manufacture.

(ii) The actual producers are given the first preference in assignment of vacant lands in Government possession adjacent to their salt pans, to enable them to increase their area to economic units.

(iii) Supply of controlled commodities like iron, steel, cement, etc., is arranged to meet the legitimate demands of the salt producers.

(iv) Minor licensees are assisted to group themselves into co-operative societies or joint stock companies.

(v) Licences are issued liberally for salt manufacture and no fee is charged for licensing.

(vi) Adequate Markets are assured to the manufacturers under the Zonal transport scheme.

(vii) Arrangements are made for the rail transport of the salt under preferential booking.

(viii) Export licences are granted in suitable cases for the export of salt to foreign markets.

(ix) A model factory has been set up departmentally at Wadala in Bombay to demonstrate to the private manufacturers in Bombay region the correct way of salt manufacture.

(x) Small producers producing in areas of less than 10 acres each are exempted from licensing.

Shri Kamath: The statement placed on the Table of the House shows that a factory has been set up at Wadala to demonstrate to private manufacturers the right method of manufacturing salt. What special facilities for learning are given to private manufacturers in this Wadala factory; and how does it differ from other factories in existence?

Shri Buragohain: This factory at Wadala in Bombay is situated in an area where salt is manufactured by private manufacturers and it is easily accessible to these manufacturers and when they go there, they are shown round and they are also given any technical advice and assistance that they ask for.

Shri Kamath: How many private manufacturers have taken advantage of the facilities offered in this Wadala factory?

Shri Buragohain: I would like to have notice to answer this question.

CLOTH (EXPORT)

*84. **Shri B. K. Das:** Will the Minister of Commerce and Industry be pleased to state:

(a) the total quantities of mill-made cloth and handloom cloth exported during the year 1951;

(b) the quantities exported under trade pacts, for purchase of food and other essential goods and for other reasons; and

(c) the total commitment for export during the year?

The Minister of Commerce and Industry (Shri Mahtab): (a) 741 million yards and 35 million yards respectively.

(b) 161.80 million yards.

(c) 944 million yards of mill-made cotton piecegoods were fixed for export during the year 1951 out of which 100 million yards were carry-over from the year 1950. Handloom cloth was licensed freely over and above this quota.

Shri S. C. Samanta: What was the total production of cloth in the same year both from the mills and handlooms?

Shri Mahtab: The total production of cloth both from mills and handlooms would be about 4,000 million yards, which constitutes 22 per cent. of the total production.

Shri S. C. Samanta: What were the qualities of cloth produced?

Shri Mahtab: Coarse and medium was to the extent of 334 million yards and fine and superfine to the extent of 510 million yards.

Shri S. C. Samanta: What are the places to which they were exported?

Shri Mahtab: Mainly the export took place to Pakistan, Afghanistan, Indonesia, Burma, Iraq, Sudan, Australia and Egypt besides some other countries with whom we had a trade agreement according to which we had to export cloth.

Shri S. C. Samanta: How much is proposed to be exported in the next year?

Shri Mahtab: We have reduced our export quota for January to June and we have fixed it at 250 million yards. We have reduced last year's exports of 844 million yards to 250 million yards.

Shri Dwivedi: When there is great scarcity of cloth in our own country what are the reasons for permitting this export?

Shri Mahtab: According to the trade agreement we are bound to supply things to other countries in order that they may supply our own needs and then we have to find foreign exchange for the import of food itself.

JUTE SUPPLIES

*85. **Shri S. C. Samanta:** Will the Minister of Commerce and Industry be pleased to state:

(a) what has been the total consumption of jute by the jute mills in India

during the period when they have worked 42½ hours per week; and

(b) whether the supply has been ensured for the working of the mills for 48 hours per week and if so, how?

The Minister of Commerce and Industry (Shri Mahtab): (a) About 111 lakh bales, during the period from 12th December 1949 to 9th December 1951.

(b) Yes, partly by increase in Indian production and partly by imports from Pakistan.

Shri S. C. Samanta: What percentage of the jute produced in India is available for the consumption of Indian jute mills?

Shri Mahtab: The entire jute produced in India is available for mill consumption; it is not used for any other purpose.

Shri S. C. Samanta: May I take it that the whole quantity of jute produced in India is used for the mills?

Shri Mahtab: That is so.

Shri S. C. Samanta: During the time when the mills were working 42½ hours how much of the jute produced in India was used by the mills and how much was imported from Pakistan?

Shri Mahtab: At that time practically no mill was closed down. As a matter of fact that was one of the main reasons why the hours were reduced and also 12½ of the spindles were sealed up. That sealing continues, although in the opinion of the Government these looms should work and the industry should produce to the fullest capacity; but the industry has not agreed to it, though they have agreed to revert to the previous period of working. They are now working 48 hours. That has happened because of the increased production of jute in India and also because of the facility of import from Pakistan. But I have not got the figures as to what was the import then and what it is now.

Shri Kamath: Is it a fact that last year owing to the non-availability of jute some of the mills in Calcutta completely closed down and, if so, for how many months?

Shri Mahtab: I do not think any large section of jute mills closed down for many months. There was shortage of jute but that was not to the extent which the hon. Member suggests in his question.

384 PSD

Shri M. Naik: Am I to understand that no raw jute is exported from India?

Shri Mahtab: No raw jute is exported from India.

Shri Kamath: Owing to its importance may I request you, Sir, that Question No. 83 be allowed to be answered by the Minister?

An Hon. Member: It will take only two minutes.

Mr. Speaker: It is not a question that the answer will take short time but it is a question of allowing a question to be answered, when the hon. Member who originally put the question has not authorised any other Member to ask the question. If the hon. Minister is agreeable, he might answer the question.

DISTURBANCES IN BIRGANJ (NEPAL)

*83. **Shri Kshudiram Mahata:** Will the Prime Minister be pleased to refer to my starred question No. 140, asked on the 10th August, 1951 regarding the disturbances in Birganj in May, 1951 and state:

(a) whether the Commission have since submitted any report to Government; and

(b) if so, the amount of loss, if any, to Indian Nationals as determined by the Commission?

The Deputy Minister of External Affairs (Dr. Keskar): (a) and (b). The complaint of cloth merchants of Birganj arising out of the disturbances in May 1951 has been satisfactorily settled. After a summary enquiry on the spot by the Finance Minister of Nepal and the First Secretary to the Indian Embassy at Kathmandu, the Nepal Government gave an award which was acceptable to the parties concerned.

Shri Kamath: Was there any report submitted to the Government and, if so, is it a secret document or will it be laid on the Table of the House?

Dr. Keskar: I am afraid my hon. friend has not heard the answer well.

Shri Kamath: It was inaudible.

Dr. Keskar: It was not inaudible but he did not strain to hear the answer. My reply was: "After a summary enquiry on the spot by the Finance Minister of Nepal and the First Secretary to the Indian Embassy at Kathmandu, the Nepal Government

gave an award which was acceptable to the parties concerned.

Shri Kamath: What were the terms of the award?

Dr. Keskar: I have not got with me the terms of the award. It was something between the parties there but as the award was accepted by the cloth merchants themselves we did not go into the matter any further.

Shri Kamath: Who represented the parties concerned?

Mr. Speaker: I do not think that such a question should be put.

WRITTEN ANSWERS TO QUESTIONS

CAMPS FOR DISPLACED PERSONS

9. Shri Raj Kanwar: Will the Minister of Rehabilitation be pleased to state:

(a) the names of camps for displaced persons in the various States which are still in existence with their respective population;

(b) the monthly expenditure incurred on these camps; and

(c) the probable dates when they are likely to be closed down?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) Statement is being laid on the Table of the House. [See Appendix I, annexure No. 14].

(b) Information is being collected and will be laid on the Table of the House in due course.

(c) Efforts are being made to liquidate the camps at as early a date as possible. But as liquidation of camps depends on a number of factors, it has not been possible to fix any firm date for liquidation.

VERIFICATION OF CLAIMS

10. Shri Raj Kanwar: Will the Minister of Rehabilitation be pleased to lay on the Table a statement showing:

(a) the total number of (i) Claims Commissioners and (ii) Claims Officers at present working under the Chief Claims Commissioner;

(b) the number of claims verified so far and the number remaining to be verified;

(c) the probable time required for the completion of the work at the present rate;

(d) whether any vacancies in the sanctioned staff of (i) Claims Commissioners and (ii) Claims Officers still exist and if so, how many; and

(e) what steps are being taken to ensure more rapid completion of the work?

The Minister of State for Rehabilitation (Shri A. P. Jain): (a) On 5th February, 1952, there were (i) 6 Claims Commissioners; and (ii) 269 Claims Officers in position.

(b) As on the 15th January 1952, claims verified were 2,26,935 and claims remaining to be verified 2,95,540.

(c) Claims relating to agricultural land are being processed separately along with the verification of claims for urban properties, housing, shops etc. The machinery for claims verification has gained momentum and the verification of the remaining urban claims is likely to take less time than the time taken for the verification of a corresponding number of claims earlier.

(d) (i) No Vacancy of Claims Commissioner exists.

(ii) On 5th February 1952, there were 31 vacancies of Claims Officers.

(e) (i) More Claims Officers are being appointed and the speed of work of the existing ones is being accelerated;

(ii) special efforts are being made to trace the claims of co-sharers, verification of which was being held up.

(iii) claims of displaced persons living overseas and claims of members of the Armed Forces are being centralized in order to expedite their disposal;

(iv) procedure of verification of land claims has been further standardized and simplified; and

(v) the work of several claims officers which they do on tour has been integrated in respect of claims of those displaced persons who are living at distant places.



PARLIAMENTARY DEBATES

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

VOLUME I, 1952



(5th February, 1952 to 29th February, 1952)

Fifth Session

of the

PARLIAMENT OF INDIA

1952

CONTENTS

Volume I—5th February to 29th February, 1952.

Columns

TUESDAY, 5TH FEBRUARY, 1952—

President's Address	1—16
-------------------------------	------

WEDNESDAY, 6th FEBRUARY, 1952—

Deaths of Shri Deshbandhu Gupta, Thakur Lal Singh, Durbar Gopaldas Desai and Shri Manik Lal Gupta	17—18
Motion for Adjournment—Release of detenues elected to Legislatures	19—20
Resignations of Members	20
Leave of absence from the House	20
President's Assent to Bills	21
Papers laid on the Table—	
Report of Indian Delegation to 13th Session of U.N.E. and S. Council	21 ✓
Summary of proceedings of Tenth Session of Indian Labour Conference	21 ✓
President's Acts <i>re</i> Punjab	21—22
Ordinances promulgated after Fourth Session	22
Presidential and Vice-Presidential Elections Bill—Introduced	22
Indian Independence Pakistan Courts (Pending Proceedings) Bill—Introduced	22
Discussion on motion to consider—Postponed	25—28
Prevention of Corruption (Amendment) Bill—Introduced	23
Delhi University (Amendment) Bill—Introduced	23
Uttar Pradesh Cantonments (Control of Rent and Eviction) Bill—Introduced	23—24
Resolution <i>re</i> Continuance of President's Proclamation <i>re</i> Punjab—Adopted	24
Presidential and Vice-Presidential Elections Bill—Discussion on motion to consider not concluded	29—38
Death of King George VI	36

FRIDAY, 8th FEBRUARY, 1952—

Message of Condolence on death of King George VI	97
Papers laid on the Table—	
Notification under section 2C of Insurance Act	98
Review of Rehabilitation Finance Administration	98
Notification amending Union Public Service Commission (Consultation) Regulations	98
Order amending Punjab Public Service Commission (Limitation of Functions) Regulations	98—99
Amendments to Cinematograph (Censorship) Rules	99
Delhi and Ajmer Rent Control Bill—Extension of time for presentation of report of Select Committee	99
Indian Standards Institution (Certification Marks) Bill— Extension of time for presentation of Report of Select Committee	100
Go-Samvardhan Bill—Extension of time for presentation of Report of Select Committee	100—101
Presidential and Vice-Presidential Elections Bill—Referred to Select Committee	101—19
Part B States Marriages Validating Bill—Passed as amended	120—22
Prevention of Corruption (Amendment) Bill—Passed	122—74

MONDAY, 11th FEBRUARY, 1952—

Resignations of Members	175
Capital Issues (Continuance of Control) Amendment Bill—Introduced	175

MONDAY, 11TH FEBRUARY, 1952—*contd.*

Foreign Exchange Regulation (Amendment) Bill—Introduced	176
Requisitioning and Acquisition of Immovable Property Bill—Introduced	176
Coal Mines (Conservation and Safety) Bill—Introduced	176—77
Motion on Address by the President—Discussion not concluded	177—284

TUESDAY, 12TH FEBRUARY, 1952—

Motion on Address by the President—Adopted	280—321
Delhi University (Amendment) Bill—Passed as amended	332—58
	364—78
Indian Explosives (Amendment) Bill—Passed	358—64

WEDNESDAY, 13TH FEBRUARY, 1952—

Death of Shri T. A. Ramalingam Chettiar	379
Resignation of Shri Brijlal Biyani	379
Papers laid on the Table—	
(i) A nend ment to Regulation 6 of the Industrial Finance Corporation of India Employees Provident Fund Regulations	379—80
(ii) Letters re Extension of period of Sterling Balances Agreement	547—50
Abducted Persons (Recovery and Restoration) Amendment Bill—Introduced	380
Indian Boilers (Amendment) Bill—Introduced	380
Bombay Port Trust (Amendment) Bill—Introduced	381
Delhi and Ajmer Rent Control Bill—Presentation of Report of Select Committee	381
Resolution re Punjab Tenants (Security of Tenure) Amendment Act 1951—Withdrawn	381—516
Resolution re Punjab District Boards (Amendment) Act, 1951—Withdrawn	516—24
Resolution re Punjab Occupancy Tenants (Vesting of Proprietary Rights) Act, 1951—Withdrawn	525—29
Resolution re Punjab Cotton (Prevention of Adulteration) Act, 1952—Withdrawn	529—32
Resolution re Punjab Betterment Charges and Acreage Rates Act, 1952—Withdrawn	532—43
Indian Independence Pakistan Courts (Pending Proceedings) Bill—Motion to consider—Not concluded	543—47

THURSDAY, 14TH FEBRUARY, 1952—

Message from the President	551
Inflammable Substances Bill—Introduced	551
Employees Provident Funds Bill—Introduced	552
Indian Independence Pakistan Courts (Pending proceedings) Bill—Passed as amended	552—72
Uttar Pradesh Cantouments (Control of Rent and Eviction) Bill—Passed as amended	572—74
Foreign Exchange Regulation (Amendment) Bill—Passed	574—78
Capital Issues (Continuance of Control) Amendment Bill—Passed	579—99
Mines Bill—Consideration of clauses not concluded	600—26

FRIDAY, 15TH FEBRUARY, 1952—

Resignations of Members	627
Paper laid on the Table—	
Abstract Estimates for the Major Port at Kandla	627
Preventive Detention (Amendment) Bill—Introduced	627—28
Territorial Army (Amendment) Bill—Introduced	628
Industrial Disputes (Amendment) Bill—Introduced	628
Go. Samvardhana Bill—Presentation of Report of Select Committee	(2)
Indian Standards Institution (Certification Marks) Bill—Presentation of Report of Select Committee	629

FRIDAY, 16TH FEBRUARY, 1952—*contd.*

Presidential and Vice-Presidential Elections Bill—Presentation of Report of Select Committee	629
Presentation of the Punjab Budget for 1952-53	629—30
Demands for Supplementary Grants for 1951-52 (Punjab State—Not concluded)	630—39
	642—58.
Point of Order <i>re</i> appointment of two hon. Members as Lieut. Governors	640—42
Mines Bill—Passed, as amended	659—76
Abducted Persons (Recovery and Restoration) Amendment Bill—Passed	676—87
Madras Port Trust (Amendment) Bill—Passed	687
Bombay Port Trust (Amendment) Bill—Passed	688
Requisitioning and Acquisition of Immovable Property Bill—Referred to Select Committee	689—714
Coal Mines (Conservation and safety) Bill—Motion to consider—Adopted	714—24
Business of the House—Hours of sitting	724

MONDAY, 18TH FEBRUARY, 1952—

Message from Her Majesty Queen Elizabeth, the Queen Mother	725
Resignation of Moulavi Maanmmed Haneef	725
Papers laid on the Table—	
Declarations of Exemption issued under Registration of Foreigners Act, 1939	726—27
Constitution (Removal of Difficulties) Order No. II (Fourth Amendment) order	728
Constitution (Removal of Difficulties) Order No. II (Fifth Amendment) order	728
Code of Criminal Procedure (Amendment) Bill—Introduced	728
Control of Shipping (Amendment) Bill—Introduced	728
Criminal Tribes Laws (Repeal) Bill—Introduced	728—29
Demands for Supplementary Grants for 1951-52—Punjab State	729—34
The Punjab Appropriation Bill—Introduced	734
The Punjab Budget—General Discussion	734—828
Coal Mines (Conservation and Safety) Bill—Concluded	828—42

TUESDAY, 19TH FEBRUARY, 1952—

Resignation of Members	843
Indian Tariff (Amendment) Bill—Introduced	843
Requisitioning and Acquisition of Immovable Property Bill—Presentation of Report of Select Committee	844

THE PUNJAB BUDGET, 1952-53—

Demands for Grants on Account	844—952
---	---------

WEDNESDAY, 20TH FEBRUARY, 1952—

Resignation of Dr. Devi Singh	953
Demands for Supplementary Grants for 1951-52—Railways	953—67
Demand No. 4.—Ordinary Working Expenses Administration	964—66
Demand No. 5.—Ordinary Working Expenses—Repairs and Maintenance	963—57
Demand No. 6.—Ordinary Working Expenses—Operating Staff	964—67
Demand No. 7.—Ordinary Working Expenses—Operation (Fuel)	957—60
Demand No. 8.—Ordinary Working Expenses—Operation other than Staff and Fuel	960—62
Demand No. 9A.—Ordinary Working Expenses—Labour Welfare	963—64
Demand No. 17.—Open Line Works—Replacements	965—67
Demands for Supplementary Grants for 1951-52	907—1026
Demand No. 1.—Ministry of Commerce and Industry	986
Demand No. 3.—Commercial Intelligence and Statistics	967—85
Demand No. 7.—Overseas Communications Service	987

WEDNESDAY, 20TH FEBRUARY, 1952—*contd.*Demands for Supplementary Grants for 1951-52—Railways—*contd.*

Demand No. 10—Defence Services, Effective—Army	987
Demand No. 19—Tribal Areas	987
Demand No. 20—External Affairs	987✓
Demand No. 22—Customs	987
Demand No. 23—Union Excise Duties	987
Demand No. 26—Stamps	987—88
Demand No. 27—Payments to other Governments Departments, etc., on account of the Administration of Agency Subjects and Management of Treasuries	988
Demand No. 29—Joint Stock Companies	988
Demand No. 30—Miscellaneous Departments	988
Demand No. 31—Currency	988
Demand No. 33—Superannuation Allowances and Pensions	988
Demand No. 34—Miscellaneous	987—85
Demand No. 35—Grants-in-Aid to States	989
Demand No. 36—Miscellaneous Adjustments between the Union and State Governments	989
Demand No. 42—Survey of India	989
Demand No. 43—Botanical Survey	989
Demand No. 46—Civil Veterinary Services	989
Demand No. 57—Ajmer	988, 992—1026
Demand No. 60—Broadcasting	989
Demand No. 64—Ministry of Natural Resources and Scientific Research	989—90
Demand No. 74—Kutch	990
Demand No. 78—Vindhya Pradesh	990
Demand No. 79—Manipur	988—85
Demand No. 80—Tripura	990
Demand No. 81—Relations with States	990
Demand No. 84—Lighthouses and Lightships	990
Demand No. 88—Supplies	990
Demand No. 91—Stationery and Printing	991
Demand No. 91A—Stamp Cancelling and Printing Inks, Manufacturing Factory	991
Demand No. 98—Capital Outlay on Industrial Development	991
Demand No. 101—Commuted Value of Pensions	991
Demand No. 103—Capital Outlay on Schemes of Government Trading	991
Demand No. 103A—Transfer of the Sale Proceeds of American Loan wheat to the Special Development Fund	988—85
Demand No. 104—Capital Outlay on Development	988—85

THURSDAY, 21ST FEBRUARY, 1952—

Resignation of Members	1027
Papers laid on the Table—	
Constitution (Removal of Difficulties) Order No. IX	1027—28
Appropriation (Railway) Bill—Introduced	1028
Demands for Supplementary Grants for 1951-52	1028—72
Demand No. 18—Ministry of External Affairs	1028—71
External Publicity	1034—71
Demand No. 45—Agriculture	1028—71
Demand No. 87—Ministry of Works, Production and Supply	1028—72
Demand No. 96—Defence Capital Outlay	1028—72
Appropriation Bill—Introduced	1072
THE PUNJAB BUDGET—1952-53—	
Demands for Grants on Account	1072—84

	<i>Columns</i>
FRIDAY, 22ND FEBRUARY, 1952—	
Motion for Adjournment—	
Slump in cotton prices	1085
Presentation of Railway Budget, 1952-53	1086—95
Statement <i>re</i> Basic Plan—Conference of Food Ministers	1095—96
Appropriation (Railway) Bill—Passed	1096—97
Appropriation Bill—Passed	1097
The Punjab Budget, 1952-53—	
Demands for Grants on Account—Concluded	1098—1115
Punjab Appropriation (Vote on Account) Bill—	
Introduced	1115
Passed	1116—17
Punjab Appropriation Bill—Passed	1115—16
Employees' Provident Fund Bill—Discussion on Motion to consider—Not concluded	1118—24
SATURDAY, 23RD FEBRUARY, 1952—	
Resignation of Members	1125
Employees Provident Funds Bill—Passed as amended	1125—1230
MONDAY, 25TH FEBRUARY, 1952—	
Papers laid on the Table—	
Notifications amending Delhi Motor Vehicles Rules	1231—32
Railway Budget—	
General discussion—Concluded	1232—80
TUESDAY, 26TH FEBRUARY, 1952—	
Papers laid on the Table—	
First and Second Reports of Public Accounts Committee on Appropriation Accounts 1948-49	1281
Notifications under Central Excises and Salt Act	1281—82
Railway Budget, 1952-53—	
Demands for Grants on Account	1282—1337
Appropriation (Railway) Vote on Account Bill—	
Introduced	1338
Industrial Disputes (Amendment) Bill—Passed	1338—68
Control of Shipping (Amendment) Bill—Passed	1369
Bombay Coasting—vessels (Amendment) Bill—Passed	1370—71
Inflammable Substances Bill—Passed	1372—80
WEDNESDAY, 27TH FEBRUARY, 1952—	
Paper laid on the Table—	
East Punjab University (Amendment) Act, 1952	1381
Appropriation (Railways) Vote on Account Bill—Passed	1381—93
Requisitioning and Acquisition of Immovable Property Bill—Passed, as amended	1398—1448
Indian Boilers (Amendment) Bill—Passed	1448—49
Criminal Tribes Laws (Repeal) Bill—Discussion on motion to consider—Not concluded	1449—53, 1459—66
Procedure <i>re</i> Finance Bill	1453—59
THURSDAY, 28TH FEBRUARY, 1952—	
Resignation of Members	1467
Business of the House	1467—70
Criminal Tribes Laws (Repeal) Bill—Passed, as amended	1470—88

THURSDAY, 28TH FEBRUARY, 1952—*contd.*

Indian Tariff (Amendment) Bill—Passed	1488—94
Presidential and Vice-Presidential Elections Bill—Passed as amended	1494—150 ³
Delhi Special Police Establishment (Amendment) Bill—Passed	1504
Contempt of Courts Bill—Passed	1504—10
Code of Criminal Procedure (Amendment) Bill—Passed, as amended	1510—42
Preventive Detention (Amendment) Bill—	
Motion to consider—Concluded	1542—48

FRIDAY, 29TH FEBRUARY, 1952—

Resignation of Member	1549
Preventive Detention (Amendment) Bill—Passed	1549—1608
	1613—33
Presentation of General Budget, 1952-53	1609—13
Finance Bill—Introduced	1613
Business of the House	1633—34

CORRIGENDA

to

the Parliamentary Debates (Part II—Other than Questions and Answers), Fifth Session, 1952

In Volume I,—

1. No. 2, dated the 6th February, 1952,—

(i) Col. 23, line 33 for "to provide for" read "further to amend", and in line 2 from bottom for "further to amend" read "to provide for".

2. No. 5, dated the 12th February, 1952,—

(i) Col. 309, for existing last line read "chancellories or in government, but"

(ii) Col. 362, line 31 for "Kamth" read "Kamath".

3. No. 6, dated the 13th February, 1952,—

(i) भाग ३९१, पंक्ति १५ में "एम जुनही" के स्थान पर "जुल्म नहीं" पढ़ें ।

(ii) भाग ३९२, पंक्ति २५ में "बतक" के स्थान पर "बक्त" पढ़ें ।

(iii) Col. 443, line 8 for "ony" read "only".

(iv) کالم ۳۷۲ آخری لائن کے شروع میں وہ ملی ہیں ان کے متعلق یہ ہمیں

(v) Col. 529, for existing last line read "excess of such moisture as may reasonably be expected, by watering the".

(vi) Col. 530, insert "both parties are protected. They pro-" as last line.

4. No. 8, dated the 15th February, 1952,—

(i) Col. 648, after line 7, insert "this demand has come before the House today, that".

(ii) Col. 658, line 32 for "OUTLAY" read "OUTSIDE".

(iii) Col. 659, line 6 from bottom for "Jagivan Ram" read "Jagjivan Ram"

(iv) Col. 676, last line for "liament" read "Parliament".

(v) Col. 686, line 16 from bottom for "Gapalaswami" read "Gopalaswami".

5. No. 9, dated the 18th February, 1952,—

(i) भाग ८०३, नीचे से पंक्ति ४ में "जचित राम" के स्थान पर "अचित राम" पढ़ें ।

6. No. 11, dated the 20th February, 1952,—

(i) भाग १००७, पंक्ति ९ को "की जरूरत है" पढ़ें ।

7. No. 14, dated the 23rd February, 1952,—

(i) Col. 1184, line 8 for "Jagivan Ram" read "Jagjivan Ram".

(ii) Col. 1191, for existing line 4 read "Clause 6 —Contributions and matters".

(iii) भाग १२२७, पंक्ति १० में "यस्य" के स्थान पर "सत्तम" पढ़ें ।

8. No. 15, dated the 25th February, 1952,—

(i) भाग १२५४, पंक्ति २४ में "रती" के स्थान पर "तीर" पढ़ें ।

9. No. 19, dated the 29th February, 1952,—

(i) Col. 1564, in the beginning of line 17 from bottom insert "voted".

(ii) Col. 1612, line 3 from bottom for "purpose" read "propose".

(iii) भाग १६२४, पंक्ति ५ में "सउन" के स्थान पर "उस ने" पढ़ें ।

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

551

PARLIAMENT OF INDIA

Thursday, 14th February, 1952

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

[MR. SPEAKER *in the Chair*]

QUESTIONS AND ANSWERS
(See Part I)

11-22 A.M.

MESSAGE FROM THE PRESIDENT

Mr. Speaker: I have to inform the House that I have received the following message from the President:

"I have received with great satisfaction the expression of thanks by the Members of Parliament for the address I delivered to them on the 5th February, 1952."

INFLAMMABLE SUBSTANCES BILL

The Deputy Minister of Works, Production and Supply (Shri Buragohain): I beg to move for leave to introduce a Bill to declare certain substances to be dangerously inflammable and to provide for the regulation of their import, transport, storage and production by applying thereto the Petroleum Act, 1934, and the rules thereunder, and for certain matters connected with such regulation.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to declare certain substances to be dangerously inflammable and to provide for the regulation of their import, transport, storage and production by applying thereto the Petroleum Act, 1934, and the rules thereunder, and for certain matters connected with such regulation."

The motion was adopted.

552

Shri Buragohain: I introduce the Bill.

**EMPLOYEES' PROVIDENT FUNDS
BILL**

The Minister of Labour (Shri Jagjivan Ram): I beg to move for leave to introduce a Bill to provide for the institution of provident funds for employees in factories and other establishments.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to provide for the institution of provident funds for employees in factories and other establishments."

The motion was adopted.

Shri Jagjivan Ram: I introduce the Bill.

**INDIAN INDEPENDENCE PAKISTAN
COURTS (PENDING PROCEED-
INGS) BILL**

Pandit Kunzru (Uttar Pradesh): Before the House adjourned yesterday I dealt with some of the features of this Bill. I asked my hon. friend, the Law Minister to tell us what was the number of decrees and orders that would fall within the purview of this Bill. We were entitled, I pointed out, to have this information from him, but he had unfortunately failed to give it to us. I then suggested that a clear distinction should be drawn between those claimants who were citizens of Pakistan and those who were citizens of India. The real difficulty is that the Pakistan Government has passed two Orders to refuse to give effect to the decrees and orders of courts in India. It is therefore necessary that the Government of India should have power to protect

[Pandit Kunzru]

its interests and the interests of its nationals. But there is no reason why our Government should blindly copy what the Pakistan Government has done and penalise all people whether they are citizens of Pakistan or citizens of India. In view of the action taken by Pakistan it would be fair to lay down that the decrees and orders of courts in Pakistan in favour of Pakistan nationals would not be given effect to in India, but there is no reason why we should place our own citizens in difficulty.

My hon. friend, the Law Minister said in the course of his speech that certain decisions leave behind the feeling that the courts in Pakistan had unjustly transferred the liabilities that should have been imposed on the Government of Pakistan to the Government of India. This is stated in the Statement of Objects and Reasons too. I ask him whether it is not possible to amend the Bill in such a way as not to leave everything to the discretion of the Government of India and the States. If it is possible to be precise in regard to this matter and to define the categories in which the Government of India should have the power to refuse to give effect to the decrees and orders passed by the courts in Pakistan, it would be satisfactory both from their point of view and from that of the refugees from Pakistan. If, however, we had to deal only with the Government of India I should be prepared without the least hesitation to accept the assurances given by the Law Minister, but as I pointed out yesterday, there were three State Governments that had to be taken into consideration in this connection. There is no guarantee that in spite of advice that might be given to them by the Central Government they would act in the same manner in cases of the same nature. I have no doubt about the intentions of the Law Minister and the Government of India but I am somewhat doubtful about their power to see that a uniform procedure, a uniform course of action is adopted by the State Governments.

I, therefore, think that although the assurances given by the Law Minister should be welcome both to the House and to the refugees, they do not go far enough. The situation requires that some provision should be introduced in the Bill itself that would safeguard the position of the refugees without imposing any unjust liability on the Government of India. As I said yesterday, I do not want that a single rupee of the Indian exchequer should be spent unnecessarily, but we have to think of people whom partition has

reduced to poverty. There are some refugees who happily are well off, but their number is comparatively small; most of the people who have migrated from Pakistan to India are very poor and whatever concessions the Government of India may make to them there will always be a serious anxiety in their mind whether their claims would be accepted either by the Government of India or by the State Governments, and considering their plight it seems to me that the Government of India should not merely think of their own rights but should do something to remove the apprehensions which exist among the refugees and make them feel that in certain cases their rights would be respected without question by the authorities.

I hope, therefore, that it will be possible for the Law Minister, even at this stage, to introduce an amendment that would restrict the scope of this Bill, that is leave out certain cases in which the decrees and orders obtained by the citizens of India from courts in Pakistan would be given effect to without question. This will be fair to both the parties. I hope for these reasons my suggestion will commend itself to Government.

Dr. S. P. Mookerjee (West Bengal): I would like to give my support to the suggestion made by the last speaker. No doubt the Law Minister has been good enough to explain that he would try to deal with these cases as sympathetically as possible and himself bring to the notice of the State Governments concerned any particular case of hardship. Yet the manner in which this matter is sought to be dealt with by the Government of India does not seem to be appropriate or consistent with its dignity. According to the provisions of the Independence Act passed originally, it was clearly laid down that decrees passed by the courts in Pakistan would be executed in India. That was an assurance which was given immediately after partition specially affecting a large number of people who were the victims of partition and had to come away to India. As has happened with regard to other cases while we were dealing with Pakistan, so also it has happened in this case that the Pakistan Government has refused to play its part. It has passed a law virtually declaring that it will not recognise any decree passed by an Indian court. Undoubtedly, that is an unfortunate decision. But surely this is a matter which has got to be settled between the two Governments. The remedy which the Government of India seeks to find through this Bill is based on reciprocity. The Pakistan

Government proposes to ignore the decisions of Indian courts and therefore the Government of India proposes to ignore the decisions of Pakistan courts. But this reciprocity does not really cover the cases of unfortunate citizens, particularly those who have been the victims of partition, who have already obtained decrees in their favour against either the Central Government or some of the State Governments.

Only yesterday I received a letter from one such unfortunate person now resident in Assam. He refers to his own case where he had to fight a litigation in a Sylhet court against the Government of Assam. He had to collect his evidence, spend money, and after a great deal of labour obtained a decree in his favour against the Assam Government. He is a refugee now and he has lost all his possessions. He refers in his letter to another similar case where an East Bengal citizen who came away to Assam obtained a similar decree but having failed to execute it he was reduced to such a State of destitution having lost all sources of income, that ultimately he died and his whole family is now facing ruination. These are not isolated cases. There may not be a large number of cases, but still there is a considerable number of such *bona fide* cases where persons who are now Indian citizens obtained decrees against our own Government and are unable to get any remedy because of the passing of this Ordinance in October last and which measure is now sought to be promulgated into law.

Our Government unfortunately has never shown any strength while dealing with the wrongs committed by Pakistan. It has always sought to follow peace-loving methods. Well, let the Government follow such methods, if Government considers that by that way it will be able to enhance its own prestige and also do justice where justice is to be done, but what is the procedure that is sought to be followed in this case? Here, actually the persons who will be adversely affected will be the unfortunate citizens who have already obtained their decrees. No doubt, the Bill provides that a further suit may be instituted, but I ask the hon. Dr. Katju, experienced as he is, whether he seriously expects that advantage will be taken of this provision by a large number of people? The evidence is lost in Pakistan. Where is he going to get the witnesses from, apart from the money which these unfortunate decree-holders will have to spend again for the purpose of bringing the matter of dispute before a court of law in India? I submit there will be insuperable

practical difficulties standing in the way, and virtually this means that they will have no remedy whatsoever. I appreciate the difficulties of the Government, but some solution has to be found otherwise than what is mentioned here.

The hon. the Law Minister said yesterday that he would bring these matters to the notice of the Governments concerned. I have got here copies of the correspondence that passed between this decree-holder and the Assam Government and practically the response was nil; it was completely unsatisfactory. Naturally, the Assam Government wanted to stand on its legal rights. How does the hon. the Law Minister expect that having passed this law and having nullified the decrees which were passed by the Pakistan courts, he will request the State Governments concerned or even his own Government to make payments to these decree-holders? I do not know whether legally such payments can be made. Nothing is due according to this law, if it is passed, from Government to these individuals. There cannot be any *ex gratia* payment. There cannot be any compensation paid, because under the provisions of the law as passed, all these decrees are dead. I find the hon. Dr. Katju is shaking his head. I should like to be corrected if I am wrong.

The Minister of Home Affairs and Law (Dr. Katju): I am shaking my head in dissent, because I did not want to interrupt the flow of the hon. Member's arguments.

Dr. S. P. Mookerjee: If the hon. Member is shaking his head in desperation, I quite sympathise with him.

Dr. Katju: In dissent, not in desperation.

Dr. S. P. Mookerjee: In any case the suggestion made by my hon. friend Pandit Kunzru is worthy of serious consideration. So far as cases to come in the future are concerned, let those cases be blocked. Even so far as pending cases are concerned, if you want that further proceedings should not be continued, you make that provision, but so far as decrees already made are concerned, where under the law the Government has an obligation to pay, I submit that those cases should be treated on a different basis altogether. I do ask the hon. the Law Minister to indicate what the total amount involved would be. So far as I could obtain information, I understood that it would be a few lakhs of rupees. Now, what does it matter to the Government of India if this amount of Rs. ten or fifteen lakhs which is legally payable under decrees

[Dr. S. P. Mookerjee]

already passed is paid to these individuals? And then let there be a fight, if Dr. Katju wants to have a fight, between the Indian Government and the Pakistan Government. When the time comes for re-adjustment of debts due to each other, this small amount can certainly be put into the pool and some adjustment can be made. This is not an insuperable difficulty. The position of these individuals who have suffered so much is well known to Government and to Members of this House. We should not make it more difficult for them, and psychologically it creates a very bad impression if decrees which the Government had declared under the Indian Independence Act would be respected by both the Governments are suddenly sought to be nullified today, not because intrinsically they are bad, but because the Pakistan Government is not prepared to play its part. The Prime Minister and other Ministers very often have declared on the floor of this House when we urged retaliation that the Pakistan Government might behave in a wrong way but the Indian Government is not going to follow suit. Why do you depart from such a salutary principle in this case? If Pakistan Government has gone wrong, let it go wrong. You fight it out with it. But do not tread on the legal rights of these individuals. The Finance Minister is here. I am sure, so far as the financial aspect of the matter is concerned, he will be prepared to examine the matter sympathetically and ultimately it will be a question of adjustment between the two Governments

I would therefore very earnestly urge, apart from any verbal assurance which the hon. the Law Minister may give but which in spite of the enormous fund of goodwill that he personally possesses he will be unable to implement, that there should be some legal remedy provided under this Bill. Let there be some suitable amendment to cover at least the cases of those decree-holders who were residents of Pakistan, whether East or West, and have now unfortunately been compelled to come away to this country and who are now waiting for such decrees to be executed. I hope Government will even at this late stage be able to find some solution so that this matter can be dealt with in a manner which will be satisfactory to all concerned.

Shri Naziruddin Ahmad (West Bengal): This Bill has raised some difficulties. As the Government of Pakistan by law has declined to recognise Indian decrees, it is absolutely

logical on the part of India to decline to recognise decrees passed by Pakistan courts. It is not a question of reciprocity, but it is a question of self-protection. Logically, therefore, the Bill is perfectly in order.

With regard to judgments passed by foreign courts—Pakistan courts are now foreign courts—under the Civil Procedure Code, our courts are bound to recognise them, subject to certain conditions. I do not think the present Bill goes very much beyond those conditions. This matter is dealt with in section 13 of the Civil Procedure Code. It says:

“A foreign judgment shall be conclusive as to any matter thereby directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except—

(a) where it has not been pronounced, by a court of competent jurisdiction;

(b) where it has not been given on the merits of the case.”

I would respectfully draw the attention of the House to this sub-clause. I think the attitude adopted by the hon. Minister is consistent with clause (b). The hon. Minister would refuse to recognise a foreign decree when it has not been given on the merits of the case:

“(c) where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognise the law of the Provinces in cases in which such law is applicable;

(d) where the proceedings in which the judgment was obtained are opposed to natural justice;

(e) where it has been obtained by fraud;

(f) where it sustains a claim founded on a breach of any law in force in the Provinces.”

The hon. Minister proposes as far as it is possible in a matter like this, to safeguard the interest of individuals. The safeguard lies in instructing the State Governments to respect decrees which are passed after a consideration of the merits of the case. That is in consonance with clause (b) of section 13.

There are various other factors mentioned in section 13 which are also taken into consideration. I know it is quite possible and that in many

instances injustice may be done to individual cases. But everything would be done to remove these individual injustices. In these circumstances, considering the balance of advantages and disadvantages, I think the Bill proceeds on correct lines and individual cases could be taken care of. I would suggest to the hon. the Law Minister that he should follow up the instructions in each case and try to examine the action taken by the State Governments in each case so as to ensure justice being done to individual cases. I therefore submit that the Bill should be passed.

The real crux of the matter will depend upon the action taken in individual cases by the State Governments and the attitude of the Government of India with regard to these cases. If individual cases are scrutinised I think much of the supposed hardships would go. I, therefore, support the Bill.

Mr. Speaker: There is one doubt about which I want a clarification. Am I right in assuming that the decrees referred to in this Bill would not be considered as decrees of foreign courts?

Dr. Katju: May I refer, Sir, in answer to that question to the first paragraph of the Statement of Objects and Reasons. In so far as the decrees which were passed in Pakistan before the 15th of August 1947 are concerned, some courts have already ruled that they must now be treated as judgments and decrees of foreign courts. At the time when the Indian Independence Act was passed orders were issued by both Governments that in so far as pending suits were concerned, those pending suits were to be tried in the place where those suits were pending and the decrees obtained in those courts were to be executed in the other Dominion as it then was, as it was a decree passed in that Dominion court. Therefore, this Act is limited to the decrees passed in pending suits.

Shri A. C. Guha: (West Bengal): In addition to the points raised by Pandit Kunzru and Dr. Syama Prasad Mookerjee, I have another objection to this Bill. This Bill seeks to give protection only to the Central and to the State Governments concerned. But it provides no protection to individual parties against whom Pakistan courts may pass some decree or order. In the course of yesterday's proceedings the hon. the Law Minister stated:

"There is a difference between private litigants and Government

litigants. Private litigants, particularly in Eastern Pakistan, can go there. There is no permit or passport. They can travel from one part of Bengal to another and manage their law suits. The Government has to rely upon law agencies. The agencies and the facilities are not available. I understand that particularly in Railway cases the Pakistan Railways are not very cooperative and the result is that the Government of India's case very often goes by default and the results are very unsatisfactory. I feel sure that in view of the assurances I have given, hon. Members will feel assured that the difficulties will be removed and the Indian nationals will have no reason to complain."

I cannot understand how the hon. the Law Minister has come to this conclusion. If Government themselves find difficulty in defending their cases in Pakistan courts, with all the resources at their command, the difficulties to which private citizens will be subjected can as well be imagined. It is almost impossible for any individual who has come over to this side to go and fight his cases in East Bengal courts.

Moreover this is a measure which has been adopted on account of certain legal steps taken by the Pakistan Government; and the Pakistan enactments make no distinction between Government and private individuals. Their wordings are quite clear. The wording in one case is "any judgment, decree, order or sentence shall be invalid and inoperative, subject to any decision that may be obtained in a competent court of the Province concerned". And the wording in the other order is "such right and authority... shall be invalid and inoperative". So there is no distinction in these two Pakistan orders between the Government and the private parties or private individuals. I would therefore very much like that the hon. Minister may accept the suggestion that has been made by my hon. friend Pandit Kunzru and Dr. Syama Prasad Mookerjee as well as the suggestion that the protection should also be given to the private parties who might have got some decrees passed against them in a Pakistan court.

The refugees are already in a state of financial ruin and if the Government do not afford this small protection to them I think it will be doing a great injustice to them. When the Government feel that they cannot fight their own cases in the Pakistan courts in spite of all their resources, how can it be possible for private parties to

[Shri A. C. Guha]

fight their cases? I would therefore request the hon. Minister to accept the suggestion and modify the Bill accordingly.

Dr. Katju: I am afraid that most of the criticism has proceeded on mistaken assumptions. As I pointed out in answer to your question, this Bill is for a very limited object. It only refers to proceedings which were pending in the courts at the time when Partition came about. Some of the suits were pending against the Government. Many others must have been pending against private parties too. At the outset, I should like to make it clear that so far as I know there have been no complaints from private parties particularly from East Pakistan and West Bengal, that they have had any difficulties in carrying on their legal proceedings. I can speak with some knowledge of West Bengal and East Pakistan. Conditions there, at least in the first two years, namely upto 1950, were far different from the conditions in West Pakistan and the Punjab side. Anyway, no such complaints have been received and this Bill is limited to decrees in suits which were pending against the Government.

The Bill is a short one. The Statement of Objects and Reasons has deliberately been made a fairly long one so that the House may be in possession of the reasons why at first an Ordinance was promulgated and now the House is asked to convert that Ordinance into an Act. The agency available to Government for defending their suits is always a specialised agency, and all those facilities disappeared as soon as Partition came about. I have not got figures here completely even as regards the Government of India—I have not got precise figures about the States—but so far as the Government of India is concerned we have cases brought against the Government of India in which the Railways were interested, in which the Defence Ministry was interested and in which the Ministry of External Affairs was interested. Full figures are not available. But so far as I know, from the figures which have been received the sum is about Rs. 15 lakhs. It may be larger when all the figures have been collected. I cannot give you any precise information on suits in which the State Governments, particularly the Governments of West Bengal and Assam, are interested.

12 Noon

In so far as these cases are concerned I imagine that many of them

relate to people who are plaintiffs and who are still living in Pakistan. There may be a very few who might have migrated to India and have now become Indian nationals. My hon. friend Dr. Mookerjee referred to a letter which he had received from Sylhet. That correspondent has also written to me and I believe he has also corresponded with many other hon. Members of this House. It may be a difficult case, it may be a hard case. And my assurance was intended to refer to cases of that description.

But in so far as the general principle is concerned, the Government of India as well as the State Governments have laboured under grave disadvantages. Secondly, as I submitted on an earlier occasion, the courts in Pakistan have adopted a particular interpretation of the relevant orders at that time and have exonerated their own Government, from our point of view quite wrongly. Now, this Bill was intended to provide for what had happened and not to shut out any individual from having an opportunity of having his case reviewed. Deliberately a right was given to institute a separate suit, and in that separate suit I have already expressed it and I have every hope that Governments will not adopt the attitude of ordinary litigants. An ordinary litigant always tries to refute a just blame or an unjust blame by all devices open to him. We expect Governments to set up a standard of reasonable conduct. That is my experience. I imagine, Sir, that may be your experience also. But I went a little further. I said that we undertake to examine all these cases of hardship. They are all really based upon the allegations made by that one correspondent from Sylhet. He refers to one case or to two or five cases. Whenever such an application is made I can assure you that it will be considered on its merits.

My hon. friend Pandit Kunzru was very kind to repose some confidence in the Government of India, but he was quite uncharitable to the State Governments. I do not know what justification he has got for that. My experience is that Governments are reasonable all the world over. They always behave in a reasonable way. . .

Shri A. C. Guha: Including the Pakistan Government also?

Dr. Katju: I am referring to our Governments.

Shri Kamath (Madhya Pradesh): But you said 'the world over'.

Dr. Katju: I may be a little over-conscious of my powers of persuasion,

but I feel that if there is a case of hardship, whether it is in Assam or whether it is in West Bengal or whether it is in the Government of India, probably my persuasion may prove effective and it may not go in vain.

Shri Kamath: At the Centre?

Dr. Katju: At the Centre of course no persuasion is needed. This is a question of principle; not so much a question of providing by legislation for very hard cases. Hard cases, I imagine, are very few.

Then, Dr. Mookerjee referred to some correspondence which had taken place between his correspondent from Sylhet and the Assam Government. I have also got copies of that correspondence. So far as I can see, the Chief Secretary, in acknowledging the letter of this gentleman said that the Ordinance had been passed and he may bring a suit. At that time, there was this Ordinance and nothing else. I imagine that on the 14th of February, having regard to the assurances that have been given probably, the correspondent may not find himself so helpless as he paints himself to be.

About this court fees matter, I submit that is a very substantial relief which I have promised to afford, namely, an investigation on the merits for a very small payment. Then, my hon. friend Mr. Guha criticised a bit the Statement of Objects and Reasons and said that people are not allowed to come and go. Of course, he has got very large experience; but, so have I too, during the last three or four years in West Bengal. I have never heard any complaint that so far as private individuals were concerned, they could not go to the law courts in East Pakistan and do what they like, engage lawyers and take adequate legal proceedings. Please remember that the point which Mr. Guha raised is a very important one. He wants this Bill to be extended to all decrees, to every single decree. Now, what is the result? The people who have migrated from East Pakistan to West Bengal have become Indian nationals. But, most of them have got properties in East Bengal—houses, zamindaris and lands, etc. In so far as those decrees are concerned, the decrees passed by the Pakistan courts as regards those people can be executed against them in relation to their properties in East Pakistan. There can be no defence to that. Those decrees can also be executed under the Independence Orders against those people if they possess any property in India. It may be that some of them have

got house properties in Calcutta or in some other districts; very likely their number may be very few. If you get rid of all those decrees, it is not a Hindu-Muslim question at all; you may be interfering with the decrees of people who have remained in Pakistan and some of whose relations might have migrated to India. Because, the national economy of East Pakistan and West Bengal was so inter-mixed before the Partition that it is impossible to determine and anticipate what sort of litigation there have been between the different parties. Therefore, I respectfully suggest that we should not extend the operation of this Bill to private decrees and to private litigation, for the very simple reason that we do not know the exact scope of how the Bill will affect. So far as the Government of India is concerned we are on sure ground: the Government of India and the State Governments. The liability is incurred by the Government, in their official capacity. The matters can be examined in detail and justice can be done to all parties.

I do not wish to take up the time of the House unnecessarily. I was under the impression that it was a very simple and short Bill and that it will go through without much difficulty. But then, I am new to the House and I did not know that many difficulties can be spelled out of seemingly simple measures. With these words, Sir, I beg that the House may proceed to take the Bill into consideration.

Shri Kamath: How much longer will the hon. Minister be new to the House?

Mr. Speaker: Order, order. He refers to the time when he entered the House: not now. He has got experience by now.

Dr. Katju: I am getting experience every day.

Mr. Speaker: The question is:

"That the Bill to render ineffective certain decrees and orders passed by courts in Pakistan against a Government in India and to provide an alternative remedy to persons who have secured such decrees or orders, be taken into consideration."

The motion was adopted.

Clause 2.—(Definition)

Prof. K. T. Shah: I beg to move:

In page 1, line 13, after "which has been" insert "or may hereafter be".

[Prof. K. T. Shah]

This is really intended to apply to those cases which may be pending and decrees may come to be passed so that they also may take the benefit of this Bill.

Dr. Katju: As a matter of super-abundant caution, I accept the amendment.

Mr. Speaker: The question is:

In page 1, line 13, after "which has been" insert "or may hereafter be".

The motion was adopted.

Mr. Speaker: The question is:

"That clause 2, as amended, stand part of the Bill."

The motion was adopted.

Clause 2, as amended, was added to the Bill.

Clause 3.—(*Certain Pakistan decrees etc.*)

Shri A. C. Guha: I beg to move:

"In page 1, lines 17 to 19, for all the words from "no decree" to "Government in India" substitute:

"no judgment, decree or sentence to which this Act applies shall affect the legislative or executive right or authority of the Central Government or of any State Government and where such right or authority has been at issue, the judgment, decree, order or sentence shall be invalid and inoperative subject to any decision that may be obtained from a competent court of the Government concerned."

The hon. Home Minister in replying to the general debate has referred to the limited scope of this Bill. I know this Bill applies only to cases that may have been pending at the time of the Partition or at the time of the transfer of power. My amendment also refers only to such cases and not to cases which may be instituted after the Partition between private individuals or against a private individual in any court in Pakistan. He also referred to some of the East Bengal refugees having property in East Bengal, and said that no amendment or enactment here can debar the Pakistan Government from making their decrees effective and operative as far as properties lying in East Bengal or any other part of Pakistan are concerned. My amendment only seeks to give protection to private individuals only in so far as those properties lie in any part of India; particularly I am concerned about

West Bengal and Assam. The number of cases may not be too many. But, I can show cases of hardship where decrees passed in Pakistan courts against private individuals would add greatly to the hardships of the individuals concerned on this side.

[MR. DEPUTY-SPEAKER in the Chair]

Moreover, this Bill has practically been provoked by certain legislation of the Pakistan Government. The amendment that I am moving is word for word a quotation from the Pakistan enactment. Further, it has been stated in the Statement of Objects and Reasons that in defending a case against the Pakistan Government in the Supreme Court here, the Advocate General of Pakistan said that "any decree that might eventually be passed by an Indian court in such pending proceedings would not be given effect to in Pakistan", which means, irrespective of whether the party is a Government or any private individual. I do not know why our legislation, which has been practically provoked by a similar legislation on the part of the Pakistan Government should make a discrimination between a Government and a private individual.

The hon. Minister has stated that he has had some experience of the conditions in Bengal, East and West. I do admit that he was there and that he was there as a popular Governor, mixing with all people quite frequently and so he has had very wide experience there. I do not question his experience and his knowledge of the state of things there. Still I would beg to submit that Governors and anybody holding an official position like that must derive their information and experience through Government reports. Their information will not often be the direct information from the persons concerned. I know the conditions prevailing in West and East Bengal and I know them personally and directly. Therefore, I can assure the House that it is not so easy for a private individual to go from, say Calcutta or any other part of West Bengal to fight a case out in some East Bengal court. Therefore, when this Bill is in reply to a certain enactment in Pakistan, I beg the hon. Minister to bring our enactment also on a par with the Pakistan enactment. That is all my request to him. I am not asking him to go any further than what the Pakistan Government has done. I only request that our legislation may be brought on a par with the Pakistan enactment and thereby give some relief to those unfortunate persons who have been

financially ruined because of the partition of the country. They have already been the victims of our politics. Let us not add to their misfortunes.

I appeal to the hon. Minister to make some provision for the private parties who may be aggrieved by certain decrees passed in Pakistan. Even the wording of the Statement of Objects and Reasons leaves some doubts in our minds about the justice of certain decrees passed by the Pakistan courts and private individuals also may feel in the same way. They may feel that considerations other than judicial and legal might have provoked certain judgments of the Pakistan Court, and there is no reason why the private individual should not get protection that the Bill seeks to give to Government. Therefore I would beg of the hon. Minister to make some provision for the aggrieved persons who might be still more injured because of some decrees in Pakistan courts.

Dr. Katju: I greatly regret I am unable to accept the amendment moved by my hon. friend, for the reasons which I have already explained. I have some knowledge of West Bengal and East Pakistan and really I am not convinced that the amendment will not do more harm than good to the very people whom my hon. friend wants to protect. Having spent, as I said, three years there, I have as much sympathy as my hon. friend, for these people. I know their condition. But this is not the way to benefit them, and unless we examine the whole of this topic in all its aspects, it will be almost a leap in the dark to extend the scope of this Bill to private decrees and private litigants.

Shri A. C. Guha: But Pakistan Government has already done that and that is my only plea. It has already been made applicable by them to private individuals in Pakistan.

Mr. Deputy-Speaker: Need I put it to the House?

Shri A. C. Guha: If the hon. Minister does not accept it, there is no use putting it to the House.

Mr. Deputy-Speaker: The question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clause 4.—(Right of holder of a decree etc.)

Prof. K. T. Shah: I beg to move:

In page 1, line 24, after "Act" insert "or within one year from the date of the decree, whichever is later".

This is to bring the provision in line with the previous amendment and to give the largest possible scope to the Bill and give its benefit for one year after the decree is passed. I do hope that this amendment will be accepted.

Dr. Katju: This amendment naturally follows from the one which I have already accepted. I, therefore, accept this one also.

Mr. Deputy-Speaker: The question is:

In page 1, line 24, after "Act" insert "or within one year from the date of the decree, whichever is later".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 4, as amended, stand part of the Bill."

The motion was adopted.

Clause 4, as amended, was added to the Bill.

New clause 4A

Pandit Kunzru: I beg to move:

In page 1, after line 32, insert:

"4A. Act not to apply to certain decrees.—Nothing in this Act shall apply to a decree or order in which the person in whose favour it is passed is a citizen of India—

(a) if the decree or order was not passed *ex parte*, or

(b) unless the Government on whom any liability or obligation has been imposed by the decree or order satisfies the court that it could not be properly represented by reason of being prevented from sending instructions in time."

Mr. Deputy-Speaker: In sub-clause (a), is the hon. Member sure that the wording should be "if the decree or order was not passed *ex parte*", or should it be "if the decree or order was passed *ex parte*"?

Pandit Kunzru: It should be "if the decree or order was not passed *ex parte*". The meaning is that clause 4

[Pandit Kunzru]

or nothing in clause 4 will apply to a citizen of India unless the decree is *ex parte*. If the decree obtained is *ex parte* then it will be affected by clause 4.

This amendment is based on what I said in my opening speech. I pointed out that this Bill should make a distinction between citizens of India and the citizens of Pakistan. I also suggested that the limits within which the Government of India could ask the decree holders, I mean the persons in whose favour a decree or order has been passed, could file a fresh suit in a court in India should be clearly defined. In the Statement of Objects and Reasons it is explained that the Government of India laboured under certain disabilities in replying to the claims made on them. It is said that sometimes an advocate was not available, and even when one was available it was found difficult to send instructions to him in time. This clause, therefore, enables the Government on whom the decree or order imposes a liability to refuse to give effect to it if it can convince a competent court in India that it was prevented from sending instructions to its counsel in time. I think that, if this clause is accepted, the position of the Government of India and of the State Governments concerned would be adequately safeguarded. If, however, the Government feel that there are certain cases, cases of certain other kinds, in which they should have the right to refuse to give effect to a decree or order passed by a court in Pakistan, it is open to my hon. friend to move an amendment that would bring out his point, but that amendment should not be of so general a kind as to leave a person in whose favour a decree or order has been passed, without any rights at all. The effect of the present legislation before us will be to leave the claimants entirely at the mercy of the Governments concerned. My suggestion is that this should, as far as possible, be prevented and that the claimants should, in certain well-defined cases, be given rights that cannot be questioned in any court of law. I also made a suggestion to the hon. Law Minister yesterday that, if he introduces a provision in the Bill enabling the Government of India to be the final authority in matters to which this Bill relates, that is, if the Government of India is given final authority to decide whether a decree or order should be given effect to or not, I shall withdraw my amendment. The Law Minister, while defending the State Governments, said that I was unnecessarily uncharitable. I did

not mean to be unkind to any State Government or to impute any motive to any of them, but I cannot ignore the history of the last four years. Difficulties had arisen in certain States that bore harshly on private persons. Sufficient consideration was not given to them. I do not want to be more specific because, if my hon. friend, the Law Minister, wants to acquaint himself with this matter, his Department will be able to supply him with all the information that he may ask for. But apart from this, when you have to deal with three Governments, you cannot ensure uniformity of action. On this ground alone, I think, I can justifiably ask the Law Minister to take power to give directions to State Governments, if necessary, so that no claimant may be put to any unnecessary hardship. I do not think I need say more to explain the object of this amendment.

Mr. Deputy-Speaker: Amendment moved:

In page 1, after line 32, insert:

"4A. Act not to apply to certain decrees.—Nothing in this Act shall apply to a decree or order in which the person in whose favour it is passed is a citizen of India—

(a) if the decree or order was not passed *ex parte*, or

(b) unless the Government on whom any liability or obligation has been imposed by the decree or order satisfies the court that it could not be properly represented by reason of being prevented from sending instructions in time."

Dr. Katju: My hon. friend may take it from me that really it is impossible for me to accept this amendment, however much I may be anxious to do so. My hon. friend to my opposite read out section 13 of the Civil Procedure Code as applicable to foreign courts. It is not only a question as to whether a particular decree is *ex parte* or not, whether there has been an opportunity to the defendants of proper representation or not. The real point is the merits of the case and whether a law has been properly applied, whether any inter-Dominion agreement or international law on the topic had been properly given effect to. My hon. friend has concentrated on one slight aspect only. Even if a decree is *ex parte*, it would be very unjust to deprive the plaintiff of the fruits of the decree. I do not want to tire the House by repeating myself over and over again. The assurance that I have given should be sufficient and let me make one thing quite

clear also. I do not want to put anything in the Bill which can be called discriminatory, discriminatory in the sense that the decree may have been obtained by people against the Government of India who today are technically not Indian nationals. In East Bengal, for instance, there are crores who are still living there, who may have obtained decrees and who do not want to leave Pakistan. Why should they be deprived? Therefore, I stick to the merits. My hon. friend says in his amendment that only Indian nationals should be covered. I want every Hindu or Muslim living in East Pakistan to be covered. If a man has got a meritorious decree, in pending suits, we will accept the judgment. There is no difficulty about that. Therefore, I hope he would withdraw his amendment. Otherwise, I am not going to accept it.

Pandit Kunzru: What difficulty does the hon. Minister expect in the Government of India taking power to decide conflicting claims in all such cases?

Dr. Katju: Taking the power to myself?

Pandit Kunzru: The hon. Minister has not told us what his difficulty is in introducing a provision in the Bill giving the Government of India final authority in the matter.

Dr. Katju: It will be quite improper and quite unconstitutional.

Pandit Kunzru: Unconstitutional? When certain orders were passed under the Indian Independence Act, it was the responsibility of the Government of India to see that the decrees were given effect to. The final responsibility should continue to remain with them.

Dr. Katju: Advising is one thing and taking compulsory action is another thing. My learned friend knows much more of the Constitution than I do.

Shri Kamath: Will the advice be accepted by them? What if it is rejected?

Dr. Katju: We will leave it there.

Pandit Kunzru: Although my hon. friend is very unreasonable, I beg leave to withdraw my amendment, in view of what he has said.

The amendment was, by leave, withdrawn.

Clause 5 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Enacting Formula were added to the Bill.

Dr. Katju: 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.

UTTAR PRADESH CANTONMENTS (CONTROL OF RENT AND EVICTION) BILL

The Deputy Minister of Defence (Major-General Himatsinhji): I beg to move:

"That the Bill to provide for the control of rent of house accommodation in cantonments in Uttar Pradesh and to prevent the eviction of tenants therefrom, be taken into consideration."

This Bill seeks to replace the Uttar Pradesh Cantonments (Control of Rent and Eviction) Ordinance promulgated on the 16th January 1952. As the House is aware, before the passing of the Constitution the power to legislate with regard to the cantonments lay with the former Provinces and in that U.P. was included. Before the passing of the Constitution each Province had suitable cantonment laws, including Uttar Pradesh. Under the provisions of clause (2) of article 73 of the Constitution, State laws already in operation in the Provinces were to continue in force. Notwithstanding article 246 read with Entry 3 of the Union List, which gave power solely to the Central Government to make laws after the passing of the Constitution, the U.P. Legislature, through a misunderstanding of the constitutional position, passed an Act, or amendment to the already existing Cantonment law, exempting from the provisions of the State law the cantonments in their area. This omission was detected and pointed out to them. The U.P. Government therefore passed an Ordinance to include the cantonments in U.P. in the application of the State law. However, before the said Ordinance could be turned into an Act, the Constitution of the Union came into force on the 26th January 1950. The result was that the cantonments in U.P. had no rent control laws. This brought about a lot of hardship and complaints from the tenants of that area. Having had no rent control laws for nearly two years, there were a lot of appeals from the residents for immediate relief. Therefore, it was

[Major-General Himatsinhji]

necessary in the public interest to have an immediate Ordinance so as to give them relief and prevent house owners from levying excessive rates and evicting tenants from houses. Therefore, this Ordinance was promulgated which was on the lines of the laws in U.P. with small modifications which were considered necessary. As I said before, all the Part A and Part C States had laws relating to cantonments prior to the passing of the Constitution and with regard to two or three cantonments in Part B States this question has not so far arisen. Therefore, this Bill is limited entirely to Uttar Pradesh. In order to achieve the object of the State Ordinance and to put it on a lasting basis it is necessary to convert this Ordinance into an Act in this session. Therefore, I commend the Bill to the House for its consideration.

Mr. Deputy-Speaker: The question is:

"That the Bill to provide for the control of rent of house accommodation in cantonments in Uttar Pradesh and to prevent the eviction of tenants therefrom, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3.—(Definitions)

Amendments made:

(i) In page 1, line 15, after "house accommodation" insert "residential or non-residential".

(ii) In page 1, line 18, for "house" substitute "building".

(iii) In page 1, line 21, for "house", occurring twice, substitute "building".

(iv) In page 2, lines 14 and 15, omit "military".

—[*Shrimati Uma Nehru*]

Clause 3, as amended, was added to the Bill.

Clauses 4 to 24 were added to the Bill.

Clause 1 was added to the Bill.

The Title and the Enacting Formula were added to the Bill.

Major-General Himatsinhji: 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.

FOREIGN EXCHANGE REGULATION (AMENDMENT) BILL

The Minister of Finance (Shri C. D. Deshmukh) rose—

Shri Kamath (Madhya Pradesh): He had an easy time over the first Bill.

Shri C. D. Deshmukh: I could not follow him.

Mr. Deputy-Speaker: The hon. Member congratulates the House and the Minister on the ease with which his first Bill has been passed.

Shri Kamath: The Deputy Defence Minister.

Shri C. D. Deshmukh: I beg to move:

"That the Bill further to amend the Foreign Exchange Regulation Act, 1947, be taken into consideration."

It will be recalled that when the Foreign Exchange Regulation Bill was originally placed before the Legislative Assembly in 1946 the period for which the Act would be in force was not specified and this was because in the opinion of the Government the necessity to control transactions in foreign exchange was likely to be of a long duration and such exchange control is necessary not only to safeguard our balance of payment position but was at that time and still is necessary in order that India may be able to take advantage of the facilities which are open to her as a member of the International Monetary Fund. These facilities can only be availed of if the member exercises control over outward movements of capital. So, it was for these reasons that there was no period fixed for that Bill. But when the Bill went before the Select Committee they took a more optimistic view and decided to limit the period of validity of the Act to five years with powers to Government to extend it for three years, and as the Act came into force from the 25th March, 1947 it will expire on the 24th March, 1952 unless extended before that date. The question here arises of why it is necessary to come before the House if the Act contains a provision for further extension. Well, we have taken legal advice and we are advised that there may be doubts about the validity of

the delegation of such a power and that probably it might be *ultra vires*. So, we do not wish to take a chance and that is why we are coming here before the Legislature for the extension of the period of the present measure.

The earlier hopes of the Select Committee that world trading conditions would return to normal within a few years after the end of the war have not been fulfilled, but it is not only they that misjudged the situation, many political practitioners and economic experts also went wrong. Anyway, the facts are that instability of foreign exchange conditions is still with us, generally with all countries of the world and particularly with us: we have to import large quantities of foodgrains every year and our development programme also indicates the need for conserving our foreign exchange. The International Monetary Fund reviews the exchange control regulation in force in every country, and it has also come to the conclusion that for some time to come India would have to maintain her regulation of foreign exchange. Therefore, I hope that the House will agree that in these circumstances we have to continue it for some time and the present intention is to continue it up to the 31st December, 1957. That is the main purpose of this Bill.

Then we have taken the opportunity to incorporate certain amendments. Some of them are verbal or of the nature of drafting changes but there are three important ones and they relate to sections 18 and 19 of the original Act and to a new section 24A which we are now seeking to introduce for the first time. I shall deal first with section 18. This section enables the Central Government or the Reserve Bank to exercise control over the activities of the foreign subsidiaries of Indian companies. In the course of the administration of the original Act it has come to our notice that Government did not have power even to call for information regarding the activities of such subsidiaries and we found that this was an unsatisfactory state of affairs especially as there was a possibility that such subsidiaries might be used as a convenient means of evading exchange control and piling up resources abroad without bringing them into account. And therefore we have felt it necessary to propose the assumption of powers which are contained in this section. It is not our intention to interfere by this provision with the activities of subsidiary companies which are prepared to act in conformity with normal commercial practice and indeed

if we take this power then it would be possible for us to agree more readily to the establishment of subsidiaries of our companies in foreign countries because we should be less anxious then on the score of losing foreign exchange. I might add that an exactly similar provision has been on the United Kingdom statute book for the last five years and that it has not aroused any serious criticism. I repeat that the object of the amendment is mainly to ensure that the foreign subsidiaries render an account of their activities abroad and that their net foreign exchange earnings, subject to their maintaining suitable reserves for reasonable expansion, are brought back into the country.

Then there are amendments to section 19. They are important but are not of a very far-reaching character. Under the old section the power to call for information was vested only in the Central Government and the Reserve Bank did not have this power. This led to considerable delays in the investigation of cases. So we are now proposing to delegate this power to the Reserve Bank also.

The other amendment to this section relates to searches. You will notice that under sub-section (3) of section 19, as it stands at present, it becomes necessary for Government to call for documents from a suspected person before his premises can be searched. This means that all element of surprise in a subsequent search of his premises is lost and the suspected person gets enough notice to destroy all incriminating documents. Therefore, the proposed amendment will enable us to make searches without prior warning or without prior requisitioning. The new provision, I may point out, follows closely section 96 of the Criminal Procedure Code.

Then the third important amendment relates to the use of documents furnished by or seized from a suspected person as evidence against him. Under the Evidence Act, before a document is tendered as relevant it has to be proved, that is to say, in other words we must show that it was written or signed by the person by whom it was purported to be written or signed. Now, we found that it was not always possible in cases under the Foreign Exchange Regulation Act to prove this by summoning a witness to testify to these facts. Take, for instance, the case of a dollar account sent to its client in India by a bank in America. Now such an account is often of very great relevance in proving an offence. The holding of a dollar account without the permission of the Reserve Bank is in itself an offence under the

[Shri C. D. Deshmukh]

Foreign Exchange Regulation Act and the only person who could verify the signature of the person who has signed the statement can be the officer of bank in U.S.A. or someone else who knows him. I think the House will agree that it would be unreasonable to expect Government to go to the expense and trouble of calling such a witness from America, and moreover, even if we concede that Government has not the power to compel the presence in the court of persons residing in foreign countries merely for the purpose of giving evidence. On the other hand, there is no doubt that in most cases if not in all, such statements of accounts or other documents furnished by the accused himself or seized from his custody are in fact true and the accused person should not therefore be permitted to take shelter under the technicalities of the Evidence Act. I can only assure the House that the provision is quite in keeping with the spirit of the Evidence Act, but conditions of trade and commerce have changed considerably since the Act was first enacted, and at least in this instance we find it is necessary to adapt its provisions to the changed circumstances.

As I said, the other amendments are of a comparatively minor character. There has been some criticism regarding the haste shown by Government in getting some of these amendments made through an Ordinance and I would like to explain briefly the circumstances in which Government felt this necessary. We originally intended to introduce this Bill in the last session of Parliament, but we found that the legislative programme before the House was heavy and we therefore came to the conclusion that it would be unlikely that the House would find time to finish the consideration of the measure before it adjourned. We were also not aware of the future programme of Parliament. There was a possibility at one time that the next session of Parliament might be held only after the elections when a new Parliament would re-assemble, in which case we feared that all pending Bills would lapse automatically. We therefore decided that such of the amendments as were considered urgent should be enacted by an Ordinance. We had thus not foreseen that there would have to be, for legal and other reasons, the present session of Parliament so early after the last session.

In the end, I may say that I have dealt with the main provisions of the Bill and I have also explained the

circumstances in which an Ordinance had to be issued. So I commend my motion to the House.

Mr. Deputy-Speaker: The question is:

"That the Bill further to amend the Foreign Exchange Regulation Act, 1947, be taken into consideration."

The motion was adopted.

Mr. Deputy-Speaker: I do not find any amendments to any clause of the Bill. I shall therefore put all the clauses together.

Shri Naziruddin Ahmad (West Bengal): The Bill was circulated only recently. So many other Bills have also been circulated to us. It is not fair to suppose that Members are legal automatons who can apply their minds to all Bills automatically. I think that some time should be given to us for the consideration of this Bill. There is a proposal here to abrogate some provisions of the Evidence Act. The fact that there are no amendments does not mean that it can be passed unanimously. We want time and I suggest we might take up the Bill after lunch.

Mr. Deputy-Speaker: I agree. My own feeling was and has been that it is physically impossible for any hon. Member to be ready with all the Bills. Therefore, the House must divide itself into various sections and each section must specialise in particular subjects and table amendments. In this case, sufficient time has been given for tabling amendments and it is no use trying to table amendments at the eleventh hour. Since the consideration motion has already been passed, I suggest that this Bill may be passed.

Clauses 1 to 12 were added to the Bill.

The Title and the Enacting Formula were added to the Bill.

Shri C. D. Deshmukh: I beg to move:

"That the Bill be passed."

Mr. Deputy-Speaker: The question is:

"That the Bill be passed."

The motion was adopted.

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

The House re-assembled after Lunch at Thirty-four Minutes Past Two of the Clock.

[MR. DEPUTY-SPEAKER in the Chair]
CAPITAL ISSUES (CONTINUANCE OF CONTROL) AMENDMENT BILL.

The Minister of Finance (Shri C. D. Deshmukh): I beg to move:

"That the Bill further to amend the Capital Issues (Continuance of Control) Act, 1947, be taken into consideration."

The House will recall that the control was first introduced in May 1943. It was continued after the termination of the war by the issue of an Ordinance, thereafter for another three years by the passing of the Capital Issues (Continuance of Control) Act, 1947 and further extended in 1950 for two years upto 31st March 1951.

The main object of the control was to ensure that, as far as possible, investible funds did not find an outlet for investment in non-essential projects and to prevent them from being invested in a manner which ran counter to the policy of the Government. This reason still holds good particularly in view of the limited capital resources available to the country for investment purposes. The Planning Commission also has recommended tighter control on capital issues with a view to canalising funds into desired channels. In view of these reasons, it is proposed to continue the control for a further period and the present Bill is designed to extend the control till the end of the Five Year Plan period, the first year of which has already lapsed.

The House may be interested at this stage to have a review of the operation of the Act over the last one and a half years after its extension in 1950. Consents to issue of capital were generally given rather more freely as compared to the war period and the years immediately following the war. In the case of planned industries, consent was given if the project for which capital was required fell within the plan made by the Government for industries. On the other hand consent for new banking, insurance companies, airlines and speculative business was generally refused. The grounds for refusal in the case of industrial companies were that the proposed companies either did not fall within the plan made by Government or that the business proposed to be carried on was speculative and not desirable in the public interest or that the scheme was indefinite and immature. In the non-industrial group the main grounds for refusals were that the field of banking and insurance was

already over-crowded and that there was no further scope for expansion in that line or that the financial position of the companies applying for consent was so unsatisfactory that any invitation to public subscriptions by them was undesirable. These refusals also covered cases of bonus issue either on the revaluation of assets or not having sufficient genuine reserves.

I shall now quote some figures in respect of what I have said. In 1950 out of 320 companies which applied for capital issues for Rs. 84.93 crores, 263 companies were granted sanction for Rs. 74.75 crores. Only 57 companies were refused sanction for capital amounting to Rs. 9.74 crores. The percentage of refusals works out to about twelve. Then in the first half of 1951, out of 217 companies which applied for capital amounting to approximately Rs. 37.30 crores, 37 companies were refused permission for capital issue to the tune of Rs. 6.49 crores and 180 companies were sanctioned issue of capital amounting to Rs. 30.81 crores. So the percentage of refusals in regard to capital for this period works out to 18. Then, analysing the figures further, during 1950 the percentage of refusals in the industrial group was only 9 whereas in the case of non-industrial companies it was about 20. In the following half year the percentage of refusals in the industrial category was about 16 whereas in the non-industrial category it was about 21.5. So it will be observed that the control has been instrumental in preventing investible capital to the extent of Rs. 16.22 crores from going into undesirable channels during the last one and a half years. Even if the figure of bonus issues rejected during this period is excluded from the figure given just now the total net capital that has been prevented from going into undesirable channels amounts to about Rs. 8.05 crores. It will be clear, I hope, that not only is the control of capital issues, as exercised, important in directing investible funds into desirable channels but that it is the only instrument in the hands of the Government to regulate and control the indiscriminate issue of bonus shares which tendency has assumed increasing dimensions since 1948.

Then there is another important aspect of this control and that is that it has proved useful in regulating investment of foreign capital in India. Control of capital issues is one of the methods available to the Government to regulate foreign investments. Though the Government's policy is to encourage investment of foreign capital in India and this has been reiterated more than once, it is necessary that this encouragement should be

[Shri C. D. Deshmukh]

given in a rational manner and after examination of each case on its merits. Now, during 1950, out of the fifty-three companies involving foreign investment to the tune of Rs. 4.08 crores, forty-two companies were granted consent and eleven—to the extent of Rs. 73 lakhs—were refused. The percentage of refusals to the total capital applied for was thus about 18. And during 1951, out of ninety-four companies which applied for a total foreign investment of Rs. 15.03 crores, eighty-one companies were granted consent and thirteen companies were refused, the refusals involving foreign capital to the tune of only Rs. 22 lakhs. The refusals related to companies which were not considered desirable in the national interest.

There is one last point and that is this. The Industries (Development and Regulation) Act, 1951 has empowered the Government to regulate and control a number of industries. But this does not empower the Government to exercise control on capital issues in all fields. Therefore, although this Act is on the statute book, Government would still need a possible instrument of check over capital in other fields with a view to canalising the flow of funds into desirable channels.

The present Act is due to expire on 31st March, 1952. In view of the strong recommendations of the Planning Commission for its continuance, the overall advantages that the control has, as judged from the figures, on the quality, yield, and the limited capital resources available for investment in the country—which makes it imperative that investment in undesirable channels be avoided—I commend the Bill for the acceptance of the House.

Mr. Deputy-Speaker: Motion moved:

“That the Bill further to amend the Capital Issues (Continuance of Control) Act, 1947, be taken into consideration.”

Shri A. C. Guha (West Bengal): I support this motion for the continuance of control on capital issues, but there are some points which I would like the hon. Minister to clarify.

The first point relates to the Advisory Committee set up by the Government on this matter. I do not think the Government takes much advantage of that Advisory Committee. I think it met last time after a lapse of about two years, and I think after that there has been no sitting, though there was an assurance that the Advisory Committee would meet more

frequently. For the last six months or so there has been no sitting of the Committee.

Shri C. D. Deshmukh: Do I understand that when the Committee last met it was after two years and that for the last six months it has not met again?

Mr. Deputy-Speaker: Yes.

Shri A. C. Guha: Nearly after a lapse of two years it met, and for the last six months it has not met again. In this connection it may be pointed out by the department or the Government that it may not be convenient for any member to attend the meeting of the Committee whenever it is called. But I do not think any time would be convenient for all the members concerned. If one influential member does not find it convenient to attend a meeting, even though the date may be shifted twice or thrice, I think the Government should go on with its work in convening the meeting instead of attempting to oblige some members who have many other preoccupations or who may think that this work may not be so important compared with their own preoccupations.

Shri C. D. Deshmukh: May I ask whether the hon. Member is a member of the Committee? It sounds very much like an intimate grievance!

Shri A. C. Guha: Yes, I think, I am a member of the Committee.

Mr. Deputy-Speaker: Was this circulated to elicit opinion from the industries?

Shri C. D. Deshmukh: No, Sir. This is just an extension. The Five Year Plan has been circulated. It contains a recommendation in its Industrial portion that this particular instrument be continued to be used. But separately it has not been circulated.

Mr. Deputy-Speaker: Why I am asking is because of this reason. Hon. Members who have come here at this particular session were not expected to look into these—though, of course, it is their duty to look into everything with as much vigilance as possible. But the public at large and the country is interested. Last time it was extended for a year and a half, I think.

Shri C. D. Deshmukh: For two years.

Mr. Deputy-Speaker: Now it is sought to be extended for five years—for four years, but as already one year is over it comes to five years

with that. There are the questions as to how far this acts as a limitation on the expansion of industry and so on. Of course the figures have already been given by the hon. the Finance Minister. Still the Government must know the opinions of the industries concerned and the country. The Government must place all that material before the House. It is not that the Government is unilaterally doing this but is doing it on the advice of the Planning Commission. But is it not desirable that the opinions of those persons who are affected most by this should also be taken? Without Parliament having to ask for all such information and embark upon a dilatory motion to send the Bill for public opinion, I think it will be desirable that in all such matters where extension is required, the general public and those interested may also be informally consulted. This applies not only to this Bill, but to the previous one also that the House has passed. So that, hon. Members may have full information with them as to what the reactions to the Bill and the different views about the Bill are. That is the manner in which the Minister in charge should supply information for and against a measure to the Members of the House. I hope it will be done in the future.

Shri C. D. Deshmukh: The only point that I would like to make in reply is that so far as I am aware, there has been no criticism against the existence of this legislation on the statute book. There may have been complaints in regard to its administration; but, tacitly, I think, it is recognised even by the mercantile community and by the industrial community that some kind of screening of capital issues is required.

Mr. Deputy-Speaker: Continued?

Shri C. D. Deshmukh: Yes. To my knowledge nothing has appeared in financial or economic journals.

Mr. Deputy-Speaker: All right.

Shri A. C. Guha: When the Industries (Development and Regulation) Bill was passed, the point was raised as to what should be the limit of capital that would require licensing for the development of industries, in view of capital issue control being in force. There also, the figure has been put as five lakhs. I think under the Capital Issues (Control) Act also, no capital below five lakhs requires sanction from the Government. So, in most cases, these two Acts would overlap. If I remember aright, both the hon. Minister of Industry and the hon. Minister of Finance once told us that industries were now suffering from too much of

control and that they feel that the Government has been asking for too many returns and exercising too much control from different sections and departments of Government. I hope that the hon. Finance Minister will see to it that the control that will be exercised on capital issues from the point of view of the Industries (Development and Regulation) Act and from the point of view of the Capital Issues (Control) Act, may not come into conflict or may not give different versions.

There is another point which the hon. Minister altogether ignored to mention. In this Bill, he has certainly introduced an element so to say, of taxation: levy of fees on applications made to the Central Government for licensing. In the original Bill, I do not think there was anything like that. This is a new thing which has been introduced and that also has been introduced through the power of making bye-laws and rules, vested in the Government. I have no objection to this provision. A person who is investing five lakhs or ten lakhs may easily pay a few rupees for the expenses of the department. But, I think this ought to have been put clearly in some provision in the Bill, and not in a back-door manner, under the rule-making power of the Government.

From the figures given by the hon. Finance Minister about the number of applications and the amount asked for, and the number of applications and the amount sanctioned, it seems that Government has not been too strict in issuing permits and so, there has not been any complaint from the business community on this point. But, I would like the hon. Finance Minister to see that the principle of priorities as regards the starting of industries should be observed while giving sanction. It has come to our notice that certain industries have been permitted to be started under this Act, and sanction given for the investment of capital which may not have that priority from the point of view of national economy. I think Government should exercise greater control, particularly from the point of view of priority or incentive that an industry should get or whether a certain industry can afford to wait for some time. In view of our limited capital resources, that is an important point; that is, I think, the real purpose of this Act. As regards the control exercised on foreign investments, the hon. Finance Minister has given us figures; but I do not know how much of this amount has come as the dollar investments. I would like the hon. Finance Minister to give us that figure.

[Shri A. C. Guha]

I commend this Bill to the House.

Shri Naziruddin Ahmad (West Bengal): So far as this Bill is concerned, we have been given a resume of the activities of the Government only in figures and percentages: so many crores working at such and such a percentage, year after year, industry by industry, and so on and so forth. I submit this gives us no adequate or proper account of the principles and considerations which weighed with the Government in allowing or refusing extensions of capital. There is a danger in India which has been real and a great one too. I have no connection with any industrial undertaking, but I fear there is a feeling among the business community that the control exercised by the Government with regard to capital issue and matters relating thereto, as well as all controls are done with some amount of arbitrariness, and in accordance with certain rules which may not have any principle to justify them, but are arbitrary and mechanical rules. With regard to industries, the common complaint is that industries are not developing. On the other hand, there are a large number of controls and sanctions with regard to capital issue and various other matters which hamper industries at every step. You cannot have it both ways. If it is desired by the Government to nationalise certain industries, by all means do it. That would be determined by the capital in the hands of the Government and their capacity to manage their affairs. But, if an industry cannot for any reason be nationalised straightway, free scope should be given to the industry to develop in the natural way. If there is interference by Government at every turn, that would seriously impair the capacity of the industry to grow in a natural manner. There have been too many complaints in business circles about the controls and checks at every turn not only by the Finance Department, but also by other departments. I submit that controls should be liberalised and industries should be made to stand on their own legs. If they make a mistake, that does not matter; they learn by experience.

[MR. SPEAKER *in the Chair*]

3 P.M.

Shri C. D. Deshmukh: Which industry does the hon. Member mean?

Shri Naziruddin Ahmad: All industries. The British Government interfered with our national aspirations rather too freely, our argument was that we should not be hampered at every step, that we should be allowed

to go on, commit mistakes and learn by our experience. After all, that is the best method of learning in these matters. Some amount of room should be left for the industries to learn in this manner and interference must be reduced to the minimum. It is all very well to say on paper that an industry should be checked from expanding in undesirable channels. That is a convenient phrase. But one has to be very sure that the direction in which an industry wants to expand is really undesirable. It has not been clearly stated from what point of view the expansion must be regarded as undesirable.

As regards bonus issue, so far as I remember, this was really as a sort of reaction to what was done by the Government. Government wanted to control and limit dividends. That was arbitrary interference and the result was the business community were really afraid of showing any success in management. If there was good profit, that must be controlled and shareholders must not get it. The result of it was that many companies, as a reaction, did not pay dividends, but accumulated the money in the shape of reserve funds or other funds and out of these funds they issued bonus shares and thus avoided the payment of dividends beyond the percentage rule laid down by Government. The Dividend Limitation Ordinance and the Act died a natural death and we have learned from experience that the experiment should not be repeated again. In fact, if any business loses it goes out of business and if the business is a success you put a limitation upon the dividend. The result was free enterprise could not grow. It has often been stated that capital is not cooperating with Government; but I do not think it is justified. This remark is based upon misconceptions. There is now no capital in the sense in which Karl Marx talked of capital. He said that all capitalists should be liquidated. In Marx's time there was one capitalist supplying the entire capital and spending as little as possible and making the maximum profit. There was much ill attached to that. But today capital is democratised. A capital issue means hundreds and thousands of people subscribing and they mostly belong to the middle-classes, and a capitalist in the sense in which it is objected to is now absolutely unknown, except probably in the villages and in obscure areas and there too the amount involved would be negligible. But so far as big industries are concerned, they are only in name capitalist organisations. In fact, the shareholders are numerous and the holding

of an individual, on the average, is very small. So any check upon the profit earning capacity of the industries and the dividends that they should pay would merely check the growth of industries; and without public support, especially the support of the thrifty middle-classes no capital structure can be really built up. The difficulty that we find in raising sufficient capital is not that there are not sound business proposed or started on sound business lines. But the difficulty of the investing classes is that they do not know when and in what manner the Government interference would come. I, therefore, think that to all these matters full consideration should be given so as to really encourage the expansion of industries.

With regard to foreign capital, the word "foreign" somehow or other lingers in our minds and jars in our ears. It is a legacy of the past. But as a matter of fact, what is there in foreign investments which we should object to? I fail to understand this objection. If there is anything behind it, it is some kind of an inferiority complex or a fear complex. Our attitude towards foreign investment has been rather dual. On the one hand we say we want foreign capital to come here and do business. On the other hand, we put all sorts of obstacles in their way. I feel that without foreign capital we cannot go on. That is a proposition that does not require to be laboured. I feel that foreign capital would bring foreign experts and will start business and take something and give India something more. As a matter of fact, something like a proportion of the capital structure to be of foreign capital in a company and the rest of Indian capital may be attempted. Foreign capital as such should not be shunned. That is against our national interest. It is far better to allow foreign capital to come in, provided Indian capital is also mixed with it and the directorate is a mixed board of foreigners and Indians. In this way our standard of management would be improved and in every way we would be benefited. Instead of that, if we put obstacles in the way of industries on the vague ground that we should prevent undesirable expansion, I think it will be really a loss to the country.

For all these reasons I should rather think that a real case, a clear case, has not been made out for extending the period for five years. The fact that the Planning Commission has recommended it is nothing. They are, to my humble mind, an idealistic body. They think in idealistic terms. But business is hard reality and the

fact that they have merely recommended this is only one side of the matter. It is very good that we have got their recommendation. But as the Deputy-Speaker suggested, the proposals were not circulated among businessmen and their opinions not obtained. That is a real point. In fact the reply to that query was that there has been no criticism from business quarters as to the actual working of the Act. But judging from what we see in the newspaper articles and articles in business papers, I feel that the business people are looking at the Government with wonder and bewilderment and an equal amount of helplessness. The fact that they do not criticise or object to the thing may be due to the fact that they are in agreement, and feel that it is working well, or it may be due to the opposite reason, and that they feel that to raise objections or make criticisms will be only a cry in the wilderness. In fact, many suggestions have been made by business communities in various circumstances, but they have not been given heed to.

In these circumstances, I submit that the proposals should have been circulated and the exact grievances of the industries concerned and their difficulties should have been ascertained and their consent obtained. It is very easy to be influenced by opinion from the departments. But departmental opinion moves in grooves; and business opinion does not move in grooves. There would have been no harm in obtaining the opinion of the business people and ascertaining where the difficulties lay. It may be that in some desirable cases, the capital expansion was refused on the ground that it was expanding in an undesirable channel. But the fact may be that it was not an undesirable channel. It is not easy to sit in the chairs of the official benches and find out whether an issue is desirable or undesirable. I think this also should be clarified, as to what are considered undesirable expansions and what are not. In these circumstances, I submit that the Bill may be extended for a year and it should be circulated amongst business people and their opinion obtained. It is not merely eliciting information on the Bill. The business community are highly interested in the Bill, and the industrial prosperity of the country is bound up with the business community and on how they are controlled. In these circumstances, I would submit that it should be extended only for one year and then a proper review should be made of the situation. This Parliament is already dying or is on its death-bed. This House is practically

[Shri Naziruddin Ahmad]

anachronistic today, and as such, I think the matter should be dealt with in the next Parliament and a hasty extension should not be given for five years.

Shri Jhunjhunwala (Bihar): The Capital Issues (Control) Bill was introduced in 1947, and it has continued till now. The Bill was thought to be necessary because there was indiscriminate floating of companies at that time. People had sufficient money and they did not make any discrimination between one kind of industry and another. Whatever they thought would give them immediate profit, irrespective of whether it was good for the country or not, they floated a company for that. Now the situation is quite different. There is no indiscriminate floating of companies. There is hardly any floatation of companies now. People have got no money and before they invest any money, they think twice. As such, I do not know why it has been considered necessary to continue the control over capital issues. When there was indiscriminate floatation of companies, then of course it was necessary.

I understand there is an Advisory Committee attached to advise Government on capital issues. I understand that that Advisory Committee has not been consulted in this matter at all. Before this Bill was brought in for continuing this control, that Committee should have been consulted.

Further, there is a provision for the levy of fees on applications made to the Central Government. When once Government take up anything in their hands, they want that it should continue for one reason or another. Once a particular thing is controlled, Government think that that control should continue. That should not be the policy of the Government, that should not be the intention of Government. Further, you levy a tax by way of fees on people for anything and everything. This is not a desirable thing. If Government thinks that it is very necessary to continue control of capital issues, why should the people be taxed for it? I know that at present Government have got very limited resources. I know also that Government want that all departments should be made self-sufficient. This is very good. But once the Government make a department self-sufficient by levying a tax or fee, in that case the tendency of the Government will be to continue that levy, whether it is good for the country or not, so that the department concerned might continue. I would submit that if the Government want to extend this at all, as

has been proposed by Mr. Naziruddin Ahmad, let them extend it for one year. The new Parliament is coming and the matter may be considered by them. In the meantime, the opinion of the Advisory Committee and other business people should be obtained.

Shri M. A. Ayyangar (Madras): I want to say just a few words. First of all, whenever any control is sought to be extended in point of time, it ought not to be assumed that it is necessary, whatever might be the opinion of the authorities who have been consulted. I think that the hon. Minister must have taken the opinion of the business community in this matter. It ought not to have been left to the Members of the House to go about asking for opinions on this measure as to how people think and feel about this measure. Government itself should have obtained and placed before the House the opinions for and against this measure and on whether it needs any extension. It is no good saying no opinion contra has been received or has appeared in any of the journals, economic, financial and other journals. If the Government had indicated that this measure would be extended, it is possible there would have been a good volume of opposition to this, or there would have been modified criticism. We have not had the benefit of any such opinion and also the experience of the business community in this direction. It is true that the Planning Commission in its preliminary Report has stated that this control should continue. That is also covered by the Industries Control Bill. This is not out of place, but how far the same language, the same provisions of the Bill, should be continued is a matter for very deep consideration by the House. It is regrettable that that kind of information has not been placed before the House.

Then, as regards the administration, the hon. Finance Minister himself has admitted that in the actual administration, there have been some complaints. I would like the hon. Finance Minister to tell us how long was the delay in these cases between the making of applications and the granting of the applications.

Shri C. D. Deshmukh: I did not say that there were complaints in the actual administration.

Shri M. A. Ayyangar: That is what I thought you said. If it is not so, then I would like to know whether there have been any complaints or not and also how long is the delay ordinarily between the receipt of an application and the final granting of the

capital issue. If there is too much delay, even if you grant the issue, the whole attempt may prove to be infructuous on account of the fact that in the meanwhile the money market has become tight. As it is, we are too weak in industry. There must be no cold hand placed on the putting up of industries in this country. If you want to continue this control so that all sorts of industries are not put up, so that the real industries, the good industries, the more important industries, the nation-building industries are not left to suffer, I can understand your object, but the cold hand of the executive should not be placed on the industries as a whole. If that is the object, I can understand it, but there ought to be no time-lag between the receipt of applications and the granting of applications, for it may prove useless if the applications are granted some time later.

As regards expansion of industries, I should like to know if the hon. Minister has any details as to how many applications were for expansion of the existing industries, and what was the fate of those applications. How many of these were for capital issues and in how many cases permission was given. All this information will be useful for study in the future when Government want to tap sources for their own industries or if private enterprise wants to tap them. In how many of these cases of application the industries have been put up or have they merely taken orders for capital issues? How much of the money for capital issue has been subscribed? I do not know whether the Government has any machinery to watch and gather statistics in this regard and if they had they would gather useful information. We would then know how many industries have been put up, how much capital has been subscribed and whether the expectations have been fulfilled and so on.

We have now a plan. How many of these industries are according to the plan and the industrial policy declaration that was made on the 9th April 1948? According to that industrial policy and regulation some sector was reserved for private enterprise and the rest was a public sector.

Shri C. D. Deshmukh: All that were sanctioned were within the scope of the policy declaration. Others that were not were rejected.

Shri M. A. Ayyangar: So, only when they did not come within the scope they were rejected.

Now this Parliament is called by some people as a lame duck. I do not know what it means. I think it would have been enough if he continued this measure for a year and then came before the next Parliament where various interests will be represented. I think one year period would be sufficient, instead of taking the next Parliament by surprise and over their head passing this piece of legislation. It is true that the next Parliament can, if it desires, abrogate it but such action or initiative rarely comes from the other side.

Shri Kamath: When there is a bigger opposition, it might come.

Shri M. A. Ayyangar: Whether the opposition is big or small before any such measure is initiated, even if it be for continuance of an existing measure, I would urge upon the hon. Minister to keep it operative for a year and then come before the next Parliament for further continuance according to circumstances.

Shri C. D. Deshmukh: In regard to the first point that it was our business to have circulated this before coming up for extension, in addition to the statement that I made, I am not aware of any complaints. There is the fact that this matter was indirectly referred to when we discussed the Industries (Development and Regulation) Bill. It was all along at the back of one's mind. Secondly, in the light of the figures I have given there is no reason to believe that by and large the industrial community feels itself inconvenienced. The percentage of refusals is very small, about eight or ten out of 18 crores. Eight crores represent application for bonus shares and eight crores the rest in one and a half years. So even if we were to consult the business community, the majority of them are likely to support this measure, especially in a period when capital is scarce.

And that brings me to the other point made by Mr. Jhunjhunwala, namely that although this was justified in the old days when there were so many floatations, it is not justified now when capital is scarce. I should say that a measure like this is more justified now when capital is scarce than when capital was plenty. When there was plenty of capital we had only to concern ourselves with the unwary investor. But when capital is scarce we have to concern ourselves with the welfare of the whole State. As between the two I should say that this latter is the more compelling interest.

[Shri C. D. Deshmukh]

There was then reference to the Advisory Committee. I am sorry that the Advisory Committee could not meet because of the illness of the Chairman. He has been ill off and on. But now that reference has been made to the matter I am prepared to examine the advisability of not calling the meeting of the Committee only for that reason. I am also told that really there was no business to refer to the Advisory Committee during the last three or four months. That I have not been able to verify but I am prepared to look into the question of the frequency of the meetings of the Advisory Committee.

Shri A. C. Guha: A meeting was at first notified but subsequently the date was changed and then again the date was changed and finally the meeting was cancelled.

Shri C. D. Deshmukh: That is very consistent with the continued illness of the Chairman. I say that I am not satisfied that that should be treated as the reason. There should be some arrangement for a vice-chairman. Apparently the hon. Member is more intimate with the details of the meetings of the Advisory Committee than I am. I think he is a member and I repeat my assurance that I shall look into the matter, and see if it would not be desirable so to arrange things as to convene a meeting of the Advisory Committee and hold it, say once a quarter.

I would like to point out that the function of the Advisory Committee is to give advice on such matters arising out of the administration of this Act. Their function is not to advise on whether the Act should be there or not. From that point of view too I do not think the Advisory Committee was necessarily the forum for referring the matter of the extension of the life of this Act.

I am sorry that most of the Members who have spoken seem to believe in some other plan than what has been evolved by the Planning Commission. I was inclined to believe that most people now accept the necessity of planning in this country. But one Member has referred to the Planning Commission as idealistic. He went to the length of saying that they were departmental and then he said that some members were eccentric. I do not know whether he included himself in that category. I think that the Planning Commission is not idealistic. If it has been praised for anything it has been praised for the realistic plan that it has produced and I cannot see

how a Planning Commission which has produced a realistic plan can be described as idealistic, much less departmental. They certainly are not departmental.

The point I had in mind when I referred to the Planning Commission was in connection with circulation, that this is one of the recommendations made by them in a draft outline and therefore it is open like any other points to the business community, among other communities, to forward their opinions. What I meant was that even after the publication of the draft outline I am not aware of any criticism of either the existence or the administration of the capital issues control measure. It is now six months since the draft outline report of the Planning Commission was published and that, I think should be taken by the House to be sufficient period for anyone interested in the matter to be able to forward his views to the Government. That, I think, takes away the keenness of the edge of the criticism which was made by the hon. Member opposite in regard to the point of circulation.

Shri Guha referred to the limit of five lakhs and he said there was some reference during the discussion of the Industries (Development and Regulation) Bill to a reduction of that limit so as to bring the two measures into accord. I did not refer to it because the question of the lowering of the present exemption limit of Rs. five lakhs to Rs. one lakh, which is the limit allowed under the Industries (Development and Regulation) Act, will be considered in due course in the executive way because no legislative sanction is necessary for lowering the limit. That is my only reason for not making a reference to it here—that does not mean that we are not considering the question.

Then there was reference to fees. Well, of course, it is recognised that a fee is not a taxation, and the fee has been imposed as in the case of the import control partly as a sort of restraint on indiscriminate application and principally to make the establishment pay its own way. It is a small matter. There is no big financial issue involved in this—it is only about half a lakh a year or so, so it is no great matter—but I think it somehow gives an appearance of respectability to something when there is a fee to an application.

Then there was a complaint that strict priority was not observed and that the principles followed in administering the Act were not quite clear. I do not think the hon. Member

could have been listening to me when I mentioned some of the principles. I divided the applicants into two classes: industrial concerns and non-industrial concerns. In regard to industrial concerns I said the principle was to exclude those which did not fall roughly within the limits of any plan made by Government for industries. Now, the plan made by Government for industries means, before the days of the Planning Commission, the statement of policy to which the hon. Member referred; after the Planning Commission, of course it is modified by any specific recommendation that the Planning Commission might have made. Then I said in regard to non-industrial concerns like new banking and insurance companies and air lines permission was not given because the field was too crowded. That evolves another principle, that is to say, you do not allow fresh enterprises in a field which is already crowded. Then the third one was that permission was refused to companies whose financial position was unsatisfactory. Now, that was in order to safeguard the interest of the small depositor which hon. Member has so much at heart. Obviously, it would have been undesirable—and that is the definition of “undesirable”—to allow some adventurer, I might say, not follower, of free enterprise to float a company when we knew that they did not have sufficient financial resources at their back. And then the fourth category was speculative enterprises. We said we refused permission where we had reason to believe that enterprise was speculative. That again was in the interest of the investor. And the fifth was the case of bonus shares. I said that bonus shares were sought to be issued either on the revaluation of assets or in the case of companies not having sufficient genuine reserves. And that disposes of the other objection, or rather the misunderstanding under which the hon. Member seems to labour, that is that people were driven to the issue of bonus shares because of Government's arbitrary regulation of dividends. In that statement he has completely ignored the House because that measure was passed by the House, but the hon. Member still claims that whatever the House did, what he says is always right. Once the House has given its *imprimatur*, well, then it is a measure which is accepted by the House. Anyway, apart from that argument I deny that companies were driven to issuing bonus shares merely because of dividend restrictions. A self-respecting company would then merely turn to the state of its reserves and put whatever it does not distribute into its reserves. What actually, I think, did encourage companies to

issue or seek to issue bonus shares was the decision in Kanpur Electric case where there was some dispute about the division of reserves after the liquidation of a company and the decision was that the workmen were also entitled to a share of the reserves. I think that was more patently a reason for companies seeking to issue bonus shares rather than the one advanced by the hon. Member.

Then he said something very general in regard to preventing industrialisation. Well, that is not the issue here. The issue is how to make scarce capital as profitable as we can make it. It is a platitude that the more restricted your resources the more careful you should be in regard to their application, and if you avoid any waste then I think it has the result of encouraging industrialisation and not discouraging it. Indeed, the hon. Member is talking the language of about fifty years ago when he said that free enterprise ought to be encouraged. That worked very well in the specious days of fifty years ago but when there was a depression these very industrialists who wanted no control, at least if not in this country in other countries, were the first to say that they wanted Government control and assistance. Then all their theories about the undesirability of control evaporated. So, it is all a relative matter. In any case, in view of the figures that I have cited I do not think any dispassionate student of the affair would say that this measure has been administered so as to inhibit the growth of industries in this country.

Again in very general terms he referred to the desirability of encouraging foreign investment. In that I am one with him and indeed Government have more than once announced their readiness to encourage foreign investment in this country.

Shri Naziruddin Ahmad: That was done after scaring them away at the beginning and then they are being encouraged now.

Shri C. D. Deshmukh: I do not know what the hon. Member means by saying “scaring them away”. No one ever scared them away. There was a reference to review all the fields of Government and private sectors after ten years and I believe it is true that some people misconstrued that as an intention to nationalise industries after ten years. Obviously, the two things were not one, and Government took the earliest opportunity of making that clear. They said, “All we said was that we will review the whole field again and if there are any transfers from one sector into another to be made, well, we will do that after ten years.”

[Shri C. D. Deshmukh]

Apart from that I am not aware of any measure taken by Government to scare either our own indigenous investors or foreign investors. Actually, again the figures I have quoted show that we have allowed nearly 90 per cent. of the applications in 1951. I repeat those figures again: out of 94 companies, 81 companies were granted consent and the consent refused was in the case of 13 companies involving capital of Rs. 22 lakhs out of Rs. 15.03 crores. Now, if that is called scaring away foreign investment I think the hon. Member must be very easily scared.

Shri Naziruddin Ahmad: We have succeeded in scaring them away.

Shri C. D. Deshmukh: Actually, we have encouraged them. We have encouraged them by various measures. About a year and a half ago, we said we would give facilities for repatriation of capital, both in the sterling area and in the dollar area. There had never been any bar to the remittance of dividends, or interest, or current earnings, and the proof of the pudding is in the eating. Only a few months ago, three big oil companies agreed to sink what would be regarded as an enormous amount of capital in India. I am not sure if that can be adduced as a proof of our scaring away foreign investors.

Shri Naziruddin Ahmad: This is the present attitude. I was referring to the past attitude.

Shri C. D. Deshmukh: I think I have dealt with most of the points raised, excepting the one about administration. I am sorry I have not got the material wherewith to answer all the questions that my hon. friend fired at me. He wanted to know in how many cases leave was refused and what was the average period of decision in those cases. I have received a note here which says that cases go to the Secretaries' Committee for approval. This Committee meets normally once every month. I am expected to infer from this that perhaps at the first meeting or in any case at the next meeting of the Committee, the matter is settled. It is admitted that there were some complaints. In fact, I am myself aware of some complaints with regard to foreign investments. In some cases, it has taken as many as nine months to decide. There was a case relating to a mechanically propelled vehicle or a bicycle or something like that where the decision took a long time. But of late we have ensured that these complaints do not recur and I think I am in a position to assure the hon. Member that delays will not be allowed to

occur, both because it is bad in itself—it is bad administration—and because it is not in the interests of planning, of which we are now more aware than, shall we say, in the past.

That leaves the suggestion made by the hon. Member that the renewal of this measure should be restricted to one year in order to avoid the charge of springing a surprise on the new House. I do not know whether this is a very valid argument. I myself am inclined to think that the new House would be well able to take care of itself and if they come to the conclusion that this is not a proper measure and does not serve a proper purpose—a conclusion to which they can arrive after putting interpellations—it would be open to them to suggest that a period be fixed for the life of this measure. On the other hand, if it is permissible to indulge in such speculation as to the respective attitudes of the Houses of Parliament, I myself anticipate that they might be far more unorthodox—some of them at least—in the way in which they look at things, and I am not sure that industrialists would have it all their own way if the matter were to be agitated in the House after such a short interval. I myself consider it inadvisable to deliberately fix a short period so that an opportunity may be furnished to the new House to consider this measure. I say that the authority of all Parliaments is the same and here we are putting the matter before Parliament at the earliest possible moment. We have chosen this opportunity and this particular House not because this House happens to be the Provisional Parliament but because the date on which the present Act will expire falls within the lifetime of the present House. That is to say, in the natural course we have brought the measure before the House and I think therefore that it ought to be considered on its merits. If you go into the merits, apart from the possible dangers or absence of dangers of discussing it in this House and the new House, you will find that the only merit is that the life of this new measure, if the House accepts my motion, will coincide with the life of the Planning Commission and this seems to me to be very logical.

Therefore, I would again request the House to leave matters as they are. That is not to say that I am not sympathetic to the points of view expressed both in regard to eliciting public opinion and in regard to administration. The records of these debates will be available to the commercial and industrial community and perhaps they might awaken these communities to a sense of their grievance which

they are not feeling now. They might take a hint and use their next annual meeting to make complaints to us. If so, I can only promise to consider them with the best attention that I am capable of. I am not dogmatic in this matter and if they succeed in proving first to the Planning Commission and next to the Government that the interests of the country are not being properly served by this particular shackle on the floatation of capital, then we shall undertake to bring a measure to put an end to capital issue control.

I hope that the House will remain satisfied with this assurance and will pass my motion.

Mr. Speaker: The question is:

"That the Bill further to amend the Capital Issues (Continuance of Control) Act, 1947, be taken into consideration."

The motion was adopted.

Mr. Speaker: I do not think any amendments are going to be moved.

Shri Naziruddin Ahmad: I have a short notice amendment which is of a very simple character.

Mr. Speaker: Since it is a short notice one, I think he ought not to have my permission unless the amendment is agreed to by the Finance Minister.

Shri Naziruddin Ahmad: I shall appeal to his better sense.

Mr. Speaker: What is the amendment anyway?

Shri Naziruddin Ahmad: In the place of the figure "1956", I want to substitute the figure "1953". That is the general feeling expressed so far as the vocal section on the left side of the House is concerned.

Mr. Speaker: He has already disposed of that argument. I do not think I need refer to him to find out whether he is agreeable to accept the amendment or not.

I shall put all the clauses together. I do not think any further discussion is necessary now.

Clauses 1 to 3 were added to the Bill.

The Title and the Enacting Formula were added to the Bill.

Shri C. D. Deshmukh: I beg to move:

"That the Bill be passed".

Mr. Speaker: The question is:

"That the Bill be passed".

The motion was adopted.

MINES BILL

The Minister of Labour (Shri Jagjivan Ram): I beg to move:

"That the Bill to amend and consolidate the law relating to the regulation of labour and safety in mines, as reported by the Select Committee, be taken into consideration."

It is gratifying that it has been possible for this Parliament to consider this Bill and to pass it. The Bill has been pending before this Parliament for a very long period. It was introduced in December 1949 and the report of the Select Committee was presented to this House in February, 1950. It was not possible, in view of other urgent measures, to find time for this Bill and so it has been pending. Primarily, this Bill seeks to overhaul the Mines Act which was passed as far back as 1901. The Act had been amended in 1928, but still there were many things which required amendment and instead of having piece-meal amendments we thought it better to overhaul the whole Act. Hence this amending Bill.

Further, the Bill seeks to place the Mines Act on more or less the same footing as the Factories Act by not only providing safety but also other amenities to the workers in the mining industry. It seeks to reduce the hours of work, daily as well as weekly, and to provide for paid holidays, over-time allowances and a number of facilities for the welfare of the workers.

The Select Committee has made certain changes which have improved the Bill from the point of view of safety as well as welfare of the workers in mines. Government welcomes those changes because they will be of benefit to those engaged in the industry.

I do not want to take more time of the House in recounting in detail the provisions of the Bill. It has been before the House for long. With these words I commend my motion to the House.

Mr. Speaker: Motion moved:

"That the Bill to amend and consolidate the law relating to the regulation of labour and safety in mines, as reported by the Select Committee, be taken into consideration."

Shri A. C. Guha (West Bengal): I have no intention of opposing this Bill, but I would like the hon. Minister to consider the position in which this House has been placed in regard to this Bill.

[Shri A. C. Guha]

This Bill was introduced in December, 1949. The Select Committee's Report was published on the 10th February 1950. For the last two years this Bill was kept in cold storage. Naturally Members had reason to believe that Government had no intention to proceed with this Bill. Now when this House—which is called the "lame-duck" House—is in its last session this Bill is again brought up. The Report of the Select Committee is practically out of date now. Things have changed in many respects. This Bill if now passed hurriedly would not be doing justice either to this House or to the labourers whom this Bill seeks to benefit.

The hon. the Labour Minister just now mentioned that one of the objects of this Bill is to bring mine labour legislation on a par with the Factories Act. But I feel that in some very important respects this Bill, as now presented to the House, lags far behind the Factories Act. I do not like to mention the specific clauses or provisions—I shall do that during the course of the clause by clause discussion of the Bill. But I would like to ask the hon. the Labour Minister whether he considers it proper to proceed with this Bill in this fashion. There is a similar Bill pending which contains many definitions of terms referred to in this Bill.

I do not think that from the fact that no amendments have been given notice of to this Bill the hon. Minister takes it that this is a paragon of perfection. The only reason for lack of amendments is that Members were thinking that Government would not proceed with this measure. This Bill was several times placed on the agenda; but when the time for proceeding with it came, it was not taken up. I had yesterday evening a discussion with one of the Members of this House interested in labour legislation. He conveyed the impression that Government would not proceed with this measure. If, however, Government are serious about proceeding with this legislation, I would request the hon. Minister to have an informal discussion with some Members interested in the subject.

I have not the least idea of obstructing the passage of this measure; but if at all we pass it, it should be in such a way as to be of benefit to the labourers whose lot it seeks to improve.

Shri Naziruddin Ahmad (West Bengal): This Bill, as has been rightly pointed out by Mr. Guha, is entirely

out of date. It has a long history. It was referred to a Select Committee and the Committee reported on the 10th February 1950—that is a little over two years ago. During these two long years the Bill was brought before the House on several occasions, but for one reason or another—just like the Hindu Code Bill—it was not proceeded with. I do not know what great virtues have recently been discovered with regard to this Bill, so as to give it such importance.

4 P.M.

In the course of his Address the President gave us an assurance that during this session of this House only matters of an urgent, non-controversial and routine nature would be taken up. It will be appreciated that the present Parliament is a caretaker Parliament. Some Members who contested the elections have been defeated; some of them had never thought of contesting. So, though the House consists of some Members in whom the country has faith, there are at the same time others in whom the country has no faith. In other words, there are some Members who had no faith in the wisdom of the electorate. In these circumstances a long Bill of an important character should not have been included at the fag end of this Parliament. I would also like to point out that the hon. Minister himself has tabled more than half a dozen amendments, some of them of a very important and drastic nature. There are other amendments. Some of them are very important and long. If I may be permitted to make a confession I may say that I have not been able to study this Bill. I never had an idea that a big Bill like this would be taken into consideration at this stage. Although it may be said that Members should come prepared, the hon. Minister and the House should consider the limitations of the resources of a private Member. There are no organized parties working. There is no division of labour amongst Members to study particular Bills. Each Member is therefore left to study any Bill which he thinks fit. And I find at the fag end of the life of this Parliament there is a general apathy to doing any work. In these circumstances if it is thought that this is a very easy time to smuggle the Bill somehow or other through Parliament, I think such an attitude is improper.

Shrimati Durgabai (Madras): Certainly not. Is there anything controversial in this Bill?

Shri Naziruddin Ahmad: That is what I want to know.

Shrimati Durgabai: There is nothing.

Shri Naziruddin Ahmad: Has the hon. Member read the Bill?

Mr. Speaker: Order, order. Let there be no conversation. She is expressing her view.

Shri Naziruddin Ahmad: I rather reflect the view of a large number of Members who have not, sincerely speaking, read the Bill. It was read long ago but it was so long ago that one should be excused for forgetting everything about it.

In these circumstances I would rather support the suggestion of Mr. Arun Chandra Guha that the hon. Minister should sit with some Members who take interest in this matter, smooth out the difficulties and explain any real ambiguities or obscurities or doubts or misgivings in the discussion. This course was adopted by our new Law Minister in two Bills, and the result has been very satisfactory. A large number of changes have been accepted by the hon. Minister himself. Bills which have been considered formally and informally by Members would find easy passage in the House. So, that is a course which should be quite acceptable to a section of the House who would be prepared to give their time and contribute their quota to make the Bill good. Or, the Bill may be left over to the real Parliament which has been elected, and it is their function to go through the Bill and pass it if they think fit. The set-up of the country has been entirely changed. Since the Report of the Select Committee a large number of fundamental changes have taken place and I think it is proper that the Bill should be placed before the next Parliament.

Dr. M. M. Das (West Bengal): As my hon. friend Shri Arun Chandra Guha has said, this Bill has duped us on many occasions, and even yesterday when I received the agenda and saw that this Bill might come up today I could not believe that this Bill would come up today. But unfortunately Bills are being passed in this session with such amazing rapidity that it has become simply impossible for Members to keep pace with them.

The present Bill is a very important piece of legislation and it requires very careful consideration in this House. The very fact that the hon. the Mover of this Bill, the

hon. the Minister of Labour has tabled some important amendments—in spite of the fact that this Bill has already come through the Select Committee—clearly shows what careful consideration it requires. So far as the amendments to the different provisions of this Bill are concerned, only one non-official Member, namely Shri Arun Chandra Guha, has been able to table a few amendments. This fact that only one Member has tabled some amendments does not prove that all the other Members have no objection, or that they have nothing to say regarding the different provisions of the Bill, or that they fully agree with the hon. the Labour Minister. It clearly shows that we, the Members of this House, have not got sufficient time at our disposal to study this Bill thoroughly and give our suggestions to the Government. I therefore suggest, or rather request the hon. the Minister of Labour, the Mover of this Bill, to postpone the consideration of this Bill for at least a day or two.

श्री एस० ऐन० दास: माननीय श्रम मंत्री ने जिस बिल को इस सभा के सामने रखा है, यह सचमुच सराहनीय काम है। इसमें कोई शक नहीं कि इस बिल की धाराओं को देख कर और जिन विषयों का इसमें समावेश कर के यह बिल उपस्थित किया गया है वह समय के ख्याल से बहुत जरूरी है। खान में काम करने वाले समाज के जीवन में जो एक महत्व का कर्तव्य पालन करते हैं उसको ध्यान में रखते हुए जरूरी है कि उनको सुविधायें देने और जहां वह काम करते हैं वहां उनकी सेवाओं का पूरा ख्याल रखा जाय। यह देश का दुर्भाग्य है कि समाज की भलाई के ऐसे ऐसे काम, जिन पर देश की उन्नति का पूरा दायरामदार है और देश की समृद्धि में उनका स्थान है, अब तक वह व्यक्ति विशेष के हाथों में है। इस देश की जो प्राकृतिक सम्पत्ति है वह किसी भी देश के मुकाबले में कम नहीं है लेकिन जैसी कि यहां की परम्परा रही है यहां पर बराबर प्राकृतिक साधनों पर

[श्री एस० ऐन० दास]

व्यक्ति विशेष का अधिकार रहा है और व्यक्ति विशेष ने अपने लाभ की दृष्टि से सदा उस का संचालन किया है। अब जो बिल हमारे सामने है, मैं समझता हूँ कि देश की वर्तमान अवस्था में तथा देश की समृद्धि को ध्यान में रखते हुए ज़रूरी था कि प्रवर्न-मेंट अर्थात् राष्ट्र अपने हाथ में सारे साधन ले लेती। लेकिन अभी वह सम्भव नहीं है। इसलिए जो बिल हमारे सामने उपस्थित किया गया है उस में जो धारयें हैं व ह विचारणीय हैं, और मैं समझता हूँ कि इस सभा को उस पर विचार करना चाहिये।

इस में शक नहीं है कि जैसा महत्वपूर्ण बिल यह है उतना समय इस सभा के सदस्यों को इस पर विचार करने के लिए नहीं दिया गया है और जैसा कि मेरे भाई डाक्टर दास ने बतलाया है कि सचमुच हम नहीं समझते थे कि यह बिल संसद् के सामने विचारार्थ उपस्थित किया जायगा। यह बात भी सही है कि हमारे राष्ट्रपति जी ने जो अपना अभिभाषण दिया था उस में उन्होंने कहा था कि इस संसद् के सामने कोई विवाद-ग्रस्त विषय नहीं रक्खा जायगा। इस में कोई शक नहीं है कि यह विवादग्रस्त विषय नहीं है, लेकिन फिर भी समय की रफ़्तार से और जिस समय यह बिल सेलेक्ट कमेटी के पास से हो कर आया हमारे सामने, उस समय से अब तक बहुत से ऐसे परिवर्तन हो चुके हैं कि जिन के अनुसार इस में काफ़ी संशोधन करने की आवश्यकता है। एक दो विषय हैं जिन की ओर मेरा ध्यान गया है उन को मैं इस सभा के सामने रखना चाहता हूँ।

एक विषय यह है कि खानों में महिलाओं और बच्चों को काम करने की इजाज़त दी

जाय या नहीं। यह एक ऐसा विषय है जिस पर बहुत ग़ौर करने की ज़रूरत है। यह सही है कि देश की गरीबी के खयाल से हमारे बच्चे आज खानों के अन्दर काम करते हैं लेकिन ऊपर काम करते हैं, और हमारी महिलायें भी वहाँ काम करने के लिए मज-बूर हो जाती हैं। मैं समझता हूँ कि इस स्वतन्त्र हिन्दुस्तान की इस संसद् के लिए यह ज़रूरी है कि हम महिलाओं और कम से कम बच्चों को खानों में काम करने का मौक़ा न दें। जहाँ तक मैं ने इस बिल को पढ़ा है, इस में सरकार को अधिकार है कि किसी भी समय वह यह नियम बना सकती है, यह क़ानून बना सकती है कि खानों के ऊपरी हिस्से में जहाँ काम किया जाता है वहाँ महिलाओं और बच्चों को काम न करने दिया जाय। मैं यह विचार रखता हूँ कि खान में महिलाओं और बच्चों का काम करना बिल्कुल बन्द हो जाय तो ठीक है।

इसी तरह की और चीज़ें हैं जैसे कि छुट्टी आदि। खान में काम करने वाले इतना महत्वपूर्ण काम करते हैं और समाज के लिए अपने स्वार्थों का त्याग कर के कितना खतरा अपने ऊपर उठाते हैं। इन बातों को मद्दे नज़र रखते हुए जो छुट्टी आदि की सुविधा इस में दी गई है मैं समझता हूँ कि वह थोड़ी है। अब जब सन् १९५२ में हम क़ानून बनाने जा रहे हैं उस समय हमें महसूस करना चाहिये जो समाज के लिए इतने खतरे का काम अपने ऊपर उठाते हैं उन को ज़्यादा से ज़्यादा जितनी सुविधायें दी जा सकें दी जायें।

[MR. DEPUTY-SPEAKER in the Chair]

लेकिन जहाँ तक मैं समझता हूँ व्यक्ति विशेष के अधिकार में उत्पादन साधन के रहने की वजह से वह अपने नफ़े का खयाल

श्यादा रखते हैं और इसलिए वहाँ इस तरह की सुविधा मजदूरों को देने में कठिनाई उपस्थित होती है। इसलिए मैं समझता हूँ कि अच्छा होता कि श्रम मंत्री जी इस बिल को अभी उपस्थित न करें और अगली पार्लियामेंट में विचारार्थ उपस्थित करें। लेकिन अगर यह सम्भव नहीं है तो मेरा ख्याल है कि अगर ढोड़ा सा वक़्त और मिलता सदस्यों को विचार करने के लिए और सुझाव तथा संशोधन आदि देने के लिए समय मिलता तो अच्छा होता। इसलिए इन शब्दों के साथ मैं माननीय श्रम मंत्री जी से अनुरोध करूँगा कि इस बिल पर विचार करना अभी स्थगित करने का जो सुझाव है उस को मंजूर करें और सदस्यों को इस पर विचार करने का मौका दें।

(English translation of the above speech)

Shri S. N. Das (Bihar): Sir, the Bill introduced by the hon. Minister of Labour is really a commendable one. There is no doubt that its clauses and the subjects envisaged therein, are, in view of the exigencies of time, absolutely necessary. In view of the important role played by mine-workers in our social life, it is necessary to extend some relief to them and take into consideration the conditions under which they have to work. It is unfortunate for the country that such services of social welfare on which depends the whole progress of the country and which have an important part to play in its future prosperity, are still under individual enterprise. The natural resources of this country are in no way inferior to those of any other country, but according to the prevalent conditions, the natural resources here have all along been owned by individual enterprises and the individuals have always exploited them simply to their own advantage. Now as the Bill is before us, I think, in view of the present circumstances and with a view to the prosperity of the country, it was necessary that these resources were taken over by Government, that is the nation. Therefore, the clauses of the present Bill are worth considering and I feel that the House should consider them.

Undoubtedly, that as much time has not been given to the Members of the House, as warranted by the importance of the Bill and as mentioned by my friend Dr. Das, in fact, we had not thought that this Bill would be placed before the House for consideration. This is also a fact that in the Address given by the President in the House, he mentioned that no controversial matters would be touched upon in this Session. Undoubtedly this is not really such a disputed topic, but since the time this Bill has been returned by the Select Committee, there has been many a change calling for sufficient modifications in the Bill. A few things have attracted my attention and I want to put them before the House.

There is a controversy whether women and children be allowed to work in the mines or not. This is a point calling for particular attention. It is a fact that in view of the prevailing poverty in the country our children are forced to work not inside the mines and the women are also compelled to work there. I think it is quite necessary for this Parliament of independent India not to allow the women or, at least, the children to work in the mines. So far as I have gone through this Bill, the Government have been empowered herein to legislate and regulate to the effect that women and children shall not be allowed to work in the upper portions of the mines where such work is carried on. I am of the opinion that it would be quite proper if women and children were altogether prohibited from working in mines.

There are a few more points, for example, the question of leave etc. Mine-workers perform such an important duty; sacrificing their self-interests they risk their lives for the sake of the society. In view of these things I think the concessions of leave etc. provided herein are not sufficient enough. When we are going to legislate now in 1952, we must feel that those who serve the society at the risk of their lives, should be given the maximum possible concessions.

[MR. DEPUTY-SPEAKER in the Chair]

But I think that the natural resources being in the hands of particular individuals, they pay more attention to their own profits and as such a difficulty arises in extending such concessions to the workers. So I think it would be better if the Minister of Labour would not present this Bill now and put it for considera-

[Shri S. N. Das]

tion before the next Parliament. But if that were not possible, then, I think it would have been better had the Members been given some more time for giving notice of suggestions and amendments. With these words I would request the hon. Minister of Labour to accept the suggestion already made to postpone the consideration of this Bill and give an opportunity to the Members to consider it.

Shri Jagjivan Ram: I am rather surprised at the various suggestions made by hon. Members, especially those Members who take interest in all matters concerning welfare of labour. One can understand my hon. friend Mr. Naziruddin Ahmad making a grievance of want of time.....

Shri Naziruddin Ahmad: Not a grievance; we are helpless.

Shri Jagjivan Ram:..... to go through the punctuations in the Bill. But, one cannot understand friends like Mr. A. C. Guha, Dr. Mono Mohon Das complaining about want of time. This Bill was placed on the agenda several times; but it could not be proceeded with. At the same time, one should not forget that whenever this Bill was placed on the agenda, the Members who were interested in it gave notice of amendments and my hon. friend Mr. Guha was one of them. I may inform the House that every time my Ministry has examined all these amendments given notice of by hon. Members who are primarily interested in labour matters, friends like Mr. Khandubhai Desai, Mr. Hariharnath Shastri, Mr. R. L. Malviya and others and the amendments which I have given notice of embrace most of the important amendments given by these Members.

Another point raised was that in the President's Address, an assurance was given that only Bills of a non-controversial nature will be brought before this House. That is exactly why this Bill has been brought forward. This Bill is of a non-controversial nature in this sense, that this was placed before the employers, and employees' organisations, and it has more or less the unanimous acceptance of the employers and employees and those concerned with the coal industry. If time is given for a day or two more, I am sure some hon. Members will give notice of amendments.

Shri Naziruddin Ahmad: What is the fear? There is no fear. Amendments should be welcome.

Shri Jagjivan Ram: There is no fear. But, I say that these amendments may be to improve the language or in certain respects to increase the benefits and facilities given to the workers. Hon. Members said that the Select Committee Report is out of date. In what respect? Simply because it is two years old, is it out of date? It is not out of date.

बाबू रामनारायण सिंह: अब ताजा करते हैं।

[Babu Ramnarayan Singh: It is being made fresh now.]

Shri Jagjivan Ram: जी हं आप को

तो वासी की आदत है। (Yes, you are used to stale things). My hon. friend Babu Ramnarayan Singh was also a member of the Select Committee.

I have said that this Bill is more or less on the lines of the Factories Act. I know that in one or two respects it lags behind the Factories Act.

Shri Naziruddin Ahmad: Babu Ramnarayan Singh says that he has forgotten everything and that it was so long ago.

Shri A. C. Guha: In some respects, it lags behind the Factories Act.

Shri Jagjivan Ram: I am going to enumerate in what respects: it lags behind in two respects: in respect of leave and in respect of over-time allowances. As I have said earlier, we have embodied in this Bill only those provisions in these matters, on which there was general agreement between the employers and employees. I myself know that the leave with pay that is provided for the workers in this Bill falls short of that provided in the Factories Act. But, that was the agreement reached and we are honouring that agreement by providing that number of days for leave in this Bill. In the matter of allowances also, it is a matter of agreement and I do not want to disturb the agreement which was arrived at and which is being honoured today, though there is no Act or statutory obligation on the mine-owners.

My hon. friend Mr. S. N. Das has raised a very fundamental point that those engaged in hazardous work

should be compensated more and more for the nature of the duty and the work that they perform. But, that would require a fundamental change in the very concept of our society. Today the man who works hard, who engages himself in productive work is paid less than those who are engaged in unproductive work. If the hon. Member wants that those engaged in productive labour should be compensated adequately for their labour, there will have to be a fundamental change in the very outlook of the society. That outlook has not changed. Therefore, to expect revolutionary provisions in this Bill which will compensate for the hazardous work which the coal-miner engages himself in, would be against the present trend in society. By and by we are trying to realise that productive labour will have to be compensated sooner or later. If we do not, circumstances will so conspire or manipulate themselves that whether we wish it or not, those engaged in productive labour will assert themselves and make society realise the importance and dignity of that kind of labour I welcome that; I welcome the enthusiasm of friends like Mr. Das. I wish there were more and I wish that they will work not only in this House, but outside also to change the conception of society so that we can restore the persons engaged in productive labour to that position, prestige and respect which they deserve.

Once more I repeat that the Bill is non-controversial. The Bill has been placed before the House and those hon. Members who were interested in it gave notice of amendments on previous occasions. I have personally examined all those amendments and I have to use the language of Mr. Naziruddin Ahmad, smuggled some of the important portions of those amendments in my own amendments. But, I know that Mr. Naziruddin Ahmad, vigilant as he is, will not allow anything to be smuggled through surreptitiously in this House. At the same time, I feel that the Bill is non-controversial and there is no necessity to postpone consideration of it.

Shri Naziruddin Ahmad: Even friendly discussion?

Shri Jagjivan Ram: Friendly discussion, I think, is not necessary, because I have examined the amendments that were given notice of by the Members interested in labour matters. I have examined the amendments given notice of on the

present occasion by Mr. A. C. Guha, and I will accept some which are acceptable. I would request him to withdraw others which are not necessary. I am here to accommodate the hon. Members. Therefore, I once more request the House to accept my motion.

Mr. Deputy-Speaker: The question is:

“That the Bill to amend and consolidate the law relating to the regulation of labour and safety in mines, as reported by the Select Committee, be taken into consideration.”

The motion was adopted.

Clauses 2 to 4 were added to the Bill.

Clause 5.—(Chief Inspector etc.)

Shri A. C. Guha: I beg to move:

In sub-clause (1) of clause 5—

- (i) for “a duly qualified person” substitute “such a person as possesses the prescribed qualification”; and
- (ii) for “duly qualified persons” substitute “such persons as possess the prescribed qualifications”.

These are the very words occurring in the Factories Act and they are very necessary in this clause. We have to define how Government will settle which persons are qualified and who are not. I think the Factories Act says that the Government will prescribe the rules defining the qualifications of the persons to be appointed as Inspectors and Chief Inspector. I do hope the hon. Minister will accept this amendment of mine and thus bring this provision into line with the provisions in the Factories Act. This will give a clear indication to the House as to how the persons will be deemed to be qualified for the posts to which they will be appointed. I do not want to make any lengthy speech and I hope the hon. Minister will accept this amendment.

Shri Jagjivan Ram: I have no objection to accepting the amendment.

Mr. Deputy-Speaker: Very well then. I will put it to the House.

The question is:

In sub-clause (1) of clause 5—

- (i) for “a duly qualified person” substitute “such a

[Mr. Deputy-Speaker]

person as possesses the prescribed qualification"; and

- (i) for "duly qualified persons" substitute "such persons as possess the prescribed qualifications".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 5, as amended, stand part of the Bill."

The motion was adopted.

Clause 5, as amended, was added to the Bill.

Clause 6 was added to the Bill..

Clause 7.—(Powers of Inspectors etc.)

Amendment made:

Renumber clause 7 as sub-clause (1) of that clause, and add:

"(2) The Chief Inspector and any Inspector may, if he has reason to believe, as a result of any inspection, examination or inquiry under this section, that an offence under this Act has been or is being committed, search any place and take possession of any register or other record appertaining to the mine, and the provisions of the Code of Criminal Procedure, 1898 (Act V of 1898), shall, so far as may be applicable, apply to any search or seizure under this Act as they apply to any search or seizure made under the authority of a warrant issued under section 98 of that Code."

—[Shri Jagjivan Ram]

Shri A. C. Guha: I beg to move:

To part (b) of clause 7, add the proviso:

"Provided that the power conferred by this clause shall not be exercised in such a manner as unreasonably to impede or obstruct the working of the mine."

Again, in the Factories Act there is a similar provision and there is also a similar provision in the latest Ordinance issued regarding safety in coal mines. Therefore, a proviso like the one I have moved should be there. It is a salutary one and should be embodied here, because we should not give absolute discretion to the Chief Inspector or the Inspectors.

There should be some safeguard so that they may use their power with caution—so that they may not be actuated by any personal vindictiveness or vengeance. I hope the hon. Minister will not have any objection to accepting it.

Mr. Deputy-Speaker: But I have not got a copy of the amendment here with me.

Shri A. C. Guha: This copy was given to me by the office.

Mr. Deputy-Speaker: Is the amendment acceptable to the Government?

Shri A. C. Guha: As I have said, I have taken it word for word from the latest Ordinance and the wordings are the same in the Factories Act also.

Shri Jagjivan Ram: The principle enunciated by the amendment is, of course, unexceptionable; but we cannot exactly compare factories with mines.

Shri A. C. Guha: But the latest Ordinance is regarding the coal mines and the wording is exactly as that in the Ordinance.

Shri Jagjivan Ram: But that relates not to safety but.....

Shri A. C. Guha: Yes, it relates to safety.

Shri Jagjivan Ram: The Ordinance to which the hon. Member has referred relates to provident funds.

Mr. Deputy-Speaker: We can pass over this clause for the present and proceed with the other clauses. And in the meantime this amendment may be examined by the authorities and we can come back to it later on.

Shri Jagjivan Ram: Very well, Sir.

Shri A. C. Guha: I have another amendment to clause 7 here. I beg to move:

In part (b) of clause 7, after "if any" insert "being persons in the service of the Government or any local or other public authority".

If any assistance is necessary in the matter of inspecting and examining the mines, such persons as I have described now alone should be taken in. The purpose of the amendment is that only such persons as are in the service of the Government or any local or other public authority should be taken in. An Inspector cannot take in an outsider or anybody he likes. There should be some restriction as to the persons he might take inside the mines for inspection. This is the wording of a similar provision in the Factories Act.

Mr. Deputy-Speaker: I suppose the idea is that they should be responsible persons.

Shri A. C. Guha: Yes, Sir. And that is why I have said that they should be persons in the service of Government or local or other public authority. I think these are the exact words of a similar provision in the Factories Act.

Shri Jagjivan Ram: We have examined that on a previous occasion. In mines we have found that sometimes it may be necessary for the Inspector to take someone else. A person in the employment of the Government, Central or Provincial, or even a local authority, may not be useful for that purpose, and the Inspector might have to take a person who is in private employment, a non-official or a private person for that purpose. I would request the hon. Member to let it remain as it is. There is no bar to a Government servant being taken with him, but where the Inspector finds that a Government servant may not serve any useful purpose, he may take a non-official with him.

Shri A. C. Guha: Would the hon. Minister then put some qualification to "any person". "Any person" may mean any sundry person. He may take anybody convenient to himself.

Shri Jagjivan Ram: There will be instructions issued to our officers. These persons are officers of Government and they will have to function under the instructions issued by the Government. There will be departmental instructions, of course.

Shri A. C. Guha: Then I do not press it.

I beg to move:

In part (b) of clause 7, for "at any time by day or night" substitute:

"at any reasonable time by day or night but not so unreasonably to impede or obstruct the working of the mine."

This is only a quotation from another enactment, either the Factories Act or the Coal Mines Act.

Shri Jagjivan Ram: We cannot say that he will enter only at a reasonable time. Even 15 minutes' delay in certain instances causes accidents, and may involve hundreds of lives. So, we cannot put a limitation like this by introducing the word "reasonable". Midnight may not be reason-

able by certain standards, but it will have to be considered a reasonable time if we have to see that safety is ensured. I am sorry I cannot accept this amendment.

Mr. Deputy-Speaker: Shall we put this off?

Shri Jagjivan Ram: We have considered this. I cannot accept it.

Shri A. C. Guha: This is the exact language of another enactment dealing with mines. This is the wording of the latest Ordinance dealing with coal mines.

Shri Jagjivan Ram: I had already said that that Ordinance is about provident fund.

Shri A. C. Guha: No, Sir, that is a safety Act. It is Coal Mines Safety Ordinance.

Shri Jagjivan Ram: This is about stowing.

Shri A. C. Guha: The present Bill is a renewing Bill. We have a comprehensive Act for the regulation of coal mines. Of course, safety also is involved.

Shri Jagjivan Ram: Let me explain. The hon. Member is running away with it. That deals with safety only in so far as it may be ensured by sand stowing. That Ordinance deals with only a restricted part of safety in coal mines, whereas this Bill relates to safety in its entirety.

Shri A. C. Guha: I do not press this amendment but the hon. Minister will accept my previous amendment which has been held over.

Mr. Deputy-Speaker: What is the harm in accepting that amendment? It simply says, "but not so unreasonably to impede or obstruct the working of the mine". If any accident is suspected and an entry is made, it cannot be unreasonable. It only prevents any officer entering the mine unreasonably in order to impede the work of the mines. It is only a safety measure. Why should we not adopt that?

Shri A. C. Guha: With your permission, Sir, I may read this portion from this Ordinance—The Coal Mines (Conservation and Safety) Ordinance, 1952. The proviso to section 13 reads:

"Provided that the power conferred by this sub-section shall not be exercised in such a manner as unreasonably to impede or obstruct the working of the mine."

As you will find, this is the exact wording I have used.

Shri Jagjivan Ram: I will accept it.

Mr. Deputy-Speaker: The question is:

To part (b) of clause 7, add the proviso:

"Provided that the power conferred by this clause shall not be exercised in such a manner as unreasonably to impede or obstruct the working of the mine."

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 7, as amended, stand part of the Bill."

The motion was adopted.

Clause 7, as amended, was added to the Bill.

Clause 8.—(Powers of special officer etc.)

Shri A. C. Guha: There is an amendment in my name which reads as follows:

In clause 8, for "any time" substitute "any reasonable time".

The hon. Minister is not agreeable to accepting it. There is another amendment which I beg to move:

'In the proviso to clause 8, for "where in the opinion of the Chief Inspector or of an Inspector" substitute "if after personal inspection the Chief Inspector or an Inspector thinks that".'

My idea here is that before passing such a drastic order, the Chief Inspector or the Inspector must have made a personal inspection. Clause 8 says that the Inspector or the Chief Inspector may order the levelling or measuring of any mine after giving not less than three days' notice to the manager of such mine, enter the mine and may survey, level or measure the mine or any part thereof at any time by day or night. This is rather a drastic order and I only want that before issuing such an order, the Chief Inspector or the Inspector must make a personal inspection of the mine to satisfy himself that really an emergency exists. He should not simply pass an order on some hearsay report from somebody.

Shri Jagjivan Ram: It is not necessary. Generally these things are done only after inspection by our Inspectors, but there may be cases

where the manager says that such and such things are necessary. In such cases, personal inspection by the Inspector is not necessary, and therefore I do not think that this amendment is necessary.

Shri A. C. Guha: Can there not be cases in which the Chief Inspector or the Inspector acts on some report by somebody or even some malicious report from some outsider or some labourer?

Shri Jagjivan Ram: That they do not do. They will not proceed on a malicious report from some labourer or a layman. Ordinarily they visit the place but there may be cases where the manager himself feels that the proprietor is not co-operating with the manager, is not doing the work which the manager, as a technical man, thinks that he should do. In that case, it is not necessary for the Inspectors to go and visit the place and inspect it and then to issue orders. They can very well issue orders when they have received advice from a technical man, even though he does not happen to be an Inspector.

Shri A. C. Guha: Generally the law provides for the unusual thing also. Theft is not a usual thing, but the Penal Code provides for it.

Mr. Deputy-Speaker: Are there cases of conflict between the manager and the proprietor?

Shri Jagjivan Ram: There are.

Mr. Deputy-Speaker: The manager will go then. It is a case of insubordination.

Shri Jagjivan Ram: It is not a question of insubordination. The manager, as a technical man, feels that such and such things should be done for the safety of the mine. When the owner feels that the investment will mean so much money he will think that he need not invest that money and thus neglect that part of the work. It will mean that if a pillar goes down the mine-owner may not lose anything but it will be a national loss of thousands of tons of coal, which will go underground. The manager is a technical man and he suggests measures to save the coal. So the conflict arises. It is not with a view to encourage conflict between the owner and the manager but with a view to ensure safety not only for the workers but for the coal in the mines. Sometimes action will have to be taken when the Inspector or the Chief Inspector is in possession of a report from a technical person who is as competent as they themselves.

Mr. Deputy-Speaker: A manager on the eve of his retirement may want to ruin the proprietor and may suggest certain things. Merely on the ipse dixit of the manager things should not be ordered. Why not give the Inspector three days' notice to go and satisfy himself?

Shri Jagjivan Ram: There are 800 coal mines and we have not as much staff as we will require. It is not a question of two or three days. Within 24 hours there may be disaster in the mines. If we tie down the officers that these orders will issue after personal inspection by the Inspector or Chief Inspector serious disaster may occur in some of the mines. They cannot possibly manage to visit the mines within the prescribed period. There may be some injustice in certain cases as apprehended, but I would rather take that risk of a few thousand rupees being wasted than that coal should go underground or disaster overtake the workers.

Shri Naziruddin Ahmad: I would draw attention to one passage. This clause deals with surveying, levelling or measuring at any time of day or night. What is the point in the phrase "day and night"? It is after all not the discovery of a crime which is a matter of urgency. It is for surveying, levelling and measuring and any time really means day and night. If we specifically provide for day and night probably night may be found more suitable to discharge the duty by breaking the public peace.

Mr. Deputy-Speaker: That is said in good humour.

Shri A. C. Guha: I do not press the amendment. But at least in the proviso he might add "by order in writing after making a report to the Central Government". At least he must keep some record that he is taking certain steps and what are the sources of his information, but not that he will wait for the permission. He should be asked to make a report to the Central Government that on such and such information he is issuing an order.

Shri Jagjivan Ram: It is not necessary to provide it in the Act. We do not require statutory provision to get reports from our officers. The Chief Inspector of Mines in India is the only expert officer of the Government and we have to depend upon him. In the Secretariat we have none similar to him. Whatever he says he is the authority on it.

Shri A. C. Guha: In all cases it is not usual that officers should send reports to the Government. When such a drastic power is given to him he should make a report to the Central Government that on receipt of such and such information he is issuing an order.

Shri Jagjivan Ram: It is not necessary, because whenever there is an accident we get regular reports from the Inspector. I do not say that we should not get a report but it is not necessary to provide for it in the Bill.

Shri A. C. Guha: In writing he may ask the mine-owner to do certain things. The purpose of my amendment is that he should make a report to the Central Government that on such and such information he is issuing the order.

Mr. Deputy-Speaker: I am sure he will put it in writing or he will be taken to task on a complaint to Government. The hon. Minister is not agreeable to the amendment and there is no amendment to that effect either.

The question is:

"That clause 8 stand part of the Bill."

The motion was adopted.

Clause 8 was added to the Bill.

Clauses 9 to 11 were added to the Bill.

Clause 12.—(Mining Boards)

Shri A. C. Guha: I beg to move:

In part (c) of sub-clause (1) of clause 12, for "not being the Chief Inspector or an Inspector" substitute:

"not being a person who may be put in clause (a) or (b) or (d) or (e) of this section."

This clause gives the composition of the Mining Board. I want a non-official member to be nominated by the Government on the Board. Sub-clause (a) reads:

"a person in the service of the Government, not being the Chief Inspector or an Inspector, nominated by the Central Government to act as chairman."

This person is a Government officer. Then sub-clause (b) says "the Chief Inspector or an Inspector nominated by the Central Government". He will also be an official of the Government. (d) says "two persons

[Shri A. C. Guha]

nominated by owners of mines or their representatives in such manner as may be prescribed". They are representatives of the interests of the mine-owners. And sub-clause (e) refers to persons to represent the interest of miners. Under sub-clause (c) I want a non-official and independent person, not connected with any of these four interests to be nominated to the Board. The provision in the Bill is "a person, not being the Chief Inspector or, an Inspector, nominated by the Central Government". I want to provide that he must not be a Government official or a nominee of the mine owners or even the labourers but an independent non-official. I believe the purpose of the Government is also the same, though the wording is vague. My amendment seeks to make the purpose clear.

Shri Jagjivan Ram: It has been purposely put like that to leave discretion in the hands of Government to appoint a person who may be a Government servant in the employment either of the Central or State Government or even a non-official.

Shri Naziruddin Ahmad: Diplomacy should belong to the Foreign Department rather than the Labour Department.

Shri Jagjivan Ram: It has been purposely worded like that. The intention is that where necessary we could have one more Government servant or if need be we could have a non-official.

Shri A. C. Guha: I should like him to make it clear that there should be one independent non-official on this Board who can represent the consumers' interest. In the enactment relating to industries, the consumers' interests are also represented on the advisory council, as also on the development councils of industries. As a matter of policy consumers' interests should be represented on the Board. So, some independent non-official who may represent the interest of the consumers, should be put and I want that it should be clearly mentioned that he should be a non-official unconnected with any of the other four categories.

Shri Jagjivan Ram: He will not be there to represent the interest of the consumers. Even a non-official will have to be a technical man.

Shri A. C. Guha: That may be and I do not object to that.

Shri Jagjivan Ram: But as I have explained, my intention is (Shri Naziruddin Ahmad: to make it vague!)

to have the discretion wherever necessary to appoint a non-official or if necessary to appoint a Government officer.

Mr. Deputy-Speaker: Is it not accepted by the hon. Minister?

Shri Jagjivan Ram: No, Sir.

Shri A. C. Guha: Then I do not press it.

Mr. Deputy-Speaker: The question is:

"That clause 12 stand part of the Bill."

The motion was adopted.

Clause 12 was added to the Bill.

Clause 13.—(Committees).

Shri A. C. Guha: I beg to move:

For part (c) of sub-clause (1) of clause 13, substitute:

"(c) two persons—one to represent the interest of the owner of the mine and to be nominated by the owner, the agent or the manager of the mine and the other to represent the interest of the miners employed in the mine and to be nominated as in clause (e) of sub-section (1) of section 12."

This clause refers to the composition of *ad hoc* committees and the provision here in (c) is that "two persons to represent the interests of the persons employed in the mine" shall be appointed etc. The phrase "persons employed in the mine" has been used very ambiguously. It may mean the mine owners as well as the labourers. But it has been clearly stated in sub-clause 1 (e) of clause 12 where it is said:

"two persons to represent the interest of miners, who shall be nominated in accordance with the following provisions, etc. etc."

There it has been clearly stated that it is to represent the interest of the miners that the two persons shall be nominated. But clause 13, sub-clause (1) (c) says:

"(c) two persons to represent the interests of the persons employed in the mine of whom one shall be nominated by the owner, agent or manager of the mine concerned and the other shall be nominated by the Central Government in consultation with such organisations of persons employed in the mine as may be recognised for the purpose by that Government."

The phrase "persons employed in the mine" occurs in two places here and while in the first place it means mine-owners, in the second place also it may mean the same thing. I want to put it definitely and explicitly that the one nominee should represent the interest of workers, that is miners employed in the mining work as distinct from the mine-owners who also are "persons employed in the mine", and this representative should be nominated by the Central Government in the same manner as in sub-clause (1)(e) of clause 12. There also two representatives of the miners are to be nominated in accordance with certain provisions so that the actual workers may have their representative. Here the Government keeps the power to nominate the representative of "persons employed in the mine" which is a vague and ambiguous term which may mean the mine-owners as well as the miners, that is the workers. Therefore, I hope the hon. Minister would accept my amendment so that the wording may be made quite clear that it refers to a representative of the miners who should be nominated in accordance with the provisions made by Government as in clause 12 (1) (e).

Shri Jagjivan Ram: So far as the intention is concerned, I do not think it will be met by introducing the word "miners".

Shri A. C. Guha: My objection is to the wording: "persons employed in the mine". If the hon. Minister is agreeable to the purpose of this amendment he may change the wording—I have no objection.

Shri Jagjivan Ram: Let me explain the difference between clauses 12 and 13. The Boards to be set up under clause 12 are for any group or class of mines whereas under clause 13 the Committees to be set up are for individual mines. So the functions of these committees are much more limited as compared with the functions of the Boards set up under clause 12. Whereas the Boards set up under clause 12 will be for the industry, the Committees to be set up under clause 13 will be for individual mines and they are not likely to decide fundamental questions or important questions. These Committees will have to decide day-to-day grievances that may arise in individual mines. My intention is quite clear, that of two persons one should represent the employer, the other should represent the employees. As far as that is concerned, there is no difference of opinion. So far as this

elaborate procedure of selecting the representative of the employees is concerned, I do not think any change under clause 13 is necessary where it concerns individual mines, and the option may be given to the Central Government to nominate the representative of the employees in consultation with the local trade union if there is any.

Shri A. C. Guha: I have no objection, but it should be made clear. I think if you accept my amendment deleting the last line in it, that is, "and to be nominated as in clause (e) of sub-section (1) of section 12", then the purpose will be served.

Shri Jagjivan Ram: I may put here, "and the other to represent the interest of the employees".

Shri A. C. Guha: But in clause 12, sub-clause (1) (e), you have used the word "miners". Therefore here too I think it would be a better word.

Shri Jagjivan Ram: Then instead of saying all these things we may say:

"and the other shall be nominated by the Central Government in consultation with such organisation of miners employed in that mine".

If instead of "persons" we add "miners", will it meet my hon. friend's point?

Shri A. C. Guha: My purpose is that that representative should be definitely for the miners.

Shri Jagjivan Ram: So, for "persons" we may substitute "miners".

Mr. Deputy-Speaker: Then I will put it to the House.

The question is:

In part (c) of sub-clause (1) of clause 13, for "persons", where it occurs for the last time, substitute "miners".

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 13, as amended, stand part of the Bill."

The motion was adopted.

Clause 13, as amended, was added to the Bill.

Clause 14 was added to the Bill.

Clause 15.—(Recovery of expenses)

Shri A. C. Guha: I beg to move:

To clause 15, add the proviso:

[Shri A. C. Guha]

"Provided the owner or his agent has not paid the amount within six weeks from the date of receiving the notice from the Central Government."

Clause 15 provides that the Central Government may direct the mine-owner to pay certain expenses and then immediately it goes on to say that the Chief Inspector or an Inspector may write to a magistrate having jurisdiction at the place where the mine is situated or where such owner or agent is for the time being resident, asking that the amount to be so paid may "be recovered by the distress and sale of any moveable property within the limits of the magistrate's jurisdiction belonging to such owner or agent." There is no time-limit for the warrant. My amendment says that if within six weeks' time, or whatever other time the hon. Minister may like to prescribe the mine-owner or his agent does not make the payment, it is only then that the question of distress warrant or sale of moveable property should arise. The Chief Inspector should not immediately direct the magistrate to issue a distress warrant against the owner.

5 P.M.

Shri Jagjivan Ram: You know the legal procedure much more than I do, Sir. Before the steps are taken, I think notice will have to be given, whether we mention it here expressly or not.

Mr. Deputy-Speaker: Under the Revenue Recovery Act, notice has to be given, but here the money is not collected as arrears of land revenue. If it is treated as arrears of land revenue, some other Act will apply and that particular Act may contain a provision for notice, time-limit etc. As it is, this Act is distinct in itself. Since the notice is not clearly specified, I think the proviso suggested by the hon. Member may be added.

Shri Jagjivan Ram: I have no objection. You may say "Central Government or the Chief Inspector of Mines".

Mr. Deputy-Speaker: So, I shall put it in the form suggested by the hon. Minister. The question is:

To clause 15, add the proviso:

"Provided that the owner or his agent has not paid the amount within six weeks from the date of receiving the notice from the Central Government or the Chief Inspector of Mines."

The motion was adopted.

Mr. Deputy-Speaker: The question is:

"That clause 15, as amended, stand part of the Bill." *

The motion was adopted.

Clause 15, as amended, was added to the Bill.

The House then adjourned till a Quarter to Eleven of the Clock on Friday, the 15th February, 1952.