

Wednesday  
9th March, 1949

# THE CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

(PART I—QUESTIONS AND ANSWERS)

## Official Report

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Volume II, 1949

(18th February to 17th March, 1949)

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Fourth Session  
OF THE  
CONSTITUENT ASSEMBLY OF INDIA  
(LEGISLATIVE)

1949

Chamber Fumigated 18/10/23



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# CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

(PART I—QUESTIONS AND ANSWERS).

Wednesday, 9th March, 1949.

The Assembly met in the Assembly Chamber of the Council House at a Quarter to Eleven of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

## STARRED QUESTIONS AND ANSWERS

### ORAL ANSWERS

#### RECOMMENDATIONS OF COMMITTEE ON PROFIT SHARING IN INDUSTRIES

\*987. **Shri B. K. Sidhya:** (a) Will the Honourable Minister of Labour be pleased to state whether the Committee of Profit Sharing appointed by Government has made their recommendations for profit sharing in six industries?

(b) If so, have Government taken any decision thereon and if so, how do they intend to implement the decision?

(c) Do Government approve of the recommendations and if not, have Government considered any alternate proposals?

(d) Have industrial and labour organisations been consulted and if so, with what result?

**The Honourable Shri Jagjivan Ram:** (a) Yes, as an experimental measure.

(b) and (c). The attention of the honourable member is invited to the answer given by me to Prof. N. G. Ranga's starred question No. 319 on the 11th February 1949.

(d) The Committee on Profit Sharing on which Labour and Industry were represented; consulted all important industrial and labour organisations before making its recommendations. The principal organisations of employers and workers are fully represented on the Central Advisory Council of Labour which is considering the report of the Committee on Profit Sharing.

**Shri Arun Chandra Guha:** May I know the names of the members of the Profit Sharing Committee?

**The Honourable Shri Jagjivan Ram:** I have not got the names ready with me, I will supply them to the honourable member if he so desires.

#### EXPORT OF RAW AND CRUSHED BONES AND IMPORT OF FERTILISERS

\*988. **Dr. Mono Mohan Das:** (a) Will the Honourable Minister of Commerce be pleased to state the total quantities of bones and crushed bones exported from this country during the year 1948?

(b) Do Government propose to consider the advisability of stopping such exports?

(c) What is the quantity and cost of foreign manures that have been imported into this country during the year 1948?

**The Honourable Shri K. C. Neogy:** (a) Approximately 33,777 tons of crushed bones were exported from this country during 1948. No raw bones were exported during this period.

(b) Raw Bones and Bonemeal are as a rule not allowed to be exported. Only crushed bones and bone-grist are allowed to be exported. Bones are useful as manure in the form of bonemeal, which is only a bye-product produced in the process of crushing bones. Bones are mainly crushed for export purposes and if the export of crushed bones and bone-grist is totally prohibited, there will be no incentive to collect bones, which will actually deprive the country of a large quantity of bonemeal.

(c) A statement showing the quantity and cost of different kinds of fertilisers that have been imported into this country during the year 1948 is placed on the table of the House.

#### STATEMENT

*Quantity and cost of different kinds of fertilisers imported into this country during the year, 1948.*

Name of Fertiliser	Quantity in tons	Value in Rs.
Sulphate of Ammonia	144,182	4,35,03,737
Ammonium Phosphate	7,333	19,13,913
Di-Ammonium Phosphate	1,631	11,31,606
Ammonium Nitrate	5,344	16,40,608
Sodium Nitrate	21,814	52,35,360
Calcium Superphosphate	50	10,725
	<hr/> 180,354	<hr/> 5,34,35,949

**Seth Govind Das:** Is it not a fact that bonemeal is always prepared from crushed bones and has the policy of the Government not been to stop the export of crushed bones also?

**The Honourable Shri K. C. Neogy:** As a matter of fact, whatever bonemeal is prepared in the country is expected to be left within the country, but then I am told the process of crushing bones is rather unsatisfactory here and the expenses of complete pulverization of bones into powder are very high and that it is not possible to reduce all bones into bonemeal.

**Shri R. K. Sidhva:** How many bone-crushing factories are there in India and what is their total production?

**The Honourable Shri K. C. Neogy:** I am afraid I have not got the information.

**Shri B. P. Jhunjhunwala:** It is possible, Sir, to get fertilizer manure by exchanging crushed bones by barter system?

**The Honourable Shri K. C. Neogy:** There is no such system in operation, but what the honourable member has in mind is actually what is achieved.

I might give a few details, particularly the arithmetic of the matter, from which the honourable member will see that the procedure that we are following is fully to the benefit of the country. The present export price of crushed bones is remunerative and brings foreign exchange—including dollars, I might inform the House. As compared with the import price of rock phosphate of Rs. 100 per ton, the present export price for crushed bones is between Rs. 500 to 350 per ton. It is estimated that by exporting 100,000 tons of crushed bones and bone-grist and importing its equivalent, namely 50,000 tons of rock phosphate—one ton of rock phosphate being equivalent to 2 tons of bones in phosphorus content—the country could produce all the superphosphates

required at much cheaper rates and at the same time earn about Rs. 2½ to 3 crores worth of foreign exchange.

**Seth Govind Das:** Is any effort being made to see that all bone which is available in India is turned into bonemeal and no export of crushed bones is made?

**The Honourable Shri K. C. Neogy:** I have explained the circumstances which justify the continuance of the present system.

**Seth Govind Das:** I wanted to ask whether any effort is being made to establish more factories in this country so that we may turn these crushed bones into bonemeal?

**The Honourable Shri K. C. Neogy:** I have pointed out that we are getting all the superphosphates that we need and at the same time earn quite a lot of foreign exchange into the bargain.

**Babu Ramnarayan Singh:** Is the Honourable Minister aware that bone materials of all kinds are very useful for purposes of manure?

**The Honourable Shri K. C. Neogy:** What I have given is the scientific view of the matter—I do not know about the popular view.

**Shri B. N. Munavalli:** May I know what percentage of bonemeal is obtained by crushing the bones now in India?

**The Honourable Shri K. C. Neogy:** I could not say that offhand.

**Srijut Kuladhar Chaliha:** In view of the shortage of manure, will Government be pleased to restrict the export of bonemeal?

**The Honourable Shri K. C. Neogy:** Bonemeal is not allowed to be exported.

**Srijut Kuladhar Chaliha:** May I know the price of sulphate of ammonia in India?

**The Honourable Shri K. C. Neogy:** I do not think I have got the figure here. I could give the quantity of sulphate of ammonia and the value in rupees but my honourable friend will have to work it out. The sulphate of ammonia that was imported in 1947 amounted to 1,33,230 tons and its cost was Rs. 8,11,00,000 odd.

**Pandit Mukut Bihari Lal Bhargava:** May I know whether to popularise the use of bone-dust by the cultivators, Government makes a subsidy, that is sells bone-dust to the cultivators at a reduce price?

**The Honourable Shri K. C. Neogy:** That is a matter on which I do not feel myself competent to make any statement. My friend perhaps would put a question to the Honourable Minister for Agriculture.

**Begum Aizaz Rasul:** May I know if human bones are also included in the crushed bones?

**The Honourable Shri K. C. Neogy:** Human bones are not included.

#### MAJOR SCHEMES OF DEVELOPMENT

†\*989. **Shri V. C. Kesava Rao:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state what are the major schemes of development that are not being taken up due to financial stringency?

(b) How many of these schemes are productive and when would these schemes again be considered for implementation?

**The Honourable Shri N. V. Gadgil:** (a) No development schemes are being abandoned but suitable adjustments are being made in the speed with which these projects will be implemented.

(b) Does not arise.

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†Answer to this question laid on the table, the questioner being absent.

## CONTROL ON FOOD CHARGES IN DELHI AND SIMLA HOTELS

\*990. **Shri R. K. Sidhva:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state whether the control on courses and charges for food served in hotels and lodging houses in Delhi and Simla, still exists?

(b) Are Government aware that hotel owners charge exorbitant rates and supply very poor quality of food?

(c) What are the food charges in hotels in Delhi and New Delhi?

**The Honourable Shri N. V. Gadgil:** (a) The control still exists in New Delhi and in the Notified area of the Civil Station, Delhi, and also, as far as I am aware, in Simla.

(b) Government have received some complaints to this effect.

(c) A statement showing the food charges in hotels in New Delhi and in the Notified Area of the Civil Station Delhi, is placed on the table of the House.

## STATEMENT

*Food charges of hotels in New Delhi and in the notified area of Civil Station Delhi.*

S. No.	Name and situation of the hotel	Breakfast				Lunch				Afternoon tea				Dinner			
		Rs.	A.	P.		Rs.	A.	P.		Rs.	A.	P.		Rs.	A.	P.	
*1.	Maiden's Hotel, Delhi	2	8	0		3	8	0		1	8	0		3	8	0	
*2.	Cecil Hotel, Delhi	3	0	0		3	8	0		1	0	0		3	8	0	
*3.	Grand Hotel, Delhi	2	0	0		3	0	0		0	12	0		3	8	0	
*4.	Swiss Hotel, Delhi	3	8	0		3	8	0		1	0	0		3	8	0	
*5.	Hotel Imperial, New Delhi	2	8	0		3	8	0		2	0	0		3	8	0	
										with eatables Re. 1 plain							
*6.	Marina, New Delhi	3	0	0		3	8	0		1	0	0		3	8	0	
*7.	Central Court Hotel, New Delhi	2	8	0		2	8	0		0	12	0		3	8	0	
*8.	Hotel India, New Delhi	2	8	0		2	8	0		1	0	0		3	8	0	
9.	Madras Hotel—Monthly charges	Two meals per day—Rs. 40															
		Coffee and milk—Rs. 15															
10.	South India Boarding House—	Monthly charges for boarding only															
		(two meals per day) Rs. 45															
		Monthly charges (for two meals per day) with lodging Rs. 80															
	(In the case of poor monthly boarders the concessional monthly charges is Rs. 60 for both board and lodging).																
		Charges for one meal Re. 1.															

\* For these Hotels, no monthly charges are prescribed.

**Shri R. K. Sidhva:** In view of the complaints which the Honourable Minister stated he has received, what steps have Government taken and do they intend to take any further steps to remove these complaints?

**The Honourable Shri N. V. Gadgil:** Yes, Sir. Some legislation is being introduced very shortly.

**Shri R. K. Sidhva:** In this Session?

**The Honourable Shri N. V. Gadgil:** Yes, in this Session.

## LABOUR OFFICERS SENT FOR TRAINING ABROAD

\*991. **Shri R. K. Sidhva:** (a) Will the Honourable Minister of Labour be pleased to state the number of Labour Officers who have been sent abroad for training during the years 1945, 1946, 1947 and 1948?

(b) How many have returned after full training?

(c) What are the qualifications required for an official to be sent for such training?

(d) What is the cost of training each officer and how much amount has so far been spent towards this training?

(e) Have they been sent to any other country besides the United Kingdom and if not, why not?

(f) Is there any regular scheme under which these officers are sent for training abroad?

(g) What is the kind of training they receive in foreign countries?

**The Honourable Shri Jagjivan Ram:** (a) Thirteen Labour Officers were sent for training to U. K. in 1945, thirty in 1946 and ten in 1948. No Labour Officer could be sent out for training in 1947 owing to Partition.

(b) All the fifty three Labour Officers, who were sent for training, returned to India after undergoing the full course of training.

(c) The Officers should at least be University graduates and have a minimum of five years' experience of administration of Labour Legislation or Welfare work.

(d) The approximate cost of training one Labour Officer is Rs. 8,000. A total expenditure of Rs. 2,16,000 approximately has so far been incurred on the training of Labour Officers so far as the Central Government is concerned.

(e) So far Labour Officers have been sent for training only to U.K. where necessary facilities were made available for their training.

(f) Yes. There is a regular scheme whose continuance depends upon availability of funds and training facilities abroad.

(g) The subjects in which the Labour Officers are trained are:

(i) Factory Inspection—Labour Welfare.

(ii) Industrial Relations and Working of Trade Unions.

(iii) Wages Inspection—Coalmines Welfare. Each officer may select two of the above subjects or only one for more specialized training.

**Shri R. K. Sidhva:** Arising out of the answer given by the Minister that fifty three candidates have returned after obtaining full course, may I know the nature of the full course, and whether any degree or diploma is given?

**The Honourable Shri Jagjivan Ram:** It is not a degree or diploma course. Students are offered opportunities to gain practical experience of working along with Government agencies, Industry and trade unions.

**Shri R. K. Sidhva:** Do Government consider it desirable to send them for such training in foreign countries? What are the advantages that they have brought into this country after training abroad?

**The Honourable Shri Jagjivan Ram:** Government feel that it is desirable to send our officers to foreign countries where they have got the improved methods of welfare work as well as improved appliances in their factories, so that our officers may gain experience of those things.

**Prof. N. G. Ranga:** Are Government proposing to start any training school with these people who had been trained in England as the teachers?

**The Honourable Shri Jagjivan Ram:** One scheme is under consideration. After the provision in our Factories Act that in every establishment employing more than 500 workers, there should be a welfare officer, the demand for welfare officers in the country will be very large and in order to cater to the need of the industry we are proposing to start a training centre here.

**Shrimati Dakshayani Velayudhan:** How many candidates were sent from the Indian States and on whose account?

**The Honourable Shri Jagjivan Ram:** Seven officers.

**Mr. Speaker:** The honourable member also wants to know on whose account?

**The Honourable Shri Jagjivan Ram:** At the expense of the States concerned.

**Shri C. Subramaniam:** Are the selections made on the recommendations of the provincial governments?

**The Honourable Shri Jagjivan Ram:** Strictly on the recommendations of the provincial governments.

**Shri C. Subramaniam:** What is the number of trainees from Madras please?

**The Honourable Shri Jagjivan Ram:** Nineteen officers of the provincial governments were trained, but as to the quota of Madras I would require notice.

**Shri R. K. Sidhva:** The Honourable Minister stated that this scheme will be continued, that is to say, the officials will be sent to foreign countries for training. Just now he stated that a training centre will be opened here. Does he still feel that despite that, they will continue to be sent to foreign countries or they will be stopped immediately?

**The Honourable Shri Jagjivan Ram:** In spite of the fact that we want to start our own centre, Government feels it will be necessary for some time to send some of our officers to foreign countries.

#### HIGH PRIORITY FOR INDIA IN EXPORT OF JAPANESE INDUSTRIAL PRODUCTS

\*992. **Shri R. K. Sidhva:** (a) Will the Honourable Minister of Commerce be pleased to state whether it is a fact that the Supreme Commander for Allied Powers in Japan has accorded India high priority in the export of Japanese Industrial products?

(b) If so, what steps have Government taken to see that full advantage of the same is taken by India?

**The Honourable Shri K. O. Neogy:** (a) Yes.

(b) Even though there is a trade agreement with Japan, the actual trade flows through normal trade channels. It is, therefore, primarily for our trade and industry to make the best use of SCAP's officer by placing firm orders for their requirements on Japanese manufacturers. Government are giving assistance to Indian importers and will continue giving it by the issue of licences and also by sponsoring their visits to Japan in order to enable them to settle details on the spot. The Commercial Counsellor to the Indian Liaison Mission, Tokyo, has also instructions to give all possible assistance needed by Indian importers in securing their goods from Japan.

**Shri R. K. Sidhva:** May I know what is the total amount of the orders placed and the particular articles that have been ordered?

**The Honourable Shri K. O. Neogy:** We have not got any definite information on the point. We have information only as regards the amount represented by the letters of credit opened so far, but that would not be a sure index of the actual orders that are executed.



**Shri R. K. Sidhva:** Is it not a fact that under the Trade Plan, the delivery of all these articles is fixed for June 1949. May I know if Government have taken steps to see that all these are compiled with before this period?

**The Honourable Shri K. C. Neogy:** As far as it lies in the power of Government, Government will try to do everything possible in the matter, but as I have already said, the matter lies in the hands of the private trade mostly.

**Shri R. K. Sidhva:** If the private trade fails, may I know whether Government will take advantage of this?

**Mr. Speaker:** That would be hypothetical.

**Shri H. V. Kamath:** Does the SCAP authority allow a margin of profit for itself while fixing the export price of industrial products?

**The Honourable Shri K. C. Neogy:** My honourable friend put to me a similar question a few days ago, and I have looked up the position. It seems that SCAP has fixed different rates of exchange for yen for different categories of commodities. If the House is interested in this question, I would like to give an idea of the disparity between the different rates of exchange. For instance, in respect of textile machinery 152 yen represent a dollar. This is one end of the scale. At the other end we find that in respect of glassware 850 yen represent a dollar. Then there are different other categories in between. This matter has already been taken up by us with SCAP, and we have made representations that there should be a uniform rate of exchange. As a matter of fact, it is this disparity in the rates of exchange that has stood in the way, to a certain extent, of our commercial community taking the fullest advantage of this Agreement.

**Shri H. V. Kamath:** Has the Honourable Minister any information as to whether the profit reaped by SCAP goes to swell the American Treasury or to rehabilitate Japanese economy?

**The Honourable Shri K. C. Neogy:** Well this is hardly a matter in which we can either make an enquiry or take any useful action.

**Mr. Homi Mody:** In granting licences and permits, is sufficient regard being paid to the interests of Indian industries?

**The Honourable Shri K. C. Neogy:** I should think so.

#### DISCUSSIONS AT COMMONWEALTH PRIME MINISTERS' CONFERENCE IN LONDON

\*993. **Shri H. V. Kamath:** Will the Honourable the Prime Minister be pleased to state:

(a) whether at the Commonwealth Prime Ministers' Conference which he attended in London in October, 1948, there was any discussion regarding the formation of a Western bloc in Europe as well as about the Commonwealth Defence; and

(b) whether the discussions were held *in camera*?

**The Honourable Shri Jawaharlal Nehru:** (a) As I have already stated in my reply to a previous question to the honourable member, the discussions at the Commonwealth Prime Ministers' Conference were confidential. Information in regard to various matters was supplied by the representatives of the United Kingdom Government. There was no question of any commitment.

(b) Yes.

**Shri H. V. Kamath:** Is there a tendency on the part of the U. K. Government to regard the Commonwealth as one unit for defence purposes?

**The Honourable Shri Jawaharlal Nehru:** Surely, I do not quite understand this question. How am I to answer what is the tendency in the mind of the U. K. Government.

**Mr. Speaker:** It is more or less a question of opinion.

**Shri H. V. Kamath:** Has the Prime Minister's attention been drawn to the statement made in the House of Commons the other day by the Defence Minister there, Mr. Alexander, to the effect that "the meeting of the Commonwealth Prime Ministers' Conference in London last October afforded an opportunity for a discussion of the present arrangements for consultation between the countries of the Commonwealth on defence matters"?

**The Honourable Shri Jawaharlal Nehru:** I have not seen that statement, but it is a perfectly true statement nevertheless, that is to say, that consultation took place. Statements were made about the position and we listened to them.

**Shri H. V. Kamath:** Has his attention been drawn to a statement made by Sir Stafford Cripps in December last some time after the Conference was over that the Commonwealth countries including India had pledged their full co-operation with the U. K. in their plans, economic or otherwise?

**The Honourable Shri Jawaharlal Nehru:** No, Sir. I have not seen that statement. I will be very much surprised if Sir Stafford has made that statement.

**Shri H. V. Kamath:** I shall show it to the Prime Minister later, if he needs it.

**Mr. Homi Mody:** At these Prime Ministers' Conferences, is there not an agreed communique issued covering the view points that were discussed so as to obviate the necessity of independent statements on the part of each country represented at the Conference?

**The Honourable Shri Jawaharlal Nehru:** In the course of the Conference, daily communiques were issued—brief ones—and at the end a longer communique was issued. The point is, as I have said in answer to a previous question, there is no question of any commitments. They were all frank, informal discussions of various situations existing in the world and some countries stated what their position was without in any sense committing any other country. In regard to many matters there was community of outlook. In regard to some matters, different view-points were expressed. All these things were noted and that was the Conference.

**Sardar Hukam Singh:** Is it a fact that a large number of Asian countries regard this formation of Western bloc as an attempt on the part of the European countries to dominate Asia for ever?

**The Honourable Shri Jawaharlal Nehru:** This is the first time I have heard of this.

#### DAMS CONSTRUCTED BY DAMODAR VALLEY CORPORATION

\*994. **Shri H. V. Kamath:** Will the Honourable Minister of Works, Mines and Power be pleased to state:

(a) how many dams have been constructed by the Damodar Valley Corporation, and how many more are expected to be built;

(b) how much land has been acquired from cultivators, and at what rate of compensation; and

(c) how many tenants have been thereby evicted and what steps have been taken for their rehabilitation?

**The Honourable Shri N. V. Gadgil:** (a) The project comprises eight dams, none of which has yet been constructed. Preliminary Engineering work is in progress.

(b) Only forty five acres of land have so far been acquired from the cultivators. The rate of compensation has yet to be settled, but a provisional compensation at the rate of Rs. 10 per acre of occupied land for one crop has been paid pending final acquisition;

(c) No tenant has yet been evicted. Arrangements are being made to rehabilitate those who will be evicted when the actual dam construction begins.

**Shri H. V. Kamath:** In the case of one of the dams, the Tilaiya Dam, is it a fact that the original estimate of the cost of the dam was Rs. 46 lakhs and tender was invited upto 86 lakhs?

**The Honourable Shri N. V. Gadgil:** I require notice.

**Shri H. V. Kamath:** Is it a fact that, in connection with this dam, the Project Officer Mr. Baxter, while inviting tenders for 86 lakhs, added an amount of 36 lakhs being the cost of 18,000 acres of land which was to be sub-merged, to the total cost of the dam?

**The Honourable Shri N. V. Gadgil:** These are details and I naturally require notice.

**Shri H. V. Kamath:** This is a serious matter, Sir. In this Tilaiya Dam construction, has there been an encroachment on land in a village called Kanti, the area involved being 180 acres, without any notice to the tenants and without any compensation fixed for the tenants?

**The Honourable Shri N. V. Gadgil:** If the honourable member wants information regarding any particular village, I would require notice. But, the general policy is wherever any tenant has been ejected, compensation for the standing crop has been paid.

**Shri H. V. Kamath:** Is it a fact that the first Director of Rehabilitation resigned within six months time?

**The Honourable Shri N. V. Gadgil:** I want notice for that. As far as I remember, no Director has resigned.

**Shri H. V. Kamath:** Is it a fact that Mr. Girdhari Kripalani was the Director of Rehabilitation?

**The Honourable Shri N. V. Gadgil:** He was not a Director.

**Mr. Speaker:** The honourable member need not go into the details; he may have a discussion with the Honourable Minister.

**Shri H. V. Kamath:** He has no information even about the resignation of the Director of Rehabilitation.

**The Honourable Shri N. V. Gadgil:** He was not the Director of Rehabilitation.

**Prof. N. G. Ranga:** Will the Government enquire into the correctness or otherwise of the points that have been placed before the House by my honourable friend Mr. Kamath?

**The Honourable Shri N. V. Gadgil:** Most certainly.

**Babu Ramnarayan Singh:** The Honourable Minister says that about forty acres of land have been acquired. May I know whether the acquisition has been made according to the law or by force by the officials there?

**The Honourable Shri N. V. Gadgil:** No; when I say acquisition, it is under the provisions of the Land Acquisition Act prevalent in Bihar Province.

**Pandit Hirday Nath Kunzru:** On what principles has the compensation, paid to the tenants been determined? Has it been determined by the officials of the Government of India or on the advice of the Bengal Government?

**The Honourable Shri N. V. Gadgil:** In this matter, the Damodar Valley Corporation had taken the help of the Bihar Government and officers of the Bihar Government have been appointed and they are working according to the provisions of the Land Acquisition Act prevalent there.

**Babu Ramnarayan Singh:** While answering a supplementary question on the same subject a few days ago, the Honourable Minister promised to enquire into the illegal activities of the officials there. May I know whether the enquiry has begun?

**The Honourable Shri N. V. Gadgil:** Yes, Sir.

**Prof. N. G. Ranga:** Have the Government laid down any policy to be followed by the Damodar Valley Corporation, or has the Corporation itself laid down any policy in regard to the rehabilitation of the tenants who are to be evicted when these dams are constructed?

**The Honourable Shri N. V. Gadgil:** The Damodar Valley Corporation will proceed on well known principles that as far as possible wherever land is available, land should be given to those who will be expropriated and where land is not available or where the persons concerned do not want land, adequate compensation will be paid.

**Shri B. P. Jhunjhunwala:** Will the Government direct the Corporation to rehabilitate the tenants before they are evicted?

**The Honourable Shri N. V. Gadgil:** As far as possible, this will be borne in mind.

**Dr. Mono Mohan Das:** Do the Government think that the sum of Rs. 10 per acre which has been given as compensation is sufficient according to the market value?

**The Honourable Shri N. V. Gadgil:** The compensation is for the standing crop and not for the whole land.

**Babu Ramnarayan Singh:** So far as I am aware, there has been an understanding between the Government of Bihar and the Central Government that these tenants who are to be evicted from the lands to be submerged, have got to be paid for building their homes before they are evicted, before they are asked to leave their homes and hearths.

**The Honourable Shri N. V. Gadgil:** Whatever understanding was arrived between the Government of Bihar and the Damodar Valley Corporation will certainly be honoured.

**Shri H. V. Kamath:** May I know, Sir . . . . .

**Mr. Speaker:** I propose to go to the next question.

#### MILITARY TECHNICAL TRAINING CENTRE, JORHAT

\*995. **Srijut Kuladhar Chaliha:** (a) Will the Honourable Minister of Labour be pleased to state whether the Military Technical Training Centre for ex-servicemen and civilians at Jorhat is going to be combined with the Technical College there?

(b) What is the number of ex-servicemen and civilians undergoing training in the Institution?

**The Honourable Shri Jagjivan Ram:** (a) The Military Technical Training Centre referred to by the honourable member is the combined Training Centre, Jorhat, which was established by the Government of India, Ministry of Labour. It is not the intention that this Centre should be combined with the Provincial Technical Institute at Jorhat at present.

(b) 146 ex-Servicemen were under training on 31st December 1948. The proposal to throw open the Centre to adult civilians of the Province is under the consideration of the Government of Assam and the Government of India.

#### HOUSING CONDITIONS OF LABOURERS IN ASSAM TEA ESTATES

**\*996. Srijut Kuladhar Chaliha:** (a) Will the Honourable Minister of Labour be pleased to state what are the housing conditions of labourers in tea plantations in Assam?

(b) Do Government propose to subsidise the tea estates for building hutments for labourers and if so, have Government prepared any scheme for such subsidy to be repaid according to the financial conditions of different estates?

**The Honourable Shri Jagjivan Ram:** (a) I visited the tea gardens in Assam in the third week of October 1948. Except in very big centres the housing conditions in the plantations can only be described as deplorable. The usual defects are: (i) the accommodation provided is grossly inadequate for a family; (ii) the rooms are dark and look like dungeons; (iii) absence of any plinth in many houses; (iv) slopping roof reaching within 4 feet (and in some cases even lower) of the ground with the result that entry into the house can only be effected by doubling up the body; (v) most houses are kutcha and in bad state of repairs; and (vi) verandas, where provided, are so narrow that they cannot be of much use to the tenant.

Attention is also invited to page 57 of the Labour Investigation Committee Report on 'an enquiry into conditions of Labour in Plantations in India' which gives details and conditions of houses in Plantations. A copy of the report is available in the Library of the House.

(b) In the second session of the Industrial Committee on Plantations a proposal was approved to set up Housing Boards whose functions would be to acquire and develop suitable areas for construction of workers' houses, raise funds, administer the housing estates, organise research in house construction and availability of materials and prescribe the extent and the nature of the employer's liability for the provision of workers houses. The question of granting subsidies will be considered along with the General Industrial Housing Scheme.

**Prof. N. G. Ranga:** Is there any proposal to impose a special cess, as has been done in the case of mines, in order to raise sufficient funds for providing pucca housing conditions for these tea estate workers?

**The Honourable Shri Jagjivan Ram:** The analogy of the coal fields does not apply here, because, mining is a central subject whereas tea plantation is entirely a provincial subject.

**Prof. N. G. Ranga:** Is it a fact that so far as the tea estates are concerned, there is an All India legislation known as the Tea Cess Act and there is an All India Tea Cess Committee which was established by the Government of India?

**The Honourable Shri Jagjivan Ram:** That has nothing to do with labour.

**Shrimati Dakshayani Velayudhan:** Are medical facilities in the Tea Estates the same as housing conditions?

**The Honourable Shri Jagjivan Ram:** I will refer the honourable lady member to the report of the Plantation Investigation Committee.

## GREATER DELHI SCHEME

**\*997. Shri K. Hanumanthaiya:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state whether the blue print of the Greater Delhi scheme would be made available to the members of the House?

(b) What are the top priorities in the scheme?

(c) When is the work on these constructions expected to start?

**The Honourable Shri N. V. Gadgil:** (a) The plan for Greater Delhi has not yet been finalised. A copy† of the tentative plan is, however, placed on the table of the House.

(b) Top priority has been given to the development of areas set apart for the rehabilitation of the refugees and the Diplomatic Enclave.

(c) Work on the areas earmarked for housing refugees has already started and about 2,000 houses have been completed in New Delhi Northern Extension. The development of other parts such as Shadipur and Nizamuddin are in hand.

The scheme for the Diplomatic Enclave has been just sanctioned and development work on the site will soon start:

**Mr. Frank Anthony:** What priority, if any, does Government propose to give to relieve the congestion among Government servants in regard to quarters?

**The Honourable Shri N. V. Gadgil:** So far as construction of quarters for Government servants is concerned, there is a definite scheme which has been sanctioned and work is proceeding along the same lines. I may assure the honourable member that before July this year about 3,200 quarters will be available for all the four classes of Officers.

**Seth Govind Das:** In view of the fact that there is a proposal to remove the Capital from Delhi, why all this work is being undertaken?

**Shri K. Hanumanthaiya:** How many Government servants are in the waiting list for giving accommodation?

**The Honourable Shri N. V. Gadgil:** About 13,000.

**Shri Deshbandhu Gupta:** When do Government hope to finalise the scheme for Greater Delhi?

**The Honourable Shri N. V. Gadgil:** As soon as possible. But to give some indication I may say that the Coordination Committee which is commissioned with this task of finalizing has appointed four sub-committees, one for water-works, one for sewage, one for transport and one for additional supply of electricity.

As soon as their reports are scrutinized and finalised, the final plan of Greater Delhi will be available.

**Mr. Frank Anthony:** Does Government intend pulling down the hostels and other temporary structures?

**The Honourable Shri N. V. Gadgil:** In suitable cases, they will be pulled down.

## EMPLOYEES IN INDIAN EMBASSIES

**\*998. Shri S. Nagappa:** Will the Honourable the Prime Minister be pleased to state:

(a) the number of persons employed in the offices of the Indian Embassies abroad;

† Not printed in the day's Debate. A copy placed in the Library of the House.—  
E.S. of D.

‡ Answer to this question laid on the table, the questioner being absent.

- (b) what amount is being spent in respect of these offices;  
 (c) whether there is any scheme to minimise the expenditure;  
 (d) if so, what it is; and  
 (e) if not, why not?

**The Honourable Shri Jawaharlal Nehru:** (a) and (b). A statement containing the required information is placed on the table of the House.

(c) to (e). Economy in expenditure on our Foreign Missions is constantly kept in view and expenditure sanctions are carefully scrutinized before issue. A local inspection will be conducted in due course to ensure that our missions function efficiently.

## STATEMENT

Name of Mission  1	Total number of persons employed (all grades)  2	Approximate annual expenditure (Based on budget for 1949-50)		
		Embassy estimates	Information services	Total
(in thousands of rupees)				
<i>Embassy of India in—</i>				
(1) The U. S. A., Washington . . . . .	111	12.24	4.20	16.44
(2) China, Nanking . . . . .	40	5.14	71	5.85
(3) The U.S.S.R. Moscow . . . . .	27	6.86	92	7.78
(4) Iran, Tehran . . . . .	37	3.70	85	4.55
(5) Belgium, Brussels . . . . .	21	2.70	6	2.76
(6) Brazil, Rio de Janeiro . . . . .	19	3.30	78	4.68
(7) France, Paris . . . . .	23	2.60	61	3.21
(8) Egypt, Cairo . . . . .	36	2.99	78	3.77
(9) Nepal, Kathmandu . . . . .	53	1.94	..	1.94
(10) Afghanistan, Kabul . . . . .	34	2.59	50	3.09
(11) Turkey, Ankara . . . . .	25	3.63	77	4.40
(12) Czechoslovakia, Prague . . . . .	22	2.35	71	3.06
(13) Italy, Rome . . . . .	13	2.50	..	2.50
(14) Burma, Rangoon . . . . .	85	3.50	79	4.29
	546	56.04	11.68	67.72
<i>Indian Legation in—</i>				
(1) Switzerland, Berne . . . . .	20	3.87	66	4.53
(2) Sweden, Stockholm . . . . .	12	1.95	..	1.95
(3) Siam, Bangkok . . . . .	26	1.62	48	2.10
	58	7.44	1.14	8.08
<i>Consulate-General of India at—</i>				
(1) New York (U.S.A.) . . . . .	14	2.87	..	2.87
(2) San Francisco (U.S.A.) . . . . .	9	2.02	..	2.02
(3) Shanghai (China) . . . . .	17	1.66	32	1.97
(4) Kashgar (Sinkiang) . . . . .	6	96	..	96
(5) Batavia (Indonesia) . . . . .	19	2.36	52	2.88
(6) Pondicherry (French India) . . . . .	11	58	..	58
	76	10.45	83	11.28

1	2	3	4	5
<i>Consulate of India at—</i>				
(1) Saigon (Indo China)	16	1,57	86	2,43
(2) Songkhla (South Siam)	7	48	..	48
(3) Jedda (Saudi Arabia)	12	84	55	1,39
(4) Nova Goa (Portuguese India)	7	39	..	39
	42	3,28	1,41	4,69
<i>Vice Consulate of India at—</i>				
(1) Zabidan (Iran)	10	86	..	86
(2) Medan (Sumatra)	7	41	..	41
	17	1,27	..	1,27
Indian Delegation to the United Nations, New York	24	3,53	..	3,53
Indian Liaison Mission, Tokyo	19	2,46	64	3,10
Indian Military Mission, Berlin (a)	5	..	..	..
	48	5,99	64	6,63
(a) Chargeable to 57-Misc. Expenditure connected with German Reparation. Figures not available				
<i>Indian High Commissioner in—</i>				
(1) The United Kingdom, London	462 (Central Depts. only)	39,55	2,47	42,02
(2) South Africa, Johannesburg	7	1,45	..	1,45
(3) The Commonwealth of Australia, Canberra	14	1,45	38	1,83
(4) Canada, Ottawa	17	2,23	1,34	3,57
(5) Pakistan, Karachi	79	3,21	27	3,48
(6) Ceylon, Colombo	29	1,72	45	2,17
	608	49,61	4,91	54,52
<i>Deputy High Commissioner for India in—</i>				
(1) Pakistan, Lahore	47	94	26	1,20
(2) Pakistan, Dacca	21	1,23	29	1,52
Representative of the Government of India in Malaya	34	2,02	78	2,80
Agent of the Government of India in Malaya	15	79	..	79
Agent of the Government of India in Ceylon	13	57	..	57
	130	5,55	1,33	6,88
<i>Commissioner for the Government of India in—</i>				
(1) Mauritius	9	79	..	79
(2) Fiji	8	82	..	82
(3) East Africa	18	1,48	54	2,02
(4) West Indies	15	1,35	..	1,35
	50	4,44	54	4,98
<b>GRAND TOTAL</b>	1,575	1,44,07	22,48	1,66,55



## IMPORT, PRODUCTION AND CONSUMPTION OF PETROLEUM

\*999. **Pandit Mukut Bihari Lal Bhargava:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state what was the amount of petroleum consumed in undivided India in the year 1938-39 and approximately the quantity of petroleum consumed during the same year by the parts of the country now included in the Indian Union?

(b) What was the quantity of petroleum consumed in the Indian Union during the year 1948?

(c) What were the quantities of petroleum produced in India in the year 1938-39 and in the year 1948?

(d) What are the countries from which petroleum was being imported in the year 1938-39 and the countries from which it was imported in the year 1948?

(e) Have the Government of India explored the possibilities of increasing the production of petroleum in India?

(f) If so, are there any prospects of making the country self-sufficient in the same and if so, by which time and in what manner?

(g) Have Government taken any steps to find out any substitute for petroleum and if so, with what results?

**The Honourable Shri N. V. Gadgil:** (a) to (c). Statements giving the information asked for are laid on the table.

(d) During 1938-39 from (i) Iran, (ii) Bahrein, (iii) East Indies, (iv) Burma and (v) U.S.A.

During 1948, from the same countries excepting Burma, and also from Saudi Arabia.

(e) Yes. Location of additional sources of petroleum has always formed an important part of the investigations of the Geological Survey of India. Government is also considering the possibility of manufacturing synthetic oil from low-grade coal.

(f) There is no likelihood of India becoming self-sufficient in petroleum unless big oil fields are discovered.

(g) Yes; Power Alcohol has already been brought into use for admixture with petroleum. The synthetic oil proposed to be manufactured from low-grade coal will also serve as a substitute for natural petroleum.

## STATEMENT I

*Consumption of major petroleum products excluding bunker deliveries to ships.*

	1939 (undivided India)	1939 (Indian Union territory Approx)	1948 (Indian Union Jan./ Aug. 1948)
	(Figures in tons)		
Aviation Spirit . . . . .	7,014	5,115	32,783
Motor Spirit . . . . .	341,780	300,766	319,677
Kerosene . . . . .	883,409	724,395	341,200
Diesel Oil . . . . .	274,297	223,388	177,201
High Speed Diesel Oil . . . . .	9,387	7,228	37,416
Furnace Oil . . . . .	236,902	189,522	315,017
Jute Batching Oil . . . . .	77,361	77,361	38,218

Notes.— (1) Figures for 1938-39 are not available.

(2) Figures for September to December 1948 are not yet available

## STATEMENT II

*Production of major petroleum Products*

	1939 (undivided India)	1939 (Indian Union territory)	1948 (Indian Union January to November 1948)
	(Figures in tons)		
Aviation Spirit . . . . .	300	300	..
Motor Spirit . . . . .	59,600	35,000	42,845
Kerosene . . . . .	110,100	95,000	38,759
High Speed Diesel Oil . . . . .	1,000	100	21,850
Diesel Oil . . . . .	34,400	10,000	19,863
Furnace Oil . . . . .	2,100	1,000	646
Jute Batching Oil . . . . .	8,000	3,000	28

Notes.— (1) Figures for 1938-39 are not available.  
(2) Figures for December 1948 are not yet available.

**Shri M. Tirumala Rao:** As a result of the activities of the Geological Survey of India, have they been able to strike any new wells of petroleum in the country?

**The Honourable Shri N. V. Gadgil:** This year's programme, as was stated in one of my replies, includes survey in Assam, East Punjab, Cutch and Kathiawar. As soon as those surveys are completed, I will be in a position to tell the honourable member how the position stands.

**Prof. N. G. Ranga:** How many parties are there prospecting for petroleum in different places?

**The Honourable Shri N. V. Gadgil:** As far as I know, no party has asked for any prospecting license in the course of last twelve months.

**Prof. N. G. Ranga:** I meant the Geological Survey parties.

**The Honourable Shri N. V. Gadgil:** There are four parties prospecting in these four areas.

**Shri O. V. Alagesan:** What is the quantity of petroleum expected to be produced from low-grade coal?

**The Honourable Shri N. V. Gadgil:** It is too premature for me to reply.

**Dr. Mono Mohan Das:** Has the attention of the Government been drawn to a publication in the newspaper that a certain variety of vegetable oil has been found in Darjeeling and sent to Cawnpore Laboratories which can be used very safely as motor spirit?

**The Honourable Shri N. V. Gadgil:** I have no knowledge of it.

**Mr. Frank Anthony:** Is a proportion of the imported petrol stored by Government?

**The Honourable Shri N. V. Gadgil:** The normal position is that supply of 2½ months is kept at the ports and supply for one month in upcountry. Altogether there is a supply of 3½ months stored.

**Mr. Frank Anthony:** Does Government envisage at any time lifting of the present rationing of petrol?

**The Honourable Shri N. V. Gadgil:** The question of petrol supply is constantly under consideration but the main difficulty is not so much for the total supply as in the transport carrying petrol from the ports to upcountry.

**Shri H. V. Kamath:** What was India's share of the World's total production of petrol in 1938 and in 1948? Has it increased or decreased?

**The Honourable Shri N. V. Gadgil:** I can only say that in 1939 it was one per cent of the total supply.

**Shri R. K. Sidhva:** May I know whether there is sufficient storage tanks at the ports? If so, is it not a fact that last month some ship brought oil to Bombay and for want of room it was diverted to Calcutta?

**The Honourable Shri N. V. Gadgil:** My friend is aware of the fact that there was cyclone in Bombay which necessitated the divergence of the particular ship from Bombay to Calcutta.

#### DENIAL OF CITIZENSHIP RIGHTS TO INDIANS IN CEYLON

**\*1000. Pandit Mukut Bihari Lal Bhargava:** (a) Will the Honourable the Prime Minister be pleased to state whether Government are aware that no rights of citizenship have been conceded to the Indians residing in Ceylon by the Ceylonese Government in the recent legislation passed by it?

(b) If so, what steps have the Government of India taken or intend to take to redress the legitimate grievances of the Indians there?

**Dr. B. V. Keskar** (Deputy Minister of External Affairs and Commonwealth Relations): (a) and (b). The correspondence exchanged between the Governments of India and Ceylon regarding the grant of rights of citizenship to Indians resident in Ceylon has already been distributed to members of this House. This correspondence explains the attitude which the Government of India have taken up in this matter. The Government of India are not satisfied with the steps taken by the Government of Ceylon. They do not think that any further step would serve any useful purpose at present.

**Dr. Mono Mohan Das:** Has the Government adopted any reciprocal measure or propose to adopt in the future?

**Dr. B. V. Keskar:** No.

#### TEA CESS REALISED FROM ASSAM FOR TEA MARKET EXPANSION BOARD

**\*1001. Srijit Kuladhar Chaliha:** Will the Honourable Minister of Commerce be pleased to state the amount of tea-cess realised from the Province of Assam for the Tea Market Expansion Board?

**The Honourable Shri K. C. Neogy:** The required information is being collected and will be placed on the table of the House, when available.

#### MERGER OF SIKKIM

**\*1002. Shri Ari Bahadur Gurung:** Will the Honourable the Prime Minister be pleased to state whether the people of Sikkim have approached the Government of India with a proposal to merge their State with India?

**Dr. B. V. Keskar** (Deputy Minister of External Affairs and Commonwealth Relations): One of the political parties in Sikkim *viz.* the Sikkim Rajya Praja Sammelan, has sent to the Government of India a copy of a Resolution passed in January 1949 suggesting the merger of Sikkim with India and its Government as a Centrally Administered Area.

**Shri Brajeshwar Prasad:** How many political parties there are in Sikkim?

**Dr. B. V. Keskar:** There are three parties in Sikkim.

**Shri Ari Bahadur Gurung:** How do Sikkim and Bhutan stand in relation to India at the present moment?

**Dr. B. V. Keskar:** Sikkim and Bhutan, both are standing in different footing. We cannot put them together. The external relations of Bhutan are controlled through India but in other matters it is an independent State.

With regard to Sikkim, in many matters it is controlled by the Government of India but in many matters it stands independently, not exactly as a State within India. It is something between a State in India and an Independent State.

**Shri Ari Bahadur Gurung:** Is it a fact that Sikkim and Bhutan have claimed certain parts of Indian territory? If so, what action the Government proposes to take?

**The Honourable Shri Jawaharlal Nehru:** Various claims have been put forward from time to time. Government of India have not considered those claims in the past as valid claims. But recently we have been considering a fresh treaty with Bhutan and we are agreeable to conceding a very small area—I think it is about 45 square miles—which has some sentimental value to them. We are prepared to consider cession of that area to Bhutan.

**Shri Ari Bahadur Gurung:** Has Government information that consequent on agitation for accession to India, there had been some arrests and commotion in the State?

**Dr. B. V. Keskar:** We have received report that certain parties started agitation and some persons were arrested but they have now been released.

**Shri Ari Bahadur Gurung:** Has the Indian Representative stationed at Gangtok taken any steps in the matter?

**Dr. B. V. Keskar:** Our Agent there has taken note of the situation and is in consultation with the State.

**Prof. N. G. Ranga:** What is the total population of Sikkim State?

**Dr. B. V. Keskar:** I have not got it here.

**Mr. Tajamul Husain:** I have not understood the position about Sikkim. Is it the position that Sikkim has not acceded to the Indian Union?

**The Honourable Shri Jawaharlal Nehru:** Sikkim has not acceded. The question in that shape has not arisen. All these matters are pending and under consideration. The present position is that the old relations of Sikkim and Bhutan with the Government of India continue. What exactly the future relation will be is a matter for consideration between Sikkim, Bhutan and the Government of India.

**Shri Brajeshwar Prasad:** May I know whether the foreign relations of Sikkim are controlled by the Government of India?

**The Honourable Shri Jawaharlal Nehru:** Sikkim has no foreign affairs.

#### GENERAL ELECTIONS

\*1603. **Shri Biswanath Das:** Will the Honourable Minister of Law be pleased to state:

(a) the steps so far taken to hold the general elections;

(b) whether Government have begun the delimitation of constituencies in different provinces; and

(c) if so, the manner in which the same has been undertaken?

**The Honourable Shri Satyanarayan Sinha (Minister of State):** (a) The Secretariat of the Constituent Assembly of India has addressed the Governments of the Provinces and States asking them to prepare preliminary electoral rolls. Every person who is not less than 21 years of age on the 1st January, 1949, and has a permanent place of residence in the area to which the electoral roll relates or has resided in that area for not less than 180 days in the year ending 31st March, 1948, is being included in these rolls. The progress of the work of preparation is satisfactory. In Madras, East Punjab and Assam the preparation of the preliminary rolls has already been completed and they

are now being printed. The printed rolls will be published in due course, and claims and objections invited. They will then be revised. The printed rolls, with any necessary omissions together with a supplementary list of any necessary additions will form the final rolls. It is not intended that the final rolls should be reprinted.

(b) and (c). No. but Provinces and States have been requested to conduct a preliminary examination and submit provisional proposals in regard to the delimitation of constituencies for the House of the People.

**Shri H. V. Kamath:** Has Government's attention been drawn to a statement made by the C. P. Government the other day in the Provincial Assembly that though the Constituent Assembly has adopted a resolution to the effect that elections should be held in 1950, it is doubtful if elections could be held even in 1951?

**The Honourable Shri Satyanarayan Sinha:** None that I know of.

**Shri Biswanath Das:** Have Government considered the difficulties involved in the preparation of electoral rolls before actual delimitation of constituencies?

**The Honourable Shri Satyanarayan Sinha:** I do not think there will be any difficulty in their preparation.

**Mr. Frank Anthony:** Are there enough printing presses in the country to print the electoral rolls within a period of two years?

**The Honourable Shri Satyanarayan Sinha:** Yes, there are.

**Srijut Rohini Kumar Chaudhuri:** Is it the intention of Government to set up a delimitation commission on an all-India basis as was done in the year 1935?

**The Honourable Shri Satyanarayan Sinha:** This matter was discussed informally, and it is under consideration.

**Shri Biswanath Das:** Has the Government seen the difficulties of members of this House who will not be able to stay in their constituencies for 180 days?

**Mr. Speaker:** We are going into unnecessary details. This is a subject on which a number of suggestions can be made in the form of questions. The honourable members should ask for information and not suggest arguments.

**Shri Biswanath Das:** I do not suggest argument, Sir. Mine is a definite question requiring a definite answer. I want to know if Government has considered this difficulty of.....

**Mr. Speaker:** I think these difficulties may be placed before Government outside this House.

**Shri Deshbandhu Gupta:** In view of the fact that a large number of refugees are still unsettled, has Government issued any special instructions to the different provinces in regard to the enrolment of refugees?

**The Honourable Shri Satyanarayan Sinha:** I want notice of that question.

**Shri B. K. Sidhva:** May I know whether the Honourable the Law Member himself made a statement to the Press last month that in view of the difficulties, although the Constituent Assembly had passed such a resolution, it is not possible to hold the elections in 1950?

**The Honourable Shri Satyanarayan Sinha:** It may be his personal opinion, and the Honourable the Law Member is, unfortunately not present here.

**Shri M. Tirumala Rao:** With regard to (b), the Honourable Minister said that the Provinces and States have been requested to conduct a preliminary examination and submit a report about the delimitation of constituencies. May I know whether these reports will be placed before the Delimitation Commission?

**The Honourable Shri Satyanarayan Sinha:** Certainly, they will be placed before the Delimitation Commission.

**Shri M. Tirumala Rao:** Will Government rely on these reports and proceed? I want to know the policy of the Government in this matter.

**The Honourable Shri Satyanarayan Sinha:** If the Delimitation Commission is appointed, then naturally these proposals will be placed before that Commission.

**Shri Biswanath Das:** When are they going to have this Delimitation of Constituencies Committee?

**The Honourable Shri Satyanarayan Sinha:** I have said that the whole thing is under consideration of the Government.

#### RECOGNITION OF THE STATE OF ISRAEL

\*1004. **Srijut Kuladhar Ohaliha:** (a) Will the Honourable the Prime Minister be pleased to state whether the Government of India are going to recognise the State of Israel?

(b) Are Government aware that the Governments of Australia and South Africa, both members of the Commonwealth, have already recognised the State?

(c) What are the reasons that prevented the recognition of the State by the Government of India?

**Dr. B. V. Keskar** (Deputy Minister of External Affairs and Commonwealth Relations): (a) and (c). The Government of India are closely studying the situation and are keeping in touch with the latest developments. The United Nations are at present dealing with this matter. The Government of India will take appropriate decisions as soon as they consider the time is ripe for it.

(b) Yes.

**Shri H. V. Kamath:** Is it a fact that Israel is an established State and has come to stay?

**The Honourable Shri Jawaharlal Nehru:** It is undoubtedly a State which is functioning as such; and the honourable member's opinion about its having come to stay may be correct.

**Shri M. Tirumala Rao:** In reference to (b), India being in the Commonwealth, did Australia and South Africa consult India before they granted recognition to Israel?

**The Honourable Shri Jawaharlal Nehru:** It is not considered necessary for each Government to consult other governments when they take any action that they may take.

**Shri M. Tirumala Rao:** Is it not a fact that the British Prime Minister asserted that whatever is done in the Commonwealth is done after consultation with the members of the Commonwealth?

**The Honourable Shri Jawaharlal Nehru:** I might inform the House that the Government of the United Kingdom informed us of the steps that they were taking.

**Shri K. Hanumanthaya:** What is the reason for the Government of India not recognising the State of Israel?

**The Honourable Shri Jawaharlal Nehru:** Because the time was not ripe to consider that question in that way.

**Shri H. V. Kamath:** Does the Honourable the Prime Minister recollect the statement he made on the floor of the House on 20th August last on this subject—I am reading from the official report—to the effect that we must know

exactly what the international position is. Is his attitude the same to-day, as it was on 20th August? Is he still studying the international position?

**The Honourable Shri Jawaharlal Nehru:** Exactly the same, except for the fact that some months have elapsed since then, and for the things that have occurred during the period that has elapsed.

#### ASSISTANCE TO INDONESIA

\*1005. **Shri H. V. Kamath:** Will the Honourable the Prime Minister be pleased to state what assistance India proposes to render to Indonesia in resisting the Dutch aggression?

**The Honourable Shri Jawaharlal Nehru:** As the honourable member is aware, the Government of India held a Conference of interested nations in Delhi to consider the situation in Indonesia and to suggest a solution within the frame-work of the United Nations. The Conference has passed a Resolution urging certain steps to be taken with regard to the Indonesian Conflict and promised the whole-hearted co-operation of the member states in implementing any measures that the Security Council might decide to take. The report of the United Nations Commission to the Security Council has not yet been considered by that body and further action on our part will depend upon the course of the discussions in the Security Council which will shortly take place.

**Shri H. V. Kamath:** Isn't it a fact that the Security Council resolution on this subject falls short of the resolution adopted at the Asian Conference on Indonesia?

**The Honourable Shri Jawaharlal Nehru:** Yes, to some extent it does.

**Shri H. V. Kamath:** Does Government propose therefore to make a *de atche* on this subject at the next session of the General Assembly of the United Nations?

**The Honourable Shri Jawaharlal Nehru:** We will consider what steps we shall take at the time of the next session of the United Nations.

**Maulana Hasrat Mohani:** Is our assistance formal or substantial?

**The Honourable Shri Jawaharlal Nehru:** Our assistance has already proved to be very substantial and important.

#### HARIJAN SECTION OF MINISTRY OF RELIEF AND REHABILITATION

\*1006. **Prof. Yashwant Rai:** Will the Honourable Minister of Relief and Rehabilitation be pleased to state the work done by the Harijan Section of his Ministry during the year 1948?

**The Honourable Shri Mohan Lal Saksena:** A report is laid on the table of the House.

#### STATEMENT

*on evacuation, Relief and Rehabilitation Problem of Harijan refugees. Work done and future programme*

Harijans are the most poor and backward class of our Society. They need special attention. In order, therefore, that the interests of Harijans in the matter of evacuation, Relief and Rehabilitation should receive prompt and adequate attention, a separate Section was deemed necessary for them. To all intents and purposes Harijan Section started functioning from first March, 1948 when its field workers were posted to various zones of work.

*Evacuation.*—The position in regard to evacuation stands as under :

(1) Harijans evacuated from West Punjab	... 3,50,000
(2) Harijans evacuated from Sind	... 1,50,000
(3) Harijans evacuated from Bhawalpur and N. W. F. P.	... 30,000

There are still about 50,000 Harijans in West Punjab about 2,00,000 in Sind and a few thousands left in Bhawalpur and Frontier.

*Rehabilitation.*—Rehabilitation connotes two things—providing shelter and work to refugees. Keeping these two aspects in view, the field-workers of this Section are working everywhere through the agency of local Government for the resettlement of Harijan refugees.

*The achievements made are broadly stated here-under :*

*Delhi.*—1. 500 quarters are under construction in Sat Nagar, a very decent and sanitary locality of Karol Bagh. Out of the number 268 houses are complete. The Colony has been fitted with 45 flush latrines, and a number of sanitary urinals. A commodious common hall, two big school rooms, a well equipped dispensary, small bazaar comprising of six shops of ration, cloth, sundries, general-stores, restaurant and hair-cutting saloon are main features of this refugee colony. A multi-purpose Co-operative Society of Harijan refugees has been organised for various activities of the Society. The society proposes to raise its members educationally, economically, and socially. It has set definite programme of work to move forward in these directions. A school has started functioning. Majority of the members are good and efficient *chaplis* makers. But as they are disorganized, they have not been making a decent earning. In order, therefore, to get them adequate work, a scheme to secure order for supply of 50,000 Chaplies from the Industry and Supply Department is being pursued. Otherwise even leather workers are being organized on co-operative basis, under the auspices of the Society.

2. In the Province of Delhi not less than 1,000 persons have been employed in Municipalities, Notified Areas and on construction works, through the efforts of field-workers of this Section. Besides about 500 others with the aid and guidance of the workers have resettled themselves.

3. Illiterate and poor people as Harijan refugees are, they did not avail of the benefit of free ration. A heavy price of cereals which they paid reduced them to a pitiable plight. The workers of this Section helped and guided them and today there is hardly a Harijan refugee who is without a ration-card.

*Rajputana Region.*—There are about 65,000 Harijan refugees spread widely in this region.

(a) *Bikaner State.*—15,000 farmer Harijan refugees have been resettled on agricultural lands in the fertile tract of Gang-Colony. The new settlers have been awarded Taccavi loan to the extent of about Rs. 5,00,000. Free ration is allowed to them till they are able to raise first crop. 7,000 more are anxiously awaiting for being put on lands. 2,000 others in the State are doing labour work in a haphazard way.

(b) *Jodhpur.*—Jodhpur State alone has 20,000 Harijan refugees, out of them about 6,000 are in Marwar and Marwar Pali Transit Camps. 6,000 others are earning their livelihood by doing shoe-repairing, bidi-making work at Jodhpur city. Similarly, about 3,000 and 1,000 are doing the same work at Barmer and Balotra respectively. About 1,000 have been employed as labourers. About 3,000 are absolutely idle and awaiting agricultural settlement in Matsya Union. Leather work and shoe-making business has been dull during last few months on account of closing of Jodhpur Railway line and export restrictions to Pakistan. Efforts are being made to get them adequate work from Industries pezuusio Surqep are kept. *replaye* yo qituvnb a3re e peen omk quaurndag f'eddng pue on co-operative lines. 3,000 to 4,000 Harijans are lying shelterless in Jodhpur State.

(c) *Udaipur.*—200 families of contractors, masons, carpenters and labourers are all employed on building works.

(d) *Jaipur.*—There are about 800 Harijan refugees in this State. They are masons and building labourers. They are mostly employed.

(e) *Jaisalmer.*—There are about 1,000 Harijan living in Jaisalmer. They are in a bad predicament. Their condition is bad on account of no rains during last year.

*Ajmer and Beawar :*

(a) *Ajmer.*—About 300 families have been settled in Ajmer. They are doing leather tanning and *Chaplies* making work. Some are employed as artisans, and some are working in Railway. A few families have taken to black-smiths work and the rest are employed as labourers.

(b) *Beawar.*—About 320 families are engaged in wool-pressing, cloth printing and *sirki* making, gunny bag stitching and the rest are employed as unskilled labourers. The cloth printing workers have been affected on account of rationing of cloth. Some have moved on and the rest are being shifted to Ahmedabad, where there is sufficient scope for their absorption in cloth printing work.

*Matsya Union.*—About 1,000 Harijan refugees have already obtained lands here. 2,000 Labana Sikh-backward class refugees are doing rope and Van-making work. But as they are disorganized they are just eking out their existence.



**Gujrat.**—1. The housing Colony of 260 houses has been constructed at Vadaj in Ahmedabad by Bombay Government. The new Colony is named as Gandhi Nagar. 40 flush latrines with two septic tanks have been installed in the Nagar. Roads and bye-lanes have been constructed and street lights are provided in the Colony.

2. Co-operative provision store run by Harijans has been started for the residents of this Basti.

3. A weaving centre is organized in the Colony for the benefits of the weaver refugees.

4. Number of Harijan refugees in Gujrat is about 22,000 out of them 6,000 persons are in camps. 16,000 living outside camp have taken to one or the other kind of work. They are masons, tanners, leather workers, mochiees, weavers, artisans and labourers. But some of them are struggling as they have not been able to consolidate their economic position. Attempts are being made to employ them in local mills. The Mill-owners Association was persuaded to pass a resolution by which they have undertaken to absorb about 1,000 to 1,100 persons in the local mills. Hundreds have been employed on construction works. In order to consolidate rehabilitation of leather workers they have been organized on co-operative lines. Refugee leather workers Co-operative Society has been formed.

5. One thousand families of agriculturists lying in camps are thirsting for land. Arrangements are being made to move them to Matsya Union lands where 10,000 refugee-Harijans are going to be settled. In this Zone (Gujrat) the Central Relief Committee has been mainly functioning with the active co-operation and through the agency or Officer of Harijan Section incharge of Gujrat.

**Saurashtra.**—1. 230 houses have been built at Jam Nagar and Beri-Bunder by Saurashtra Government. Most of the Harijan refugees were able to get work in the start, but on account of famine conditions prevailing in Kathiawar they were thrown out of jobs. However, a long duration public works are to be started by the new Saurashtra Government, which would go a long way to reabsorb them. Weaving scheme for engaging refugee weavers is being pursued.

2. 3,000 acres of land have been obtained from Junagadh Administration for agriculturist refugees, and 150 to 200 families are put on these lands. The administration is being urged to allot 3,000 more acres of land to refugee-agriculturists.

**Cutch.**—1. 25,000 Harijan refugees flocked to this territory in the wake of migration, on account of their old linguistic and cultural ties with local people. But as Cutch affords slender scope for rehabilitation majority of them left for Kathiawar and Gujrat and some even went back to Pakistan. There are at present about 8,000 Harijans refugees in Cutch, 4,000 of them were resettled on land, but on account of draught year as there was scanty rain-fall last year, their condition is far from satisfactory.

2. There are three immediate prospects of employing Harijan refugees in this territory. Cutch is now centrally administered area. Kandla is going to be developed as one of the major ports by our Government. Two railway lines connecting the territory with India are also sanctioned. Besides Gandhi Dham, a town for Sindhi refugees is being built by the Sindhi Resettlement Corporation Ltd., Bombay, with the aid of Central Government. These three schemes afford immediate scope for the absorption of starting Harijan refugees.

3. Efforts were made during the last year to employ Harijan refugees as labourers on public works. Hundreds of them have obtained employment from time to time.

**Bombay.**—1. Most of Harijan refugees are living in Kalyan, Akbar, South Devlali, Lake Beale, Pawai camps. Their number including backward class refugees is about 15,000.

2. 1,100 labour class refugees obtained work on docks especially with the efforts of Central Relief Committee. Some artisan Harijans of Pawai Camp have resettled themselves by getting employment in various Industrial concerns and in Railways.

3. Weaving Co-operative Society has been organized in South Devlali Camp. About 25 Weaver-families are settled.

**East Punjab.**—1. Most of the Punjab Harijan refugees are agriculturists. 50,000 agriculturist families comprising of 2,50,000 persons are thirsting for land. But they do not want to remain merely as tenants-at-will. They are claiming full occupancy rights. They have, therefore, not been able to get land. Only a small number, a couple of hundreds, have been resettled on evacuee land. A small fraction was employed on Bakhra Dam and other construction works. Some of the Harijan refugees have engaged themselves in sports industry, but the majority of them are still unsettled and roaming from pillar to post as they are not able to obtain agricultural land. Schemes to train and absorb them as artisans and technicians are being considered by the East Punjab Government.

2. 6,000 Sind Harijan refugees were employed on Ferozepur Embankment works for a period of 3 months from June to August 1948. These refugees were moved from Rajputana Camps to Ferozepur. These refugees were doing cultivation work in Sind, they are at present in Marwar and are awaiting agricultural resettlement.

**Central Provinces.**—2,200 Harijans are staying in Camps. They are agriculturists and are awaiting agricultural resettlement.

*Future Programme.*—1. Evacuation and rehabilitation of about 2 lac Harijan refugees from Sind, 50,000 from West Punjab and about 10,000 from Bahawalpur States and Frontier.

2. Resettlement of at least 10,000 agriculturist refugees in Matsya Union.

3. Resettlement of 10,000 agriculturists in C. P.

4. Agricultural scheme for absorbing 1,500 Harijans agriculturists families on Radhanpur lands (Bombay Province).

5. *Madhya Bharat.*—An agricultural scheme has been received through the agency of Prof. N. R. Malkani, Regional Director, C. P. and U. P. The scheme is being examined.

6. Construction of 500 more houses at Ahmedabad for which 10 acres of land have been sanctioned. The scheme is being finalized.

7. Construction of about 5,000 houses for giving shelter to Harijan refugees staying in Rajputana Region.

8. A proposal to construct about 1,000 more houses for Harijan refugees in Delhi is under consideration.

9. Leather works for Harijan refugees to be organized on Co-operative basis at Delhi.

10. Resettlement of 10,000 agriculturists on Jaipur lands.

11. Resettlement of 10,000 agriculturists on Udaipur lands.

12. Settlement of Harijan refugees labourers on Development of major port of Kandla, two proposed new Railway lines and construction work of Gandhi Dham, a town for Sindhi refugees.

13. Resettlement of 50,000 agriculturists refugees of East Punjab.

14. A programme for constructing 5,000 houses for Harijans and organizing their Co-operative Industrial Societies.

SHEWAKRAM KARAMCHAND.

Director,  
Harijan Section.

#### RELIEF

Cash	Rs.
(1) Delhi . . . . .	2,085
(2) Saurashtra . . . . .	1,000
(3) Rajputana . . . . .	415
<i>Blankets and Razais.</i> —	
(1) Marwar and Pali . . . . .	6000 Numbers
(2) Cutch . . . . .	2250 Numbers
(3) Delhi . . . . .	704 Numbers
(4) Saurashtra . . . . .	i. 1200 (800 by Saurashtra Govt.) (400 by Central Relief Comt.)
(5) Ajmer and Beawar . . . . .	ii. Worth Rs. 3,000 by Central Relief Comt.
(6) Bhavnagar . . . . .	100 Nos. i. 425 Nos. ii. Worth Rs. 500
(7) Ganga Nagar (Bikaner St.) . . . . .	1000 Nos.
(8) Gujrat . . . . .	Worth Rs. 3,000 by Central Relief Comt.
(9) Matsya Union . . . . .	100 Nos.
<i>Warm Clothes.</i> —	
(1) Marwar and Pali . . . . .	12000 jerseys
(2) Delhi . . . . .	100 warm sweaters
(3) South Deviali Camp . . . . .	500 warm sweaters
(4) Bhavnagar . . . . .	300 warm sweaters
(5) Ganga Nagar (Bikaner St.) . . . . .	9 Bales of Garments
(6) Matsya Union . . . . .	100 Jerseys
<i>Cotton clothes and Cloth.</i> —	
(1) Cutch . . . . .	12500 yards
(2) Rajputana . . . . .	5000 yards
(3) Jodhpur . . . . .	Rs. 1,000 worth
(4) Delhi . . . . .	To 929 persons
(5) South Deviali (Nasik) . . . . .	5000 yards
(6) Ajmer and Beawar (Merwara) . . . . .	85 persons (by Central Relief Comt.)

*Temporary Relief Camps at Delhi.—*

	Place	Period	No. of persons given free ration	
			Adults	Minors
(1)	Regarpura Karol Bagh	from 24-8-48 to 24-9-48 (5 weeks)	516	116
(2)	Bhangi Colony	from 16-12-48 to still running 500 persons.		

**Dr. Mono Mohan Das:** What is the total number of Harijans that have come over to India from Pakistan?

**The Honourable Shri Mohan Lal Saksena:** I can give you the information province-wise:

3,50,000 Harijans have been evacuated from West Punjab, 1,50,000 Harijans have been evacuated from Sind. 30,000 Harijans have been evacuated from Bhawalpur and N.W.F.P.

**Dr. Mono Mohan Das:** May I know how many of these Harijans have been rehabilitated up till now?

**The Honourable Shri Mohan Lal Saksena:** I could not give the exact numbers, but from the report which I have laid on the table it will appear that we have built 500 quarters for Harijans in Delhi, while some of them have also been settled on land.

**Shri V. C. Kesava Rao:** Is the Government aware that Harijans are prevented from coming away from Pakistan? If so what steps are being taken to look into this?

**The Honourable Shri Mohan Lal Saksena:** I have already stated on a previous occasion that the Harijans are not prevented from coming away. But they wanted to bring away their cattle and the cattle were not allowed to be removed from Pakistan under an order issued by the Government there.

**Shri V. C. Kesava Rao:** What is the number of Harijans still remaining in Pakistan?

**The Honourable Shri Mohan Lal Saksena:** There are still about 50,000 Harijans in West Punjab and about 2,00,000 in Sind and a few thousands left in Bhawalpur and Frontier.

**Shrimati Dakshayani Velayudhan:** May I know the reasons that prompted the Government to create a separate section for the Harijans?

**The Honourable Shri Mohan Lal Saksena:** It was felt that the rehabilitation of Harijans would require special consideration and it was considered necessary that there should be some department to look after their rehabilitation. As a matter of fact they are not able to take care of themselves as displaced persons belonging to other communities.

**Shri V. C. Kesava Rao:** May I know whether any reports have been received by the Government that Harijans are compelled to convert themselves to Islam?

**The Honourable Shri Mohan Lal Saksena:** There may have been cases of forcible conversions, but the Government has not received any reports.

**Seth Govind Das:** What effort is being made by the Government for bringing those Harijans from West Pakistan who wish to come over to India?

**The Honourable Shri Mohan Lal Saksena:** We have got a camp at Lahore and one in Karachi and those Harijans and others who want to come to India, are first brought to these camps and then to India.

**Dr. P. S. Deshmukh:** May I know what is the number of Harijans who are employed in this Harijan section of Relief and Rehabilitation?

**The Honourable Shri Mohan Lal Saksena:** I would require notice of that question.

**Shri R. K. Sidhva:** The Honourable Minister stated a fortnight ago in this House that there were some difficulties with regard to the Harijans from Sind and they could not be evacuated. May I know whether since then any effort has been made and what are the difficulties which impede their evacuation, although they are anxious to leave Pakistan?

**The Honourable Shri Mohan Lal Saksena:** If the honourable member will recollect, I stated on that occasion that these Harijans want to come back but they do not want to leave their cattle behind: and if it is left to their choice to leave without their cattle, they would rather remain there. Since there is water shortage, they could not even come by land. Besides, at present there is no railway communication by the Jodhpur Railway. Therefore, there is no question of their coming out just now.

**Shri Upendranath Barman:** Is it a fact that the quarters built for the refugee Harijans by the Central Government lie distinct, and at a distance from the quarters built for others?

**The Honourable Shri Mohan Lal Saksena:** As a matter of fact it is not correct to say that Harijans are not being allotted quarters in the colony built for others. But this colony has been specially built for the accommodation of Harijans and therefore they are being allotted houses there.

**Shri V. C. Kesava Rao:** May I know what are the reasons for this segregation?

**The Honourable Shri Mohan Lal Saksena:** As a matter of fact there is no question of segregation. There was a large number of Harijans in Delhi, and because this section considered that their housing should be taken up at an earlier date, while the construction of the other houses was likely to be delayed, this colony was built. But in addition to this, Harijans are allotted quarters in the other colony.

#### PROMOTIONS TO POSTS OF SUB-DIVISIONAL OFFICERS IN C.P.W.D.

\*1007. **Sardar Hukam Singh:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state whether it is a fact that in the Central Public Works Department the posts of Sub-Divisional Officers are filled by (i) recruitment of technical graduates; and (ii) promotion of non-graduates who have rendered approved service and merit such promotion?

(b) Is there any proportion fixed for the two categories for promotion?

(c) How many non-graduates have been promoted as Sub-Divisional Officers and how many graduates have been directly recruited during the last eighteen months?

(d) Are the fresh graduates recruited through the Federal Public Service Commission?

(e) If the answer to part (b) be in the negative, is the Government considering the desirability of fixing some ratio so that the deserving approved service subordinates may have a chance?

**The Honourable Shri N. V. Gadgil:** (a) (i) Yes.

(ii) promotion on the basis of selection by merit of those non-graduates only who are permanent Section Officers in the Department.

(b) No

(c) No non-graduates have been promoted as Sub-Divisional Officers and the number of graduates directly recruited on a temporary basis is 59.

(d) In future all direct recruitment to these services is to be made through the Federal Public Service Commission.

(e) Yes, it is proposed to do so shortly.

**Shrimati G. Durgabai:** May I know whether it is a fact that the Ministry makes its own appointments first in the vacancies and then notifies the Federal Public Services Commission to invite applications to fill these posts?

**The Honourable Shri N. V. Gadgil:** Where the appointment is absolutely necessary in the interests of efficiency, a temporary appointment is made and the post is then notified through the Federal Public Services Commission.

**Shrimati G. Durgabai:** May I know whether the new applicant has any chance to secure the job for himself, because a temporary incumbent comes in in order to gain the advantage of his having secured considerable experience?

**The Honourable Shri N. V. Gadgil:** That is not so. The Federal Public Services Commission is free to recommend anybody and their recommendations are invariably accepted.

**Prof. N. G. Ranga:** Are such appointments the exception or the general rule?

**The Honourable Shri N. V. Gadgil:** As I have already stated where it is absolutely necessary in the interests of efficiency, a temporary appointment is made.

**Prof. N. G. Ranga:** Will Government supply this House with information in regard to the practice followed during last year: in how many cases they have made these appointments as temporary to start with: and how many of them have later come to be accepted by the Federal Public Services Commission?

**The Honourable Shri N. V. Gadgil:** The honourable member can put a question and it will be answered.

**Prof. N. G. Ranga:** That is why I have put this question and I want the Honourable Member to place the information on the table of the House.

**The Honourable Shri N. V. Gadgil:** It is not possible to reply to this question offhand.

**Mr. Speaker:** What he means is that he will be satisfied if a promise is given that a statement will be placed on the table of the House.

**The Honourable Shri N. V. Gadgil:** Most certainly.

**Mr. Speaker:** That is all right.

## UNSTARRED QUESTIONS AND ANSWERS

### IMPORT OF FOREIGN CLOTH

**84. Dr. Mono Mohan Das:** (a) Will the Honourable Minister of Commerce be pleased to state how many yards of foreign cloth have been imported into this country during the year 1948?

(b) What is the total cost of this imported cloth?

(c) From what foreign countries has it been imported?

**The Honourable Shri K. C. Neogy:** (a) to (c). A statement giving the required information is placed on the table of the House.

## STATEMENT

*Imports of foreign cloth into India during April—October 1948.*

	Quantity in yards	Value in Rupees	Countries of origin
<i>Cotton—</i>			
Piecegoods . . . . .	18,446,298	3,57,25,245	United Kingdom, Switzerland and other countries
Fents of cotton not exceeding 4 yds. in length . . . . .	5,480,004	36,56,733	N. A.
TOTAL . . . . .	23,926,302	3,93,81,978	
<i>Silk—</i>			
Piecegoods . . . . .	33,749	1,33,364	N. A.
Goods of silk mixed with other materials . . . . .	1,460,527	37,16,550	U. K. and Other countries
Artificial silk . . . . .	7,189	24,411	Do. }
TOTAL . . . . .	1,501,465	38,74,325	
<i>Wool—</i>			
Woolen and worsted piecegoods . . . . .	1,912,258	1,71,28,085	U. K. and other countries
Goods of wool mixed with other materials . . . . .	909,123	48,36,498	N. A. "
TOTAL . . . . .	2,821,381	2,19,64,583	
GRAND TOTAL	28,249,148	6,52,20,886	

N. A.—Not available.

N. B.—(1) Figures are for Indian Dominion only.

(2) Post October 1948 figures are not available.

## HOUSES REQUISITIONED IN DELHI

85. **Shri Deshbandhu Gupta:** Will the Honourable Minister of Works, Mines and Power be pleased to state:

(a) the number of houses that have been requisitioned by Government in Delhi for Governmental purposes till 31st December, 1948;

(b) in how many cases alternative accommodation was provided to the residents;

(c) the number of houses requisitioned by the Deputy Commissioner, Delhi for the requirements of the local Government and its servants during the same period; and

(d) the number of appeals filed by the landlords or residents of the requisitioned houses and the result of the same?

**The Honourable Shri N. V. Gadgil:** (a) to (d). A statement containing the required information is placed on the table of the House.

## STATEMENT

1	2	3	4	5
				Appeals filed by landlords or residents of the houses requisitioned
By whom requisitioned	Act or Ordinance under which requisitioned	Total number of houses requisitioned till 31st December, 1948	No. of cases in which alternative accommodation was provided to the residents	No. of appeals filed Result of appeals
(A) <i>By Central Government</i>	(i) Defence of India Act, 1939	206, including 27 houses with Embassies etc.	8	.. ..
	(ii) Delhi Premises (Requisition and Eviction) Ordinance, 1947	25, including 14 houses with Embassies etc.	9	11 9 rejected 2 pending
	(iii) Delhi Premises (Requisition and Eviction) Act, 1947	20, including 5 houses with Embassies etc.	6	7 2 rejected 5 pending
(B) <i>By Deputy Commissioner, Delhi</i>	(i) Defence of India Act, 1939	99		
	(ii) Delhi Premises (Requisition and Eviction) Ordinance, 1947			
	(iii) Delhi Premises (Requisition and Eviction) Act, 1947	98	59	8 accepted 28 rejected 8 Struck off 15 pending

## RIVER VALLEY PROJECTS

86. **Shri S. Nagappa:** Will the Honourable Minister of Works, Mines and Power be pleased to state the major river valley projects of which plans and estimates are ready province-wise?

**The Honourable Shri N. V. Gadgil:** A statement giving the required information is placed on the table. This is based on information readily available in the Secretariat.

## STATEMENT

List of major river valley projects for which plans and estimates are more or less in an advanced state of preparation.

- |                                |                          |
|--------------------------------|--------------------------|
| (1) Damodar Valley Project     | . West Bengal and Bihar. |
| (2) Mor Project                | . West Bengal.           |
| (3) Hirakud Dam Project        | . Orissa.                |
| (4) Tungabhadra Project        | . Madras.                |
| (5) Bhakra and Nangal Projects | . East Punjab.           |
| (6) Ramapadasagar Project      | . Madras.                |
| (7) Rihand Project             | . U. P.                  |
| (8) Kosi Project               | . Bihar and Nepal.       |

## SHORT NOTICE QUESTION AND ANSWER

### REFUSAL BY RESERVE BANK TO RECOGNISE TRANSFER OF SHARES AFTER 30TH NOVEMBER, 1948

**Mr. Naziruddin Ahmad:** Will the Honourable Minister of Finance be pleased to state:

(a) whether it is a fact that the Reserve Bank of India, after it was nationalised, issued a general notice that its share register would be closed on the 30th November, 1948 and that all applications for transfer of its shares must be made on or before that date;

(b) whether it is a fact that a large number of *bona-fide* transferees of shares of the Bank, holding them under blank transfers, did not get any notice and applied for registration after the said date; and

(c) whether it is a fact that the Reserve Bank of India is refusing to recognise these transfers and is paying compensation to registered share-holders in spite of these transfers?

**The Honourable Dr. John Matthai:** (a) The Government of India issued a Press Note as early as the 19th October 1948 that the Reserve Bank would close the share registers from the 1st December 1948.

(b) The Bank cannot obviously have knowledge of the transferee until and unless he has lodged a duly completed transfer deed with the Bank. The question of notice in such cases does not therefore arise. The notice of closure, which was published in both English and Indian language news papers by all offices of the Reserve Bank was however given sufficiently early to enable any person who had acquired shares and had not registered them in his own name to correct his position.

(c) The Reserve Bank have necessarily to act within the provisions of the Reserve Bank (Transfer to Public Ownership) Act, 1948, and the rules framed thereunder, in terms of which compensation may be paid only to a person who was registered as a share-holder of the Reserve Bank on the 31st December 1948 or his legal representative. The registered holder does not however get payment unless he can produce the share certificate so that if he had sold the shares and cannot produce the share certificate, he cannot obtain compensation. In cases of genuine inconvenience, the Reserve Bank try to assist the transferee to obtain compensation though some delay is inevitable. In some such cases which were brought to the notice of the Reserve Bank, Government understand that on the initiative of the Bank, the transferers and transferees were brought together and compensation was paid to the proper parties by mutual arrangements.

**Mr. Naziruddin Ahmad:** Is it a fact that only general notice was given and no individual notice was given to each of the shareholders?

**The Honourable Dr. John Matthai:** Sufficient notice was given to all the share-holders through the public notice that we issued. The position is that the Act passed by the Legislature was published in the Gazette as early as the 23rd September. Then the Government of India issued a press note on the 19th October that the Reserve Bank would close the share registers from the 1st December 1948. It was impossible for the Reserve Bank to have done anything else in the circumstances, because compensation was payable on the 1st January and every thing possible therefore was done.



**Mr. Naziruddin Ahmad:** I am not blaming the Reserve Bank. Is it a fact that there are a very large number of share-holders who hold under blank transfers but who did not actually receive notice and when they applied compensations were not being paid although transfer deeds and original scrips were submitted, yet in spite of these the Reserve Bank is not paying the compensation money to the transferee? I am not complaining against the Reserve Bank. I want to know whether a large number of shareholders were affected by the absence of any personal notice.

**The Honourable Dr. John Matthai:** Since I received the honourable member's question I got into touch with the Reserve Bank on this matter and I am informed by the Reserve Bank that there has been no serious complaint of inconvenience or hardship. If there is any genuine case of inconvenience or hardship the Reserve Bank will do its best to place its offices informally at the disposal of the parties concerned so that a mutually satisfactory arrangement can be made.

**Mr. Naziruddin Ahmad:** Is it a fact that some applications for compensation money supported by the application of the registered holder and transfer deed and scrip have been ignored? Has there been any such case?

**The Honourable Dr. John Matthai:** If the honourable member is aware of any such cases and he will give me details of them I will have them brought to the notice of the Reserve Bank.

**Shri B. Das:** May I know if such blank transfers as have been referred to by Mr. Naziruddin Ahmad were done for the purpose of speculation by capitalists after the Reserve Bank Act was amended?

**Mr. Speaker:** What is the question? What is the information which the honourable member wants to know?

**Shri B. Das:** I wanted to know if the transfers were done with a view to speculate after the Reserve Bank Act was amended. However, there is a second question which I would like to ask regarding the alleged complaint of hardship to some transferees. Are there a very large number of such cases or only a few?

**The Honourable Dr. John Matthai:** As far as my information goes, few.

STATEMENT BY MINISTER OF STATE FOR RAILWAYS AND TRANSPORT IN CONNECTION WITH THE ANSWER TO SHRI R. K. SIDHVA'S STARRED QUESTION NO. 483 OF 18TH FEBRUARY, 1949 RE THE PUBLICATION OF CERTAIN NEWS IN THE NATIONAL HERALD OF THE 6TH JANUARY, 1948.

**The Honourable Shri K. Santhanam:** Sir, on the 18th February, 1949 my honourable friend Shri R. K. Sidhva asked question No. 483, part (b) of which was as follows:

"Has the attention of Government been drawn to a news which appeared in the 'National Herald' dated 6th January 1948 stating that the Divisional Railway Authorities refused to cooperate with the District Magistrate of Dehra Dun in his drive against corruption?"

I gave the following reply:

"Government are informed that there was no issue of the 'National Herald' on the 6th January 1948."

On March 4th Shri Sidhva produced a copy of the 'National Herald' dated January 6th, 1948, and wrote to the Honourable the Deputy Speaker that an apology was due to him and to the House for the wrong statement made.

As soon as I saw the issue I thought I had made a mistake and immediately wrote to Shri Sidhva on March 4th regretting the mistake and promising to enquire how it occurred. The honourable member, however, desired that as the reply was given in the House the mistake should be admitted there.

I have now inquired into the matter. The city edition of the '*National Herald*' dated January 5th, 1948 was numbered "Volume VII, No. 5". The city edition dated January 7th was numbered "Volume VII, No. 6". It was therefore inferred that there was no city edition on Tuesday, January 6th. There, however, appears to have been a morning edition on the 6th which is also numbered as "Volume VII, No. 6". I am sorry that this confusion should have arisen at all.

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Wednesday  
9th March, 1949

# THE CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) DEBATES

(PART B—PROCEEDINGS OTHER THAN QUESTIONS AND  
ANSWERS)

## Official Report

Volume II, 1949

(24th February, 1949 to 18th March, 1949)

Fourth Session

OF THE

CONSTITUENT ASSEMBLY OF INDIA  
(LEGISLATIVE)

1949



सत्यमेव जयते

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CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)  
DEBATES

(PART II—PROCEEDINGS OTHER THAN QUESTIONS AND ANSWERS).

Wednesday, 9th March, 1949.

The Assembly met in the Assembly Chamber of the Council House at a Quarter to Eleven of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

QUESTIONS AND ANSWERS

(See Part I).

11-50 A.M.

THE GENERAL BUDGET—LIST OF DEMANDS—*contd.*

SECOND STAGE—*contd.*

DEMAND NO. 29—MINISTRY OF INDUSTRY AND SUPPLY

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 23,57,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Ministry of Industry and Supply'."

DEMAND NO. 55—INDUSTRIES AND SUPPLIES

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 3,91,95,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Industries and Supplies'."

DEMAND NO. 56—SALT

**Mr. Speaker:** Motion is:

"That a sum not exceeding Rs. 1,29,50,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Salt'."

**The Honourable Dr. Syama Prasad Mookerjee** (Minister of Industry and Supply): Sir, I have circulated to the House a report of the activities of my Ministry and along with that a copy of a memorandum which was placed before the last meeting of the Central Advisory Council of Industries. These two documents will give some idea to the members of the House as also to the public outside of the manifold activities and the problems which came within the purview of this Ministry during the last year. It is not my intention to repeat what has already been included in these two documents.

I do not propose in my opening speech to discuss matters of detail. There will be a number of speakers who, I believe, will bring to the notice of the House several matters affecting both policy and administration and it will be my endeavour at the close of the debate to reply to them.

1947 was a bad year for India. So far as production was concerned we recorded a fall which was almost unprecedented in the history of India during the last quarter of a century. 1948 fortunately has shown some improvement in the industrial production of the country. The increased production on percentage basis will be somewhere between 12 and 16. I am not suggesting that this increased production indicates that all is well or there should be



[Dr. Syama Prasad Mookerjee].

any slackening of effort on the part of the Government or of industry or of labour. There need be no undue self-complacency. At the same time we can confidently claim that we have turned the corner. If we are able to pursue a policy of progressive development depending on the co-operation of industry, labour as also of all sections of the public I have no doubt that we will be able to tide over the very difficult situation that confronts India today.

Sir, in course of 1948 we declared our Industrial Policy. It is not my intention now to repeat in minute detail what that policy is. But I would briefly say that that policy kept before it the essential interests of the country as a whole. We did not make any fetish about any particular abstract theories or 'isms' but we were anxious to place before the country a programme which we thought was a balanced one, was fair and equitable to all concerned, and which while it should give incentive to the industrialists would also hold out hope and a message of good cheer to labour and to others who were connected with industries in India. We decided that we would ourselves undertake some projects which we considered to be of a basic character, of a fundamental character, and at the same time we would encourage private enterprise to develop some of the industries which we thought should receive our first attention. We were anxious that there should be an all-India policy for industrial development. Industry has mainly remained a provincial subject, but as time marches on, as we realize the significance of the unity of India, we feel it essential that there must be an all-India, centrally regulated, policy at any rate in relation to the major industries of this country.

Now, in course of 1948 you may ask what is it that Government has done with a view to implement the promises which Government made in course of the budget discussion of last year. Among the new projects—I am not going into the details—we have already sanctioned two schemes, one for the establishment of a dry core telephone cables factory and another for the establishment of a penicillin, sulphur drugs and paludrine manufacturing factory. We have under active consideration the project reports which we have received for the establishment of one or two factories for the manufacture of one million tons of steel. We have selected heavy electrical machinery, manufacture of radio equipment and radar, synthetic oil from coal, tractor, and machine tools as five of the main projects which are now under examination and it is my hope that in course of this year we will be able to take preliminary steps for the purpose of implementing at least some of them. Members of the House will see that there is a provision in the budget for a sum of about Rs. 3 crores for development purposes. Obviously, if these schemes are to mature fully in course of the next four or five years we will have to spend anywhere between Rs. 200 and 300 crores. Where that money will come from, how these schemes will be financed and conducted are matters which will have to be examined by Government in course of this year. In course of time I expect that we will have to come up before the House for final approval of our policy.

I may pause here for a moment and briefly refer to the procedure which Government have followed for the purpose of considering these big projects. We called to this country some of the big and well-known consultants and experts from different parts of the world and we have asked for their assistance in preparing the project reports. These experts have come not from one selected or favoured country; they have come from U.S.A., from England and from many countries on the continent. They have gone round our country. We have placed our preliminary reports before them. They have examined the position regarding raw materials, transport facilities and also the requirements of the country, and the project reports which they have prepared bear direct relation to the facts which we placed before them.

In addition to this, Sir, we have two or three other big undertakings which we have already taken in hand. The first and foremost is the Sindri factory for the manufacture of fertilisers. As the House will remember, our programme is to manufacture 350,000 tons of fertilisers, and this, I believe, will be the biggest fertiliser factory in the whole of Asia. I am in a position today, as unfortunately I was not in course of my last budget speech, to say that we have completed in course of this year three-fourths of this factory and if everything goes on well, we will be able to start production somewhere between early and middle of 1950. We have selected a large portion of our staff. The policy we have pursued is to select Indians; we have sent them abroad; nearly twentyfive of them have gone to England and America and are working in different factories for the purpose of equipping themselves well and coming back to Sindri and taking charge of their work. We have made it a rule that every foreigner whom we may have to select for a temporary period has an Indian under-study attached to him.

Apart from fertilisers, we have also decided to establish a cement factory which will be producing about 250,000 tons of cement per year. In the course of the next two or three weeks we expect to complete the acceptance of tenders for the purchase of plants and machinery for the establishment of this factory. Here, Sir, I may say that there was a certain delay in receiving plants and machinery for the main factory from England but with the assistance of our High Commissioner in London, who acted with the full support of the U. K. Government, it has been possible for us to obtain high priority for many of our plants and machinery which have already arrived on the spot.

**Babu Ramnarayan Singh** (Bihar: General): Where will this factory be started?

**The Honourable Dr. Syama Prasad Mookerjee:** At Sindri in Bihar.

**Babu Ramnarayan Singh:** I was asking about the cement factory.

**The Honourable Dr. Syama Prasad Mookerjee:** At the same place. Sir, we had one difficulty and that was with regard to gypsum. As you know, gypsum we expected, when the scheme was originally passed, would come from Pakistan. But I am now happy to announce that we have satisfied ourselves that sufficient stocks of gypsum will be available from within India, from Bikaner and Jodhpur in particular. We have sent certain sample quantities abroad and we have got a completely satisfactory report regarding their quality and durability. It will not be an easy job; we will have to move 2,000 tons of gypsum every day for the purpose of keeping the factory going, which means—if metre gauge has to be used—we will require nearly 200 wagons per day. But we are in close touch with the Transport Ministry and with their co-operation we are now arranging to move a sufficiently large quantity of gypsum to Sindri for the purpose of piling it for use as soon as the factory is in a position to start.

**Shri Mahavir Tyagi** (U. P.: General): What is the distance between Sindri and the area of the gypsum ore?

**The Honourable Dr. Syama Prasad Mookerjee:** Same distance as between Sindri and Jodhpur.

So far as the other factory which we have under our control is concerned, that is the Hindustan Aircraft Factory at Bangalore.....

**Shri M. Tirumala Rao** (Madras: General): Sir, he could not give the distance between Jodhpur and Sindri. That is the efficiency of the honourable Minister's Department.

**Shri Mahavir Tyagi:** I only wanted to point out that it is too far away.

**Mr. Speaker:** Let him proceed.

**The Honourable Dr. Syama Prasad Mookerjee:** The distance is about 1,000 miles. So far as the Sindri factory is concerned, what I propose to do is this. There is some misgiving in the minds of honourable members as to what has been done there. We have taken cinema pictures of the progress of work in the factory and in the course of the next fortnight or so I hope to be able to invite members to an exhibition of the film.

With regard to the Hindustan Aircraft Factory, during the last one year it has done work which deserves praise from all concerned. Apart from repairing and re-conditioning aircrafts which have been in use not only for internal purposes but also abroad, we have now started our new Designing Section and that section is completely under the control of an Indian. Several foreign experts came and visited the factory during the last year and every one of them complimented not only on the way in which work was being done but on the general programme that we have been able to formulate. It is our intention to secure the services of a foreign design consultant; during the last fortnight we have received an offer from a German expert who holds an international position in the world and we have already invited him to come out to Bangalore for the purpose of remaining with us for a limited period and for giving training to the Indian staff which is working there. We are now producing a type of aircraft which will be required mainly for the Defence Ministry and we will be able to go in for production in the course of the next month or two. Of course, this we are doing under special "licensing" arrangements with a firm in England but we are also hoping that the work which is now being done in our own design shop will produce results in the course of a year and half and we will be able to produce in India an aircraft which was designed by an Indian and manufactured mainly by a staff of Indians under Indian control.

We have also during this year made arrangements with a British firm which has been doing special work in our coal mines for open-cast mining operations. That was completely under the control of a British firm and at the end of the lease it has been decided that future work will be done by a company of which ultimately the major shareholders should be the Government of India. It appeared that this specialised work was done only by foreigners; during the last few years there was no provision for training Indians and one of the first conditions that we have laid down is that in the course of the next five or six years a sufficient number of Indian technical personnel will be trained so that the entire work may be taken over by Indians.

We have also developed a scheme for the Mathematical Instruments Office which is now manufacturing instruments of high precision. We hope to secure the services of two experts from Germany—we have sent a cable to Germany for the purpose of engaging them and they are expected to come here in the course of the next few months to help us to reorganise the work of this department.

Sir, so far as private enterprise is concerned, the bulk of industrial activity in India is naturally in the hands of private people. I do not wish to go into details with regard to the work which has been done in this field, but it has been our endeavour during the last year to establish much closer contacts than hithertofore between industrialists and the Government of India. We have got today twenty-five development Committees each representing a major industry and the object of these Committees which will meet every quarter is to discuss problems, such as availability of raw materials or of capital goods

or of transport difficulties. We will try to fix up a target figure for our production and we try to see how by a process of mutual help it is possible for us to keep up to the target of production that we may fix upon. We have been able during the last one year to help to the best of our ability and here we have acted—Ministries of Commerce, Transport and Industry and Supply—with the closest possible co-operation. We have not been able to establish a Planning Commission yet; but there is a Cabinet Sub-Committee functioning which is called the Economic Committee of the cabinet under the chairmanship of the Finance Minister. We meet at least twice or thrice a month for the purpose of discussing problems of mutual interest and evolving a common policy of economic development affecting various Ministries.

The Industrial Finance Corporation which functions under the control of the Finance Ministry, although it is more or less an autonomous organisation, came into existence only about six months ago and during this short period this Corporation has found it possible to help about twelve different industries in different parts of India and the total financial assistance which the corporation has already sanctioned comes to Rs. 2.25 crores. (*An honourable Member*: 'How many industrialists?') Twelve limited companies in different parts of India. Now, that also indicates the anxiety of the Government not merely to offer advice but also to offer financial assistance so that the total industrial development may proceed on lines which are approved by Government.

I have just referred to the progress which we have made with regard to the heavy industries. Government lay considerable stress on the need for development of cottage and small-scale industries. This is a sphere on doubt which is mainly for the provinces to deal with, but for the first time we have appointed an All-India Board which met about two and a half months ago and we have formulated a programme of action which, if implemented by the provinces as also by the Central Government, will I have no doubt solve a very difficult economic problem which now faces us today. We, no doubt, will lay every possible stress on the development of large-scale industries. We will see that those industries are distributed in a rational manner in all parts of India, but we do not wish to commit the mistake of concentrating only on large-scale industries. I feel, Sir, that the future of this country lies in a proper adjustment of the claims of large-scale industries and small-scale industries. In fact, if we really want to revitalise the rural life of this country, if we really want to tackle the grave problem of unemployment that faces the country today, we can do so not only by having industries in different parts of the country but by a regional planning of small scale and middle-size industries. We have, therefore, put ourselves in close touch with the Provinces. This is a sphere of work which we do not wish to take away from provincial control. Complaints are sometimes made that the Government of India are taking away all powers with regard to industrial development. What we have done is this. Apart from certain industries which the State may itself bring into existence, we are adopting a general policy of development of centrally regulated industries. Naturally, to that extent, the power of the provinces will have to be curbed, but apart from that, the provinces will have a very large sphere of activity left to themselves, and one sphere of activity on which the provinces can and should concentrate is to explore how to develop not only cottage industries but also medium size industries.

We have received a report of the working of conditions in Japan. I do not wish to trouble the House with regard to the details, but it is clear that if we can proceed more or less on the same lines as Japan for the purpose of developing cottage industries, we will be able to solve one of the most important and difficult problems that faces India today.

**Babu Ramnarayan Singh:** Anything towards *khadi* and *chararka*?

**The Honourable Dr. Syama Prasad Mookerjee:** So far as *khadi* is concerned, we propose to include it as part of our activity.

So far as control is concerned, I do not propose to go into the details. I believe in the course of our debate, reference will be made to the several commodities which are now under control, but the most important of them relates obviously to textiles. I know, Sir, what the difficulties are in regard to the administration of control, but I can definitely assert that so far as control on our textiles is concerned, generally it has succeeded. There is no doubt that prices have been controlled; there is no doubt that production has increased; there is no doubt that today there has been a larger distribution of cloth in all the provinces in India than was the case previously. The only difficulty which has arisen is with regard to the accumulation of cloth in certain producing areas mainly arising out of the inability of the provinces to lift them in time. With regard to that also, we have now provided a new system. If a province fails to purchase the cloth quotas allotted to it by the end of the month following the month for which the quota is given, then it will be open to the mills under certain conditions to sell these stocks and distribute them through ordinary trade channels. I have got the latest figure—I got it last night—regarding accumulation. I find, so far as Bombay and Ahmedabad are concerned, the accumulation comes to about four weeks only. That is the figure which I received last night.

**Shri R. K. Sidhva** (C. P. and Berar: General): What is the quantity?

**The Honourable Dr. Syama Prasad Mookerjee:** Four weeks production. So far as the other areas are concerned, the accumulation varies from six to ten weeks.

**Shri C. Subramaniam** (Madras: General): What about Coimbatore?

**The Honourable Dr. Syama Prasad Mookerjee:** I am not going into the details. Later on in the afternoon I shall come to that.

**Prof. N. G. Ranga** (Madras: General): There is the growing shortage of supply of cotton.

**The Honourable Dr. Syama Prasad Mookerjee:** I am coming to that. I am going to refer to that point just now.

So far as accumulation is concerned, the House should not forget that normally about six to eight weeks accumulations did exist in the past, but of course this time in certain areas accumulations are more. Difficulty arose out of the fact that in December the total quantity of stamped cloth which the mills price-marked was nearly 30 to 50 per cent. higher than the average for the previous three months. The reason why this was done was that from January the prices were reduced and mills were anxious that whatever they had, should be stamped by the end of December, 1948. I am not blaming the mills. That was a natural tendency, but that also led to accumulation of cloth. The other reason was that Pakistan has been unable to lift nearly about 100,000 bales of cloth allotted to it. Arrangements have now been made for Pakistan to purchase its stocks within a short time and if that is done, I believe in the course of the next month or so the position will be considerably relieved.

But Sir, I would sound a note of warning with regard to the future of textile industry in relation to cotton. This is a serious matter. The House probably knows that we use nearly about 42 lakhs of bales of cotton. So far as our own production is concerned, we expected about 28 lakhs of bales this year, but we have been told by the Agriculture Ministry that we cannot expect

more than about 23 There will be a deficit of 5 lakhs of bales here. With regard to the ten lakhs of bales of cotton that we used to get from Pakistan, the quantity has been reduced to 6½ lakhs of bales. We have got a certain quantity of imported cotton from Egypt and from certain other places like East Africa, but taking all these together I find that this year will come to a close with a deficit of about seven lakhs of bales of cotton which will have to be taken out of the surplus which we already have with us. This means we will absorb a good portion of this surplus, and will be left only with about eight or ten lakhs out of a total reserve of nineteen lakhs of bales. This matter is already engaging the attention of the Agriculture Ministry. If we want to utilise more areas for cultivation of cotton to the detriment of food, obviously the country will not like it (*An honourable Member*: "What about the question of price for cotton?") The price is a different question. Even if we increase the price, the quantity will not increase. So far as the price is concerned, we are going to take up this matter before the next sowing season starts and I hope that in the course of April we will be able to arrive at a decision on this matter. So far as the price of cotton coming from outside is concerned, we are paying obviously much more. As the members know, for every piece of cloth nearly 50 to 60 per cent. goes to cotton. If we have to purchase cotton at very high prices, it will naturally affect the price of cloth as well.

So far as the other controlled commodities are concerned, I can only make this general observation that it has been our policy to delegate as much power as possible to provincial governments. It is not feasible for the Central Government sitting here in Delhi to administer control of all commodities which are spread throughout the length and breadth of India and to issue detailed orders from here. We have delegated as much of the powers to the provinces as is possible. With regard to industries which are of all-India importance, obviously the allotments have to be made by the Central Government. Further, we have appointed Advisory Committees with regard to almost all the commodities so that consumers, manufacturers and other people who are interested may come to know the basis on which allotments are made, may offer their suggestions, which are always considered by us. We also consult representatives of the provincial governments from time to time. We put our heads together and bearing in mind the availability of the materials which are with us, we try to make allotments that are fair and just to all.

Of course, one difficulty has been with regard to transport, but that also has improved during the last few months. Apart from the Central Transport Advisory Board meeting regularly every month, we have other special priority Committees and whenever we get complaints from certain industries, we bring the matter to the notice of the transport authorities and there is a genuine attempt on the part of all to solve the difficulties which confront us.

With regard to disposals, I find that is one of the matters which will come up for discussion. I do not propose to go into detail now in regard to it. I can only just say that up till now we have sold Rs. 112 crores worth of goods and still Rs. 140 crores worth of goods—book value—remain to be disposed of. Now, members will please remember the difficulties that confronted Government since 15th August 1947. Soon before partition, the purchases slowed down. Immediately after partition, on account of the Punjab disaster, there was a ban put on the sale of the disposals stocks. The Defence Ministry also, quite rightly, placed a ban on the sale of the stocks for reasons which are obvious to honourable members. In fact, I can just give one figure. Defence Ministry used about Rs. 22 crores worth of goods from the Disposals during the period when hostilities were in progress.

If those goods had had to be purchased from the open market, the Government would have had to pay at least forty crores, nearly double the amount

[Dr. Syama Prasad Mookerjee]

which had to be spent through the Disposals organisation. In any case, today, all the bans have been withdrawn and I am hoping that in the course of 1949 we will be able to sell at least 75 per cent of the stocks that we have in hand.

**Shri M. Thumala Rao:** Is it not Government property that you hold in the Disposals?

**The Honourable Dr. Syama Prasad Mookerjee:** It is Government property. If the Government had to purchase those things from the open market for the requirements of Defence, then, the Government would have had to pay much more.

Here, there is some conflict of opinion. Some people want quick disposal, no matter where the things are sold. Others feel that there should be proper checking and we should not allow the bulk of these stores to pass into the hands of speculators and middlemen, who will make huge profits. The policy that we have pursued is that we give preference to the Government indentors, Central Government, Provincial Governments, States, Educational and Scientific institutions. Then, we give the next preference to industries. If the industries want any goods for their own use, we certainly give them preference. Last comes the category of ordinary traders and merchants who desire to purchase them for the purpose of re-selling them. We are in consultation with the Finance Ministry and we are trying to evolve a system whereby it will be possible for us to make these surplus goods available to Governments and also to organised *bona fide* industries for the purpose of their own use in a much better way than what it was before.

**Babu Ramnarayan Singh:** Where are these stores kept?

**The Honourable Dr. Syama Prasad Mookerjee:** All over India.

So far as the purchase organisation is concerned,—that is the last subject which I propose to touch—in the course of 1947 including the portion of 1947 when we had an undivided India, the Government of India purchased stocks worth about 92 crores of Rupees including purchases in England and the United States of America. In 1948, up till October, when we have divided India, we have purchased for Rs. 92 crores. In other words, by the end of March 1949, we shall be purchasing to the extent of nearly about Rs. 125 crores. It appears that the purchases made in India have also increased enormously, which means so much more goods produced in the country, which have been purchased by the Government for their own use. If any questions are asked with regard to the purchase organisation particularly in England or America, I have got full details and I shall only be glad to answer them.

I know there are some defects and weaknesses in our organisation. But, I can say that during the last one year, it has been our constant endeavour to improve the efficiency of our machinery. Today, the Government must look upon their activities from a new angle of vision. When private industries or others which are struggling, come to us for assistance, we do not want merely to say, no, to them or create difficulties for them. No matter whether it is a big industry or a small industry or from whichever part of the country one comes, it is the moral duty of the Government, if the Government believes in industrial development, to give every assistance to them. That has been the policy of the Government. We may have failed in some cases; but if the difficulties are pointed out, we shall only be too glad to improve them. I am hoping that in the course of the next year, with the co-operation of all concerned, we will be able to march towards further progress and development which will redound to the credit of our country.

**Shri B. L. Sondhi (East Punjab: General):** What about retrenchment, Sir?

**The Honourable Dr. Syama Prasad Mookerjee:** It is dealt with in the report.

**Shri Mahavir Tyagi:** Evidently, the House has given unanimous approval to the speech of the honourable Minister and his policy. Personally, I am slightly unhappy because, whatever my points were, he has outwitted me. I had many things to say; the several points about which I had suspicion, he has clarified in advance. It was really cruel of him to have dealt with every point in advance. We feel now that he knows what we feel and I am glad that from that point of view, he has been quite a great success as a Minister, and I must congratulate him for the grasp he has over his department.

But my grouse still stands. In my enthusiasm to lay stress on certain points, which I feel are of great importance, I may be permitted to repeat a little. **Sir, industrial development can be viewed only in the background of the conditions that prevail, conditions that are obtaining in the country.** At present, there is inflation. Everybody knows that and I do not want to lay stress on it. But, one thing which is lost sight of is that along with this inflation, there is equally strong, equally widespread deflation also in the country. This is my feeling. If deflation means no purchasers in the market, if deflation means that commodities are lying in the market unsold, if deflation means that there is no money with the people to purchase the commodities, then, I say there is deflation in the country. With inflation, I repeat, there is equally widespread and an equally dangerous type of deflation prevailing in the country. If you go into the bazar, you will find that shop keepers do not sell their things because probably the requirements of food do not leave any money in the hands of the people. A man has now to spend more on food, every family budget is hard pressed for money for purchasing food. When people have no spare money, where is inflation, I cannot see. There is inflation with regard to food; but with regard to other commodities, there is deflation. Things are not being sold and purchased. In the present setting of our economy these conditions are apt to occur and re-occur.

My objection is to the very economic structure of India. When Mahatma Gandhi was alive, the world was looking to him to give a correct lead to the world. In fact, he stood not for political freedom. In his view, political freedom was only a means to an end. This political freedom of which we have been so proud, from the point of view of Mahatma Gandhi, was meaningless without the achievement and realisation of higher things which he laid stress on. He stood for a universal revolution of the outlook of human society. What he wanted was a change of values. Today we find that society is fast taking to monetary values alone. It seems as if money were everything in life, and all the rest of values human, moral and otherwise, are going down. Mahatma Gandhi wanted to introduce these human values, moral values into world society. That was really meant by *Ram Rajya*. Since he died, that work could not be pushed further. To achieve that *Ram Rajya*, his basic plan was to re-arrange our economic structure in such a manner as to enable us to have those values in the fore front. His slogan was cottage industries and the *charka*. He was opposed to big industries. If he had lived for say, 20 years more, as he expected to live, he would have made great achievements in India and would have earned for India a place in the history for ever. He opposed mechanisation of Industries on such a big scale as the world in the west is doing. As I appreciate Mahatma Gandhi's ideals, I am also opposed to big industries, and big concentration of industries. They do not only take away from us moral values and impose fictitious value of money on us; but, they, in fact, totally demoralise society. They create unemployment. In fact, *Swaraj* has no meaning to the real India which lives in the villages unless the villagers are approached by means of the cottage industries. There is unemployment in the villages; they suffer from deflation



[Shri Mahavir Tyagi]

because they have no work to do. Industries are being concentrated in big towns. If things go on like this, *swaraj* will become the *swaraj* of the urban people and our rural people will be deprived of even their daily bread. What is happening is this. The villagers who have good muscles are going to the machine. Today, the sole motive is the profit motive. Industries are not being run on the motive of service. What Mahatma Gandhi wanted was to substitute service motive in the place of this profit motive. The profit motive is the supreme motive with which society acts today, with the result that these industries are not progressing. The industrialists feel that they are not getting enough profits. Now, the middleman is getting more profit than those who run the industries. They are afraid of one thing or the other and they are withdrawing from the industries. The middleman's profit on exchange of goods is great. The result is that the most of the trend and stress in the society in India is now on those professions which do not produce and which only deal in exchange and get middle-men's profit. Black market pays more than toil. In middlemen's trade there is a much higher percentage of profit than in the business of the man who works with muscles or who works with machines. The result is that there is too big a rush on exchange and distribution, which results in hoarding and black-market. Production is slow. Another difficulty is labour. We are quite enthusiastic about labour and we go on raising their pay too. Although it is an unpopular slogan for a politician who goes to labour for votes, I must submit that the wages in industry are going much higher in relation to the wages of the village worker. I come from a village. Why not think of the village wage earner also who is nowhere in the picture? The result is that the villager gives away his field work and goes to a mill where he can get a higher wage. I want higher wages to urban wage-earners because living is dear; but at the same time there must be a proportion between the labourer who works on the field and the one who works on the wheel. Agriculture is a thing of more importance than cloth or other necessaries of life. A man who works in industry gets more than the one who toils in the field with the result that peasants are not getting enough labour to work in the field and so agriculturist is not producing enough. I would invite the attention of members who represent labour to the fact that the productivity of labour is also fast diminishing. It is a clear case of diminishing results. I find that in 1939 the average index of the productive capacity if it was 100 units per wage-earner in textile mills, it has now been reduced to 80.4. In coal mines in 1939 monthly production was reported to be 10.18 tons per head and now it has come to 6.87 per head. There is therefore a demand for rationalisation in the industry because although the worker is getting more money and his dearness allowance is guaranteed, production is persistently going down. When the productive capacity of workers goes down, the consequence is that the Industry engages more labour to enable it to produce more. Engagement of more labour means less profit. Then there is a justification of rationalising industry with the result that wage earners from the mills are turned out and there is unemployment. This vicious circle goes on like a spiral giving rise to all sorts of troubles. The revolutionary trend will go on increasing so long as you concentrate industries in urban areas. It is inevitable. Therefore Mahatma Gandhi wanted that industries should be decentralised and villagers must have their own little industries. He wanted every wage-earner to be an industrialist in his own home. It raises their moral capacity and stature. Because now villagers are being torn off their homes and they go to strange environments and they lose all their natural tendencies of 'love' and 'truth'. It is only when a man is with his wife and children that his love for them grows and he begins to care for them and becomes human. Bereft of his home life when he goes out, he begins to behave like a stranger and gets demoralised. So I submit that

industry in their own homely environment is the only solution of the human society. India is an agricultural country, and high industries like the one the honourable Minister mentioned little suit our conditions. The factory at Sindri will be very costly. The raw materials will have to go from Jodhpur to Sindri and then the finished product will be distributed all over the country; just think of the cost of transport to and fro. I submit that the fact that it is the biggest industry in the world is not a matter of pride. I am really sorry for it. It should have been broken into small units and spread over the whole country so that the distribution of its product could be easy. In the same manner there are other industries which are being started. Regarding the manufacture of synthetic oil an American firm Koppers and Co. a steel industry in America has been given the charge of this Synthetic oil factory. The project is required to produce one million tons which is a huge amount. Nowhere in the world such a big project has ever been put. Germany produced 4 million tons of synthetic oil during the war annually, but its production was distributed between dozens of projects. None of the projects was producing more than 10 million tons. But we have such a huge project that it will require a specially big size of machinery. In America also they had small units. I doubt whether these bigger units will be profitable at all.

**The Honourable Dr. Syama Prasad Mookerjee:** The unit you have suggested is 1 lakh tons.

**Shri Mahavir Tyagi:** Then it requires 40.0 million gallons of water daily and perhaps 7 lakh tons of coal daily. I am not criticising your project. You are doing it for the good of the country but it should be a smaller unit. I stand for cottage industry. Many of my points, as I have already said, have been covered by the honourable Minister in his speech.

Now open general permits are being given for imports. There are many such industries which were only recently started, they will suffer. Take for example bicycles. India has begun to produce cycles. If import licence is general and every one is free to import any number of cycles, our industry will fail. Even cycle industry, I wish to submit, could be broken into small units and they too could be manufactured as cottage industry. Japan is doing it. Mahatma Gandhi himself was not against machinery altogether and so I am also not against it. What I want is that machinery should be uniformly given to the villagers. Let the villagers be their own industrialists and labourers together, let every home be a small factory in their villages; and I want them to work with electricity and produce more. Even the big weaving mills, I do not like. They too should be broken into small pieces—units. In Japan they have one or two looms in a cottage and the woman of that cottage produces 200 to 400 yards of cloth by the close of every evening. In this way these textile mills could be broken into units and distributed in say 200 homes in each village and the produce could be easily collected and sent to the market. In that manner alone we can bring into play the productive capacity of the society. This will bring socialisation of the means of production and this will be distribution of both labour and leisure among people equally and then only we shall achieve our object of economic freedom to all and equal opportunity to all; otherwise equal opportunity is a dream which will never be achieved through the present system of economy. I therefore emphasize that the cottage industry should be encouraged and villagers must be kept in the picture because India belongs to villagers and not to urban. We are at present doing all for urban areas.

**Mr. Housh Modi (Bombay General):** My honourable friend, the Minister for Industry has placed before the House an illuminating survey of the work

[Mr. Homi Modi]

accomplished by his Ministry during the last year, and I desire just to say a few words in elaboration with the picture he has presented.

After the confusions and uncertainties of the earlier period, a more or less clear pattern of industrial policy is emerging, and I think that is a matter for congratulation not only for the Government but for the whole country. My honourable friend spoke of Government not wanting to make a fetish of any 'isms', and I am increasingly glad to find in the last few months that the cry of nationalisation has been put in its proper perspective. Now, at any rate, every section has come to realise that the prime national objective is increased production, and that can be achieved, not by threats against capitalism such as have been uttered unfortunately in the past, but by securing the cooperation of industrial interests, and also of the representatives of labour. As I have said, on a number of occasions, and I take this opportunity of repeating it to-day, that Industrialists must take courage in both hands and discard all their apprehensions in regard to the trends of governmental policy and in regard to the economic progress of the country. By and large, this country has a great future, and the industrial community has a great part to play in building up that future.

**Shri B. Das** (Orissa: General): Only if you have courage and confidence.

**Mr. Homi Modi**: I for one, have enough courage.

The progress achieved in 1948 has been referred to in the honourable Minister's Speech and also set out in the brochure which was placed before the members of the Central Advisory Council of Industries. I think it necessary to correct somewhat the picture given there and to say that the progress so far as most of the heavy industries are concerned was disappointing; at the same time, there was encouraging progress in the matter of small-scale and medium-scale industries. And I entirely agree with my honourable friend Dr. Mookerjee when he said that a proper balance has to be struck between heavy and light industries, if the progress of the country as a whole is to be achieved and the standard of life of the people raised within the near future. I hope, therefore, that a great deal more will be done to promote light and medium-scale industries, in the course of the next few years.

Now, how has this progress been achieved? It was because the ministry took the right steps to secure the cooperation of the interests concerned. The first step they took in that direction was the Industrial Conference held in Delhi in December 1947, and at that Conference the honourable Minister had the satisfaction of securing the cooperation of both interests—industry as well as labour—and both interests were committed to the adoption of far reaching changes in the economic structure. Development committees were set up at this conference, and these committees produced valuable reports which were placed recently before the Central Advisory Council of Industries. At this meeting of the Central Council, the difficulties of various industries were threshed out. Every section was fully represented there, and I think a great deal of work was done in the matter of ironing out differences. I would like to say here that my honourable friend, the Minister for Industry and Supply makes an ideal chairman. He has got a bland manner and benign countenance—altogether misleading, of course—but he does manage to wring out of both interests—labour as well as industrialists—a large measure of agreement. As I said at the conclusion of the Central Advisory Council meeting, in thanking him on behalf of the industrialists, he has a technique of his own. We keep on fighting, and at the end, my honourable friend gets up, and winding up the proceedings says, "It is gratifying that there has been such a large measure of agreement on all the issues, and we will proceed to frame the report", and before we know where we are, he has committed us to something which we had never bargained for.

Then there was also another step taken, and that was the measure which is under contemplation, of centrally regulating the most important industries in the country, and a small committee was appointed for the purpose of advising Government on the lines on which such central regulation and control should be laid down and exercised. This Committee recently met the Economic Committee of the Cabinet and placed before it its views. Here again, I am afraid the honourable Minister is going to produce a rabbit out of a hat, because several objections have been lodged which he has lightheartedly brushed aside, but I hope that when the Bill is placed before the House, it will be found to have taken into consideration the various points that have been urged.

All these things have resulted in close collaboration between the Ministry and industrial interests, and I would like in this place to pay a tribute to the very devoted work of the Secretariat which my honourable friend commands. They work hard; they probably know no holidays, like most people in the Secretariat; and they have served the Ministry and the country exceedingly well.

In the field of labour also a great deal has been done, and my honourable friends who represent labour here will bear me out when I say that every attempt has been made in recent months to try and establish closer understanding between industry and labour. Very recently a committee, at which I assisted, has formulated principles which should govern the regulation of fair wages and that report will go out to all the provinces, and I hope that uniform principles of fair wages will be laid down for the whole country.

As regards profit-sharing, that is a more difficult job. But there again we have a committee, and though we have not yet been able to come to any definite conclusions, I hope that with moderation on both sides, we shall be able to evolve a formula which will be acceptable to all.

My honourable friend who spoke just before me seems to be against all heavy industries. He has advanced some novel arguments in support of his thesis. He suggested that the industrial worker who went out for the whole day ceased to have any interest in his wife and family. That has not been my experience; and I should have thought that absence made the heart grow fonder. I wonder what takes place in the families of my honourable friends who come from thousands of miles, if it is suggested that being absent for the day impairs the relationship between husband and wife!

Now, Sir, let us not be too optimistic about all that has happened. Let us put the results which have been achieved in their proper perspective. I see considerable difficulties ahead; difficulties in the way of labour producing all that can be expected of it, difficulties in the matter of raw materials and transport, and also difficulties in the way of the functioning of controls. My honourable friend has lightheartedly dismissed the suggestion that the control on cloth has not been working satisfactorily. It may be working adequately in some places. I would still like to warn him, as I did only a week ago when I appeared before him with half a dozen other industrialists, that control will require to function far more satisfactorily before we can say that position is right. There is a great deal, Sir, that remains to be done—a great deal of hard thinking and hard work. I would like this country to emulate the example of Great Britain where a remarkable recovery has been effected in spite of the fact that there is a great deal of apprehension with regard to the future of industry in that country. Results there have been achieved which are positively remarkable and which are a tribute to every section of the people.

**Prof. N. G. Ranga:** May we know whether the honourable member has been asking the Government for any concessions so far as this textile industry is concerned, and if so, what are they?

**Mr. Homi Mody:** No concessions. I do not make speeches for a consideration. I say exactly what I think and I think exactly what I say. I have not the slightest intention of asking for anything. All that I want is efficiency of control and that is the only point that I was making.

**Prof. N. G. Ranga:** Hear, hear. That is something.

**Mr. Homi Mody:** It is all very well to embark on grandiose schemes of development of the country's resources, but the outstanding factor of the situation is that even the existing capacity of industry is not being fully utilised for one reason or other. Let us see first and foremost that all the industries are producing to their capacity before we embark upon big adventures. I hope, Sir, in that connection my honourable friend will see to it that proper financial checks are imposed upon the formulation and establishment of such industries as Government have undertaken and are about to undertake. Those checks which industrialists impose upon themselves are entirely absent when it is a Government that establishes industries, and I hope that from time to time the honourable Minister will place before the House a picture of what exactly has been happening, the progress which has been achieved, whether the estimates have been worked up to, and whether everything is working out according to plan.

One more word. My honourable friend spoke of his establishing in conjunction with the Sindri Fertilizer factory a cement plant of 250,000 tons. I am very glad about that. I hope from time to time my honourable friend and I will be comparing notes as to who can produce cement cheaper and more efficiently.

**Shri B. Das:** And I will bet on you!

**Mr. Homi Mody:** I think you are very wise. I am prepared to take a bet on myself and I promise my honourable friend that he will learn a great deal from us if he will only have the humiliation to sit at the feet of those who can teach him!

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

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*The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.*

**Mr. Speaker:** I would like to know what time the honourable Minister will require for his reply?

**The Honourable Shri Satyanarayan Sinha (Minister of State):** Half an hour.

**Mr. Speaker:** I shall then try to accommodate the speakers suitably. I think the time limit should be 10 minutes.

**Kazi Syed Karimuddin (C. P. and Berar: Muslim):** Sir, I want to speak.

**Mr. Speaker:** It is not going by mere application. The honourable member must catch the eye of the Speaker.

**Shri S. V. Krishnamoorthy Rao (Mysore State):** Sir, I also congratulate the honourable Minister on the performance of his Ministry during the last year. Except steel all the other commodities have gone up in production during the last year. In fact even in the present Budget as much as 12.63 crores have been provided for industrial development and grants for development to provinces amount to nearly 25.45 crores. Only eight lakhs have been provided for cottage industries. All these certainly go a long way in stepping up the

industrial production of the country. So far as the policy is concerned fundamentally I agree that it is sound but there are many loose ends which have to be tightened up. In the brochure that is given to us in the last page it reads:

"The import and export policy of the government is also designed to encourage industry and trade, while safeguarding the interests of the consumer. The Ministry of Commerce which is mainly responsible for import and export policy acts in close consultation with the Ministry of Industry and Supply and the Ministry of Finance."

Certainly it is a very desirable thing. But as I said there are certain loose ends and I am only referring to these. I want particularly to refer to the Hindustan Aircraft Limited and the machine tool industry and the match industry.

The Hindustan Aircraft Limited is a great asset which has come to us as a war effort. Of course the honourable Minister said that it has been working satisfactorily and that a new designing section has been started in the Aircraft factory. But I doubt very much if we will get the full benefit from the Hindustan Aircraft Limited. In fact during the war time I learn that there were 17,000 workers working in three shifts. In addition to this many job works were given to smaller industrial units not only in Bangalore but also in distant places like Coimbatore. But now the labour has been reduced to 3,500 and only one shift is working. That is my information. Of course I am open to correction and I will be very glad to hear that the maximum benefit is being derived from the Hindustan Aircraft Limited. As a matter of fact it is one of the best equipped factories, I think, in Asia. I learn that machine tools were brought to the Hindustan Aircraft Ltd. not only for the factory itself but also from the Eastern Zone and also the African Zone. If we can only make the best use of the Hindustan Aircraft Ltd., I think we can step up our industrial production to a very great extent. In fact in industrially advanced countries like America, Japan and Switzerland nearly 60 to 70 per cent. of the half finished materials are drawn from smaller industrial units. That was being done during the war period even in the Hindustan Aircraft Ltd. The job work was given to the smaller industrial units and thereby a number of subsidiary industries were developed round about Bangalore. But I learn that now even job works are taken by the Hindustan Aircraft Ltd., so much so that some of the smaller industrial units have suffered round about Bangalore. My submission is that the honourable Minister should see that the best use is made of the Hindustan Aircraft Ltd.

The honourable Minister referred to the construction of railway coaches. Last year the Railway Minister was pleased to tell us that as many as 300 coaches would be put on the rails by the end of 1948 but we learn that only 20 carriages have been put on the rails. I understand that if proper use is made of the machinery available nearly a carriage every two or three days can be constructed in that factory. I do not see why efforts should not be made to step up the production of the railway coaches in the Hindustan Aircraft Ltd.

I was fortunate enough to visit recently England in connection with the Commonwealth Parliamentary Delegation. The Singer Sewing Co., which was manufacturing shells during the war is today manufacturing 8,000 sewing machines per week and nearly 2½ million needles per week and still they are not able to meet the demand. They have similar factories in other parts of the world: they have eight or nine factories and I think they have one in India also. Every one of these factories has been able to adjust itself from war economy to peace economy and they have been producing materials and England has been able to step up its production by nearly 24 per cent. more during the current year as compared with 1946.

[Shri S. V. Krishnamoorthy Rao]

I do not see any reason why we should not make use of this factory to step up our production also. Efforts should be made to produce other articles to see how these machines could be utilised. In fact I learn that the machine shop is working only with 40 per cent. load. There were about 430 men working in three shifts in it, but today there are only about 150 men working in one shift. There are automatic screw machines and spindle automatics which are not made full use of. The Tool room is not sufficiently loaded with work. In the Foundry the strength has been reduced from 150 to 35. It is competing with jobbing factories in Bangalore. They can specialise in non-ferrous castings for which there are no facilities in South India. The Welding Department is not provided with good load. There is a good saw mill and the strength here has been reduced from 500 men to 75 men. This could be made use of for mass production of standard door and window frames. The acute nature of the housing problem in our country is well known. I ask the honourable Minister why such a fine saw mill—one of the best equipped saw mills—should not be made use of for the mass production of window frames and door frames to meet the housing problem. Then there is the Sheet Metal department. It had a strength of 500 which has been reduced to 150, and it is also working only one shift now. There are Hydraulic Presses, Punch Presses of different sizes, Plate and Sheet Shears, Power Brakes, Spot Welding machines and Routing and Shaping machines. I may mention that the Percival factory in England which manufactures aeroplanes has only two punch presses whereas in the Hindustan Aircraft Limited we have seven punch presses. Why are we not making use of these presses for developing our industrial output? Attempts should be made to utilise them for the manufacture of electric light fittings, telephone exchange equipment—there is no factory in India to manufacture telephone equipment—telephone parts, refrigerators, washing machines and thermos flasks. There is also a Painting and Varnishing department in the Hindustan Aircraft Company. It has very good equipment for nickel-plating, chromium-plating and anodizing. But nothing is being utilised.

In this connection I would submit that the Defence Department, the Railway and other transport services, the Posts and Telegraphs Department, the Electrical departments both of Government and private agencies, Water Supply and Sanitary Engineering—all these Departments should co-ordinate and they must tell Government what their needs are; and all these needs could, if possible, be manufactured in the Hindustan Aircraft Company.

Then I come to the machine tool industry. Here also the Government has an idea of starting a machine tool industry. But there are six first-class machine tool industries in India and I had occasion to visit the Harihar factory which was started during the war period. Their output during the war was 30 to 40. Today it is only 19 or 20. They can step up the output to 70 to 80 machines. But today I find Rs. 2 lakhs worth of machine tools lying idle because they have no market. The import controls are not working properly. The vested interests, especially the importers and their foreign agents are trying to evade the tariff protection given to the industry by slightly altering the specifications. This loophole should be blocked. We are importing a number of industrial plants. Among the industrial plants there are a number of machine tools which could be manufactured and which are being manufactured in India. Why should these machine tools be imported from abroad?

I shall read here one advertisement which appeared in one of the foreign papers. This is an extract from Machinery Lloyd, No. 17, August 1948, page 131:

"Machinery required for Punjab Rehabilitation Scheme. The Department of Industries to the East Punjab Provincial Government in Sirsa is setting up workshops in which refugees from the West Punjab are to find employment in general engineering trades. In this connection the Department urgently requires machinery and equipment, both new and second-hand, including the following: 30 four-ft. lathes; 10 six-ft. lathes; 100 eight-ft. lathes; 5 ten-ft. lathes; 40 twelve-ft. lathes; 23 fourteen-ft. lathes...."

I don't want to read the whole of the extract. All these machine tools are manufactured in India and can be supplied from the Indian machine tool industry. It is not only the Harihar industry that is suffering. There is one in Calcutta, one in Bombay, one in Mysore and there are three others, and all these machine tool industries are suffering because the importers and their foreign manufacturers are trying to get over the tariff protection given to the industry. I request the honourable Minister for Industries and also the honourable Minister for Commerce to look into this matter and give proper protection to the machine tool industry.

**Kazi Syed Karimuddin:** I congratulate the honourable Minister in charge for his very eloquent speech today and if results are to be judged by the quality of the speech I think he has succeeded. But his speech disclosed that whatever he said was based upon hopes and expectations and the expectations that he has raised do not depend on the achievements we have in the past or the present but achievements that we are going to have in the future. I have heard the speech of Mr. Homi Mody in this House and he has congratulated the Government and the Minister in charge for the measures he has taken for increasing the production as far as the industrialists are concerned. He has also praised the secretariat for the co-operation they have shown. It seems the industrialists, particularly Sir Homi Mody is satisfied with the measures that have been adopted by the Government of India. This is a still greater reason and occasion for examining the proposals, whether it is at the cost of labour or whether it is in the interests of the industries. One that the present policy has been moulded; and there is still greater reason to examine the work of the secretariat and collaboration of the secretariat with the industrialists in view of the praises showered by my friend.

**Shri B. L. Sondhi:** Why are you always getting so suspicious?

**Kazi Syed Karimuddin:** I am not suspicious. I want you to examine it. Then I would like to refer to one matter to which the honourable Minister in charge has referred and that is the textile industry. I come from that part of the country, that is Berar, where cotton is produced in abundance. I am very sorry to say that the present policy of the Government of India in regard to control of the prices is not only detrimental but it is suicidal to the growing of cotton in our part of the country. The result is that much of the cotton area is being curtailed in favour of groundnut. In Berar, which was known for cotton and which was annexed by the British Government from the Nizam only on the ground that cotton from there was being sent to Manchester, you will find the groundnut area increasing every day because of the price control. And I can assure the Government of India and the Minister in charge that the cost of production of cotton is not realized by the cultivator today; and I am prepared to face any enquiry being a cultivator myself. Therefore either the Government has to revise the policy and stipulate the growth of cotton in Berar or people will be allowed to grow any other commodity like groundnut to the detriment of the nation. It has been said that the control over textiles has succeeded to a great extent. My own feeling is, and I think it must be the feeling of many members, that the control over cloth has miserably failed, particularly in our part of the country and as I see in Delhi. In spite of the controls that have been imposed we see hundreds of shopkeepers dealing in blackmarketing in regard to cloth. The poor cultivator for whom these controls were really meant is the greatest sufferer and I would really like that the Government of India should examine this question.



[Kazi Syed Karimuddin]

By adopting measures in favour of the industrialists our chief aim is that the production which has fallen in the past should increase. Now it is an established fact that the capital goods to the extent we want are not available from America or England; an assurance has been given by the Minister in charge that they are being received, but as far as I know they are not available to the extent we want for increasing our production. Then what is the other remedy that you should adopt? The only thing is that as far as the textile industry is concerned, we have to introduce double-shift and treble-shift, and for that the co-operation of labour is very essential. We have been talking of assistance to the industrialists, we have also to see how labour can be reconciled. Sir, I do not support the exaggerated claims of labour, as probably my friend Mr. Sondhi is expecting from me. I say this is a National Government and in every measure that is adopted by the National Government labour's legitimate grievances should be considered and labour should not be made to resort to strikes. The point is whether, in view of the growing conflict between labour and capital, it is possible now to reconcile their claims. Around us, in many countries we find chaos and anarchy prevailing and spreading. Is this not the time when we have given assurances to the industrialists to come forward and do their job well, but we have seen in these twelve months that inspite of the assurances given last year nothing has been done by the industrialists and whether the industrialists would do it in the future cannot be said.

In India, as you find in the Railways and in other industries, we find that there are notices of strikes. Labour is going on strike. What is the remedy? The remedy that is suggested by the Government of India is that we want to give a share in the profit. But that theory is indefinite, that theory has not been worked out in detail, and it has not been settled as to what would be the share in profit given to labour. We are talking about vague generalizations about profit-sharing. What Sir Mody said about that was that they were going to evolve a formula regarding profit-sharing; when that formula is to be evolved we do not know. In the meantime we find labour is uneasy in the country. Sir, I do not justify the present attitude of labour. We find there are three parties working in that field: one is the Communists, the other is the Socialists and the third is the Congress labour leaders. My submission is that unless we satisfy labour it is not possible to increase production. My only suggestion—though it is a cry in the wilderness—is that in order to reconcile the conflict of labour and capital, there is no other remedy except to nationalise the key industries. The nation will be with the Government of India if there is a nationalisation of industries. In the surrounding countries we find that after once the economy is broken it is difficult; even the Government of India or the Congress or any other organisation will not be able to improve it. Before it is too late, change the economy of the country. There is no shame or humiliation regarding that. This is a National Government and a Government of the people for the people. Therefore the key industries have to be nationalised. People laugh at the idea because they think it is impracticable but they should see round them; they should see China, they should see Burma and see what is happening there. The only remedy for us is that we should nationalise our key industries; you should have co-operative training in farming. This is not an idea to be laughed at. You will be sorry if you don't change the economy of the country very soon.

**Shri Prabhu Dayal Himatsingha** (West Bengal: General): I was glad to hear the honourable Minister giving facts and figures about the steps Government has taken to step up production and to help the different industries. I was also glad to observe the note of co-operation that he has struck in the activities of the Government and the suggestion that he has made that Government is going to seek the co-operation of all the interests that count in production.

The present state of the nation's economy is so low that the great mass of people in India are below the subsistence level. Therefore, it is absolutely necessary that to increase the standard of living we should be able to produce more, and produce more as quickly as possible. You will notice that in about 1930 when the then Government promised protection to sugar, sugar factories grew up in the course of two or three years all over the country and our country is now more or less self-sufficient in the matter of sugar. Similarly, in spite of difficulties that were present at the time, cotton mills grew up and the country can get 15 to 16 yards of cloth per head of the population. Similarly other industries also grew up. What is necessary for the Government is to define a planned policy and to encourage various industries and industrialists to come forward and set up factories and take all possible steps necessary to give all possible encouragement and help whenever needed.

If you take the figures of production in our country, you will be surprised to note how far behind we are compared to other countries. I will give two or three cases only. In the United States of America, the *per capita* consumption of textile cloth, including woollen cloth, comes to 90 yards whereas in India it is less than 16 yards. The *per capita* consumption of sugar in America is 120 lbs whereas in India we get only 6 lbs. In paper the *per capita* consumption is 250 lbs whereas in India it is  $1\frac{1}{2}$  lbs and out of this  $1\frac{1}{2}$  lbs only half a pound *per capita* is produced in India and the rest is imported. Similarly, if you take steel which is one of the requirements which will go to build houses and all other industries, the production in America is 100 million tons per year whereas in India which is more than double in population the production is less than one million— $1/100$ th of the production that you have in America. Therefore, what is necessary for the honourable Minister to do is to give all kind of help to private industrialists and other to set up factories so that we can have more production and quicker production.

At present I find from the report that has been circulated by the Ministry of Industry and Supply that various steps are being taken to place large orders for 136,000 tons of Belgian steel, 2 lakh tons of American steel and so on. My point is that we cannot go on buying these things from foreign countries. We must take steps, and immediate steps, so that we can produce these things in our country. We must not waste our foreign exchange which is available with difficulty, in purchasing these stores. On the contrary all possible steps should be taken to start factories as soon as possible.

There are certain industries which need immediate attention, for instance, the chemical industry and the engineering industry. We are very deficient in these two departments. We have not got much of either fine chemicals or light chemicals or heavy chemicals. Similarly, we have not got many factories producing durable consumer goods from the engineering department. It is necessary, therefore, to give all protection, and the first step that I suggest is that instead of allowing open general licences for import of these things, let high revenue duties be imposed so that if the things come from outside the Government will be able to realise revenue. But in the meantime various people will be able to set up factories and they will get indirect protection so that in course of time we will be able to save our money from going out of the country. I hear at present there is a new kind of economy that is being followed

5 P. M. in the Government Departments. Previously, we used to be told that even if a thing costs a little more in our country, we should go in for that in preference to a foreign article. I am told that now that policy is being changed and in the name of inflation, if something is cheaper outside India, that should be purchased in preference to things made in India.

**Prof. N. G. Ranga:** Where do you get that from?

**Shri Prabhu Dayal Himatsingka:** That is what I have been told. I find from page 14 of the report that even if the Indian prices were a little higher...

**Shri B. L. Sondhi:** That goes against you!

**Shri Prabhu Dayal Himatsingka:** I am glad that the information I had was wrong.

As regards the engineering and chemical industries that I mentioned, they are very difficult to build. They need very costly technicians and people with specialised knowledge. If necessary, Government should come in and help them in getting technicians from outside and give them all kind of help.

We must not forget that it is the industry and commerce that give more than 50 per cent. of the revenue of the Government of India. Income-tax and super-tax and corporation tax come to about 50 per cent. of the total revenue and also customs and other things also come from trade and commerce. If there is prosperity in business, railways also earn more. Therefore, the more we produce in the country, the more we will be able to raise the standard of living of the people and raise more money which can be spent in nation-building departments.

As regards controls, the honourable Minister was pleased to say that they are working satisfactorily. So far as stocks of cloth are concerned, I am told that in Ahmedabad and Bombay they are about six weeks, not four—there may be some difference as to the date for which the facts have been collected, but in any event steps should be taken to reduce the stocks. I am told in Madhya-bharat the accumulation is ten weeks production. The reason is that some of the nominated buyers are not lifting the goods. The instruction which the Honourable Minister said had been issued has not reached most of the mills and steps should be taken to see that it reaches the proper quarters so that it may be effective and the co-operation of persons who could help Government in carrying out their programme of industrialisation should also be invited.

**श्री लक्ष्मी नारायण साह :** माननीय शिल्प मंत्री का भाषण बहुत अच्छा हुआ। लेकिन मैं इतना कहना चाहता हूँ कि १९१८ ई० में यहाँ इंडस्ट्रियल कमिशन की रिपोर्ट निकली थी। उस टाइम को आज ३० बरस हो गये। और इस टाइम में हिन्दुस्तान के हर एक गांव में जो आदमी रहते हैं उनकी उन्नति हो गयी है या वह गिर गये हैं इसको जब देखते हैं, जब हम यह देखते हैं कि इस तीस बरस में उनकी उन्नति हो गयी है, स्टैंडर्ड ऑफ़ लिविंग जिसको बोलते हैं, जीवन का नाप, उसकी उन्नति हुई है या नहीं तो इसका तो कुछ पता ही नहीं चलता।

मैं उड़ीसा देश से आता हूँ। उड़ीसा का प्राचीन नाम था कर्लिंग और कर्लिंग का नाम ही है कपड़ा। कर्लिंग देश इतना कपड़ा पैदा करता था कि सुमात्रा, जावा, बोरनियो, सब देशों को भेजता था। अब ऐसा हो गया कि उड़ीसा में हमको कपड़ा बाहर से खरीदना पड़ता है। इसके बाद भारत सरकार से “वन्दे मातरम्” शुरू करके हमने कहा था कि हम विलायती कपड़ा नहीं पहनेंगे और हम विलायती कपड़े को जला देंगे तो आज तो विलायती कपड़ा बाजार में बहुत ही ज्यादा है। तो गवर्नमेंट की पालिसी क्या है, नीति क्या है, कुछ समझ में नहीं आता। साल्ट के बारे में उकल देश इतना नमक

बनाता था कि सारे उड़ीसा प्रान्त को और फिर मध्य प्रान्त को, सी० पी० को भेजता था। ब्रिटिश गवर्नमेंट के टाइम में ऐसा हुआ कि उड़ीसा से सी० पी०, नागपुर, की जो लाइन थी वह रास्ता साल्ट को बन्द करने के लिये बन्द कर दिया गया और इस तरह उड़ीसा का साल्ट का कारबार सब खराब हो गया। आज तो हम भारत सरकार की यूनिट हैं। तो भारत सरकार को ऐसा देखना चाहिये कि हर एक यूनिट ऊपर को उठे। हर एक यूनिट अगर उन्नति नहीं करेगा तो यह भारत सरकार भी गिर जायगी। तो उड़ीसा में आदमी को खाने को नहीं मिल रहा है। हम लोग यहां चिल्ला रहे हैं कि जीवन का नाप बढ़ाना चाहिये और सब लोग कहते हैं कि प्रोडक्शन कम हो गया। तो प्रोडक्शन कम क्यों हो गया यह जरा सोचने की बात है। हमने अपने हर एक देश से काटेज इंडस्ट्री को निकाल दिया है। उसको निकाल देने के बाद हमने जो बड़ी बड़ी मशीनरी लगाई है उससे हमारी उपज और कम हो गई है। मेरी बात तो आप जाने दीजिये। इस किताब "Danger Spots in World Policy" में यह लिखा है:

"There is very good reason to think that in India the displacement of village and cottage industries by factory work is being accompanied by a real decline in the individual productiveness of large sections of the agricultural population, which constitutes three-fourth of the whole. The industrial development necessarily results in a large amount of unemployment for the artisans of the villages when the customary articles of local manufacture are made in factories."

इसी से, इस तरह बड़ी बड़ी फ़ैक्टरी बनाने से हम लोगों के जितने ७ लाख गांव थे वह सब बरबाद हो गये। और अब हम सोचते हैं कि जो बड़े बड़े शिल्प हम बनाना चाहते हैं उनमें जैसा कि माननीय शिल्प मंत्री जी ने भी कहा, हम लोगों की पालिसी थोड़ी डीसेंट्रेलाइजेशन (दिकेन्द्रीकरण) की होगी। क्योंकि केन्द्रीकरण करने से ऐसा हो जाता है कि हिमालय पहाड़ के मुआफ़िक तो आप के हाथ में पावर आ जाती है लेकिन जब गिर जाता है तो गिरता भी वह हिमालय पहाड़ की तरह है। इसीलिये हम सब को थोड़ा सोच समझ कर चलना चाहिये। इंडस्ट्रियलाइजेशन तो हम सब करते हैं लेकिन मशीनरी वगैरह के लिये हम अमेरिका के पास जाते हैं और उनकी कृपा पर निर्भर रहते हैं।

कपड़ा-फ़ैक्टरी बनाने के लिये कितना कहा गया था लेकिन कहीं भी अभी फ़ैक्टरी नहीं बनी है, एक जगह उड़ीसा में फ़ैक्टरी बनी है और शायद एक जगह दिल्ली में बनी है। दूसरी जगहों के लिये मशीनरी नहीं मिली।

[श्री लक्ष्मीनारायण साहू]

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तो जब सन् १९१८ में इंडस्ट्रियल कमीशन बैठा था उसी वक़्त से हम कहते थे कि यहीं मशीनरी पैदा करें और उसी पर ध्यान दें और जितनी मशीनें हम यहां पैदा कर सकेंगे उन्हीं से सन्तुष्ट होकर हम यहां माल पैदा करेंगे। लेकिन हम तो अभी मशीनें अमेरिका से लाते हैं और इस तरह हम उनके गुलाम बन जाते हैं और हिन्दुस्तान में १९०५ का हमारा जो "बन्दे मातरम्" का वादा था कि विलायती कपड़ा नहीं पहनेंगे अब विलायती कपड़ा यहां भर गया है। इसीलिये मैं मंत्री जी का ध्यान इस तरफ़ दिलाना चाहता हूँ कि आप अच्छी तरह से सोचें कि हर एक जाह में काटेज इंडस्ट्रीज़ और स्माल इंडस्ट्रीज़ और हर एक रीजियन में होनी चाहिये। जैसे जिस रीजियन में कपड़ा होता था वहां फिर वैसा कपड़ा होना चाहिये और जिस रीजियन में साल्ट बनता था वहां अब फिर साल्ट बने। यह ह्याल रखना चाहिये। हम तो कहते हैं कि दो चीज़ कपड़ा और साल्ट का ह्याल रखना चाहिये और खाने की चीज़ें तो गांव गांव में होती हैं। यह जितने कंट्रोल हम बनाते ह सब टाउन के लिये, सिटी के लिये बनाते हैं कि ऐसा हम कंट्रोल नहीं करेंगे तो वहां के आदमी मर जावेंगे क्योंकि वहां पर खाने को नहीं रहेगा। सब आदमी एक दिन में मर जावेंगे अगर खाने को नहीं मिला। लेकिन गांव में तो कोई नहीं मरेगा क्योंकि गांव गांव में तो उपज करते हैं। इसीलिये मैं चाहता हूँ कि सोच समझ कर हमको सिटीज़ को भी ज्यादा नहीं बढ़ाना चाहिये। हम फ़ैक्टरी बनाते हैं और एक एक जगह में कई बना डालते हैं। इसीलिये हम चारों तरफ़ से घिर जाते हैं और समस्या, प्रोब्लेम, इतनी ज्यादा हो जाती है कि काम नहीं चलता।

सर होमी मोदी ने कहा और मेरे मित्र माननीय त्यागी जी ने भी जो कहा कि एक आदमी को बालबच्चे लेकर रहने का सुभीता नहीं मिलता। लेकिन सर होमी मोदी ने उनका ऐसा जिक्र किया कि एक बरस नहीं रहने से क्या हो जाता है। लेकिन मैं कहता हूँ कि जो आदमी ऊपर में रहते हैं वह तो बालबच्चे लेकर रहते हैं और उनको तो बहुत सुभीता है। लेकिन जो आदमी लेबरर है वह काम करता है और उसको अच्छा घर, अच्छा मकान, जब रहने को नहीं मिलेगा, वह बालबच्चे लेकर अगर काम नहीं करेगा तो उसको उपज का अच्छा मौका नहीं हो सकेगा और स्ट्राइक जरूर होगा। स्ट्राइक का क्या मतलब है? हम लोग यह चिल्लाते हैं कि काम्युनिस्ट स्ट्राइक कराते हैं। मैं तो कहता हूँ कि काम्युनिस्ट या सोशियलिस्ट कोई कुछ नहीं करते हैं और वह कुछ नहीं कर सकेंगे अगर जो लेबर है उसको

खाने को और रहने को अच्छा मिले। अगर उसको रहने के लिये अच्छा मकान मिले तो आपके काम्युनिस्ट उसको कुछ नहीं कर सकते। हर एक आदमी चाहता है कि वह सुख से रहे। इसलिये मैं चाहता हूँ कि शिल्प मंत्री जी का जो रीजियन्स की उन्नति करने का ख्याल है मेरे विचार में वह हर एक रीजियन में जिस तरह की इंडस्ट्री चाहिये उस तरह की इंडस्ट्री वहाँ चलावेंगे।

उड़ीसा के बारे में मैं इतना ही कहता हूँ कि वहाँ इतनी मछली पड़ी है, इतनी मछली वहाँ होती है कि उस तरफ ध्यान देना चाहिये। हमारे शिल्प मंत्री जी तो मछली खाते हैं, बंगाल वाले तो मछली खाते हैं और हम लोग भी मछली खाते हैं। तो वहाँ इतनी मछली पैदा होती है उसका कुछ बंदोबस्त करना चाहिये। वहाँ साल्ट का भी प्रबन्ध होना चाहिये। अभी तो वहाँ साल्ट ऐसा हो गया कि एक तरह की मनोपत्ती हो गयी है। हम लोगों ने साल्ट टैक्स उठा दिया लेकिन हमको उससे कोई फायदा नहीं होता है। गवर्नमेंट जब से नैशनेलाइजेशन करना चाहती है तो मैं तो चाहता हूँ कि साल्ट का नैशनेलाइजेशन कर लिया जाय। और इस तरह बहुत अच्छा काम होगा और सब को फायदा होगा। अभी तो वहाँ उड़ीसा के रहने वाले उड़िया को कुली मानते हैं। बंगाल में एक लाख उड़िया कुली हैं, बर्मा में आधे लाख हैं, और शायद जमशेदपुर में २४-२५ हजार हैं और उड़िया का नाम ही है कुली। क्योंकि वह ऐसा नीचे गिर गया है कि जब कोई उनमें से उन्नति करता है तो वह अपने को छिपाता है, उड़िया बोलने से कोई कह देगा कि वह कुली है। इसलिये मैं कहना चाहता हूँ कि आप सब यूनिट को एक लेवल पर लाने की कोशिश करें और जो आप स्टैंडर्ड आफ लिविंग को बढ़ाने की बात कहते हैं तो उसको बढ़ाने के लिये यह कोशिश होनी चाहिये कि हर एक जगह में छोटी छोटी काटेज इंडस्ट्रीज़, और स्माल स्केल इंडस्ट्रीज़ का प्रबन्ध होना चाहिये। और बाहर से जो मशीने लाकर हम बड़े बड़े कारखाने बनाते हैं मैं नहीं कहना कि उसको एकदम छोड़ देना चाहिये लेकिन हमारी जितनी ताकत है उसी के अन्दर रह कर उनको हमें यहाँ बनाना चाहिये। अगर हम ऐसा करेंगे तो इसमें बँलेंस रहेगा। आप अभी जो इंडस्ट्रीज़ बनाते हैं तो एग््रीकल्चर से जो आदमी उसमें आते हैं सो सब वहाँ से एकदम घर छोड़ कर आते हैं और सब बालबच्चे वगैरह बाहर रहते हैं और जैसा कि इंडस्ट्रियल लेबर कमेटी ने कहा है उसका दिल अच्छी तरह काम करने में नहीं लगता है। इसलिये मैं चाहता हूँ कि मंत्री जी अच्छी तरह से सोच विचार करके इन पालिसी को ठीक करेंगे।

*(English translation of the above speech)*

**Shri Lakshminarayan Sahu** (Orissa : General): The speech of the honourable the Minister of Industry and Supply was really fine. But I wish to submit

[Shri Lakshminarayan Sahu]

only this that the Report of the Industrial Commission was published in 1918. Thirty years have passed since the publication of the report. When we see whether during this period the people living in the villages of India have made progress or have declined, whether their standard of living has gone up during these 30 years or not, we do not make it out clearly.

I come from Orissa. The ancient name of Orissa was Kalinga, and the word Kalinga itself means "cloth". Kalinga used to produce so much cloth that it was exported to Sumatra, Java, Borneo and other places. Now the condition in Orissa is that we have to import cloth from outside. After this by starting the "Vande Matram" Campaign we had told the Government of India that we will not wear foreign cloth and will make bonfires of the foreign cloth instead but today the foreign cloth is flooding the markets. What the policy of the Government is we fail to understand. As regards salt the country of Utkal used to make so much salt that it was sent to whole of Orissa and then to Central Provinces. During the reign of the British Government it so happened that in order to destroy the salt industry of Orissa the Railway line that connected Orissa with Nagpur in Central Provinces was dismantled and thus the entire salt industry of Orissa was ruined. Today we are a unit of the Indian Government. So it is essential for the Government of India to see that every unit makes progress. If every unit will not make progress then this Indian Government also will fall down. The people in Orissa are not getting even sufficient food-stuffs. We are agitating here that the standard of living must be raised and all the people say that the production has gone down. Why the production has gone down is a matter that requires careful thinking. We have driven out cottage industries from every part of our country. After driving them out we have installed huge machineries and hence our production has gone down still more. Leave aside what I say, but in this book "Danger spots in World Policy" it is written:

"There is very good reason to think that in India the displacement of village and cottage industries by factory work is being accompanied by a real decline in the individual productiveness of large sections of the agricultural population, which constitutes three-fourth of the whole. The industrial development necessarily results in a large amount of unemployment for the artisans of the villages when the customary articles of local manufacture are made in factories."

For this reason only, by erecting huge factories our seven lakh villages have all been ruined. And now we think that for the big industries that we want to set up, as was said by the honourable the Minister also, our policy to some extent will be for decentralization. If we successfully centralize we can have enormous controlling power but if we are unsuccessful in centralization it means a huge failure. Therefore we must proceed after due consideration. We all want to do industrialization but for machineries we have to run to America and have to depend upon their mercy.

How much was said about the starting of cloth mills but no factory has yet been installed anywhere. One factory has been installed in Orissa and perhaps one at a place in Delhi. No machinery could be had for other places. Since 1918, when the Industrial Commission was set up, we have been saying that machines should be made here and attention be paid towards this; and whatever machines we would be able to make here, we would produce goods with them only. But till now we import machines from America and thus we become their slaves; and in spite of our promise of "Vande Matram" that we gave in 1905, promising that we would not wear foreign cloth, the foreign cloth has flooded the market. Therefore I wish to draw the attention of the honourable the Minister towards this point and request him to consider that cottage and small industries should be established everywhere and in every region. The cloth industry should be revived in the regions where cloth was

made, and where salt was made salt should again be made. This point must be kept in mind. I say that particular attention be paid towards two things only cloth and salt, because food-stuffs are produced in each and every village. Whatever controls we devise, we devise for towns and cities, because if we would not enforce such controls there, the people living therein would die of starvation because no food-stuffs would be available there. All the persons there would die in a single day if food-stuffs are not procured for them. But nobody would die in the villages because food-stuffs are produced in villages after villages. Therefore, I wish that after a thoughtful consideration we must not increase the number of towns and cities any more. We set up factories and at one place instal several of them. The result is that we become surrounded from all the sides and the problem becomes so acute that it becomes difficult to continue the work.

Mr. Homi Mody said and he was supported by Shree Mahavir Tyagi that one does not even get an opportunity of living there with family and children. But Mr. Mody has also mentioned as to what happens by not living in this condition for a year. But I say that the people who belong to the higher strata of society and live with their families do get a good deal of comfort. But one who is a labourer and who works and toils there, if he would not get a good house to live in, if he would not work and labour along with his family and children then he would not get good chances of making progress and strikes will surely take place. What is the motive behind these strikes? We shout that communists instigate strikes. I do say that the communists or socialists do nothing and they will not be able to do anything provided the labour class was to get enough food and good living accommodation. If he were to get a good house to live in then your communists cannot at all make him do anything. Everybody wants that he may live in comfort. Therefore I wish that the idea that the honourable the Minister of Industry and Supply has for the development of the regions I think that he will set up those industries in a region where local conditions would be suitable.

I would say this much about Orissa that large quantities of fish are available there, and this fact should not be forgotten. Our honourable the Minister for Industry and Supply takes fish; people of Bengal take fish and we also take fish. So much fish is available that some arrangement should be made about it. Proper arrangements for the supply of salt also should be made. The position about salt these days is such that a monopoly has been set up. We have abolished the salt tax but we do not get any benefit out of it. When the Government wants nationalization I do wish that salt should be nationalized, and in this way a lot of good work will be done and everybody will be benefitted. Now the people of Orissa, the Oriyas, are regarded as coolies. In Bengal there are one lac of Oriya coolies, in Burma half a lac, and about twenty or twenty five thousand in Jamshedpur, and the word 'Oriya' has become synonymous with a 'coolie'. They have gone so much down in public estimation that when any one becomes of some importance he conceals his identity lest by speaking Oriya he is called a coolie. Therefore I wish to submit that you should try to bring all the units to one level and whatever you say about raising the standard of living, then for raising the standard your efforts should be that small cottage and small scale industries should be established at each and every place. I do not say that we should by one stroke discontinue the practice of setting up big factories by importing machines from foreign countries, but we should try to manufacture here as many machines as lie in our power. If we would do so then a balance would be maintained. The industries, that you set up these days, attract people from agriculture, they come leaving their homes for good and all of them keep their families away; and as the Labour Industrial Committee has found out they do not set their hearts properly on their work. Therefore I wish that the honourable the Minister would set the policy after a careful and thoughtful consideration.



**Shri Basanta Kumar Das** (West Bengal: General): The previous speaker laid emphasis on the necessity of having decentralised industries and cottage industries. This morning the honourable Minister gave us a picture of how big industries have been working; but we have not been able to have a picture of how the small-scale and cottage industries have been working in the rural areas. The Government of India when they enunciated the industrial policy in April last, wanted to coordinate the cottage and small scale industries with the big industries, and the Government of India accepted a certain responsibility in respect of cottage and small scale industries. Accordingly, a Cottage Industries Board has been set up and last January the Board resolved that a Central Training Institute be started, an Emporium be started in Delhi, and a cottage industries journal be published. These are steps in the right direction no doubt. But, I am sorry, Sir, that the progress has been so slow. The recommendation of the Industries Conference was made in December, 1947. The meeting of the Cottage Industries Board was held in January 1949. It took one year to formulate a policy regarding cottage industries; I do not know what practical steps have been taken to coordinate the cottage industries with the big industries. I do not know what has actually been done by the provinces. The honourable Minister told us this morning that he does not like to disturb the autonomy that the provinces are enjoying in respect to cottage industries. In spite of industry being a provincial subject, he has thought it fit, and the Government of India has enunciated a policy that they would do something in the matter of industries. It is necessary therefore that the Government of India must take this matter urgently in hand and do something tangible in the field of cottage industries also.

Last year, when we heard our Finance Minister speaking about the Finance Bill, he emphasised the point that we must take to cottage industries to fight inflation. The honourable the Prime Minister also, when he addressed the meeting of the Federation of Chambers of Commerce and Industries, emphasised that point. He said that apart from his conviction as a congress-man, from experience he felt the necessity of cottage industries. I do admit that the Government is aware and that the Government is conscious of the fact that cottage industries should form a very important sector of their industrial endeavours. But, I am sorry that proper attention and proper steps have not yet been taken. I shall take one instance. We have been given to understand that we are importing foreign salt to the tune of one crore maunds and an Experts Committee was appointed to explore the avenues to find where salt could be produced. I know they visited some parts of Bengal where salt can easily be produced and in fact the salt industry in Bengal was a great industry. Bengal used to supply salt not only to the big province when it was undivided but it also exported to many other parts of India. I do not know whether the Experts Committee have presented the final report but what we have come to know is that there are at least 8,000 acres of land capable of being utilized by the salt industry in one district of Bengal alone and there is a big sea coast still left in Bengal which can also be explored for the purpose. Here is a great necessity of coordination. There are cottagers who used to prepare salt from the very old days. After the cyclone in 1942 the fuel problem has been great and they find themselves in great difficulty to produce salt. The solar evaporation method is not known to them. Government have taken no steps as yet to introduce and to popularise that solar evaporation method among the cottagers. On the one side a big factory may be started in the areas that have already been reported by the Experts Committee and on the other hand these cottagers must be saved and their industry must be saved. Government ought to take immediate steps for these cottagers. Therefore there is great necessity of co-ordinating this big industry and the small-scale industry. Of course, in that part of Bengal, Government have taken no steps for production of salt as yet

[Shri Basanta Kumar Das]

but if they try to start any big industry there it is of utmost importance that at first steps should be taken to save those cottagers so that they may have their living from that salt that they used to produce. There are other industries which have no competition in the field like the Mat industry. The Mat industry in one part of Bengal is a very big industry and it has very much dwindled. Government may do many things that can revive that industry and a lot of people can be saved from ruin because this industry is dying. I can name many other industries but my only point is that urgent steps should be taken so that there is a proper co-ordination of the industries. I don't know when the institution that is going to be started will take up the research work and when the training work will begin. A sum of 8 lakhs has been provided in the budget. I consider this sum to be too small. An honourable Member has already pointed out that we have provided so great an amount in the budget for improvement of big industries but only 8 lakhs for cottage industries. This is only for the work of the Cottage Industries Board. I plead that the Government should take the matter urgently in hand and see that the Board begins work immediately and greater sums are granted for the improvement of cottage industries.

**Shri B. P. Jhunjhunwala** (Bihar: General): From the speech which the honourable Minister for Industries has delivered this morning I find that he has given a very optimistic idea of what will happen in the future but his speech is conspicuous by absence of anything which we can achieve immediately with the available resources, available industries and available other materials in the country. The Minister has said that he has got many big schemes in view, e.g., Steel, Penicillin, Telephone and oil making from coal and other things. He said that for these we shall be expecting plants from abroad and then we shall be manufacturing all these things here. One big example and performance of our Government he has given is that of the Sindhry Factory. While discussing the Industrial Policy of the country, one criterion was taken in view and that was that whether it is a nationalised industry or private industry, that the industry runs economically and with the best efficiency possible. If that criterion is absent from any of the industry, be it nationalised or be it private, I think that industry should not receive any encouragement from Government. Sindhry Factory was conceived by the previous Government. It was in 1946 that this scheme was taken up and at that time it was said that there will be production in 1948 of fertilizers. The scheme which was taken up in hand was according to the report of the Technical Mission, to cost us 10,53,00,000 for erecting the factory, building, machinery and everything and this will produce 3,50,000 tons of fertilizer every year. It is now 1949. Uptil now we don't see a pound of that fertiliser. We are importing every year worth 5 crores of fertilisers from foreign countries and if we take that into account, we have imported uptil now 20 to 25 crores worth of fertilizers.

That is twice the cost of the Capital, Block money required for the Factory, but, then Sir, it is the time factor that is the most important one in our country at the present time when we require increased production of foodstuffs, and so fertiliser was of great immediate importance, but this project here has exceeded the time limit very much.

Now let us come to the expenditure that has been incurred. A question was put regarding this and the honourable Minister for Industry in his reply in June 1948 said that till now 4.01 crores of rupees were spent, out of which Rs. 0.54 crores on buildings, and Rs. 1.02 crores on machinery. That means, Sir that a total of Rs. 1.54 crores has been spent on capital goods and construction. What happened to the remaining sum? 2.5 crores was not accounted for.

[Shri B. P. Jhunjunwala]

We do not know how or where it has gone, or how it has been spent. No further report has been given or placed before us. The point I am trying to bring forward is that this report of the technical mission said that fertiliser could be supplied at half the cost at which we are importing it from abroad. But even now how much it will cost, we do not know. We do not know what will be the production cost. At the time when the site for this factory was selected at Sindhri, near Dhanbad, there was no question of bringing gypsum from as far away as Jodhpur. Just look at the enormous cost we have to incur in bringing it all the way from Jodhpur to Sindhri and then distributing the fertiliser all over the country.

**The Honourable Dr. Syama Prasad Mookerjee.** At that time the idea was to get gypsum from even a greater distance, from West Punjab.

**Shri B. P. Jhunjunwala:** Then Sindhri was a very wrong selection, I should say.

**The Honourable Dr. Syama Prasad Mookerjee:** For that we are not responsible.

**Shri B. P. Jhunjunwala:** Even if you are not responsible, still a sum of two or three crores of rupees was not much in view of the running cost and consequent increase in cost of production, a different site could have been selected.

**The Honourable Dr. Syama Prasad Mookerjee:** That is a different question.

**Shri B. P. Jhunjunwala:** No, that according to me was a very important question. Well, Sir, I was saying that there were other proposals also before the Government at that time, proposals which could have led to production of fertilisers within two or three years. But all these proposals were rejected and this one scheme was taken up. A wrong selection was made in the matter of site for the factory. The cost of production is certain to go up. If our industries are going to be run in this way, our nationalised industries, I do not know where we shall stand.

In the beginning I was saying that there was nothing tangible by which we can say that we shall have production soon in this country. As has been said by so many speakers, the small industries, the cottage industries can produce a lot of things. Indeed there is nothing in our day to day necessary consuming of goods which they cannot produce and which are produced by the big industries. Go to the many resettlement and re-employment sections and areas and you will find people there employed in making so many different things. All sorts of tools and tackles and all materials necessary for small scale industry are being produced there. Our Industry Minister said that there was a conference of the Provinces, and they discussed this matter at that conference. I had expected that apart from the fact, that we had appointed this board and that committee, that in view of the fact that there is so much demand for greater production of consumers goods and in view of the fact that if we had turned our minds towards cottage industries and production on a small-scale decentralised system, we could have placed before the country and before the provinces concrete suggestions, with some such plans and shown to the provinces how to organise small-scale industries. The immediate problem before the Industry Minister should be how to organise these small-scale industries, and produce more and that has not been done.

**Shri B. L. Sondhi:** That is a provincial matter.

**Shri B. P. Jhunjhunwala:** But if the provinces do not organise these industries, then the Centre should show them the way to do it, and also, if necessary, take up the small-scale industries. That will not be interfering with the provinces at all. The Centre should tell the provinces and give them the target that this much should be produced in your province and ask them why it is not produced there. To say that it is a provincial matter and sit idle is, I am afraid, shirking the responsibility of the Centre. Sir, I was just saying that the immediate problem before our Industry Minister should be to see how small-scale industries can be organised in the different provinces. Let him give the provinces the names of these industries, and how they should be started, and how the products should be stocked and marketed and all that. There are many people—middle class people—who are employed in these small-scale industries. They must be given financial and other encouragement. If this is done, the production is certain to go up. During the war time, it is not through big industries alone that the Government was able to meet the requirements. So we must not be satisfied only with these future big schemes. We have to take recourse to the small industries which can give us immediate result and have to see that the existing industries be they private-owned or nationalised give the maximum result.

श्री आर० एल० मालवीय. मैं एक ऐसे क्षेत्र से आता हूँ, जहाँ कोयले की खानें ज्यादा हैं, और इन कोयले की खानों में मैं इंडियन नेशनल ट्रेड यूनियन कांग्रेस (Indian National Trade Union Congress) के कार्यकर्ता की हैसियत से पिछले दो सालों से काम कर रहा हूँ। कोयले की खानों में जैसी हालत है, उसको देखते हुए यह जरूरी मालूम होता है कि मैं वहाँ की दिक्कतों हाउस के सामने रखूँ, और माननीय मिनिस्टर साहब के सामने वह दिक्कतें पेश करूँ, ताकि वह दूर हों। यह कहने की जरूरत नहीं है कि कोयले की उत्पत्ति हमारे देश के लिये कितनी जरूरी है। जहाजों, रेलों और कल-कारखाने सब उसके बल पर चलते हैं। मगर यदि हम देखें, कि उत्पत्ति कितनी हुई है और इन कल-कारखानों को पूरा कोयला मिला है या नहीं, तब हमें पता लगेगा कि हमें इस बात की बड़ी जरूरत है कि कोयले को उत्पत्ति बढ़े, और कल-कारखानों को पूरा माल मिले, जिससे हमारा उद्देश्य कि देश में हर एक चीज की उत्पत्ति बढ़े, पूरा हो। मैं इस रिपोर्ट के ३२ आइटम्स (Items) में से केवल तीन-चार आइटम्स बतलाता हूँ, जिनसे पता लगेगा कि कारखानों की मांग कितनी थी और इनको कोयला दिया कितना गया है। रेलों की मांग एक करोड़ सात लाख चौतीस हजार चौरानवे टन थी, और उनको मिला है अठासी लाख नौ हजार तीन सौ सैंतीस टन। स्टील इंडस्ट्री को (allot) किया गया था तीस लाख चवालीस हजार छैं सौ टन और उसको मिला है पच्चीस लाख पच्चासी हजार सात सौ इक्कीस टन। कपड़े की मिलों के लिये मांग थी उन्नीस लाख अड़तालीस हजार आठ सौ चौबीस टन की और उनको दिया गया है सोलह लाख अठानवें हजार अठारह टन। इसी

[श्री० आर० ए०० मालवोय]

तरह से सीमेंट फैक्टरीज की मांग थी नौ लाख दस हजार दो सौ टन की और उन्हें मिला है छे लाख सात सौ चौतीस टन। इससे साफ़ जाहिर हो जाता है कि कल-कारखानों की जितनी जरूरत थी उतना कोयला उन्हें नहीं मिला है, जिसकी वजह से उत्पत्ति कम हुई है। इसके साथ ही साथ में एक बात और मिनिस्टर साहब के ध्यान में लाना चाहता हूँ। और वह यह है कि कोयले की खानों में जो concessions और जो सहूलियतें गवर्नमेंट ने मजदूरों को दी हैं वह सहूलियतें शायद किसी दूसरी इंडस्ट्री को नहीं हैं। जितना ज्यादा रेट बढ़ाया गया है, मतानों की अच्छी सुविधा दी गई है, और welfare fund खोलकर जीवन की और दूसरी सुविधायें दी गई हैं, उतनी सुविधायें किसी दूसरी इंडस्ट्री को नहीं मिलीं, इस पर भी हम यह देखते हैं कि कोयले की खानों में आये दिन strikes हुआ करते हैं। सन् १९४७ में strikes ने एक करोड़ सतालीस लाख और ४८ में स्ट्राइक से ६९,३६,१५३ दिनों का नुकसान हुआ था। मैं यह नहीं कह सकता कि इसमें कोयले की खानों की हड़तालों से कितने दिनों का नुकसान हुआ, मगर जनाब मेरा कटु अनुभव है और मैं जानता हूँ कि कोयले की खानों में हड़तालें हुई हैं और उनसे देश का बड़ा भारी नुकसान हुआ है। अब इसके सबब की तरफ़ में हाउस का ध्यान आकर्षित कराना चाहता हूँ। गवर्नमेंट ने सन् ४७ में बिहार और बंगाल के लिए Conciliation Board बिठाया था और (C. P.) सी. पी. के लिए (Fact Finding Committee) बिठाई थी। इन दोनों ने मजदूरों को जो सहूलियतें दी थीं, इनकी वजह से कोयले का रेट भी निश्चित किया गया था और बिहार में साढ़े तीन रुपया फ्री टन व मध्यप्रान्त में तीन रुपया फ्री टन कोयले का रेट बढ़ा दिया गया था। कोरिया के क्षेत्र में जहां से मैं आता हूँ व जहां कोयले की खानें हैं, वहां यद्यपि गवर्नमेंट की खानें हैं, वहां भी एक रुपया दो आना फ्री टन की तरक्की दी गई थी। मगर इतनी तरक्की मिलने के बावजूद हम यह देखते हैं कि वहां strikes हुआ करते हैं। इसका सबब क्या है? इसकी वजह यह है कि खानों के मालिकान जो एवार्ड्स (awards) कन्सोलियेशन बोर्ड (Conciliation Board) ने या फैक्ट फाइन्डिंग कमेटी (Fact Finding Committee) ने दी है और जिनको कि गवर्नमेंट आफ इंडिया ने ऐप्लाइ (apply) कर दिया है, उनको वह ठीक तरह से नहीं मानते। मैं अपने क्षेत्र की बात जानता हूँ कि कन्सोलियेशन आफिसर व इन्स्पेक्टर आफ माईन्स (Conciliation Officer and Inspector of mines) ने मालिकों को बड़ा

समझाया और उन से एवार्डस (awards) को मनवाने की बड़ी कोशिश की है। मगर उनके बहुत कोशिश करने पर भी उन्होंने मानने से इन्कार कर दिया है और कई बातें ऐसी हैं जो उन्होंने नहीं मानी हैं। मुझे दुःख के साथ कहना पड़ता है कि ऐसे बड़े बड़े लोगों में जो एवार्ड को नहीं मानते हैं, कर्मचन्द थापर और बिरला जैसे आदमी हैं। मैं यह अर्ज करना चाहता हूँ कि जितनी कोशिशें मजदूरों की तरफ से एवार्ड मनवाने के लिये हुईं, उस में से एक भी कामयाब नहीं हुई। उसका सबब यह है कि उन एवार्डस में कोई ऐसा बन्धन नहीं है, कोई ऐसा provision नहीं है जो कि इन मालिकों को मजबूर कर सके, इन एवार्डस को मनवाने के लिये। कन्सोलियेशन आफ़ीसर (Conciliation Officer) जाता है, इन्स्पेक्टर आफ़ माइन्स (Inspector of Mines) जाता है, वह सिर्फ़ उनसे अर्ज कर सकता है, समझा सकता है। इसके अलावा वे और कुछ नहीं कर सकते, और नतीजा यह होता है कि मालिक मानने को तैयार नहीं होते। मुझे कहना तो बहुत था, सभापति महोदय, मगर घंटी बज चुकी है। इसलिये जल्दी-जल्दी दो-तीन बातें में अर्ज करना चाहता हूँ। मुझे असली शिकायत और सब से बड़ी शिकायत चीफ़ माइनिंग इंजीनियर (Chief Mining Engineer) के आफ़िस से है। चीफ़ माइनिंग इंजीनियर का दफ़्तर कलकत्ते में एक सरकारी दफ़्तर है, मगर मुझे दुःख के साथ कहना पड़ता है कि जितनी बेतरतीबी इस दफ़्तर में है, वह किसी प्राइवेट दफ़्तर में भी नहीं है। लोगों के हिसाब वर्षों के पड़े हैं, हिसाब तय नहीं होते। छोटे-छोटे कन्ट्रेक्टरों के हिसाब तय नहीं होते। ठेकों की मंजूरी महीनों नहीं आती। ग्रेन शाप में जो चीजें मिलनी चाहियें, उन चीजों की Sanction ठीक-ठीक नहीं आती और इसका नतीजा यह होता है कि मजदूरों में असंतोष है और वह हमेशा हड़ताल के लिये तैयार रहते हैं। मैं आपको एक उदाहरण बतला दूँ। अक्टूबर सन् ४८ में ऐसी परिस्थिति आ गई थी कि कोरिया के क्षेत्रों में, गवर्नमेंट की कोलरीज में कुली सरदारों को बन्द कर दिया गया। इसकी वजह से मजदूर हड़ताल करने पर तैयार हो गये। मैंने जब चीफ़ माइनिंग इंजीनियर की २ अक्टूबर को एक तार और तारीख ४ अक्टूबर को एक चिट्ठी भेजी। उनका आज तक जवाब नहीं आया। और यह तार व चिट्ठी मैंने छत्तीसगढ़ कालरी वर्क्स फेडरेशन के सभापति और इस हाउस के मेम्बर की हैसियत से भेजी थी। उसका भी कोई जवाब नहीं। मैं नहीं जानता कि दूसरों के खतों का क्या होता होगा, दूसरे

[श्री० आर० एल० मालवीय]

जवाब पते हैं या नहीं, मुझे तो नहीं दिया गया। मैं यह अर्ज कर देना चाहता हूँ कि यह हालत है कलकत्ते के चीफ़ माइनिंग इंजीनियर के दफ़्तर के अफ़सरों के कारण। उन्होंने उस दफ़्तर की हालत दिवालिये की दुकान जैसी कर दी है। न तो वहाँ कोई हिसाब देने वाला है न कोई ठीक वक़्त पर बात सुनने वाला है, न देखभाल करने वाला है। नतीजा जो इसका होता है उसका पता स्ट्राइक के रूप में लगता है।

एक बात आख़िर में मैं कहना चाहता हूँ और वह मज़दूरों के लिये है। मज़दूरों को जो सुविधायें दी गई हैं उनका नतीजा यह होता है कि जो रुपया उन्हें ज्यादा मिलता है, उसका उपयोग वह शराब में करते हैं, या जुआ में और या दूसरी-दूसरी बद्माशियों में। मैं यह अर्ज कर देना चाहता हूँ कि लेबर वelfेयर फंड (Labour Welfare Fund) की आमदनी जो कोयले के (Loss) के रूप में काटा जाता है, उससे सोशल एजुकेशन (Social Education) के लिये भी खर्च किया जाना चाहिये। अभी तो वह मलेरिया आदि में खर्च होता है। इंडस्ट्री और लेबर दोनों को मिल कर इसके लिये कोशिश करनी चाहिये।

(English translation of the above speech.)

**Shri R. L. Malviya** (C. P. and Berar States): I come from a place which is predominantly a coal-mining area; and I am working in the coal-fields as a functionary of the Indian National Trade Union Congress for the last two years. Keeping in view the conditions prevailing in the coal mines, I feel duty-bound to place before the House the difficulties existing there and explain them to the honourable Minister so that, these may be removed. It is needless for me to emphasize as to how far the production of coal is necessary for our country. Ships, Railways, and all industrial undertakings are run with coal. But if we see as to how much quantity has been produced, and whether or not, the coal requirements of these industrial undertakings have been met with, then we will find that we are faced with a dire necessity to step up coal production, and make available to the industrial concerns adequate supply of this commodity, and thus achieve our object to increase the production of every article in our country. Out of 32 items of this Report, I would refer to only three or four from which it would be found as to what was the demand of the factories *vis-a-vis* the quantity of coal actually supplied to them. The demand put forth by the Railways amounted to 1,07,34,094 tons, against which 88,09,337 tons were supplied to them. The Steel Industry was allotted 30,44,609 tons but actually 25,85,731 tons were supplied to them. The demand made by the Textile Mills was 19,48,824 tons, whereas these were supplied 16,98,018 tons. Similarly the Cement Industry demanded 9,10,200 tons but actually 6,00,731 tons were supplied to them. From this it is quite apparent that the industrial undertakings were not supplied the same quantity of coal that was required by them and on account of which there has been a fall in production. Along with this, I would like to mention one thing more for the information of the honourable Minister and that is that the concessions and facilities which the Government have provided to the labour employed in the coal mines has not perhaps been granted to any other industry. Despite the fact that the wages

have been considerably increased, more housing facilities afforded and other social amenities provided by starting the 'Labour Welfare Fund', and that no such facilities have been given in any other industry, there are still frequent strikes in the coal mines. During the years 1947 and 1948, 14,717,303 and 6,986,153 man-days were lost respectively on account of strikes. I cannot say as to how many man-days were lost on account of strikes in the coal mines, but, Sir, it is my bitter experience and I know that there have been strikes in the coal mines which have adversely affected the country. Now I would like to draw the attention of the House to the causes leading to such strikes. During the year 1947, the Government had constituted a Conciliation Board for Bihar and Bengal and in the case of C.P. set up a Fact Finding Committee. After taking into account the facilities which were given to the labour as a result of the recommendations made by these two Committees, the price of coal was fixed, and it was increased at the rate of Rupees three and a half and Rupees three per ton in Bihar and C.P. respectively. Even in the case of the Korea mining area from where I come, the rate was increased by Rs. 1/2/- per ton, although the Government have got their own collieries there. But in spite of all this increase in the wages, we find that still there are strikes. What are the reasons for this? This is due to the reason that the colliery-owners have scant regard for the awards given both by the Conciliation Board and the Fact Finding Committee which the Government of India have accepted and made applicable. I know the case of my own area where the Conciliation Officer or Inspector of Mines tried his best to impress upon the Colliery-proprietors the necessity of compliance to the award. But in spite of their best endeavours, they refused to accept it and there are so many other things to which they have not agreed. I am constrained to say that big persons who do not honour the Award are men like M/S. Karam Chand Thapar and Birla. I would like to submit that none of the efforts so far made by the labourers to get the award implemented have fructified. This is due to the reason that these awards do not envisage any compulsion nor do enjoin upon these proprietors to accept the provisions thereof. Both the Conciliation Officer and the Inspector of Mines approached them. They can only stress upon them and beyond this they cannot do anything, and ultimately what happens is, the proprietors are not amenable to accept this. Sir, I had to say a lot but the bell has rung. Therefore, I would like to say two or three things hurriedly. The most genuine and serious complaint which I have got is against the Office of the Chief Mining Engineer—which is a Government office located at Calcutta. But I am deeply pained to say that the chaotic state of affairs which prevails in this office will not perhaps be found even in any private office. The accounts of private persons are pending for the last so many years—these are not settled at all. The accounts of petty contractors are not settled. The sanction to the contracts is not communicated for months together. The sanction to the supply of authorised commodities at the grainshops is also not properly accorded. This consequently results in discontentment among the labourers and they always keep themselves in readiness for going on strikes. I would quote an instance. During October, 1948, a situation had arisen in the Korea mining area—where the Government have got their own collieries—when the system of the appointment of Cooly Sardars was abolished; and as a result of this the labourers threatened to proceed on strike. I sent a telegram to the Chief Mining Engineer on the 2nd October, and subsequently wrote to him a letter on 4th October, but no reply to this has been received as yet. This letter I had written in the capacity of the President of the Chattisgarh Colliery Workers Federation and a Member of this House. No reply to this even has been given. I am not aware as to what actually happens with the letters addressed by other persons—whether they get any reply or not—at least I was never given any reply. I would like to submit that this is all due to the Officers working in the Office of Chief Mining Engineer, Calcutta. They have reduced the condition of that office to that of a bankrupt's shop. There is none there who can render the accounts



[Shri R. L. Malviya]

or look into the matter at the proper time and exercise proper supervision. All these factors culminate in strikes.

Lastly, I would like to say one thing more, and, that is, in respect of the labourers. The concessions which have been given to the labour often result in their spending the additional amounts thus received by them in drinking, gambling and indulging in other vices. I would suggest that a part of the contributions made towards the Labour Welfare Fund which are recovered in the form of a levy of Coal-cess should also be spent for the social education of the labourers. At present this is being spent on Malaria operations only. Both the Industry and the labour should make joint efforts in this respect.

**Shri C. Subramaniam:** High compliments and in my view well-deserved compliments, were paid to the honourable Minister for Industries to-day. May I tell you, Sir, the secret of his success and popularity? He took care to consult the Standing Committee attached to his Ministry in all important matters, whether it be a matter of policy or the implementation of a policy. Even before a matter went to the Cabinet for decision, he called us and had our views on the matter, so much so it could not be said later on that the Cabinet had come to this view and therefore we are unable to change it. He has had as many as fifteen meetings of the Standing Committee during the current year, which I think is a record for any Ministry.

The enunciation of a policy, however important and necessary it might be is a comparatively easy matter. But the achievement of a Ministry lies in the implementation of that policy. Viewed from that aspect, the Ministry of Industry and Supply is a grand success. That is my view, having come to know intimately the affairs in that Ministry, being a member of the Standing Committee attached to that Ministry. To-day the control of the Government extends to the entire field of industry. There is control on the import of machinery, there is control on the procurement of raw materials, there is control in the distribution of various essential articles and there is control of prices. But if these controls are to be worked effectively and expeditiously in the industrial field I would commend the suggestion made from various quarters to the honourable Minister, namely the formation of a high power development board consisting of men trained in business and in management. The Civil Service, however efficient it might be, with its training and tradition in red-tapism, in my view is not equal to the task of tackling industrial problems. It is only persons with experience in the industrial line who would be able to deal with the day to day problems which arise in the field of industry.

The next point I wish to touch on is about the working of the cloth control. Even the honourable Minister agreed that there was a certain amount of stagnation of goods in the mills. Sir, I come from a town which is a centre of the textile industry in South India. When I was returning from Madras last week representations were made to me that in one particular mill alone whose paid up capital was about 6 lakhs or so, Rs. 35 lakhs worth of yarn was lying unmoved. That was the case in various other mills also. On an average in Coimbatore about ten weeks of production is lying unmoved. There is the difficulty of finding the finance and not only that they have to meet the insurance charges. Further there is the question of storing them properly. They have to meet all these expenses and they are finding it a great strain. The honourable Minister said that it has now been ordered that if the goods are not moved within a month the millowners could sell them or distribute through other trade channels. But there is a certain lacuna in this. When a certain allotment is made there are various varieties and some varieties could be sold at a profit and some only at a loss. As far as the agent is concerned, the agent who has been nominated by the provincial government, takes the most profitable variety and leaves the variety which would prove a loss to him. Therefore when a millowner is asked to nominate an agent later on, to take those unmoved goods

that agent would have to take delivery of the variety which would sell at a loss. I do not know how this difficulty could be met. Perhaps the only way to meet this would be to ask the Government agent to take over the entire allotment or leave it. Of course in the working of this policy there are likely to be some difficulties. For that matter we would find difficulties in any scheme or system.

The cloth control has to be looked from another aspect, *viz.*, control of cotton. You would have seen from the papers that the millowners of the Textile mills at Coimbatore have already given notice that they would have stop production, at any rate they will have to stop one shift at least and give the labourers a partial holiday for want of cotton. This is a very serious matter. In fixing the price of cotton also there has been many inequities. The millowners of Coimbatore say that even at the existing yarn price they could pay Rs. 100 to 115 more than the ceiling price per candy for the local cotton available there.

There is one other aspect which is to be considered: when cotton is controlled, the *kapas* is not controlled, so much so the mills which are unscrupulous can go into the market and purchase *kapas* at any rate they like. That means that the control of cotton price is effectively circumvented and that puts the law-abiding mills at a disadvantage.

The next point which I would like to mention is about the handloom industry. Thanks to the control system, at every remote village cheap mill cloth is made available. Therefore the handloom industry is finding itself at a disadvantage. If we want to protect that industry—and that is an industry in which about 2½ million workers are involved and about 10 million are dependent upon that for their living—the only course is to allow that industry to export its products without any restriction. They have a good foreign market but on account of the restrictions imposed they are unable to export the cloth to foreign countries. I know a time limit has been fixed during which unrestricted export could be made but even after this period unless the handloom industry is given unrestricted scope for export, I can tell you, it will not be able to survive.

There are only two more points and then I am done. With regard to the disposals many complaints have been made that there is a lot of stagnation. But if we take a realistic view of it we will find that it is mainly due to the fact that the entire goods have been frozen by the Relief and Rehabilitation Ministry. I was surprised to find that not only goods which would be useful for them but even aircraft, wireless transmitters and parachutes were frozen—I do not know for what purpose; and they were not allowed to be sold. It took sometime to release even those things. Unless the Relief and Rehabilitation Ministry acts expeditiously and releases goods we cannot blame the officials. We cannot blame the department saying that there is stagnation and that nothing is being done.

In this connection I would like to make one suggestion. The goods have got to be classified into categories—useful articles, likely to be useful articles and articles which would not be of any use to us. Articles which would not be of any use to us should be disposed of expeditiously whatever be the price, because the longer you store it the greater the expense incurred on it. Besides deterioration takes place in those articles. As far as articles likely to be useful are concerned an investigation should be made as to what are useful and those that will not be useful should be disposed of. In fact, I know that there is some such scheme in the offing but a decision should be made on the scheme very soon.

The last point is about match factories in the South. About 121 factories in Tenkasi in Tinnevely District have closed down and I also hear that the Mysore Match Factory is following suit because of the competition in the industry and export of this article to Pakistan is banned. Unless as in the case of cement zonal distribution is arranged it would not be possible for the industry to survive.

I hope the Honourable Minister will take these points into consideration and give the necessary reliefs.

**Dr. P. S. Deshmukh** (C.P. and Berar: General): It is certainly true that the Honourable Minister's speech has removed the edge of criticism or the pointedness of it and it is no wonder that my honourable friend Mr. Tyagi found the wind taken out of his sails. None theless when we hear profuse compliments being paid by a man like Mr. Homi Mody the House and the country gets a bit suspicious.

My first complaint Sir, is with regard to the inadequacy of time to deal with a Ministry of these dimensions. There are so many committees, there is the work they have done and then in addition there are so many boards. If you look at the report copies of which have been provided to us you will find that there are as many as 26 development committees. And these do not coincide

with or include the Silk Board, Coffee Board, the Tea Committee, the **4 P.M.** Tobacco Committee the Cottage Industries Board, and other bodies that have been set up. It is difficult within the time allotted to us even to make an adequate preface to a discussion of an important Ministry like the Industry and Supply. But even so I must do the task. I can imagine how difficult it must be for the honourable Member faced with the work of these committees and all that they stand for to evolve a really co-ordinated plan which will be put forth and executed in the shortest possible time. Having gone through the whole material presented to us I feel I can but barely state my conclusions and my final views about it. I feel that there are far too many committees, for too many boards and there is lack of forceful action about which some of us feel like complaining. I, for one feel that the complaint is justified. An instance has already been given by my honourable friend Mr. Jhunjhunwala as to how a factory like the one at Sindhri has taken inordinately long to come into existence. I also feel that there is no proper co-ordination between the various Ministries. The Honourable Minister told us that some of the Ministers meet occasionally and that although there is no Planning Board or the Planning Commission in existence they always try to co-ordinate their plans. I think there is much room for improvement in this direction because I find there are schemes worth crores of rupees—hundreds of crores of rupees in fact—which some of the Departments and Ministries are busy formulating and trying to give effect to in an independent and isolated manner. I have not been able to find much trace of the fact that all these schemes are co-ordinated. For instance I may just mention that there is a scheme for land reclamation being formulated by the Ministry of Agriculture. That scheme is likely to cost near over Rs. 150 crores. There are schemes with which our Honourable Minister for Works, Mines and Power is busy. They are also estimated to cost crores. There are electrical factories, tractors, fertiliser machinery, fishing boats and what not that is required. And it appears to me that all these things are going on not as part of a concerted plan of development but in their own fashion unrelated to anything else. Nor is there the intensity of effort or the driving force behind them which it is absolutely necessary there should be. Although after hearing the Honourable Minister's speech one feels that he is earnest about his work and that he has been able to put in considerable energy into the process of industrialisation of India yet I feel it is possible to intensify the work and achieve better results. I would like him to bear in mind that "reconstruction and development are a war in the reverse gear; they should be worked on the very same principles". I am sure nobody in the world is going to wait for our industrialisation. If we delay and take more time than is necessary we will be faced with the same problem as we are faced with in other industries, namely, we will have to maintain our industries at the cost of our people. We will have to ask our people and force them to buy only Indian things even if the foreign things are available for one-fourth or one-eighth of the price. This sort of calamity, Sir, should not be permitted to overtake us. If we want to encourage our own effort and production—we may and should give the Indian effort as much protection as possible. But the necessity for such protection should be minimised by intensified effort and by taking quick action. (*Shri B. Das*: 'Like

sugar.) My honourable friend is perfectly right. That was exactly the instance I had in view but I wanted to save time and it was for this reason that I had omitted the mention of it. There are so many things I would have liked to point out. But for want of time all that I can do is to merely summarise what I feel and what I wish to suggest.

I would like now to take up the question with which I am most familiar and which intimately concerns us the residents of Berar; and that is the price of cotton and the cultivation of cotton. I can assure the Honourable Minister that if he can decide forthwith that the price of cotton will be economical to a cultivator and will be such as to make it worth while for the cultivator to grow cotton that many of his difficulties will disappear. (I can promise him that the deficit with which he is confronted will never be there at any rate not so baffling. The Central Provinces and Berar where I come from is principally a cotton growing area. Provided the agriculturist is assured that he would get a proper price there will not be so much need of importing so much cotton. At the present time the Honourable Minister knows that statistics have been given by no less a body than the Indian Central Cotton Committee itself that the present prices of cotton are unreasonably low. The Indian Central Cotton Committee have passed the same resolution twice, but the Government has yet to awaken itself to the needs of revising and arising the prices. Secondly Sir, is no earthly proportion between the prices of textiles and the prices of cotton. This has been demonstrated with facts and figures which are borrowed from none else but the government departments themselves; and yet I regret my honourable friend has not been able to take steps to increase the prices of cotton. Actually the merchants are paying more than the prices fixed by him. If that is correct and no merchant is a fool that itself shows the true position, viz., that the textile prices are proportionately much higher as compared with the prices of cotton. The textile industry as every body knows, is not running at any loss although my honourable friend Sir Homi Mody might have certain suggestions to make on behalf of that industry. I am sure textile industry is on its proper legs now. We do not want to harm it. At the same time we do not want them to be faced with a lack of supply of cotton. This should be remedied by taking necessary remedial action immediately. If this action is not taken then my honourable friend will I fear not even get the cotton that he is getting this year. He will get much less. In fact, the Berar agriculturist, as I had mentioned before, is absolutely on his last legs and if you do not assist him in the right way by giving him good seed and manure free of cost he will be ruined. If you do this you will get more cotton and there will be no necessity of importing any cotton on such a large scale. We are importing cotton at a rate which we are not prepared to pay to our own people. That is the tragedy of the whole situation. We are importing at an enormously high rate from outside. Our own cultivators are complaining that this is not a rate at which they can grow the stuff and yet, Sir, we have not awakened ourselves to the need of increasing the prices.

My friends tell me that so far as coal is concerned the price has been fixed instead of there being a ceiling price. There is a suspicion, I may tell my honourable friend quite frankly that this fixed price policy in the case of coal has been brought about to protect the Bengal coal which is said to be of inferior quality. I would request my honourable friend to look into this matter.

**The Honourable Dr. Syama Prasad Mookerjee:** The prices were fixed long before I came.

**Dr. P. S. Deshmukh:** Then it is time to revise them. Coal in these days of scarcity of fuel has become a necessity of the common man but we find that it is sold in Delhi at Rupees seven per maund. That was at any rate the price I found in the Bengali Market. I thought that at least the Bengali Market would get a lot of coal from Bengal at a cheaper rate.

[Dr. P. S. Deshmukh]

I wanted to refer to a lot of other questions, for instance the question of private enterprise *versus* nationalisation. So far as our present state of industrialisation is concerned I feel there is ample scope both for nationalisation as well as private enterprise. In respect of large scale industries for which private enterprise is not prepared to come forward Government should make haste and establish them. While the smaller and medium sized industries may be left entirely to private enterprise. There is also said to be a conflict between cottage industries and industrialisation. Here also I feel there is a lot of room for co-ordination and adjustment. At the present time when we are in need of so many articles of daily use there need not be any fear that our cottage industries will go down or that industrialisation will annihilate them. There is ample room for production through cottage industries and it should be possible for my honourable friend, as indeed he has in mind, to encourage the growth of cottage industries along side the establishment of large scale industries.

I wanted to say a couple of words about the Disposals Policy of Government. Whatever explanation my honourable friend has given I must say frankly it does not satisfy me. Either he or the Defence Minister must stand guilty so far as the disposals policy is concerned. Otherwise they must be subscribing to a tenet that by keeping goods longer they improve its quality. There are tons and tons of food stuffs that have gone waste. My honourable friend said when we were asking supplementary questions that there was no inefficiency in his Department, no waste and no loss. I would like to ask him how many tons of food stuffs have gone waste simply because of the disposals policy and in not disposing it in the proper manner and at the proper time.

[At this stage Mr. Speaker vacated the Chair, which was then occupied by Pandit Thakur Das Bhargava (one of the Panel of Chairmen).]

The whole marget is full of them when it is utterly spoilt. They should have been the first articles which should have been disposed of. Similarly about textiles. What to speak of vehicles? There was a time a couple of years back when there were no vehicle available. The whole country was clamouring for cars and buses. And yet we found thousands and thousands of vehicles standing in the rain year after year with nobody to look after them. Even if the two Honourable Ministers who sit near each other had given these vehicles to some people or the other they would have served a highly useful purpose without detriment to any one. And if this Government did want them they always have the power of taking anything from anybody. They have recently taken over for the Hyderabad crisis motor cars and jeeps that belonged to private individuals because they wanted them for the necessities of the State; they could have done absolutely the same thing so far as all these vehicles standing in Deolali and elsewhere were concerned. They could have been put on the road and could have been utilised by the people and they could have been utilised by the Defence Ministry or the Industry and Supply Ministry if and when they needed them.

Sir, I am afraid I do not like the way in which democracy or parliamentary Government is being worked by us. I feel very strongly that there should be more time and better opportunity to ventilate the peoples grievances so that the feeling may not grow that those in authority are themselves the public opinion and therefore there is no use of listening to anybody. It is necessary in order to educate public opinion that there should be more time for Members to speak; otherwise before we come to the point, the time is over. You are in a haste. Of course, Sir, it is not your fault. Probably it is nobody's fault. But the fact remains. There is also a somewhat humourous suggestion made by some of our friends. The suggestion is that—we are now speaking only according to the list and we have to wait for our names to be called—but in days to come the Chief Whip will give us only transcribed manuscript to read out and then ask us to go home.

**Shri Sita Ram S. Jajoo (Madhya Bharat):** I offer my heartiest congratulations to the honourable the Minister of Industry and Supply. His morning speech was so lucid, clear and impressive that it has disarmed most of the criticism against his Department. A young man like me feels much gratified and elated when he hears a national Minister of his country give him a picture, in which not only for the day but for the future also, he shows a very bright and rosy picture and says that we have turned the corner, and that our industrial that we can be proud of that achievement. As a representative from an Indian progress is put on right lines so that we will be industrialised very soon and State, I feel all the more that we must make haste in that direction.

We people in the Indian States are much grateful to our honourable the Deputy Prime Minister for his great achievement of consolidating and unifying the Indian States. By achieving that great task he has brought the down-trodden people of the Indian States on par with the provincial people or on par with other people living in this vast country. But when we see that there is a little lack of co-ordination, lack of such treatment which we expected so far as the industrial policy or other economic policies are concerned, we feel a little constrained that we must in all humility complain to you that this way it does not help us in the Indian States.

I would like to say a few words on quotas. As regards the allocation of quotas from the Industry and Supply Department, we feel that a fair deal is not being meted out to the Indian States. I come from Madhya Bharat and in Madhya Bharat since the formation of the Union, that is the 18th June, 1948, we have not received the cement quota nor have we received the iron and steel quota. Whatever used to be the iron and steel quota for all the 22 States individually, in the Madhya Bharat it has been not allotted to us now. Whereas formerly the quota used to be 650 tons now only 495 tons have been allotted. On the one hand our great Deputy Prime Minister has consolidated our States and allowed us to take the advantage and share the benefits of our joining the Indian Union, on the other hand we see that even our due quota is reduced! The reason given is lack of co-ordination in certain Departments of the Government of India, particularly the Transport Department. The reason is lack of wagons. But here too I have got a confession from a Government officer who says that whereas private individuals can get the wagons the Government officials cannot. Any way, most humbly I would like to draw your attention to this fact with the confidence that this will be remedied very soon.

I am further glad that much has been done or is being done for the improvement of the handloom industry. But I would like to point out that the handloom industry can be divided into two parts; one which utilises the hand-spun yarn and the other which uses not the hand-spun yarn but the mill made yarn. In this respect I would request you to be very careful about one thing that the yarn is distributed in the rural areas according to their needs and that it does not go in the black-market.

As regards controls, according to the dialect in my part of the country, control is called *kanth rog* which means disease of the neck. I agree corruption is there in controls but one thing can be done and that is that the human touch which the honourable Minister possesses in abundance could be imparted to some extent in the control authorities there; if this is done I think 70 per cent. of the troubles will be removed and only 30 per cent. will remain. For that too, if a little industry is put in the officers there and a check is put on the evil practices there, I think that 80 per cent. also can be removed.

As regards salt which is an essential commodity of human consumption and we struggled hard against a foreign Government for the removal of the excise duty on salt under the leadership of the Father of the Nation Mahatma Gandhi, and other leaders like our present Prime Minister and Deputy Prime Minister. But today we find ourselves in a very difficult position that salt

[Shri Bita Ram S. Jajoo]

has become scarce in the rural areas. I would request the honourable Minister to allocate a certain quota for rural areas just as he has done in the case of iron and steel where he has allotted a certain quota for agricultural purposes. In the rural areas salt is consumed by the cattle as well, but what to talk of the cattle when it is not given even for human consumption? Also, there is a huge disparity in prices on the border areas of one Union of States and another Union or a Province. You say that you have been doing all that is possible. I do not deny that. I have full confidence in you, but this is the only place and you are the only person to whom I can go and complain about; otherwise there is no use.

So far as the allocation of these quotas is concerned, you are following a policy of carrying coal to New Castle. If cloth is produced in one place, that cloth is not given to that region but is sent to some other region and another cloth is brought from other regions to that region. I will give you the case of cement. We are producing cement at Bamor in Madhya Bharat, but the Bamor cement is not given to Madhya Bharat but to some other region. Similarly in salt, salt produced in Dharangadhara in Saurashtra is not given to the neighbouring areas but to U.P. and Bihar and similar is the case with salt from Sambhar and other places. I can understand that this may be the policy chalked out not by the present national Government but by the previous foreign Government, but it is high time that it is revised in such a way that the disparity and inconvenience are removed as soon as possible. We see that our basic industries are being carried on towards nationalisation lines, but we see that chemical industry which is another necessity is not being developed in any way. Certainly sulphur drugs, penicillin and some other things are being developed here, but other things are not being developed in the same way. Medical aid is a primary necessity of human life and majority of people in India are from rural areas, so if a little attention is paid to the development of our Ayurvedic medicines, I think much will be achieved.

As regards controls, I wish to point out that in regard to iron and steel and cement the stockists are not nominated by provincial or State governments, but are nominated by the Controller at Calcutta. He does not know the antecedents of the local dealers and these people do not care for the provincial or state governments because they are appointed by him. I think in that respect a little more co-ordination and consultation with provincial and state governments is necessary.

As regards coal, we see that because we cannot supply coal to the general people, vast jungles are being cut down and the wood is converted into charcoal. We hear that forests are our wealth and they must be preserved at all costs, but due to lack of attention in this matter these forests are being wasted and destroyed.

As regards disposal, I would say that the criticism going on in the public is too much. But I am sure that the honourable Minister for Industries and Supplies is himself conscious of the defects and shortcomings of this branch of his Department and he has stated in his speech that he will look into these things and mend them. I have every confidence that this will be done.

As regards cotton, there are restrictions on its movement from one part of the province to another and also from one province to another province or one Union of Indian State to other Unions. On account of these things, there are very great difficulties in developing industries.

One thing more, and this is an important thing on which I would like to lay stress. There are so many potentialities and chances for industrial development in the Indian States. The British Government for their own political purposes did not give due attention to this subject. I expect, not

only I expect but feel confident that our National Government will try to explore ways and means and send their technicians and experts to the States to look into their industrial development and what possibilities there are. I know of places where cement industries can be started easily and also places where cotton grows in abundance but there are no mills. There mills can be installed and many things can be done.

**Shri R. K. Sidhva:** I have very little time at my disposal. So I will hurriedly give some figures relating to disposals which are very interesting in this connection. When the British left they left with us Rs. 288,78,70,572 worth of goods—book value. We know how scandalously managed was the disposals under the British Government. They took away the best machinery, best aeroplanes, best motor trucks, best motor cars, for a song. I have been putting interpellations on this subject and this session it was disclosed that one plane was sold for Rs. 25,000 whereas its value was Rs. 2 lakhs, and an European who was responsible for it has absconded. In another transaction the British Government sold away 8,000 motor trucks worth about Rs. 7,500 each for Rs. 2,500. Now what is the position? Up to January 1949 we have made sales of Rs. 154,43,23,375. That leaves a book value balance of Rs. 49,30,47,002. But what is the actual position? While book value sale is Rs. 154 crores, the actual cash sale is Rs. 85,06,82,048; in other words, a definite loss of Rs. 69,36,41,527. I do not know what remedy the Minister has got for this loss of Rs. 69 crores brought about fraudulently by the British Government in the book value. This is as far as the British goods are concerned.

As regards the American surplus, I really cannot understand what the total amount is. The honourable Minister in his booklet supplied to honourable Members says that up to end of December 1948 we have disposed of goods worth Rs. 64 crores, but he could not enlighten us about the amount actually left by the Americans. It however appears that it was something like Rs. 224 crores—book value. There is one consolation in the American goods. I find that under an agreement with the U.S.A. up to 50 million dollars, value of goods sold, come to us; there will be no charge to U.S.A. Over and above 50 million dollars, half will remain with us, and the other half would not be claimed by U.S.A. but will be disposed of according to the decision of Government of India. I will quote the speech made by the honourable Minister in the last session. This is what he says:

“In fact, the agreement reached between India and United States is, whatever is sold up to 50 million dollars will remain with India. The U.S.A. will have no claim whatsoever up to 50 million dollars. Whatever is sold beyond 50 million dollars, half of it will go to U.S.A. and half will remain with India. Now the value of the half which will go to the share of the U.S. Government will not be taken to U.S.A. but will be spent on some purpose which will be beneficial to India in consultation with the Government of India.

“We have already sold American stocks worth more than 50 million dollars and my information is that the share due to U.S.A. is somewhere between 5 and 6 crores of rupees in other words, this amount which is bound to increase in the months to come is available for use in India for a certain beneficial purpose.”

Now I want to know from the honourable Minister as to what beneficial measure—betterment of industry or labour—he has devoted this money for. Where is that money shown? I have seen the Budget receipts and I do not find any entry, except perhaps if it is included in “Miscellaneous”. I should like to know where this money is credited and what happened to it. What are the beneficial items on which it has been spent and how much has been spent or has it been kept in reserve. What is the position? I want to know the exact position. At least as far as this matter is concerned, I may tell him that we are spending 1,10,44,000 Rupees on the salary of the staff of the Disposals Department. I would urge on him, if we are to go on in this manner, where will this lead to. I can tell him there are thousands of



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articles in Bombay which are unsaleable. There are thousands of scarfs which were meant for military purposes whose book value is Rs. 3-2-0. They cannot be sold for even two annas. There are neck ties, thousands in numbers whose book value is Rs. 3 and I am told they cannot be sold for even few annas each.

**The Honourable Dr. Syama Prasad Mookerjee:** No one uses neck ties nowadays.

**Shri R. K. Sidhva:** Yes, in that case it is better they should be disposed of soon. Why do you keep them? Why are you keeping them and incurring overhead charges? If you keep them, you have to have a godown and keep a number of men to look after the goods and pay them salary. My complaint is that there are so many articles which are unserviceable. I can give the instance of the naval articles which the naval people do not want. I mention the instance of electrical goods which are of 110 volts, and commercially they are not wanted. There are millions of buttons which the naval people do not want. Dispose them so that heavy overhead charges which are growing every day would be saved. I would therefore suggest to the honourable Minister to fix a date for closing this department; say, before the end of 1949, all these goods must be disposed of.

As far as the Relief and Rehabilitation Ministry is concerned, I do not know from where my friend Mr. Shiva Rao brought the figures the other day that it was only a few thousands Rupees of goods that the Relief and Rehabilitation Ministry purchased. My information is that from October 1947 to January 1949, the Relief and Rehabilitation Ministry has purchased goods from the Disposals of the value of 1,13,84,000 Rupees, of which textiles alone account for 76 lakhs of rupees. I think that information was not correct. The Defence has purchased goods worth Rs. 20 crores. There is a ban that before disposing of any goods, the Relief and Rehabilitation Ministry should be consulted, that the Defence Ministry should be consulted and that the provincial Governments should be consulted. My point is this. They take a lot of time in answering the enquiries. I would request the honourable Minister to screw them up that they must give their decision without delay. Unless he fixes the time limit, these people will never come to any decision. We know their wheels move slowly. I would like the honourable Minister to see that a dead time line should be fixed for the disposal and this sum of Rs. 1,14,00,000 spent on staff, should at least be saved. Whatever be the book value and whatever be the sale value of the goods, and whatever the loss: at least dispose of all materials, so that this sad chapter be closed once and for all. As I said already, I would like to know the latest position with regard to the receipts from disposals, that I have raised, where the money has gone, is it credited somewhere, or is it reserved or earmarked.

About the manufacture of salt, several of my friends have spoken. I have also received a copy of the representation which has been presented to the honourable Minister that the Darangadhra Salt industry is now producing large quantities of salt, that some zonal region has been fixed and that about 50,000 tons of salt is lying in stock since long, but no arrangement is made for removal. These people used to supply to Bihar and U.P., that they have now been asked to supply to different places with the result that neither Bihar nor the other people are getting the salt and the salt is lying there.

Another factor, Sir, a representation has been made by the Gandhi Irwin Salt Manufacturing Association in Tuticorin a copy of which has been sent to me which is really worth considering. It says that under the Agreement and under the recent communique issued by the Government of India in April

1948, anybody who had only ten acres could manufacture salt in pans or by boiling brines. I understand that another communique has been issued recently whereby this concession has been withdrawn. I would like to be enlightened whether that is correct. The communique says, "with reference to the press note dated 28 April 1948, it is further clarified that if more than one small factory of less than ten acres are grouped in a particular area and the total acreage exceeds ten acres, the manufacturers shall have to get a licence before they can go on manufacturing salt in the said area and they will be subject to the regulations governing the licensing of factories." Formerly, no licence was issued for 10 acres and under; nor did they come under the Factory laws. I would like to know if this is true. It would be breach of the arrangement that had been arrived at.

I should like to refer to one point before I sit down. I fail to understand why there should be dearth of salt. I have some knowledge of production of salt in Karachi. It is a very simple process of manufacturing. A canal from the sea has to be constructed and in a natural process in pans, it could be manufactured by ordinary persons. Karachi was producing best white salt. Every fortnight a chartered steamer used to carry that salt to Calcutta. We have got miles of sea shore in Bombay, Kathiawar and Madras. No heavy expenditure is required for the manufacture of salt. Why not introduce this simple process and produce salt at once? This simply surpasses my comprehension. I do not know where the difficulty is. If we had no sea shore, I can understand. Madras has got a very long sea shore; similarly Bombay and Kathiawar. I would request the honourable Minister to bear this in mind and see that sufficient salt is produced and not depend upon imported salt.

**The Honourable Dr. Syama Prasad Mookerjee:** I am thankful to the members of the House for the general support extended to my ministry. I welcome the criticisms which have been made. Many of them are based on insufficient information. I am sure if I had the time, I shall be able to satisfy the members with regard to most of them.

With regard to some of the matters which have been raised, I would like to take them together instead of dealing with each point individually. I shall take first Mr. Jhunjhunwala's remarks about Sindhri. This is one of his hardy annual. I thought from what I had said this time, at any rate, there will be some appreciation from him if not from anybody else. Now, what is the position with regard to the Sindhri factory? When we came into office on 15th August 1947, the progress of construction made at Sindhri—I have calculated—came to about one-fortieth of the total project. Today, we may claim that we have completed about three-fourths of the construction. If Mr. Jhunjhunwala, in spite of this, says that this being an industrial undertaking directly under Government, Government have failed to produce any results, I can only feel sorry for him.

With regard to the actual cost of construction, obviously, it has gone up by nearly about six or seven crores on account of the increased cost of plant and machinery and also the general rise in the cost of living. Today, we are importing fertilisers and we are paying about Rs. 300 per ton. Even taking into account the higher cost of production, which has become more or less inevitable, I expect that we will be able to sell fertilisers from our factory at the rate of Rs. 200 per ton, which will be Rs. 100 less per ton than the imported price, which comes to five and a half crores a year.

With regard to gypsum, undoubtedly, the area was fixed by the previous Government; we are not responsible for the site. But I do not want to be unfair to the previous Government either. I have gone through the records. It appears that various considerations were taken into account. There was the question of availability of coal, of power, of gypsum. Taking all things into consideration, apparently, the previous Government decided to situate it in some part of Bihar. Of course, whether

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it could have been sited elsewhere or not, is a matter which is very difficult for me to answer. I have invited Mr. Jhunjhunwala that he should personally visit that area and see how the work is being done and if there is anything which is open to objection, where improvements could be effected, I shall be the first person to accept suggestions coming from any quarter. I hope it will be possible for Mr. Jhunjhunwala to accept my invitation, at least before the next budget discussion takes place.

Next, I shall take up the Disposals. I thought I had explained the position sufficiently clearly. We did pass through very difficult times since 15th August, 1947. I am not blaming the Relief and Rehabilitation Ministry; far less can I blame the Defence Ministry. Circumstances took such a turn that a ban had to be imposed on the sale of goods. That ban has now been withdrawn and I have said that according to our present calculations, we will be able to dispose of at least 75 per cent. of our stores in the course of 1949. Mr. Sidhva asked about the huge amount of money which is being spent every year—1-1/2 crores. Perfectly true, but he being a master of facts and figures, why did he not take the care to inform the House that since we came to office, the expenditure has been reduced by nearly a crore of rupees. It used to be 2-1/2 crores and now it is 1-1/2 crores. I feel it stands, at any rate, to the credit of this Government that we have reduced the annual expenditure by a crore of rupees. That would have been a complete statement of facts to which we are accustomed from Mr. Sidhva. Mr. Sidhva rightly drew the attention of the House to the arrangement by which India retains the first 50 million dollars of the proceeds of American Disposals and half of whatever is realised in addition. That is perfectly true and the statement which he read out is entirely correct. The five crores I mentioned would represent the total divisible sum after we have taken the 50 million dollars. About two crores of this has already accrued and that is kept in Suspense Account. Neither the Finance Minister nor myself have transferred it to any other Banking Account. It is there in the coffers of Government.

**Shri R. K. Sidhva:** What about the 50 million which was given free to us?

**The Honourable Dr. Syama Prasad Mookerjee:** That, I believe, has been swallowed by the Finance Minister and it has been added to our revenues. A separate item has been shown with regard to this sum in the Suspense Account. The amount due to the U.S. Government will be spent by them in India for beneficial purposes in consultation with us. The utilisation of our share is a matter on which we have not come to any decision and it will have to be considered not by my Ministry alone but by the entire Government. And speaking for myself and without committing the Government in any way which I have no right to do at this stage, my proposal would be to transfer the entire sum which is at our disposal for the development of cottage industries in India. Instead of frittering this away for various purposes in different parts of the country, we can straight off start a fund which will be exclusively devoted to the development of rural areas, particularly through cottage industries.

**Prof. N. G. Ranga:** In fact we have absorbed three crores.

**The Honourable Dr. Syama Prasad Mookerjee:** So far as the position of handloom is concerned, we are fully aware that some help has to be given to this industry. Now we decided that we would allow free export upto end of June 1949 to all countries except Pakistan. With regard to Pakistan we fixed it at 50 million yards provided it came out of the total quota allotted to Pakistan. I received representations from various parts of the country that on account of this restriction it has not been possible for any handloom cloth

to go to Pakistan because Pakistan is not prepared to take anything within its allotted quota of mill-made cloth. For this reason we have now decided that this 50 million yards of handloom cloth will be allowed to go to Pakistan outside the quota fixed for that country. But here I would sound one note of warning. I have told the representative organisations of Handloom industry and particularly I have impressed upon Professor Ranga who has very often discussed this matter with me that while no doubt Government will do everything possible to allow export of handloom cloth in sufficient quantity, we must now evolve a scheme whereby more of handloom cloth may be produced which will be usable in India. It is no use the handloom weavers saying that they can produce only *lungis* which will be usable in Pakistan. After all this country also wants cloth. We are having cloth shortage in many parts of the country and it will be desirable for the handloom industry not to come to us every year and say that there is a large accumulation of cloth which is unusable in India and therefore we should allow it to be exported. We should devise the scheme in such a way that while some quantities will be exported in any case, a larger quantity should be available for use by the people of this country.

**Babu Ramnarayan Singh:** Will anything be done towards production of *Khadi*?

**The Honourable Dr. Syama Prasad Mookerjee:** So far as *Khadi* is concerned, in the new Textile Advisory Board which I have appointed I have included representatives of producers of *Khadi*, and I have suggested to them that they might give us a scheme which will enable Government to make an experiment in some selected areas so that production and distribution of *Khadi* may be popularised. But of course as the honourable Member knows the difficulty is, that this production is not economical, and without some sort of subsidy you cannot compel people—unless they voluntarily wish to use *Khadi*—to purchase it. But I have asked them to give me a scheme which I shall be prepared to consider at any rate for the purpose of making an experiment with regard to particular areas.

Now with regard to cotton Dr. Deshmukh has rightly spoken about the serious position. But here I would ask the honourable Members of the House to bear one thing in mind. No doubt those who have spoken have spoken genuinely in the interest of the cultivators but we often find much crocodile tears being shed for cultivators by middlemen and exploiters who made crores and crores during decontrol period. Now, what is the position today? We have not fixed any price for *kapas*. *Kapas* is completely decontrolled. Even in C.P. and Berar *Kapas* is selling at a fairly high price. I am told it is selling at 300/- whereas the price of cotton which we have fixed should not justify its sale beyond 250/-. The control price relates to cotton which after being ginned is sold by the merchants. Here there is no central control of cotton. Under the present law the Central Government cannot issue any legal orders. We may request the provincial Governments to pass uniform laws in relation to all provinces. That is a very unsatisfactory state of affairs but unfortunately that is the constitutional position. With the approval of the provinces, we propose to come up before the next session of the Constituent Assembly for amending the Constitution and making cotton a centrally regulated commodity. But meanwhile we have suggested to provinces that they should pass cotton licensing orders and believe me it has taken the Central Government nearly three months before all the provinces could be persuaded to pass one kind of law which will be applicable throughout India. My young friend spoke for the Indian States. I quite appreciate his anxiety and enthusiasm but there were States which declined to pass these orders and only after I could get pressure to be put upon them by the States Ministry, they came and passed the orders.

**Shri Sita Ram S. Jajoo:** I want that there should be no pressure from the States Ministry but your own pressure should be there.

**The Honourable Dr. Syama Prasad Mookerjee:** Sometimes my pressure is not sufficient and Sardar Patel's is necessary. With regard to the provinces, to-day I got a telegram from Pandit Shukla that C.P. has promulgated the licensing order which will come into force from 15th March. Now the various provinces in India and the States have the jurisdiction to requisition cotton from merchants wherever they consider such requisition necessary. But we cannot say that whatever was done, has very much touched the cultivators. Mr. Karimuddin has gone away, but he also shed crocodile tears about the sad plight of cotton cultivators. He also said that production of cotton has gone down because of control order. That is a most amazing statement. It could not have gone down. There was no control previously and then cotton was selling at exorbitant prices. The cotton available now was sown long before the control order was promulgated. I agree with Dr. Deshmukh that before the next session starts, the Government of India must finalise their policy. I intend to invite representatives of provincial governments, also merchants and cultivators so that after a full discussion we may fix a price, a reasonable price, which will be fair to the cultivator, and also will be just to the consumers in the country.

Dr. Deshmukh referred to coal prices. I am sometimes accused of many things. But I never knew till now that the coal prices fixed were benefitting specially Bengal. He may believe me that this is the first time that I learn, that that is the position. I have not fixed the coal prices. They were fixed long ago and on expert report. Now the position is that we have coal prices fixed at certain levels. They are not ceiling prices. There have been representations made to the Government of India with regard to coal for brick-burning—low-grade coal—suggesting that we should sell them at lower prices. There were certain collieries who are prepared to sell the stocks at lower prices. But that represents only about five per cent. of the total coal production of the country. So Dr. Deshmukh should understand—he is not easily misled—that this agitation is going to benefit no large portion of the industry but only five per cent. of it. We have also received representations from the smaller collieries that if we allowed coal to be sold at lower prices, the small collieries would go out of existence. I was at one time in favour of removing the fixed prices and turning them into ceiling prices. We discussed it in the Cabinet, and we decided that it is an unsafe step to take at present, when the whole future of the coal industry is under examination. The present level of prices is under examination. We are rather late in giving effect to the recommendations of the Indian Coal Fields Committee. We must have a National Coal Commission appointed which should be able to take complete charge of the coal industry. This is a matter which cannot be dealt with departmentally. For that purpose legislation is necessary. I am hoping that by the time the next Session of the legislature sits, we shall be able to place before the House a comprehensive Bill to regulate and control the production and distribution of coal in the whole country.

With regard to salt, I know that Mr. Sidhva is an authority on this subject. And without disclosing any secret I may say that I am going to appoint an Advisory Committee on salt and I am going to put Mr. Sidhva on it so that his knowledge and experience may be available not only to this House but to the whole of India. Now, with regard to salt, we have got a zonal scheme of distribution. This has come into effect from 1st January, 1949. This zonal scheme has been undertaken mainly at the request of the Transport Ministry which told us that unless we helped them to rationalise distribution of salt throughout the country, it was impossible for them to help. We consulted all the provinces. I did not want this scheme to come into operation without taking the view-points of the various provinces, and also the States. Practically all of them said that we should go ahead with the scheme. So we have

STRA... to it for the last two and a half months. One net result of it is that to-day every day about 80 wagons or more of salt are moving throughout the country than what was the case before the zonal scheme came into operation. It may be that some merchants have been affected, or that there is some accumulation in some areas. But we are watching the situation very carefully, and next time when we revise the scheme, we shall certainly see to it that all the defects in it are removed. If there are large accumulations, say for instance at Dharangdhara or Bombay, some special orders should be issued for their proper distribution. I have not seen the Tuticorin memorial, but if the Tuticorin people are the friends of Mr. Sidhva, I may tell him that much of Tuticorin salt is bad, and people refuse to accept it. That salt ought to be improved. I have said that instead of importing salt, I shall give preference to salt manufactured in India, and we are prepared to do so, provided the salt is acceptable to the consumers. It was remarked that we have not made any progress since last year. In salt alone, I may tell the House that production has increased by more than twenty per cent. from 1947 to 1948, and I thought some appreciation would be forthcoming. But probably the gentlemen do not eat Indian salt and so do not appreciate the result achieved. It is the policy of Government to see that India should be self-sufficient in salt by the year 1951. We are going ahead with our schemes. We have already got two interim reports and I hope to have the final report also ready very soon. Members of the House know that India on an average consumes less salt, than other progressive parts, in the whole world. We used to consume *per capita* 12 lbs. But now we have increased it to about 14 lbs. We hope to supply much more, if the transport position improves.

Some suggestion was made by Mr. Das, "Why not do something for manufacture of salt in Bengal?" Here, I should like to impress one matter on Members of the House. They cannot expect the Government of India to take up every industry throughout the country, either finance it or organise it. On the one hand, there is the cry, do not nationalise. On the other hand, Government are asked to do everything. We cannot have it both ways. Government are prepared to give every possible help. I have told the West Bengal Government that they should set up a concern with the help of experts for the purpose of producing large quantities of salt in Midnapore area. Last time when I was there, I found certain schemes had already been evolved, and I hope something will be done in that respect soon. So far as the States are concerned, I agree that we should be able to give equal treatment to their requirements just as we are doing with regard to the Provinces. In future we will consider the point of view of the States in arranging the allotments. Of course, there are difficulties like transport, and distribution arrangements into the details of which I do not propose to enter here.

One question was raised, and that was about our import and export policy. That is a matter which will be dealt with by my honourable friend the Commerce Minister when the debate on Commerce Budget takes place. But speaking as the Minister in charge of Industry, I would just say one thing. It is the duty of the Government to see that the import policy does not operate in such a way as to hit hard or kill Indian industries. But at the same time, Indian industries will never be able to develop if they continuously desire to rest on artificially restricted imports. Some one mentioned the difficulties of bicycles. So far as bicycles are concerned, I gave the figures some days ago. We produce in India to-day only about ten to twelve percent. of the total requirement. The prices of imported bicycles are much higher than those manufactured in India. If even then it is said that we should not allow the import of bicycles, that obviously is a matter which it will be very difficult to accept. One other point has been accepted, and the honourable the Commerce Minister will no doubt explain it in greater detail. Whenever any protection is asked for for any industry, it should be referred to the Tariff Board;

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After there is a full enquiry made by the Tariff Board it will be the policy of the Government, wherever possible to act in accordance with such recommendations. If during the interim period it is felt that without waiting for the Tariff Board's recommendation some positive steps should be taken even then the Commerce Ministry and Industry and Supply Ministry will sit together and consider each case on its merits. We are constantly re-examining and revising the lists and I am sure with the co-operation of the Commerce Ministry we will be able to evolve a system which will be to the good of the industry as a whole.

5 P.M.

**Shri H. V. Kamath** (C.P. and Berar: General): Firstly, may I ask, whether the Hindustan Aircraft Factory, Bangalore is going to work under the joint control and co-ordination of the Industry and Supply and Defence Ministries in view of the importance of aircraft for defence; and secondly, whether there is a proposal to effect economies in this Department by shifting offices like the Directorate of Statistics and similar offices from Simla to Delhi?

**The Honourable Dr. Syama Prasad Mookerjee:** My friend has taken me in one breath from Simla to Bangalore. But I shall try to answer him.

So far as the Hindustan Aircraft factory is concerned, certain useful suggestions were made by Mr. Krishnamoorthy Rao. There was one mistake in his statement. At present the number of workers who are engaged to-day is not 8,000 but 6,000. We have been able to increase our total output of work and we have been able to engage more hands. We expect to receive larger orders from the railways for the building of railway coaches. We have acted according to programme. I just asked Dr. Matthai, who was then the Railway Minister, whether any announcement was made that 300 coaches would have to be delivered last year. That is not correct. We had orders of 100 only. We manufactured them according to programme. Even now there is some idle capacity left and the question is how to utilise it. One possibility may be that we will allow small industries to grow up in the place, but experts who have visited the factory have spoken against it. They say that our object should not be to start small things and thus compete with others. Our object should be to concentrate on producing aircraft and also some big subsidiary things, like railway coaches. I may tell the House of one scheme which I have in contemplation, namely, the building up of motor-bus bodies. We are in touch with some big manufacturing firms in England, and I believe we shall be able to utilise much of this idle capacity for producing motor-bus bodies and if we get an additional order from the Railway Department, that will absorb much of the idle capacity.

So far as Shri Kamath's question is concerned, there is no question of placing the factory under the joint control of the Defence Ministry and the Industry and Supply Ministry. That factory is now being controlled by a private company, of which the two shareholders are this Government and the Government of Mysore. The representatives of the Government of India are Mr. J. R. D. Tata and myself; and the representative of the Government of Mysore is Sir Ramaswami Mudaliar. There is no question of the Defence Ministry coming in. But we have two technical committees there. We have a committee consisting of representatives of the Railway Ministry, of the Communications Ministry and of the Defence Ministry, who examine the programme which we make and give us a report as to the progress made. Separate to that, we have a special technical committee, represented mainly by the Defence Ministry. In fact, the Defence Ministry has sent a special officer who is sitting there at the factory, and he is watching the progress of the work. They are constantly in touch with its activities and whenever necessary I myself meet the representatives of the Ministries concerned in Delhi. In this way we are trying to co-ordinate our activities.

With regard to the offices in Simla, the office of the Director of Statistics, we have suggested, should be brought down to Delhi because it interferes with our progress of work. The Economy Committee has made a similar recommendation, but there I shall be in the hands of my friend, Shri Gadgil. I shall have to make him agree before it can be accepted.

I shall only say a few words about the point raised by Mr. Sahu. The fact that I called the first meeting of the Cottage Industry Board at Cuttack showed that I was anxious that a smaller province like Orissa should be given prominence. Mr. Sahu complained about want of cloth in Orissa. He may be surprised to know that Orissa is one of the Provinces that has been asking me month after month not to send mill-made cloth.

**Shri Lakshminarayan Sahu:** I was complaining about imported cloth.

**The Honourable Dr. Syama Prasad Mookerjee:** That is really a factor which does not count. India is producing 4,000 million yards of mill-made cloth and 1,500 million yards of handloom cloth and we are importing only 50 million yards of cloth. So there is no question of imported goods coming in and being dumped to such an extent that our indigenous industry may disappear.

**Shri Lakshminarayan Sahu:** I was talking of the rehabilitation of the weavers in Orissa.

**The Honourable Dr. Syama Prasad Mookerjee:** So far as that is concerned, I have offered, and I offer here again as much yarn as Orissa may want, which I shall arrange to be sent to Orissa from Coimbatore and other places. But Orissa is not able to absorb more than it can digest.

I shall conclude by saying this. I have heard some compliments from Mr. Mody and also I have heard some compliments from others. But I would like to say that the policy which the Government of India have accepted is not a policy of sacrificing India's economic or industrial interest to any section of the people. We have not sacrificed the interests of the country to the industrialists. Those who spread such statements outside, either do so deliberately or through ignorance. The policy that we have adopted envisages complete and full control by the Government of India with regard to all the important industries in the country. My friend, Mr. Mody, spoke of the draft Bill which has been prepared. It stands to the credit of industrialists like Mr. Mody, Mr. Birla and Lala Shri Ram, and also to Labour leaders like Mr. Khandubhai Desai and Mr. Ashok Mehta whom we invited to get the benefit of their advice, that they felt that in this national crisis it is the Government and the Government alone who should be vested with those wide powers for the good of the people as a whole. When the Bill comes to you, you will see that the powers the Government propose to take are of a drastic nature. No industrialist need be afraid so far as the present Government are concerned. We do not wish to exercise those powers to the detriment of any section of the people provided they play the game. Why is it that the industrialists have a bad name? It is because of the fear which is in the minds of the people that they may profiteer more than they are entitled to do. But today that question of making larger and larger profits is receding into the background. Many industrialists find it difficult to carry on. If Government are satisfied there will be no undue profiteering, and if labour gets what is its due, if a standard of fair wages is adopted, and if production goes up with the mutual co-operation of all, I am sure there will be none in this country who should object to the policy of the Government of India. We are passing through a period of transition which is truly critical. We do feel that the only solution that lies before us is to increase our production. We may talk about inflation, but unless we can produce more and distribute equitably at reasonable prices so that the mass of the people may be benefited, this Government will have no right to exist as a



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Government. We are proceeding towards that end. And with that end in view we venture to ask for the co-operation of all industrialists, labour people belonging to all political organisations and also the public generally. Undoubtedly it is not the Government of India alone that can work miracles. We have to work with the machinery which we have in our hands. That machinery needs remodelling. That machinery is not suited always for exercising those large powers which Government desire to take upon themselves. We have also to work through the machinery of the Provincial Governments. When people talk about control, and about blackmarketing, obviously it does not depend only on the officers of the Government or on Government agencies only. It depends also on the standard of morality and the outlook of the people themselves. If there is a determination on the part of people, whatever their politics may be, to act fairly and justly, if we want to save this country in this crisis and do not want to see repeated here China, Burma or Malaya, the only way in which we can act is to maintain industrial truce and to carry on vigorously the policy which we have enunciated, which I feel is fair, just and equitable to all concerned and is intended to serve the best interests of our motherland.

**Mr. Chairman:** The question is:

"That a sum not exceeding Rs. 23, 57,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Ministry of Industry and Supply'."

*The motion was adopted.*

**Mr. Chairman:** The question is:

"That a sum not exceeding Rs. 3,91,95,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Industries and Supplies'."

*The motion was adopted.*

**Mr. Chairman:** The question is

"That a sum not exceeding Rs. 1,29, 50,000 be granted to the Governor General to defray the charges which will come in course of payment during the year ending the 31st day of March, 1950, in respect of 'Salt'."

*The motion was adopted.*

*The Assembly then adjourned till a Quarter to Eleven of the Clock on Thursday, the 10th March, 1949.*