

Thursday,
1st April, 1948

THE
CONSTITUENT ASSEMBLY OF INDIA
(LEGISLATIVE) DEBATES

Official Report

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(19th March to 5th April, 1948)

SECOND SESSION

of the

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)
1948



WEDNESDAY, 31ST MARCH, 1948—

| | |
|--|-----------|
| Starred Questions and Answers | 2785—2825 |
| Authenticated Schedule of authorised expenditure (other than Railways) for 1948-49—Laid on the table | 2825—28 |
| Election to Committee on Public Accounts | 2828—35 |
| Election to Standing Finance Committee | 2835—37 |
| Election to Standing Finance Committee for Railways | 2837—39 |
| Election to Central Advisory Council for Railways | 2840 |
| Election to Indian Nursing Council | 2840 |
| Election to Standing Committee for Ministry of Health | 2840 |
| Election to Standing Committee for Ministry of Defence | 2840 |
| Demands for Supplementary Grants (15th August, 1947 to 31st March, 1948) | 2841—73 |
| Demand No. 92—Capital Outlay on Civil Aviation | 2843—46 |
| Creation of a Statutory Corporation to take over the Business of Air India International, Ltd. | 2843—46 |

THURSDAY, 1ST APRIL, 1948—

| | |
|--|-----------|
| Starred Questions and Answers | 2875—2921 |
| Motion for Adjournment re Increase in Postal Rates between India and Pakistan without consulting the Assembly—Ruled out of order | 2922—23 |
| Workmen's State Insurance Bill—Consideration of clauses—not concluded | 2923—61 |
| Appendix | 2962—3027 |

FRIDAY, 2ND APRIL, 1948—

| | |
|---|---------|
| Declaration by Members | 3029 |
| Starred Questions and Answers | 3029—47 |
| Short Notice Questions and Answers | 3047—48 |
| Election to Standing Committee for Ministry of Commerce | 3048—49 |
| Workmen's State Insurance Bill—Passed as amended | 3049—87 |

SATURDAY, 3RD APRIL, 1948—

| | |
|--|-----------|
| Election to Standing Finance Committee for Railways | 3089 |
| Indian Lac Cess (Amendment) Bill—Introduced | 3089 |
| Indian Aircraft (Amendment) Bill—Passed as amended | 3089-90 |
| Discussion of Non-official Resolution on a day allotted for Official Business | 3091 |
| Provincial Insolvency (Amendment) Bill—Passed as amended | 3092—3106 |
| Junagadh Administration (Property) Bill—Consideration of clauses—not concluded | 3106—15 |
| Resolution re Elimination of Communal Organizations—Adopted as amended | 3116—51 |

MONDAY, 5TH APRIL, 1948—

| | |
|--|-----------|
| Starred Questions and Answers | 3153—89 |
| Short Notice Questions and Answers | 3190—94 |
| Election to Standing Committee for Ministry of External Affairs and Commonwealth relations | 3195 |
| Elections to Central Advisory Council for Railways and Indian Nursing Council | 3195 |
| Junagadh Administration (Property) Bill—Passed as amended | 3195—3220 |
| Control of Shipping (Amendment) Bill—Passed as amended | 3221—25 |
| Delhi and Ajmer-Merwara Rent Control (Amendment) Bill—Passed | 3225—29 |
| Income-tax and Business Profits Tax (Amendment) Bill—Referred to Select Committee | 3229—38 |

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Thursday, 1st April, 1948

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

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

DISPOSAL ARTICLES WITH GOVERNMENT

1119. ***MR. R. K. Sidhva:** (a) Will the Honourable Minister of Industry and Supply be pleased to state the total value of articles still lying as "Disposals" but not yet disposed of?

(b) Are any articles useful for Governmental purposes?

(c) What steps have Government taken to see that these articles are disposed of promptly?

(d) How many of them are (i) serviceable, (ii) condemned as scraps, (iii) absolutely new and (iv) partially used?

(e) Are there still aeroplanes, motor cars, and other motor vehicles for sale? If so, what is their number and why are they not disposed of?

(f) Has a proper inventory been made of all these articles?

(g) Is it a fact that some of the articles are being stolen from time to time?

(h) What are the places in India where these articles are lying for disposal?

The Honourable Dr. Syama Prasad Mookerjee: (a) The book value of the surplus stores awaiting disposal at the end of February, 1948 was about Rs. 165 crores.

(b) Yes, Sir.

(c) The emphasis of present disposals policy is on making the best use of the surpluses available rather than on speedy disposal. Government have appointed a Committee to advise them regarding the best use to be made of surplus stores which are suitable for use in industry, laboratories or technical departments.

(d) It would require enormous labour to collect information under the heads proposed by the Honourable Member in respect of all surplus stores. If the Honourable Member is interested in any particular categories of stores, I would be glad to collect the necessary information.

(e) Yes, Sir. A statement showing the quantities is tabled. The reason for the large quantities of these items not disposed of is that sales have been suspended while the Defence Services review their requirements, and while the possibility of the use of these stores for refugees is investigated. It is probable that considerable quantities of these items will be withdrawn by the Defence Services.

(f) Yes, Sir.

(g) Yes, Sir. A statement will be placed on the table showing details of thefts reported and action taken.

(h) The Honourable Member's attention is invited to the statement placed on the table of the House in answer to starred question No. 144, asked by the Honourable Dr. P. S. Deshmukh on the 6th February.

STATEMENT
Showing availability of aeroplanes and motor vehicles ex-Disposal Stocks

| Name of Disposal Authority | AEROPLAES | | MOTOR VEHICLES | | MOTOR CYCLES | | REMARKS |
|--|-------------|---------------|----------------|---------------|--------------|---------------|--------------------------------------|
| | Serviceable | Unserviceable | Serviceable | Unserviceable | Serviceable | Unserviceable | |
| Regional Commissioner, Disposal, Bombay. | 1 | ... | 1,623* | 208 | 423 | 10 | * In classes I to V. |
| Regional Commissioner, Disposal, Calcutta. | | 1 | 412* | | | | |
| Regional Commissioner, Disposal, Kanpur. | 5 | 2 | 39 | 89 | 10 | | |
| Regional Commissioner, Disposal, Madras. | | 30† | 9 | 416‡ | | | † Since with drawn. |
| D. G. D. (M.M.H. Dte.) | 22 | 3 | | | | | ‡ Including non-runners and salvage. |
| D. G. D. (Veh. Dte.) | | | 1,833§ | 7,506 | | | § Require heavy repairs. |
| D. G. D. (U. S. T. Dte.) including U. S. T. Calcutta and M/s Tata Ltd. | 318 | 127 | | | | * | |
| Total | 347 | 163 | 3,916 | 8,219 | 433 | 10 | |

Mr. B. K. Sidhva: May I know what was the book value entry when these articles were taken over originally from the previous authorities?

The Honourable Dr. Syama Prasad Mookerjee: I cannot recollect the exact figure. It may be somewhere between 300 crores and 350 crores.

Mr. B. K. Sidhva: May I know the name of the committee that the Honourable Minister said he has appointed?

The Honourable Dr. Syama Prasad Mookerjee: The Disposals Enquiry Committee.

Mr. B. K. Sidhva: Does it consist of officials only?

The Honourable Dr. Syama Prasad Mookerjee: No. It consists of non-officials also. I have included Mr. Thadani as Chairman; I have included a professor from the Bangalore Institute and one engineer, and one or two officials to be associated with them.

Seth Govinddas: Have the Government altogether stopped disposing of these articles for the present or is disposal still going on?

The Honourable Dr. Syama Prasad Mookerjee: We are selling subject to any directions which we may get from the Defence Ministry and Relief and Rehabilitation Ministry.

Seth Govinddas: Are Government aware that in spite of the appointment of a committee, very valuable articles are even now being disposed of at very low prices?

The Honourable Dr. Syama Prasad Mookerjee: I do not think that is correct. If I get any definite information, I shall certainly enquire.

Shri Khurshed Lal: May I know if it is a fact that about last September, an aeroplane was sold for Rs. 2,500?

The Honourable Dr. Syama Prasad Mookerjee: Not a flyable one. If I get a specific instance, I can certainly look into it: when this case was reported, we have enquired into it.

Shri Khurshed Lal: Has it not come to the Honourable Minister's notice that the same aeroplane which was purchased for Rs. 2,500 has been flying in October, November and December?

The Honourable Dr. Syama Prasad Mookerjee: I cannot say which particular plane drew petrol from where. Certain planes were sold before the order prohibiting their sale was issued, but no aeroplane has been sold after the order was issued by the Government prohibiting their sale.

Shri Khurshed Lal: Is it a fact that a plane was sold for Rs. 2,500 to one Sbyam Bebari?

Mr. Speaker: The same question is being repeated in a different form.

Mr. B. K. Sidhva: The Honourable Minister said in answer to part (d) that he is not in a position to give the information because it will be too lengthy, but that if I am interested, he will be able to supply it. Personally I am not interested at all, but the public are interested, and I want to know from the Honourable Minister what is the book value of the condemned and scrap articles, and I want to know that as separated from the saleable and useful articles.

The Honourable Dr. Syama Prasad Mookerjee: It is very difficult to distinguish between those which are absolutely condemnable and those which are saleable. Certain things which are partially condemned have also been sold. We have not been able to divide the two entirely. What I said was that any information regarding particular categories of stores will be readily given if the Honourable Member so desires.

Mr. B. K. Sidhva: Have they not yet separated the condemned and saleable articles to avoid loss of revenue to the State?

The Honourable Dr. Syama Prasad Mookerjee: We have separated the two, but then things which are regarded as unsaleable have also sometimes a market and then we sell them.

Pandit Balkrishna Sharma: May I know if the Honourable Minister is aware of the fact that the particular aeroplane about which my Honourable friend Mr. Khurshed Lal was talking was sold to that particular gentleman as a special case and that it was sold after the orders by the Government were passed freezing all the disposals goods?

The Honourable Dr. Syama Prasad Mookerjee: It was not sold after the order was passed.

Pandit Balkrishna Sharma: May I know when the orders for freezing were passed?

The Honourable Dr. Syama Prasad Mookerjee: That was some time early in October, or end of September, I believe. I do not remember the date exactly.

Pandit Balkrishna Sharma: Is it a fact that some time in the end of October, such orders were passed?

The Honourable Dr. Syama Prasad Mookerjee: No. If the Honourable Member gives details, I shall again look into the matter.

Seth Govinddas: Is it not a fact that even those articles which were once considered to be scrap lately proved to be not so, and will the Government do something in this respect so that real articles which are scrap are in that list and not others?

The Honourable Dr. Syama Prasad Mookerjee: That is exactly one of the purposes for which I have appointed the committee.

Mr. R. K. Sidhva: May I know what is the book value of the articles which have been separated as condemnable?

Mr. Speaker: He has asked the question repeatedly.

Mr. R. K. Sidhva: No, Sir. The Honourable Minister stated, they are separated. I want to know what is the value of the separate things.

The Honourable Dr. Syama Prasad Mookerjee: That depends on the various categories of goods. I cannot give the Honourable Member the entire total sum.

Shri T. T. Krishnamachari: Arising out of the answers to parts (d) and (f), may I ask the Honourable Minister what steps are taken to keep these valuable articles on a proper care and maintenance basis?

The Honourable Dr. Syama Prasad Mookerjee: They are being guarded. There are so many officers and other persons appointed to look after them, but the position actually is that the responsibility for guarding the Deposits except the American ones rests on the Defence Ministry. The Disposals organization under the Industry and Supply Ministry deals only with the question of sale. Whenever the Defence Department says that particular goods can be disposed of *i.e.*, they are not required for their own purposes, our officers go and sell them, but the rest of the responsibility rests with the Defence Ministry.

Mr. R. K. Sidhva: In answer to part (f) of the question the Honourable Minister said that a proper inventory has been made of all these articles. The inventory is kept in Delhi by the Government of India or at various places where stocks are written. May I know whether any Honourable Member can have inspection of these inventory lists at various places?

The Honourable Dr. Syama Prasad Mookerjee: We have copies here and also copies at various depots. Any Honourable Member can have inspection of the inventories.

PERMANENT WAY AND SIGNAL AND INTERLOCKING INSPECTORS ON B. B. AND C. I. RAILWAY.

1120. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Railways be pleased to state whether it is a fact that the Pay Commission has recommended only two grades for Permanent Way and Signal and Interlocking Inspectors?

(b) If so, is it a fact that the B.B. & C.I. Railway have split the grades into more than two? If so, why?

(c) Is it a fact that in cases of promotion to this cadre, seniority is not maintained by the B.B. & C.I. Railway authorities?

(d) Has there been any representation from this class of staff to the officials?

(e) Has any one of them preferred an appeal to the Railway Board?

(f) Is it a fact that under the rules, appeals lie to the Railway Board? If so, why do the authorities withhold such appeals?

The Honourable Dr. John Matthai: (a) No. The Pay Commission recommended four scales of pay for Permanent Way Inspectors and Signal and Interlocking Inspectors see page 137 of their report.

(b) Does not arise.

(c) These posts are selection posts and promotions are made on the results of selection by Selection Boards constituted in accordance with the procedure laid down.

(d) Government are informed that no representation has been received from the Permanent Way Inspectors but that a representation has been received from the Sub-Permanent Way Inspectors, which is under scrutiny by the Railway Administration.

(e) No.

(f) Under the rules, an appeal to the Railway Board lies only on original orders passed by the General Manager. The latter part does not arise in view of the reply to part (e).

Mr. R. K. Sidhva: Arising out of the reply to part (b), have there been any supersessions in this respect and have juniors been appointed as engineers?

The Honourable Dr. John Matthai: I take it the particular posts that the Honourable Member has in mind are selection posts. Selection posts necessarily imply selection which to a large extent sets aside considerations of seniority.

Mr. R. K. Sidhva: May I know the composition of the Selection Board?

The Honourable Dr. John Matthai: The Selection Board consists of three officers of the railway administration concerned and it is set up by the General Manager.

Shri M. Ananthasayanam Ayyangar: May I know if the President of the Regional Public Services Commission will be associated with the Selection Board?

The Honourable Dr. John Matthai: This is a matter entirely of promotion and not of initial recruitment. I personally rather doubt the advisability of appointing a member of the Services Commission. Since it is entirely a question of promotion. If it were also a question of direct recruitment from outside to these particular posts, then I could understand the justification for appointing a member of the Commission.

Sri M. Ananthasayanam Ayyangar: Is there any agency to scrutinise if the promotion is legitimate and proper and to interfere in cases where hardship has occurred?

The Honourable Dr. John Matthai: Did the Honourable Member say "promotion"?

Sri M. Ananthasayanam Ayyangar: Promotion by this Selection Board. Is there any agency to intervene in cases of hardship whenever hardship has occurred in the matter of selection?

The Honourable Dr. John Matthai: The procedure is that anybody who feels that his claims have been ignored by the Selection Board has the right of appeal to the General Manager. Where the appointment is made by the General Manager himself, then there is a right of appeal to the Railway Board. There is only one right of appeal in each case.

Sri M. Ananthasayanam Ayyangar: Does the Government exercise any right of revision? In all cases wherever injustice occurs and the departmental officers do not attend to the removal of injustice, does the Government intervene in the last resort?

The Honourable Dr. John Matthai: As I told the House during the Railway Budget debate, I am making a practice of scrutinising the selections made from time to time to satisfy myself that the particular Railway Administration is exercising its right in a fair manner.

Sri Harihar Nath Shastri: In reply to part (b), the Honourable Minister has stated that there are certain matters that are under scrutiny. In view of the constant complaints made on the floor of this House during the last twenty years regarding favouritism and an utter disregard of seniority in matters of promotion, may I know what active steps do Government propose to take to regulate promotions on just and proper lines?

The Honourable Dr. John Matthai: The question raised by the Honourable Member is a question which raises a very difficult issue from the point of view of administration. I will tell the House what the problem is. There has been a great deal of criticism over a period of years about the standard of efficiency which has been attained by the Railways. Now, if we are to maintain a proper standard of efficiency, we have, in the case of these special posts, to set aside mere considerations of seniority and appoint people who are really qualified for them. In the case of selections made on that basis, for every one man who is appointed, ten men are disappointed and these ten men are bound to complain to people. So, I have got to maintain a balance between these two considerations, which is a difficult thing to do.

Sri Harihar Nath Shastri: So, is the Honourable Minister satisfied that all complaints in connection with favouritism are baseless or without foundation?

The Honourable Dr. John Matthai: I would not go so far as that. I have certainly come across cases where the right of selection has been exercised in a somewhat injudicious and unfair manner.

Sri Mohan Lal Saksena: May I know, Sir, whether the Honourable Minister is aware that the inefficiency referred to by him is due mostly because of the appointments made on personal considerations?

The Honourable Dr. John Matthai: I do not agree with that proposition.

* **Mr. R. K. Sidhva:** May I know, whether in the case of some of officials of the B.R. and C.I., who were entitled to make an appeal against the decision of the General Manager, the appeals have been sent over to the Railway Board or they were refused to be sent?

The Honourable Dr. John Matthai: It has not come to my knowledge, but I will certainly have that looked into.

ALLOTMENT OF PRIORITY SEATS TO PROVINCES IN AIRCRAFTS.

1121. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Communications be pleased to state the number of priority seats per each aeroplane allotted to each Provincial Government?

(b) Is it a fact that the Government of Bombay have refused to make use of all seats allotted to them although demand for priority is made to them by passengers entitled to such priority?

(c) If so, what steps do Government propose to take in the matter?

The Honourable Mr. Rafi Ahmed Kidwai: (a) Two priority seats per day on the Bombay—Delhi air service operated by Air India Limited have been allotted to the Bombay Government and two seats on the Calcutta—Delhi service operated by Indian National Airways, to the Government of Bengal. No priority seats are held by any other Provincial Government.

(b) and (c). The arrangement so far as the Government of Bombay is concerned came into effect only on the 1st March, 1948. The Government of India is not aware of any case where the Government of Bombay refused to allot the priority seats placed at their disposal. I might point out, however, that the mere fact that the Government of Bombay hold two priority seats does not make it obligatory on them to use them on every occasion. They will allot them only in cases where the grant of priority is justified.

Mr. R. K. Sidhva: In view of two seats being allotted for the Bombay Government for priority, and as they only utilise one, may I ask the Honourable Minister whether Government would be prepared to take away one or ask the Bombay Government to utilise all the two seats in order to avoid any kind of inconvenience to passengers?

The Honourable Mr. Rafi Ahmed Kidwai: When the Honourable member himself agrees that the Bombay Government is not misusing that authority, why should there be any case of withdrawal?

Shri H. V. Kamath: Sir, are there different grades or kinds of priority—for example low priority, high priority, ordinary priority and red hot priority, and things of that sort?

The Honourable Mr. Rafi Ahmed Kidwai: No, Sir.

Mr. Hussain Imam: May I know if there is any seat reserved for the Bombay—Delhi service and if so by whom? Who holds the priority for the Bombay—Delhi service?

The Honourable Mr. Rafi Ahmed Kidwai: The Bombay Government is authorised to issue two priority tickets.

Mr. R. K. Sidhva: Sir, I did not follow the answer to my last question. My question was that when the Bombay Government does not exercise the use of the two seats, what is the intention of the Government in having it?

The Honourable Mr. Rafi Ahmed Kidwai: But the Bombay Government has the right to exercise that authority whenever they think it necessary. The question of withdrawal would have arisen only if a complaint had arisen that that Government is misusing that authority.

SCIENTIFIC AND INDUSTRIAL RESEARCH INSTITUTE.

1122. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Industry and Supply be pleased to state the annual recurring and non-recurring expenditure incurred in maintaining the Scientific and Industrial Research Institute?

(b) Was any donation received last year from the public? If so, what are the details of the amount of contribution and the purpose for which they were given?

(c) What were the definite recommendations made by the Institute last year and how many of them have been implemented?

The Honourable Dr. Syama Prasad Mookerjee: (a)

| | Recurring | Non-recurring |
|------------------------|-----------|---------------|
| | Rs. | Rs. |
| 1942-43 | 8,79,284 | ... |
| 1943-44 | 12,84,094 | ... |
| 1944-45 | 12,73,669 | 45,496 |
| 1945-46 | 17,53,474 | 2,12,402 |
| 1946-47 | 22,57,556 | 2,07,210 |
| 1947-48 (Estimated) | 32,36,600 | 20,31,000 |

(b) Yes. A sum of Rs. 33,333 was received last year i.e., 1946-47 from M/s Indian Steel and Wire products Ltd., in connection with the establishment of a National Metallurgical Laboratory. Other donations totalling to over 34 lakhs of rupees have been promised.

(c) The Honourable Member has presumably research schemes in mind. A list of the schemes considered and implemented by C. S. I. R. in 1946-47 is placed on the table.

List.

| Scheme | Equipment | Contingencies | Staff | Total grant |
|---|-----------|---------------|-------|-------------|
| 1. Scheme on chromium plating of glass, wood and other non-metallic materials—Dr. B. C. Karz, Dacca. | | 800 | 1,800 | 2,600 |
| 2. Production of formaldehyde from Power alcohol—Dr. S. K. K. Jatkaz, Indian Institute of Science, Bangalore. | ... | 1,584 | 4,416 | 6,000 |
| 3. Production of yeast on a large scale in the milling & baking Laboratory. | 2,000 | 760 | 1,590 | 4,340 |
| 4. Physical & chemical survey of Indian Coals—Dr. A. Lahri, P.R. S. | | | | 2,200 |
| 5. Infrared radiation from solar atmosphere—Dr. L. A. Ramdas, Poona. | | ... | 1,573 | 1,573 |

| Scheme | Equipment | Contingencies | Staff | Total grant |
|---|-----------|---------------|-------|-------------|
| 6. Investigation of mechanism of production of Meson & their properties with the help of wilson cloud chamber—Dr. R. L. Sen Gupta, Calcutta | 2,500 | 600 | 2,112 | 52,12 |
| 7. Studies in Dielectric constants of liquids and solids—Dr. S. K. K. Jatkar | 1,000 | 400 | 3,600 | 5,000 |
| 8. X-ray studies of metals and alloys—Dr. K. Banerjee, Calcutta | 1,000 | 2,500 | 3,000 | 7,100 |
| 9. Manufacture of phenol from chlorobenzene—Dr. G. P. Kane, Bombay | | 500 | 1,500 | 2,000 |
| 10. Production of phenol by the Benzene sulphonic acid process employing citomans' technique—Dr. P. C. Guha, I. I. S., Bangalore | | 1,000 | 2,500 | 3,500 |
| 11. Manufacture of sodium chloride for industrial use—Dr. Mata Prasad, Bombay | | 200 | 1,800 | 2,000 |
| 12. Electric furnace treatment of coal rich in sulphur—Dr. J. C. Ghosh | ... | 1,500 | 6,500 | 8,000 |
| 13. Manufacture of methanol from carbon monoxide and hydrogen—Dr. J. C. Ghosh. | | | 2,000 | 2,000 |
| 14. Establishment of a leather research Institute Madras University | | | | 60,000 |
| 5. Tata Institute of fundamental research | | | | 75,000 |
| 16. Establishment of a betatron Tata Institute of fundamental research. | ... | | | 32,400 |
| 17. Cosmic rays—Dr. Bhaba, Bombay | | | | 10,000 |
| 18. Co-relation of cosmic ray intensity with atmospheric variables—Dr. P. C. Gill, Lahore | 2,500 | | 3,780 | 6,880 |
| 19. Carbohydrate metabolism in organisms with special reference to citric and oxalic acid formation—Dr. Damodran | 1,500 | 500 | 5,268 | 7,268 |
| 20. Rubber lined equipment for chemical industries—Dr. Ghosh | | 1,000 | 3,395 | 4,395 |
| 21. Manufacture of Direct cotton colours—Madras | 1,000 | 1,000 | 8,952 | 1,0952 |
| 22. Ionospheric investigation—Dr. S. K. Mitra, Calcutta | ... | 500 | 6,591 | 7,091 |

| | Scheme | Equipment | Contingencies | Staff | Total grant |
|-----|--|-----------|-----------------------|-------------------------|-------------------------|
| 23. | Investigation on steroids—Dr. M. C. Nath | 1,000 | 500 | 5,316 | 6,816 |
| 24. | Directional measurements of atmospheric—Prof. S. K. Mitra | | 2,500 | | 2,500 |
| 25. | Purification of graphite ores—Dr. Ghosh | | 1,000 | 4,299 | 5,299 |
| 26. | Manufacture of gland products and commercial utilization of shark waste | 1,500 | 1,000 | 9,124 | 11,624 |
| 27. | Preparation of Novocains—Dr. P. C. Guha | 1,000 | 500 | 2,256 | 3,756 |
| 28. | Extraction of sulphur Compounds from coal—Dr. Ghosh | | 1,000 | 2,397 | 3,397 |
| 29. | Pilot plant experiment on manufacture of sodium and magnesium metals—Dr. Ghosh | ... | 5,000 | 19,123 | 24,123 |
| 30. | Preparation of predigested and concentrated food products from edible seed cakes—Prof. V. Subramanyan. | 750 | 500 | 2,530 | 3,780 |
| 31. | Vegetable milks from oil seeds and related materials—Prof. V. Subramanian, Bangalore. | 1,000 | 4,750 | 4,743 | { 6,493 + 4,398 |
| 32. | Manufacture of chemical porcelain—Prof. H. N. Roy | | 1,500 | 2,994 | 3,494 |
| 33. | Production of Butyl alcohol acetone, acids etc. from molasses—Dr. B. N. Ghosh | ... | 1,500 | 5,250 | 6,750 |
| 34. | Study of conditions favouring the increase of alcohol concentration in distillery wastes | 1,040 | { 1,000 916 500 | 3,240 2,543 3,900 | 4,240 4,500 4,400 |
| 35. | Investigations on jasmins—Mr. S. N. Bal, Calcutta. | | | | |
| 36. | Sugar canes—Prof. H. N. Roy. | | 500 | 3,000 | 3,500 |
| 37. | Extraction of essential oil from bitter oranges—Dr. B. K. Malaviya, Lucknow | | ... | ... | ... |
| 38. | National collection of type cultures.—Mr. M. Sreenivasaya. | 1,000 | 2,000 | 7,893 | 10,893 |
| 39. | Proteins and proteases—Dr. Damodaran. | | 500 | 8,230 | 8,730 |
| 40. | Cytogenetics of yeast and fungi—Dr. Sreenivasaya. | | { 500 656 | 4,236 1,696 | 4,736 2,252 |
| 41. | Industrial enzymes—Mr. Sreenivasaya. | 1000 | 600 | 3,340 | 4,940 |
| 42. | Uthastion of lemon grass oil as disinfectant—Prof. V. Subramanyan | ... | 1,000 | 5,589 | 6,589 |

| Scheme | Equipment | Contingencies | Staff | Total grant |
|--|-----------|---------------|--------|-------------|
| 43. Design of moving iron ammeters and voltmeters—Dr. P. C. Mahant. | | 1,000 | 3,280 | 4,280 |
| 44. Preparation of aromatic chemical — Dr. P. C. Guha. | | 800 | 2,397 | 3,197 |
| 45. Resistance alloys — Mysore iron and steel Works, Bhadravati. | | | 600 | 600 |
| 46. Classifying & cataloguing of scientific literature — Sir J. J. Ghandy. | | | 4,200 | 4,200 |
| 47. Manufacture of beryllium — Dr. J. C. Ghosh. | | 2,000 | 3,468 | 5,468 |
| 48. Manufacture of sorbose from sorbitol — Dr. Damodaran. | | 500 | 5,124 | 5,624 |
| 49. Synthetic dyes & modified shades from eutch — Dr. K. Venkataraman. | | 400 | 488 | 888 |
| 50. Manufacture of hydrogen peroxide—Dr. Ghosh. | | 2,000 | 4,000 | 6,000 |
| 51. Constitution of commercial dyes—Dr. K. Venkataraman. | | 1,200 | 3,888 | 5,088 |
| 52. Extraction rare earths from monoxide salts—Dr. P. B. Sarkar. | 2,000 | 1,000 | 7,660 | 10,660 |
| 53. Production of synthetic methanol—Dr. Ghosh. | 12,000 | 2,500 | 2,000 | 18,500 |
| 54. Preparation of Butadiene—Dr. Ghosh. | 1,000 | 1,500 | 6,833 | 8,333 |
| 55. Preparation of vat dyes—Dr. K. Venkataraman. | | 4,000 | 6,819 | 10,819 |
| 56. Treatment of utilization of industrial waste—Prof. V. S. Bramanayan. | 1,000 | 1,000 | 5,286 | 7,286 |
| 57. Vegetable rennet—Prof. Subramanayan. | | 1,000 | 3,369 | 4,369 |
| 58. Rose cultivation Botanical aspect—Dr. Biswas, Calcutta. | | | 2,800 | 2,800 |
| 59. Rose cultivation (Chemical aspect)—Dr. H. K. Sen and Dr. Biswas. | 800 | 400 | 4,121 | 5,321 |
| 60. Spectroscopy of fuels & their combustion.—Dr. W. M. Vaidy. | | 1,000 | 3,432 | 4,432 |
| 61. Desulphurising of coal—Dr. J. L. Chowdhry, Decca University | 2,000 | 500 | 5,271 | 7,771 |
| 62. Development of air driven ultra centrifuge—Mr. P. C. Bhattacharya. | 2,800 | 600 | 6,561 | 9,961 |
| 63. Low temperature carbonization of coal—Dr. Ghosh. | | 1,200 | 4,553 | 5,753 |
| 64. Workability of Indian coal—Dr. C. Forrester, Lhanbad. | 3,050 | 5,000 | 12,189 | 2,1089 |
| | | | 2,510 | 5,560 |

| | Scheme | Equipment | Contingencies | Staff | Total grant |
|-----|---|-----------|---------------|--------|-------------|
| 65. | Neem oil as denaturant of alcohol — Dr. N. N. Godbola. | 500 | 500 | 2,076 | 3,376 |
| 66. | Manufacture of saggars & other kiln furniture. University staff Rs. 6210 — Dr. M. G. Bhagat. | 12,500 | 2,000 | 10,210 | 2,4710 |
| 67. | Manufacture of photographic de- velopers—Dr. H. B. Dey. | 1,500 | 1,500 | 1,968 | 4,968 |
| 68. | Manufacture of permanent of ma- gnet—Mr. B. B. Bhomik. | 3,300 | 800 | 3,840 | 7,940 |
| 69. | Manufacture of vacuum pumps and refrigeration machineries —Prof. M. N. Saha | 4,000 | 600 | 11,722 | 16,322 |
| 70. | Theoretical investigation on upper atmosphere—Prof. M. N. Saha | | | 6,168 | 6,168 |
| 71. | Measurements of Geologic time in India. | 3,000 | 500 | 4,413 | 7,913 |
| 72. | Manufacture of CS ₂ from Coal and Sulphur—Dr. N. N. God- bole | | 300 | 2,460 | 2,760 |
| 73. | Coal blending and coking, Tata Iron and Steel Co. | | 10,326 | 9,614 | 26,000 |
| 74. | Alkali and water soluble cellulose —Dr. C. S. Patel. | | 250 | 1642 | 1,892 |
| 75. | Polar crystals dissolved in glass vessels —Dr. S. K. Mazumdar | .. | 300 | 2,400 | 2,700 |
| 76. | Ceramic glasses and colours—Dr. Gopala Rao | | 500 | 1,780 | 2,280 |
| 77. | Penicillin and other anti-biotics —Prof. V. Subramanyan | 1,500 | 2,000 | 9,157 | 12,657 |
| 78. | Manufacture of diamond tools —Dr. P. K. Kichlu | 3,000 | 1,000 | 1,640 | 5,640 |
| 79. | Setting up a powerful ultrasonic generator—Dr. D. M. Bose | .. | 200 | 4,272 | 4,472 |
| 80. | Setting up a medium voltage positive ray apparatus | 1,000 | 250 | 2,112 | 3,362 |
| 81. | Investigation on absorption of oxygen their compound and other gases and vapours—Dr. Kichlu. | ... | 800 | 2820 | 3620 |
| 82. | Manufacture of flash lamp, Principal, Govt. College, Lahore. | ... | 700 | 1440 | 2,140 |
| 83. | Investigation on electrical pro- perties of alloys in the liquid state.—Dr. Krishnan. | | 700 | 1500 | 2200 |

| Schemes | Equipment | Contig. | Staff | Total grant |
|---|-----------|---------|--------------|--------------|
| 84. Investigation on thermionic work—function of metals and alloys.—Dr. K. S. Krishnan. | | 750 | 2358 | 3108 |
| 85. Manufacture of radio valves in India—Prof. S. K. Mitra. | 28361 | 2000 | 3339 | 33700 |
| 86. Order & disorder alloys. | | | | |
| 87. Manufacture of photographic developers under Dr. Mata Prasad. | | | 2968 3667 | 2968 3667 |
| 88. Lead acid batteries—Mr. V. V. L. Rao, Madras. Electric condensers—Mr. Rao above. | | | | 3942 5347 |
| 89. Cosmic ray under Prof. M. N. Saha. | 3000 | 500 | 2256 | 5756 |
| 90. Atmospheric ozone radiation equilibrium in atmosphere. | 1000 | 1000 | 4230 | 6230 |
| 91. Float and sink machine—Dr. Forrester. | 1500 | | | 1500 |
| 92. Manufacture of graphite crucibles—Mr. S. E. Mukherjee. | | | | 4670 |
| 93. Grain size control. Controller of Inspection, Tatanagar. | | 1000 | 5580 | 6580 |
| 94. Investigation on manufacture of duplicating ink. | | 50 | | 50 |
| 95. Fatigue of metals—Prof. Frank adcock. | 14000 | | 5000 | 19000 |
| 96. Preparation of optically active and racemic forms of compounds—Dr. Bawa Kartar Singh | | 800 | 2160 | 2960 |
| 97. The above scheme under Dr. B. Mukherjee also. | | 500 | 2160 | 2660 |
| 98. Survey of cellulose bearing materials—Dr. D. L. Sen. | 500 | 500 | 2548 | 3549 |
| 99. Synthyses of antirachitic substances—Dr. B. V. Bhide. | 2500 | 550 | 672 | 3722 |
| 100. Aluminium Titanium alloys—Dr. Daya Sarup. | | | 172 | 172 |
| 101. Manufacture of cumarin—Dr. P. C. Guha. | 450 | 150 | 900 | 1500 |
| 102. Micro-paleo botanical investigation—Prof. Birbal Sahani. | 5000 | 500 | 3180 | 3680 |
| 103. Industrial utilization of rosin—Dr. N. R. Dhar. | 4000 | 500 | 1680 | 6180 |
| 104. Transuranic elements on Nuclear fission—on heavy elements with a wilson chamber and on the absorption cross section of neutrons.—Dr. D. M. Bose. | 8000 | | 7200 | 15200 |
| 105. Utilisation of Bauxite—Dr. M. C. Nish, Nagpur. | | 500 | 90 | 1200 |
| 106. Building Research Unit. | | | | 9000 |

| Departmental Schemes | Equipment | Contg. | 1946-47. Staff | Total grant |
|---|-----------|--------|-------------------|-------------|
| 1. Producer Gas Test, Plant — Dr. L. C. Verman. | | 2000 | 13160 | 15160 |
| 2. Powder Metallurgy.—Dr. Verman. | 3500 | | 3840 | 7340 |
| 3. Investigation on antimalarial drugs.—Dr. S. Siddiqui. | | | 6828 | 6828 |
| 4. Carbon electrodes for arc pur- poses—Dr. Verman. | | | 4540 | 4540 |
| 5. Investigation on ebonite substi- tutes and allied products—Dr. S. Siddiqui. | | | 2364 | 2364 |
| 6. Neem Oil do. | | | 8682 | 8682 |
| 7. Plastics in general—Dr. Karim- ullah & Dr. Verman. | | | 9200 | 9200 |
| 8. Pyrethrum and pyrethrum sub- stitutes—Dr. S. Siddiqui. | | | 4944 | 4944 |
| 9. Surpentina alkaloids and kurchi bark—Dr. S. Siddiqui. | | | 10644 | 10644 |
| 10. Semmi synthetic tanning materials—Dr. S. Siddiqui. | | | 7414 | 7414 |
| 11. Polyhydric alcohols—Dr. Ver- man & Dr. Karimullah. | | | 2921 | 2923 |
| 12. Preparation of potent strains of yeast.—Dr. Bashir Ahmad. | | 1000 | 4440 | 5440 |
| 13. Industrial utilisation of resins obtained from latices of eupho- rbiacea. | | | 6761 | 6761 |
| 14. Survey of raw materials for fermentation industries—Dr. Bashir Ahmad | ... | | 1292 | 1292 |
| 15. Technical application of ultra- sonic. | | 1000 | 1320 | 2320 |
| 16. Testing of samples of earth, alloys, broken machines etc. brought from Hiroshima by Dr. S. Parthasarthy. | | ... | 450 | 450 |

Mr. B. K. Sidhva: Arising out of (a), within a period of six years the recurring expenditure has increased from Rs. 6 lakhs to Rs. 32 lakhs. May I know the reason for the six times increase in expenditure?

The Honourable Dr. Syama Prasad Mookerjee: That represents the increase of work which has taken place.

Mr. B. K. Sidhva: But, six times?

The Honourable Dr. Syama Prasad Mookerjee: More than six times. It cannot be measured in money value.

Dr. B. Pattabhi Sitaramayya: May not half of it be accounted for by inflation?

The Honourable Dr. Syama Prasad Mookerjee: It is a matter of opinion.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Minister, if with respect to certain cases of grants for research where large sums had been applied for—I know of certain instances in Madras—any steps have been taken to ascertain whether the money was spent on research and whether the persons concerned are there in reality and if no action has been taken, why not?

The Honourable Dr. Syama Prasad Mookerjee: So far as Madras is concerned, I believe we have given Rs. 60,000 per year for encouragement of research in leather. If the Honourable Member's information is that the people who have been entrusted with the work are not doing their work, I shall be glad to have some detailed information, but my information is to the contrary.

Shri M. Ananthasayanam Ayyangar: What is the agency, if any, set up by the Government to find out from year to year how far progress has been made in the matter of research and whether the money is really well spent or not and whether it is worth while to continue this research?

The Honourable Dr. Syama Prasad Mookerjee: We get periodical reports which are considered by the Board and the Governing Body, and the Director himself tours the different centres; in fact, the Director was in Madras only a fortnight ago.

Shri M. Ananthasayanam Ayyangar: Would the Honourable Minister consider the advisability of having these researches and the progress made with them scrutinised from time to time by independent persons—say a group of scientists or an *ad hoc* committee appointed from time to time?

The Honourable Dr. Syama Prasad Mookerjee: We have appointed a Special Committee under the Chairmanship of Sir Ardeshir Dalal to make a review of the work which the Council has done during the last five years and that Report is nearing completion.

Prof. N. G. Ranga: What has happened to the Government's programme of starting a number of these research institutions in different parts of the country?

The Honourable Dr. Syama Prasad Mookerjee: At present, we are going ahead with the following schemes: National Physical Laboratory in Delhi, National Chemical Laboratory at Poona, National Metallurgical Laboratory at Jamshedpur, Fuel Research Institute at Dhanbad, Central Glass and Ceramic Research Institute at Calcutta, and Radio Research Institute at Delhi.

I have just approved of the proposal to have two more Institutions: The Central Drug Research Institute, and The Food Technology Institute.

I have also just decided to locate two institutions at Madras: The Electro-Chemical Institute, and Leather Research Institute.

Prof. N. G. Ranga: In view of the fact that the Honourable the Prime Minister himself stated that as far as possible the Departments of the Government of India would see to it that the various scientific institutions are not located in Delhi, would Government reconsider their decision to start these two Institutes at Delhi?

The Honourable Dr. Syama Prasad Mookerjee: Up till now, out of 10 Institutes we have located only 2 in Delhi. I suppose the Honourable Member will not grudge that honour to the capital city of India.

EXPORT OF CLOTH AND YARN PURCHASED BY INDIAN SUPPLY MISSION FROM JAPAN

1123. ***Mr. E. K. Sidhva:** (a) Will the Honourable Minister of Industry and Supply be pleased to refer to the answer given to my Starred Question No. 201 asked on 10th February 1948 regarding cloth and yarn purchased by India's Supply Mission from Japan, and state how much of the cloth imported from Japan has been actually exported so far?

(b) What is the total value of such exported cloth for which money has actually been realised by Government?

(c) What quantity still remains to be re-exported and when is it likely to be re-exported?

(d) What is the reason for the delay in re-export?

(e) While re-exporting, have Government taken into consideration all expenses incurred in the import of this cloth as well as the actual cost of the goods?

(f) Do Government propose to lay on the table of the House a statement showing the credit and debit sides of this transaction?

The Honourable Dr. Syama Prasad Mookerjee: (a) So far only 5.7 million yards have been sold for export.

(b) Rs. 44,48,788.

(c) 74.3 million yards still remain, and it is expected that they will be exported within the next few months.

(d) Government's original intention was to sell the cloth only to established exporters. As the response from them has been poor, Government now propose to sell the cloth to all comers.

(e) Yes, Sir.

(f) Yes, Sir, when the transaction is completed.

Mr. R. K. Sidhva: May I know, Sir, whether the price at which this cloth is sold is lower than the price at which we imported or it is the actual price we are paying, and are Government at a loss or at a profit or equal?

The Honourable Dr. Syama Prasad Mookerjee: We are selling at landed cost plus 10 per cent. We are certainly not selling at a lower price.

Mr. R. K. Sidhva: I find 74 million yards have yet to be disposed of and only 5 million yards have been sold. The Honourable Minister while replying to my question stated last time that three-fourth of the quantity was exported and only one-fourth remained and that the one-fourth will be exported within one month. May I know which information is correct?

The Honourable Dr. Syama Prasad Mookerjee: 23.6 million yards have arrived in India. Of this, 1.7 million yards have been sold to exporters. The balance is still in Japan. What we have now decided is that we shall try to sell the stock from Japan itself as far as possible, instead of bringing it to India and selling it from here. We are trying to negotiate so that we can sell from Japan.

Mr. R. K. Sidhva: What is the quantity sold? Is it 7 million yards or 1.7 million yards?

The Honourable Dr. Syama Prasad Mookerjee: In India 23.6 million yards have actually arrived of which 1.7 million yards have been sold.

Mr. Hussain Imam: May I know what is the average cost per yard of this cloth which has reached India and what is the average cost of the one which is still lying in Japan?

The Honourable Dr. Syama Prasad Mookerjee: The price will be about three to four times higher than the controlled price obtaining in India. It depends on the various varieties.

Shri B. A. Khimji: Is the customs duty included in the landed cost?

The Honourable Dr. Syama Prasad Mookerjee: Yes.

Shri Mihir Lal Chattopadhyay: What portion of the imports is silk?

The Honourable Dr. Syama Prasad Mookerjee: This is all cotton.

Prof. N. G. Ranga: Why is it that only so little has been sold in this country? Is it because of higher prices?

The Honourable Dr. Syama Prasad Mookerjee: There was no demand. One of the reasons was obviously that the prices were higher, and the quality which came was not of much use in India.

Mr. R. K. Sidva: When the order was placed was not this point considered, namely, whether the cloth could be used in India or not and the quality was the one required?

The Honourable Dr. Syama Prasad Mookerjee: I find, Sir, that at one stage when Government realised that this transaction might not have gone through, they attempted to cancel it but then it was too late. However, I can assure the Honourable Members that we are not going to incur any loss on this transaction, and whatever is being exported I have included in the total over all quota that is to be exported from India. So we shall not suffer in any way.

Mr. R. K. Sidva: I find a balance of 90 per cent. still unsold. May I know within what period Government expect to dispose of this quantity?

The Honourable Dr. Syama Prasad Mookerjee: We shall try to finish the whole lot in the course of the year.

Mr. Hussain Imam: May I know from the Government whether they are taking steps to find out why this mistake cropped up? Did the gentleman who was responsible for negotiating this deal have full facts or have the facts supplied to him been incorrect or have some new elements cropped up which make this transaction a loss for us?

The Honourable Dr. Syama Prasad Mookerjee: I do not think, Sir, anyone behaved *mala fide*. Apparently, the intention was that we should get as much cloth as possible from Japan in order to relieve the cloth scarcity in India. Any way, we are not losing by the transaction in the long run, as I have explained.

Shri Ramnarayan Singh: What is the principle underlying this process of getting cloth from Japan and selling it to some other countries?

Mr. Speaker: The Honourable Member has not followed the whole trend of answers and questions that have been going on.

Dr. P. S. Deshmukh: When was this cloth purchased?

The Honourable Dr. Syama Prasad Mookerjee: In the first period of 1947, I believe.

RESTRICTIONS ON TRAVELLING BELOW 100 MILES BY MAIL OR EXPRESS TRAINS ON G. I. P. RAILWAY.

1124. ***Seth Govinddas:** Will the Honourable Minister of Railways be pleased to state

(a) whether it is a fact that there is restriction on travelling below 100 miles by mail or express trains in the Great Indian Peninsula Railway; and

(b) if so, whether Government propose, in view of the increased railway fares, to remove such restrictions in the immediate future?

The Honourable Dr. John Matthai: (a) Yes. Passengers travelling distance less than 100 miles are not permitted to travel by Mail and Express trains except in the Nagpur and Allahabad Expresses, and the Mail and Express trains between Bombay and Poona.

(b) No. The Mail and Express trains are still too overcrowded to permit of the restriction being withdrawn.

श्री गोकुलभाई दौलतराम भट्ट: क्या यह बन्धन फर्स्ट क्लास और सेकन्ड क्लास दोनों के लिए है ?

Shri Gokulbhai Daulatram Bhatt: Does this restriction apply to first and second class both?

The Honourable Dr. John Matthai: It is for all classes.

श्री गोकुलभाई दौलतराम भट्ट: क्या यह सिर्फ जी० आई० पी० के ऊपर लागू होती है या दूसरी रेलवे में भी ?

Shri Gokulbhai Daulatram Bhatt: Does it apply to G.I.P. only or to other railways also?

The Honourable Dr. John Matthai: It applies to all Railways.

श्री गोकुलभाई दौलतराम भट्ट: क्या बी० वी० एण्ड सी० आई० पर सौ मील का ही बन्धन है या ५० मील का है ।

Shri Gokulbhai Daulatram Bhatt: Is the restriction on B.B. and C.I. for journeys below one hundred or below fifty miles?

The Honourable Dr. John Matthai: As far as I know, it applies to all Railways except in certain special cases such as those mentioned in connection with the G.I.P.

Pandit Lakshmi Kanta Mahtta: Do I understand the Honourable Minister to say that this restriction applies to all classes—First and Second?

The Honourable Dr. John Matthai: Yes.

श्री गोकुलभाई दौलतराम भट्ट: क्या माननीय मिनिस्टर को मालूम है कि बचास मील के नीचे कोई मुसाफिरी करना चाहता है तो फर्स्ट क्लास का टिकट ले कर जा सकता है ?

Shri Gokulbhai Daulatram Bhatt: Is the Honourable Minister aware of the fact that passengers wishing to travel for less than fifty miles have to pay first class fare?

The Honourable Dr. John Matthai: This is a general rule applicable to all Railways. As I said, there are departures on account of special consideration on certain Railways. Whether there is a departure on that account on the B.B. and C.I. or not is a matter which I will have to look into and am not in a position to answer straightaway.

Shri K. Santhanam: May I know, whether the Minister is aware that this restriction of only 100 miles is not enough for very long distance trains, as for instance, the Grand Trunk Express, which is still very overcrowded?

The Honourable Dr. John Matthai: Is the Honourable Member suggesting that the limit should be raised?

Shri K. Santhanam: Yes.

Dr. B. Pattabhi Sitaramayya: May I know whether a passenger who has purchased a ticket for a 100 mile distance can alight at an earlier station.

The Honourable Dr. John Matthai: Yes.

Dr. B. Pattabhi Sitaramayya: But that is not a convenient method of getting tickets!

Seth Govinddas: Is it not a fact that on the B.B. and C.I. and certain other Railways higher class tickets can be purchased even for distances less than 100 miles?

The Honourable Dr. John Matthai: I have already admitted that there are special considerations on the basis of which on various railways departures are made.

Seth Govinddas: Does the Honourable Minister know that on those lines where this rule is imposed, and particularly as far as the G.I.P. is concerned, there are very few trains and people who want to travel lesser distances are put to great inconvenience?

The Honourable Dr. John Matthai: I quite admit that this results in certain cases in-inconvenience, but one has to decide a matter of this kind on the basis of various considerations. I feel this is the lesser of the two evils.

Mr. R. K. Sidhya: Is it not a fact, Sir, that according to the information contained in the Railway guides these restrictions apply only to Third Class and Inter-Class passengers?

Pandit Balkrishna Sharma: May I know, Sir, if it is permissible for passengers to go in for tickets for stations more than one hundred miles and alight at stations less than hundred miles?

The Honourable Dr. John Matthai: You mean to ask whether they can break their journey. Well, as far as breaking journey is concerned—I am speaking off the book—I think the limit is 250 miles.

Pandit Balkrishna Sharma: Not exactly breaking the journey. Suppose I want to travel less than 100 miles and the railways ask me to buy a ticket of 100 or more miles. Can I do so and get down on the way?

The Honourable Dr. John Matthai: There is nothing to prevent a passenger doing so.

OCCUPATION OF SERVANTS' COMPARTMENTS BY MILITARY PERSONNEL AND OTHER THIRD CLASS PASSENGERS.

1125. ***Seth Govinddas:** (a) Will the Honourable Minister of Railways be pleased to state whether Government are aware that the servants' compartments are generally occupied either by the military or by ordinary third class ticket-holders?

(b) Are Government aware that *bona fide* servants are not allowed to enter the compartments by the military personnel occupying the compartment?

(c) If so, what steps do Government propose to take to ensure that only persons holding servants tickets are allowed to travel in servants' compartments?

The Honourable Dr. John Matthai: (a) It is only on occasions that persons other than *bona fide* servants occupy Servants' Compartments.

(b) Government have received complaints of this nature.

(c) Railway Staff have standing instructions that servants are to be accommodated in Servants' Compartments, and Upper Class passengers can always call upon the Guard or Checking Staff for assistance when the servants cannot secure accommodation because compartments reserved for servants are occupied by passengers not entitled to travel therein. Although reports from railways indicate that there is now much less cause for complaint, Government propose to reiterate these instructions and follow them up with suitable action.

Seth Govinddas: It is not a matter of such things happening occasionally; but it is a general complaint on almost all lines throughout India.

The Honourable Dr. John Matthai: When I got notice of the Honourable Member's question I made a special enquiry into that and the general impression that I gathered from the reports I received was that although there were complaints, the matter was not quite so widespread as the Honourable Member's

question would indicate. What I propose to do now, in view of such complaints I have received is to institute a special check on representative sections over a certain period in order to determine how far this practice is prevalent.

Shri Kuladhar Chaliha: Are Government aware that on the Assam Railways the servants' compartments are usually occupied by military personnel?

The Honourable Dr. John Matthai: I will have that looked into and issue suitable instructions to the Railway concerned.

Dr. B. V. Keskar: Does not the Honourable Minister think that the time has come to do away with the servants' classes altogether?

Mr. Speaker: That is a matter of opinion.

CLAIMS MADE FOR SHORTAGE IN ARTICLES BOOKED ON RAILWAY RISK.

1126. ***Seth Govinddas:** Will the Honourable Minister of Railways be pleased to state:

(a) the total number of claims made to the railways for the shortage in articles booked at Railway risk during three years before and three years after 1942;

(b) the number of such claims decided by the Railway Board in the respective years;

(c) the number of claims for which suits had to be filed in courts of law; and

(d) the reasons for increase, if any, after the year 1942 in the number of cases for which the suits had to be filed?

The Honourable Dr. John Matthai: (a) and (b). Statistics showing the total number of claims received and settled in respect of shortage in articles booked at R.R. as distinguished from all bookings are not maintained. Claims are decided by railway administrations concerned and not by the Railway Board.

(c) The total number of claims on Government Railways for which suits were filed in courts was as follows:

In the three years before 1942—1,604.

In the three years after 1942—15,786.

(d) The heavy increase in the number of claims cases taken to court is due primarily to the temporary inability of railways to dispose with sufficient promptitude of the very large number of claims preferred. The disturbances and difficulties arising out of partition have resulted in an increase in Court cases. In respect of inter-Dominion traffic claimants appear to be apprehensive of their claims going by default and they lose no opportunity to file suits in order to establish their right to payment.

Seth Govinddas: Is the Honourable Minister aware that in certain parcels the consignee finds stones instead of the articles booked by the consignor. What is the procedure in such instances to make claims on railways?

Mr. Speaker: I do not think it is a relevant question.

Shri Mihir Lal Chattopadhyay: What is the value of the total number of claims?

The Honourable Dr. John Matthai: I am afraid I cannot give an answer off-hand. But if the Honourable Member so desires, I shall furnish him the information later on.

Shri K. Santharam: May I know, Sir, the approximate loss suffered by the railways on account of the increase in the number of suits?

The Honourable Dr. John Matthai: Does the Honourable Member mean what is the total value of the increased number of claims.

Shri K. Santharam: No, Sir, I mean the costs awarded by the courts.

The Honourable Dr. John Matthai: I should like to enquire into the matter.

PRICES OF CERTAIN AMERICAN MOTOR CARS

1127. *Shri H. V. Kamath: Will the Honourable Minister of Transport be pleased to state:

(a) the controlled prices in Delhi on 1st January, 1948 and 1st July, 1947 of a Ford V-8 Super de luxe Fordor Sedan, a Chevrolet Fleetmaster Tourer Sedan, and a Studebaker de luxe Fordor Sedan;

(b) the ex-factory prices of the same in America; and

(c) who are the importers into India of Ford, Chevrolet and Studebaker Cars respectively?

The Honourable Dr. John Matthai: (a) There are no controlled prices of cars in Delhi as no control is exercised over prices of motor vehicles in that Province. A statement is, however, laid on the table showing the approximate retail prices in Delhi of the cars referred to by the Honourable Member.

(b) A statement giving the required information is laid on the table of the House.

(c) The importers of the cars in question respectively are:

- (i) M/s. Ford Motor Co. of India Ltd., Bombay.
- (ii) M/s. General Motors India Ltd., Bombay.
- (iii) M/s. Hindustan Motors Ltd., Calcutta.

Statement showing approximate retail prices of the Cars in Delhi

| Serial No. | Description. | Approximate retail prices of cars in Delhi. | |
|------------|--------------------------------------|---|------------|
| | | 3 | 4 |
| 1 | 2 | 7-47 | 1-1-48 |
| 1. | Ford V-8 Super de luxe Fordor Sedan. | Rs. 9,990 | Rs. 10,390 |
| 2. | Chevrolet Fleet Master Sedan | 9,150 | 9,595 |
| 3. | Studebaker Champion deluxe Sedan | 10,850 | 12,900 |

Statement showing the ex-factory prices of the Cars in America

| S. No. | Description | Factory list prices of cars. | |
|--------|--------------------------------------|------------------------------|----------|
| | | 3 | 4 |
| 1 | 2 | 7-47 | 1-1-1948 |
| 1. | Ford V-8 Super de luxe Fordor Sedan. | \$ 1493.37 | \$ 179 |
| 2 | Chevrolet Fleet Master Sedan. | 1194.00 | 1255.00 |
| 3. | Studebaker Champion de luxe Sedan. | 1017.85 | 1133.35 |

Shri H. V. Kamath: Sir, though the Ford and the Studebaker cost almost the same in America there is a wide disparity of about Rs. 3,000 in regard to their retail prices in India.

The Honourable Dr. John Matthai: In the statement that I am placing on the table of the House, I have given the figures. The ex-factory price in America of Ford V-8 Super de luxe Fordor Sedan is \$1,797.99. The retail price of the Ford in India is Rs. 10,390.

Shri H. V. Kamath: And of the Studebaker?

The Honourable Dr. John Matthai: The ex-factory price of Studebaker Champion de luxe Sedan in America is \$1,133.35 and the retail price here is Rs. 12,900.

Shri H. V. Kamath: Owing to the wide disparity in these uncontrolled retail prices of Ford and Studebaker in India, perhaps due to unholy profiteering somewhere, do Government propose to reimpose control on prices in the public interest?

The Honourable Dr. John Matthai: I should have thought that the feeling of the House was altogether against retaining control even on essential commodities.

Shri H. V. Kamath: Do Government propose to reimpose control; my question has not been answered.

Mr. Speaker: The question has been answered indirectly; Government do not propose to reimpose control.

Shri Ramnath Goenka: What is the ex-factory price in America and the retail price in India of the Chevrolet Car?

The Honourable Dr. John Matthai: The ex-factory price is \$1,255 in America and the approximate retail price here is Rs. 9,595.

Shri K. Santhanam: May I know if import control on cars has been given up altogether?

The Honourable Dr. John Matthai: The Honourable Member means licences for import of cars. That is a matter for the Commerce Minister.

Shri K. Santhanam: May I ask the Honourable the Transport Minister to suggest to his colleague that this matter may be looked into before issue of import licence?

Mr. E. K. Sidhva: May I know, Sir, whether the Chevrolet which is priced at Rs. 9,150 is sold for Rs. 9,595 or even more?

The Honourable Dr. John Matthai: Since there is no control, Sir, as far as we are concerned it is impossible for me to answer that question.

Mr. E. K. Sidhva: May I know whether they show the higher price or the company's price in the Income-tax returns?

Mr. Speaker: The Honourable Member is putting questions which do not arise.

Shri H. V. Kamath: Though the Government do not intend to impose price control, will they consider the advisability of bringing pressure to bear on the importers to bring down the price of the motor cars to a decent level?

Mr. Speaker: Order, order.

RETRENCHMENT OF OFFICERS AND SAVING CONSEQUENT ON ABOLITION SALT DUTY

1126. ***Shri H. V. Kamath:** Will the Honourable Minister of Industry and Supply be pleased to state:

(a) the total number of officers retrenched as a result of the abolition of the Salt Duty, classified in the various grades; and

Prof. N. G. Ranga: That is now it has happened. He was obliged to go to

The Honourable Dr. Syama Prasad Mookerjee: (a) The abolition of the salt duty has not yet been accompanied by any retrenchment of staff employed in connection with Salt and Central Excise work. The one exception is staff employed solely for salt preventive work which is not being entertained this year.

Apart from the fact that a combined staff performed duties in connection with both Central Excises and Salt, staff engaged mainly on salt work have been continued in connection with the manufacture of Salt by Government and on supervision of manufacture by private licensees under Government control and of distribution of salt to various markets. Staff required by the salt organisation under the Ministry of Industry and Supply and by the Central Excises Department are being worked out with a view incidentally to assessing retrenchment in the present combined staff that can be effected.

(b) Details of actual savings on account of the preventive staff referred to in (a) above are being obtained from the Collectors of Central Excise concerned.

Shri M. Ananthasayanam Ayyangar: May I know if the Honourable Minister is evolving any scheme for state manufacture of salt so as to do away with the shortage that is prevailing in the market?

The Honourable Dr. Syama Prasad Mookerjee: A scheme is now under preparation. After a few days, we hope to be able to announce our policy.

Shri H. V. Kamath: May I ask if the Government intend to promote the salt industry on a cottage industry basis as subsidiary to agriculture?

The Honourable Dr. Syama Prasad Mookerjee: That is one of the plans which is being considered.

Prof. N. G. Ranga: In view of representations from the peasants on the coastal areas—for free manufacture of salt for their domestic use and also for local sale, will they be effectively safeguarded even under the new scheme that the Government of India are thinking of evolving?

The Honourable Dr. Syama Prasad Mookerjee: I will bear that in mind.

Shri M. Ananthasayanam Ayyangar: May I know if there is any reasonable chance of absorbing the present personnel in the future scheme when the State takes over the direct manufacture of salt?

The Honourable Dr. Syama Prasad Mookerjee: I do not think so. Retrenchment may be necessary.

Shri Biswanath Das: May I know whether Government have come to a decision regarding the continuance or otherwise of the monopolistic system of salt manufacture that is now going on?

The Honourable Dr. Syama Prasad Mookerjee: We shall see that monopoly ceases to exist. We shall encourage production on smaller scale throughout the country wherever possible.

Shri Mihir Lal Chattopadhyay: If it is the policy of the Government to effect retrenchment in the Salt Department then how is it that appointments are being made of persons who have opted for Pakistan and I know that there has been an appointment like that?

The Honourable Dr. Syama Prasad Mookerjee: As I said, we are now drawing from the common pool. We have at present in fact only 4 or 5 Gazetted Officers and 40 non-gazetted staff. The rest all belong to the Finance Ministry and the question of distribution of staff is now under consideration.

RAW HIDES AND SKINS SITUATION.

1129. *Pandit Thakur Das Bhargava: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether Government are aware that certain classes of people who were previously engaged in skinning carcasses of animals have given up or are giving up their business regarding the same as involving social degradation?

(b) If the reply to part (a) above be in the affirmative, have Government taken any steps to meet the situation?

(c) Have Government taken any action to see that the leather resources of the country are fully exploited and the manufacturing processes are, as far as possible, performed in this country and exports of raw hides and skins are discouraged?

(d) Do Government propose to consider the advisability of opening Government tanneries in every province with a view to encourage this industry?

The Honourable Dr. Syama Prasad Mookerjee: (a) Government have information to this effect.

(b) Does not arise.

(c) Government are giving all necessary assistance to the industry. A statement showing the measures taken in this direction is placed on the table of the House.

(d) Government do not consider that this is necessary.

Statement

Export of raw hides, both cow and buffalo, is restricted. Export is permitted only of heavy hides of a weight which is not generally used by tanners in India, plus small token exports of other weights, which are permitted in order to maintain contact with overseas markets. There is also prohibition on the export of raw sheep skins, with the exception of heavy weight Amritsar Papras, which are not normally used by the Indian tanning industry. The industry were consulted before export of Papras was permitted. Government recently sponsored a delegation of South Indian tanners to visit the U.K., U.S.A., France, Holland and Belgium with a view to improving existing markets and opening up new markets for the sale of East India Tanned Kids and East India Tanned Goat Skins and Sheep Skins. Government assist the industry in the movement of raw materials and in the import of machinery.

Prof. N. G. Ranga: Are Government doing anything to encourage the co-operative tanning concerns?

The Honourable Dr. Syama Prasad Mookerjee: If any such request comes, certainly we shall consider.

BAND PARTY MAINTAINED BY B. N. RAILWAY ADMINISTRATION AND EUROPEAN AND INDIAN INSTITUTE AT KHARAGPUR.

1130. *Shri Lakshminarayan Sahu: (a) Will the Honourable Minister of Railways be pleased to state whether Government are aware of a band party being maintained by the Bengal-Nagpur Railway Administration at Kharagpur?

(b) If so, what is the cost of its maintenance and what is its utility?

(c) Is it a fact that two separate institutes called "European Institute" and "Indian Institute" are still in existence?

(d) Is it a fact that more facilities are provided in the Institutes meant for Europeans and Anglo-Indians?

(e) If so, do Government propose now to amalgamate the two in view of the changed circumstances?

The Honourable Dr. John Matthai: (a) Government are informed that there is at present a Pipe Band attached to the Watch and Ward Department of the Bengal-Nagpur Railway..

(b) The details of cost are being obtained from the railway. It is useful in providing entertainment and recreation to all grades of staff in the Station.

(c) Yes.

(d) No. Government are informed that the facilities provided at individual Institutes whether European or Indian, are subject to the financial resources of the individual Institutes and the policy of the managing committees elected annually by the members of each Institute.

(e) At some stations Joint Institutes already been established and where separate Institutes still exist, the question of eliminating communal or racial distinctions is under consideration.

Prof. N. G. Ranga: Does Government make any grants to this Institute?

The Honourable Dr. John Matthai: There is no direct grant made, but there is a grant made in respect of all Railway Administrations to what they call the staff Benefit Fund which can be used for such purposes and out of which certain contributions are made.

Prof. N. G. Ranga: Will Government see to it that it will not be left merely to the goodwill of these people to have a combined institute, but they would be asked definitely to have a combined institute and otherwise these grants will not be made to them?

The Honourable Dr. John Matthai: That is precisely what I propose to consider.

PLANS FOR ECONOMIC DEVELOPMENT.

1131. ***Shri Lakshminarayana Sahu:** (a) Will the Honourable Minister of Industry and Supply be pleased to state what short term plans for economic development the Government of India have decided to carry out in the immediate future?

(b) Have any of these proposals been taken on hand now?

(c) When are they expected to be carried out?

(d) What would be the approximate increase in production when these plans are put into operation?

(e) What is the amount allotted for these schemes?

The Honourable Dr. Syama Prasad Mookerjee: (a) to (e). I place on the table of the House a short-term plan for increased production in 42 selected industries, the more important ones being: (1) Alcohol, (2) Automobiles, (3) Bichromates, (4) Bicycles, (5) Caustic Soda, (6) Cement, (7) Ceramics, (8) Diesel Engines, (9) Drugs, (10) Electric Motors, (11) Glass, (12) Machine Tools, (13) Matches, (14) Metals, (15) Paper, (16) Plastics, (17) Plywood, (18) Rayon, (19) Refractories, (20) Rubber, (21) Shipbuilding, (22) Silk, (23) Soda Ash, and (24) Superphosphates. Amongst other important schemes under consideration are those relating to the increased production of iron and steel, aircraft, salt, and synthetic oil.

Encouragement is being given to private parties interested in the industries covered by the short-term plan by allowing them to raise necessary capital and import plant and machinery. In some cases, equipment has already arrived in the country and is under installation. Technical advice and assistance in

obtaining raw materials are being provided to the extent existing circumstances permit. Provided present expectations are realised, the short-term plans should bear fruit within the next 3 to 5 years.

Seth Govinddas: In view of the fact that the Government is going to have more steel and iron production, what has happened to the scheme of the Central Provinces Government submitted to the Central Government with regard to a factory to be opened in the Central Provinces?

The Honourable Dr. Syama Prasad Mookerjee: That is still under consideration. We have not decided where the steel factory is to be located. We shall be guided by expert advice.

Seth Govinddas: Does the Honourable Minister remember while I put a supplementary in this respect last time, he promised that he will be able to make some statement with respect to this factory before the end of the session?

The Honourable Dr. Syama Prasad Mookerjee: As I explained, the procedure that we propose to follow is this: We have prepared our plans. We are going to consult experts who will be asked to go round the country and consider the requests which have come from different provinces and then submit a report to us. We shall then make our final decision.

Seth Govinddas: By what time do Government expect that this matter will be finalized?

The Honourable Dr. Syama Prasad Mookerjee: Well, I suppose it will take 3 or 4 months more.

Prof. N. G. Ranga: Will this proposed new steel plant be state-owned and managed?

The Honourable Dr. Syama Prasad Mookerjee: Yes.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Minister if any agency has been appointed to watch the progress of this five year plan as to how far it is being expedited from time to time and what further steps have been taken in this direction?

The Honourable Dr. Syama Prasad Mookerjee: As soon as our Industrial policy is announced, it is proposed to appoint an Advisory Council and I also expect that that will be linked with the activities of the Provinces and then the agency will automatically come into existence.

Prof. N. G. Ranga: Have Government secured the necessary machinery for the installation of these two steel manufacturing concerns?

The Honourable Dr. Syama Prasad Mookerjee: We have got some offers from foreign experts and we are negotiating with them as regards the suitability of terms.

Prof. N. G. Ranga: Are we importing any experts from abroad or have we got our own Indian experts?

The Honourable Dr. Syama Prasad Mookerjee: We are consulting Indian experts and we are also having foreign experts' advice.

Shri Biswanath Das: Has any site been selected?

The Honourable Dr. Syama Prasad Mookerjee: The Orissa and C.P. plans are before us.

Shri M. Ananthasayanam Ayyangar: May I know where will these factories be located?

The Honourable Dr. Syama Prasad Mookerjee: We have got requests from West Bengal, Bihar, Orissa and C.P.

Shri M. Ananthasayanam Ayyangar: Is there any proposal from Madras?

Shri Ramnarayan Singh: Will the House be consulted regarding the Industrial policy of the country?

The Honourable Dr. Syama Prasad Mookerjee: I believe the date has been fixed as 7th of April, when the matter will be discussed.

ASSOCIATESHIP OF IMPERIAL AGRICULTURAL RESEARCH INSTITUTE.

1132. ***Shri Lakshminarayan Sahu:** (a) Will the Honourable Minister of Agriculture be pleased to state the genesis of the Associateship of the Imperial Agricultural Research Institute?

(b) What are the qualifications stipulated for Associateship?

(c) What is the number of recipients up-to-date?

(d) Are the graduate workers in the Indian Council of Agricultural Research schemes in different Provinces and States eligible for the Associateship?

(e) Do Government contemplate granting it to the staff of the Indian Council of Agricultural Research schemes provided they are science graduates?

(f) Did the Department of Agriculture send any questionnaire to the different War and Defence Departments between 1944 and 1945 for information of staff with qualifications in Agriculture or who were Graduates in Science employed by them?

(g) If the answer to part (f) above be in the affirmative, what was the purpose of sending the questionnaire?

The Honourable Shri Jairamdas Doulatram: (a) The training of selected post-graduate students in agricultural research was started at the Indian Agricultural Research Institute in 1923 in pursuance of the recommendations of the Royal Commission on the Public Services in India, and the students were given a certificate after the two year post-graduate training.

In 1931 the Government of India accepted the recommendation of the Royal Commission on Agriculture to make the Pusa Institute a centre for post-graduate training and in 1936 it was decided to award a Diploma of Associateship of the Institute (Associateship Indian Agricultural Research Institute) instead of the certificate granted previously. Definite rules regarding the award of the Diploma have also been approved by Government.

(b) The Diploma of Associateship is awarded to the student who successfully completes the two-year course, passes the prescribed examinations, and submits to the satisfaction of the Institute Council a thesis on a research problem assigned to him.

(c) 207, besides 6 issued to the staff of the Institute as mentioned under (e) below.

(d) No.

(e) The award of the diploma was restricted till 1947 to those who completed the two-year post-graduate training, at the Institute. In 1947 graduate workers at the Institute who have been associated with research work were made eligible for the Diploma subject to their satisfying the Institute Council as to the standard of their research work. The question of extending the right of eligibility for the Associateship to graduate workers in the Indian Council of Agricultural Research's schemes subject to certain conditions will be considered.

(f) and (g). The matter is being enquired into.

Shri M. Ananthasayanam Ayyangar: When the Imperial Council of Agricultural Research has been transformed into "Indian Council" why is the Institute still called "Imperial", as in clause (a) of the question?

The Honourable Shri Jairamdas Doulatram: That word is used in the question; I did not accept it in the answer.

Shri M. Ananthasayanam Ayyangar: Is it proposed to amalgamate these two bodies into one?

The Honourable Shri Jairamdas Doulatram: It is one body.

Shri Biswanath Das: Is it a fact that in this Institute the first priority is given to research work and little attention is paid to the training of people who are sent from the provinces?

The Honourable Shri Jairamdas Doulatram: That may be a fact.

Prof. N. G. Ranga: Are any efforts being made by Government to increase the total number of research assistants who will be trained there?

The Honourable Shri Jairamdas Doulatram: Government intend to develop to the maximum the potentialities of this Institute for training purposes.

Shri Biswanath Das: Along with other developments may I request Government to see that ordinary conditions of life are impressed on the trainees and high living is not inculcated?

Mr. Speaker: Order, order; that is a request.

STEPS TO PREVENT LOSS OF RICE DUE TO IMPROPER STORAGE AND MAKING OF WHITE RICE.

1133. ***Shri Lakshminarayan Sahu:** Will the Honourable Minister of Agriculture be pleased to state:

(a) whether it is a fact that due to improper storage, India is losing 1.5 per cent. of the annual crop of rice during storage;

(b) if so, what steps Government propose to take to save this loss of 1.5 per cent; and

(c) in view of the fact that well-polished white rice loses in storage more nutritive factors, especially thiamine of Vitamins B, and E, whether Government propose to take steps to stop making of white rice in India to combat thereby food shortage to some extent?

The Honourable Shri Jairamdas Doulatram: (a) Yes, in some places the extent of damage is even higher.

(b) The Government is taking steps to minimise this damage by advocating improved methods of storage of rice and paddy in dry and rat proof receptacles and controlling the infestation, if any, by fumigation. The Government has set up an organisation at the centre in the Directorate of Plant Protection, Quarantine and Storage to look after the Central Government stocks and for assisting the Provincial Governments in taking adequate measures to prevent losses. Schemes are under preparation for setting up local organisations to propagate the methods of safe storage to the trade and the cultivators.

(c) Government have already taken steps to popularise under-milled rice. Some Provincial Governments have enforced unmilling of rice. In the Central Provinces this year paddy is only dehusked and no milling is done. Dehusked rice, without any polish, is however wrongly looked upon as coarse and the public is only slowly accustoming itself to it.

Shri B. P. Jhunjhunwala: With reference to part (b), have Government made any scheme which has been put into practice? If so, what is the result?

The Honourable Shri Jairamdas Doulatram: All these methods are placed at the disposal of the provincial Governments and naturally it is they who can deal best with local areas and local difficulties.

Shri B. P. Jhunjhunwala: So the Central Government does not know whether there has been any saving in the damage to foodcrops?

The Honourable Shri Jairamdas Doulatram: Government are not aware.

Seth Govinddas: Are periodical reports coming to the Central Government from the provincial Governments about this? Is there any machinery for submission of such reports?

The Honourable Shri Jairamdas Daulatram: Government will call for the reports.

Prof. N. G. Ranga: Is any effort being made to study the possibilities of starting grain elevators in the country suited to our weather conditions?

The Honourable Shri Jairamdas Daulatram: Not at present.

Prof. N. G. Ranga: Will any efforts be made at all?

The Honourable Shri Jairamdas Daulatram: Government will go into this question.

Shri M. Ananthasayanam Ayyangar: Is there any proposal before the Central Government to build a number of granaries in several parts of the country?

The Honourable Shri Jairamdas Daulatram: I am not aware of that.

PRODUCTION OF SALT ON COTTAGE INDUSTRY BASIS.

1134. ***Shri Basanta Kumar Das:** Will the Honourable Minister of Industry and Supply be pleased to refer to his answer to my starred question No. 606 asked on the 8th December, 1947 regarding the manufacture of salt as a cottage industry and state:

(a) whether the Government of West Bengal have finished surveying the coastal areas of the Midnapur district with a view to increasing production of salt and have submitted their report;

(b) if the answer to part (a) above be in the affirmative, what recommendations have been made by them and what steps have been taken to give effect to these recommendations;

(c) whether any steps have been taken to give effect to the scheme of introducing solar evaporation methods in the existing system and if so, what those steps are; and

(d) whether Government have examined the possibility of making up the total deficit of salt in the country by stepping up the production of salt on cottage industry basis and if not, whether Government propose to consider the desirability of doing so?

The Honourable Dr. Syama Prasad Mookerjee: (a) Government of West Bengal have reported that preliminary survey of the coastal areas has been completed. Three specific saline belts in the Midnapore District, with an area of about 8,000 acres appear to be suitable for large scale manufacture of salt by solar evaporation.

(b) Government of West Bengal have been requested to forward their detailed recommendations for scrutiny by the Expert Technical Committee to be set up shortly.

(c) Government have arranged to explain and popularise the solar manufacture method in Bengal by demonstrating it at the Exhibition now being held at Calcutta. It is also intended that a senior officer of the Central Excise Department will give a talk on salt in Bengali to awaken public interest in possibilities of salt manufacture both on factory and on cottage scales in that Province. The talk, which it is proposed to reprint in Bengali and distribute widely, would explain the solar evaporation method and its economical combination with present boiling methods in cottage scale manufacture.

(d) Government agree that it is both practicable and desirable to supplement factory production by manufacture on a cottage industry scale and have taken action as explained in reply to part (c) of the Question No. 1136 to be put by Prof. N. G. Ranga to-day.

Pandit Lakshmi Kanta Mahtta: Have Government got any idea of the quantum of salt that is likely to be produced from these 8,000 acres?

The Honourable Dr. Syama Prasad Mookerjee: The figure is at present not quite accurate or dependable. But it is suggested that nearly 80 to 90 per cent. of West Bengal's requirements may be met by this arrangement.

Shri Basanta Kumar Das: Is this yield expected from factory production?

The Honourable Dr. Syama Prasad Mookerjee: It is expected that 80 to 90 per cent. of their requirements will be met by the arrangement I have described.

PREFERENCE TO POLITICAL SUFFERERS IN GRANTING LEASES FOR MANUFACTURE OF SALT.

1135. *Prof. N. G. Ranga: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) whether any preference will be shown to political sufferers in granting leases for the manufacture of salt, especially when their families have had experience of producing salt;

(b) whether any political sufferers have applied for such licenses or leases; and

(c) if so, in how many cases Government have helped them?

The Honourable Dr. Syama Prasad Mookerjee: (a) Government's policy is to grant leases for manufacture of salt on a very liberal basis so as to increase production quickly. Applications from political sufferers specially when made on a co-operative basis, will be given sympathetic consideration if otherwise found suitable.

(b) and (c). Five such applications have been received so far and the grant of licence in these cases is under consideration on the basis of the principle indicated at (a).

(b) WRITTEN ANSWERS

ENCOURAGEMENT FOR PRODUCTION OF MORE SALT.

1136. *Prof. N. G. Ranga: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) what steps, if any, are being taken, for the manufacture and extension of salt industry in India;

(b) whether it is the object of Government to make India self-sufficient in salt and if so, in how many years; and

(c) whether any efforts are being made to encourage salt industry as subsidiary to agriculture on the coastal areas?

The Honourable Dr. Syama Prasad Mookerjee: (a) Under their short-term plan Government are allowing the small-scale manufacturer full freedom to produce salt; large scale manufacturers also will be given permission on a generous scale to produce salt. Under their long-term plan Government are appointing within the next few days an Expert Committee to make recommendations *inter alia* about improved methods of manufacture and installation of big factories to produce salt economically in large quantities. As soon as the recommendations of the Committee are received measures will be taken to increase quantity and improve quality of salt all over the country.

(b) Yes. On present consumption standards India should be self-sufficient in salt in 3 to 5 years time; on the basis of potential requirements in about 8 years' time.

(c) Agriculturists wishing to take up the manufacture of salt in a small way as subsidiary to their main occupation will be given full freedom. Co-operative societies of agriculturists wishing to take up manufacture on a large scale will be given all possible encouragement and technical guidance.

VIOLATION OF LICENCE CONDITIONS BY AVIATION COMPANIES

1137. *Prof. N. G. Ranga: Will the Honourable Minister of Communications be pleased to state:

(a) what steps are being taken to prevent the violation of license conditions by Aviation Companies;

(b) whether any periodical inspection is being conducted by Government;

(c) whether Government reviews, from time to time, the fares fixed by the Aviation Companies for different routes; and

(d) whether any steps are being taken to see that at the landing places, reception, food, adequate sanitary and other conveniences are provided?

The Honourable Mr. Rafi Ahmed Kidwai: (a) and (b). There are constant, continuous checks and inspections by officers of the Civil Aviation Department, specially in regard to those conditions in licences which are designed to ensure safety in flying; and, in addition, various periodical statements are obtained from licence-holders, in respect of their operations, by that Department as well as by the Air Transport Licensing Board.

(c) Scheduled operators are permitted to charge only such fares as have been approved by the Air Transport Licensing Board, which also reviews them whenever necessary.

(d) Sanitary and other conveniences at aerodromes are provided by the Government of India or the State concerned, who also authorize and supervise the caterers there. Licences of Air Transport operators include a condition that the standards of accommodation and comfort they provide in the aircraft and along the route, shall be to the satisfaction of the Air Transport Licensing Board.

LOADED WAGONS STRANDED AT WAYSIDE STATIONS

1138. *Seth Govinddas: (a) Will the Honourable Minister of Railways be pleased to state whether it is a fact that loaded wagons are allowed to remain at wayside stations for days together, before they reach the destination?

(b) If so, do Government propose to take immediate steps in the matter?

The Honourable Dr. John Matthai: (a) Loaded wagons in transit are not normally allowed to remain at way-side stations for days together. Occasional cases, however, arise where loaded wagons suffer detention for unavoidable operating reasons.

(b) This is part of the general problem of turn-round of wagons which is now being actively pursued.

R. M. S. DIVISION IN ORISSA

1139. *Shri Lakshminarayan Sahu: (a) Will the Honourable Minister of Communications be pleased to state whether Government propose to open an R.M.S. Division in Orissa?

(b) Are Government aware that out of over thirty candidates who have been admitted for R.M.S. training only one is an Oriya?

(c) Is it a fact that there is a section No. 5 Head office at the Cuttack station?

(d) Is it a fact that that section also has been or will soon be removed to Calcutta?

(e) Is it a fact that this has been done without the knowledge of the Additional Post Master General of Orissa?

The Honourable Mr. Rafi Ahmed Kidwai: (a) No. There is already one R.M.S. Division which serves Orissa.

(b) Out of 37 trainees, 4 are Oriyas. One more Oriya was offered employment, but he did not join, and 2 more Oriyas were invited for interview but they did not appear.

(c) Yes.

(d) No. It will remain at Cuttack.

(e) Does not arise in view of reply to (d).

INADEQUATE FACILITIES FOR TRANSPORT OF *Gur* ON O.T. RAILWAY

1140. *Shri Damodar Swarup Seth: Will the Honourable Minister of Railways be pleased to state:

(a) whether it is a fact that the stocks of *Gur* possessed by individual trade centres, as entered in the Government record registers, showed that Bissalpur (District Pilibhit, Oudh and Tirhut Railway) trade centre held the highest in the whole of Bareilly region served by the Izatnagar District of Oudh and Tirhut Railway;

(b) whether it is a fact that the facilities existing in this district (Izatnagar) are not provided to the individual trade centres according to their just share and necessary requirements;

(c) whether it is also a fact that on the matter being taken up by the local M.L.A. of the United Provinces, the Railway authorities concerned fixed only a few stations to load *Gur* and promised a thorough enquiry into the matter;

(d) whether it is a fact that Bissalpur *Gur* merchants were not allowed to be the consignors in their own names when after a long time facilities of wagon supplies were made at Bareilly city, Shahamatganj and other centres of trade within Izatnagar district;

(e) whether Government are aware of that a huge quantity of *Gur* is being carried by motor trucks from Bissalpur to Bareilly and other places; and

(f) the reasons for allotment of wagons to Pauta and Bhopatpura stations having no *Gur* markets in preference to Bissalpur with heavy demands?

The Honourable Dr. John Matthai: (a) The Central Government have no information about these records.

(b) The supply of wagons to stations is regulated by numerous factors including availability of wagons, priority of traffic awaiting despatch, quotas, date of registration of goods, etc., etc., the object being to ensure fair distribution.

(c) On representations from various sources regarding the inadequacy of facilities for the movement of *Gur*, the O.T. Railway, after investigation, fixed quotas for certain stations, including Bissalpur.

(d) In the interests of the established local merchants, instructions were issued by the O.T. Railway not to accept *Gur* offered by merchants not belonging to the locality.

(e) Yes.

(f) It is not correct that *Gur* was allowed to be loaded from Pauta and Bhopatpura stations, except one wagon from Pauta, which was loaded with locally produced *Gur*.

WAGONS FOR TRANSPORT OF *Gur* FROM BISSALPUR

1141. *Shri Damodar Swarup Seth: Will the Honourable Minister of Railways be pleased to state:

(a) whether it is a fact that the Station Master, Bissalpur, in the beginning of February 1948 gave an assurance to the *Gur* merchants of Bissalpur, that they would be allowed one wagon daily, over and above all traffic, for loading trade as their quota;

(b) the reason for allotting only seven wagons for *Gur* loading out of 54 wagons received at Bisalpur during the month of February 1948;

(c) whether *Gur* market stations other than Bisalpur got and are still getting wagons freely to load trade-*Gur*, irrespective of the quota limit at a cheaper cost as compared to the high cost incurred by Bisalpur merchants for transporting their *Gur* through other means; and

(d) why Bareilly and other trade centres are freely loading *Gur* on trade account?

The Honourable Dr. John Matthai: (a) As a quota of one wagon per day was allotted in February, 1948, for loading *Gur* traffic from certain stations in the Lzalnagar District, including Bisalpur, it is possible that the Station Master, Bisalpur, gave some such assurance.

(b) 55 wagons and not 54, as stated in the question, were allotted to Bisalpur during February, 1948, out of which 18 wagons were loaded with *Gur* including 11 wagons with *Gur* for Railway Grainshops; the rest of the wagons were utilized for clearing foodgrains which enjoyed a higher priority.

(c) No free loading of *Gur* over and above the quota fixed has been permitted at any station.

(d) It is not correct that *Gur* is being loaded freely on trade account from Bareilly and other stations. The loading of *Gur* is controlled by quotas.

RECRUITMENT OF UNQUALIFIED POSTAL CLERKS IN U. P.

1142. ***Shri Jaspat Roy Kapoor:** Will the Honourable Minister of Communications be pleased to state:

(a) whether there are any prescribed qualifications for clerks appointed in Post Offices;

(b) whether any qualifying examinations are held for such posts, and if so, whether any such examination has been held in the United Provinces since the year 1942, and if not, why not;

(c) how many clerks have been appointed in Post Offices in the United Provinces since the year 1942, and how many of them have neither passed the qualifying examination nor possess the prescribed qualifications;

(d) what is the reason for appointing unqualified clerks;

(e) whether Government propose to recruit in future, only such persons as have passed the qualifying examination; and

(f) whether Government propose to hold such examinations regularly hereafter?

The Honourable Mr. Rafi Ahmed Kidwai: (a) Yes.

(b) The last competitive examination was held in 1943. Thereafter the competitive examination was suspended due to the conditions created by the war and candidates were recruited from the open market;

(c) Total Number: 1,059.

Number of candidates not recruited through the examination but from the open market: 538.

Number of unqualified candidates: 13.

(d) Paucity and non-availability of candidates during the war period.

(e) Yes.

(f) Yes.

PAYMENTS OF DEFENCE SAVINGS DEPOSITS TO WRONG PERSONS

1143. *Shri Jaspat Roy Kapoor: (a) Will the Honourable Minister of Communications be pleased to state the number of cases in which deposits in Defence Savings Bank accounts have been paid to wrong persons on false identification in United Provinces in the years 1946 and 1947?

(b) What is the total amount involved in these cases?

(c) In how many such cases were the identifiers postal employees?

(d) How many such employees have been prosecuted for false identification and why have the remaining ones not been prosecuted?

(e) What is the total loss caused to Government on this account during the aforesaid period?

The Honourable Mr. Rafi Ahmed Kidwai: (a) During 1946-47—Nil.

During 1947-48—201.

(b) Approximately Rs. 10,483.

(c) Twentyfive.

(d) Two—The other cases are under departmental or police enquiries.

(e) During 1946-47—Nil.

During 1947-48—Rs. 2,652 (There is still a chance of a portion of the amount being recovered from the wrong parties).

AGENTS FOR SALE OF NATIONAL SAVINGS CERTIFICATES

1144. *Shri Jaspat Roy Kapoor: Will the Honourable Minister of Communications be pleased to state:

(a) what is the amount of commission allowed by Government to agents for the sale of National Savings Certificates;

(b) whether Government are aware that many such agents are given credit for even direct sales of the certificates at the Post Offices which means loss to the Government; and

(c) whether Government propose to prohibit the appointment of any near relatives of Postal employees as agents for the sale of these certificates?

The Honourable Mr. Rafi Ahmed Kidwai: The question should have been addressed to the Honourable Minister of Finance. It has accordingly been transferred to the list of questions for the 8th April, 1948, when the Honourable Minister of Finance will answer it.

BOOKING OF BANGLES AND SHOES FROM FIROZABAD AND AGRA BY POST AND CORRUPTION IN POST OFFICES

1145. *Shri Jaspat Roy Kapoor: Will the Honourable Minister of Communications be pleased to state:

(a) whether Government are aware that because of the difficulty in booking by Railway, a large number of parcels containing bangles are booked at post offices in Firozabad;

(b) whether Government are aware that because of the same difficulty, a large number of parcels containing shoes are booked at Agra Shoe Market Post Office;

(c) whether Government are aware that there is a general complaint among the bangle and shoe dealers of Firozabad and Agra respectively of corruption prevailing in the said post offices in the matter of booking of the said parcels; and

(d) whether Government propose to institute an enquiry into these complaints with the co-operation of Firozabad Bangles Merchants Association and Agra Trades Association?

The Honourable Mr. Rafi Ahmed Kidwai: (a) and (b). No.

(c) No such complaint has been received.

(d) Enquiries have been made from (1) the Bangle Association, (2) The Glass Industrial Syndicate, and (3) The Glass Bangles Merchants Chamber in Firozabad and (1) Agra Trades Association and (2) Agra Shoe Market Association in Agra and none of them has any complaint against the post offices at Firozabad and Agra.

ENCOURAGEMENT OF CANNING INDUSTRY

1146. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Agriculture be pleased to state what steps Government propose to take to encourage canning industry in India?

(b) Have any students been deputed to foreign countries to study this subject?

(c) What is the value of imports under the following headings:

- (i) Canned fish;
- (ii) Mutton and beef; and
- (iii) canned fruit?

The Honourable Shri Jairamdas Doulatram: (a) As regards meat, fish and dried eggs, there is not much scope for a Canning Industry in India as there is very little demand for these canned products. The Fruit Canning Industry has, however, better prospects, and the Fruit Preservation Industry has already been afforded protection by the Tariff Board by way of increased duties on imported products (canned or bottled) and also assistance in regard to the allotment of tin-plate and other controlled raw materials. Government would be glad to consider any specific suggestions for encouraging the canning industry as such.

(b) No students have been deputed to foreign countries to study canning industry. Three students have gone to U.K., U.S.A., and Canada for studying Fisheries Technology which also deals with Fish Canning. Three students were also sent abroad in 1946-47 for training in Fruit Preservation.

(c) A statement giving the required particulars for the three official years 1943-4, 1944-5 and 1945-6 is laid on the table.

Figures of Imports of canned or bottled fruits and tinned or canned fish for each of the 3 years ending 1945-46 are given below. Figures for mutton or beef are not available as they are not distinguished in the Sea-borne Trade Accounts:—

| | Value in Rupees. | | |
|----------------------------|------------------|----------|-----------|
| | 1943-44 | 1944-45 | 1945-46 |
| Canned or bottled fruits : | 1,23,092 | 1,74,471 | 1,90,049 |
| Tinned or canned fish : | 1,77,479 | 85,416 | 3,47,019, |

PREVENTION OF SOIL EROSION AND POLICY OF AFFORESTATION.

1147. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Agriculture be pleased to state what research is being carried on in soil erosion?

(b) Do Government propose to prohibit exploitation of our timber wealth in order to prevent soil erosion?

(c) Have any new areas been planted in pursuance of the policy of afforestation?

The Honourable Shri Jairamdas Doulatram: (a) and (c). The required information has been called for from the Provincial Governments, and will be laid on the table of the House on receipt.

(b) So far as Government forests are concerned it will continue to be the policy of Government, as it has been in the past, to limit the removal of timber to what is actually produced; in other words disforestation which leads to erosion will not be allowed. The management of the Government forests of India is with minor exceptions, in the hands of the Provincial Governments, who have accepted the principle of forest policy set out by the Government of India.

POLICY RE LICENCES FOR IMPORT OF CEYLON COPRA

1148. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Industry and supply be pleased to state the quantity of Ceylon Copra-imported into India during the last financial year?

(b) What policy have Government followed in giving import licences for this commodity?

The Honourable Dr. Syama Prasad Mookerjee: (a) Imports from Ceylon are received in India partly in the shape of copra and partly in the shape of coconut oil. The total quantity imported during the calendar year 1947 was 26,515 tons in terms of copra including the imports at Karachi. For purposes of calculation 68 tons of coconut oil are treated as equal to 100 tons of copra.

(b) The entire imports of copra from Ceylon to this country are made on Government to Government basis. No import licences are, therefore, granted to private parties.

MANUFACTURE OF ESSENTIAL DRUGS AND SURGICAL INSTRUMENTS ETC.

1149. *Dr. V. Subramaniam: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) the arrangements so far made to increase the production of essential drugs for use in allopathic hospitals and for the use of medical practitioners;

(b) the stage reached in this country in respect of production of surgical instruments and appliances;

(c) the extent of deficiency in the requirements of surgical instruments and appliances; and

(d) how soon it is proposed to make up the deficiency?

The Honourable Dr. Syama Prasad Mookerjee: (a) A statement showing the steps taken in this regard is laid on the table of the House.

(b), (c) and (d). During the war, the production of surgical instruments and appliances was developed to a very considerable extent. Firms were given technical advice, and the necessary machine tools and equipment for plating were made available to them. Hand methods were replaced by machine processes. Schedules of standard instruments were prepared, and the number of patterns greatly reduced. As a result of partition, however, India has lost a lot of capacity, and there is now a considerable deficiency. Plans are being considered to make good this deficiency, but it is not possible at present to predict how soon this will be achieved.

Statement

During the period 1945-47 capital issue was sanctioned to the extent of about Rs. 2 crores. Assistance has been rendered to firms requiring it in respect of raw materials, equipment and transport facilities. The Railways have agreed to reduce the freight charges for the raw materials needed. Technical advice has been given. Important alkaloids have been produced from indigenous raw materials, and arrangements have been made for the supply of chemicals not readily available. Samples produced by firms have been tested and reported on. Solvent Benzol produced in Ordnance factories has been made available at concessional prices to firms needing it.

IMPORT OF OPTICAL GLASSES AND FRAMES

1150. *Dr. V. Subramaniam: (a) Will the Honourable Minister of Industry and Supply be pleased to state what is the present demand for optical glasses and frames?

(b) How much of the demand is being met from imports and from what countries?

(c) What is the value of such imports during the last year for which the figures are available?

(d) Is there any plan to make India self sufficient in regard to this industry?

The Honourable Dr. Syama Prasad Mookerjee: (a), (b) and (c). The whole of the demand for optical glasses is met by imports from the U.K. and the U.S.A., and most of the demand for frames is similarly met. No statistics are available regarding the consumption in India of optical glasses and frames, but the value of imports of optical articles between the 1st of April and the end of December, 1946 was Rs. 23 lakhs.

(d) The possibilities of doing so are being investigated.

CEMENT FACTORIES IN C. P. AND BERAR

1151. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to state how many cement factories there are in the Central Provinces and Berar?

(b) When was each of them started?

(c) What was the output for the years 1938, 1945 and 1947?

(d) To what companies do these cement factories belong?

(e) What is the number of labourers employed in each factory?

(f) Is there any proposal for starting any new cement factories?

(g) If so, how far have these proposals advanced?

The Honourable Dr. Syama Prasad Mookerjee: (a) One, Sir, at Kymore.

(b) 1922.

(c) 2,19,184 tons in 1938, 2,57,231 tons in 1945, and 2,00,233 tons in 1947.

(d) The Associated Cement Company Limited, Bombay.

(e) 5,882.

(f) Yes, Sir. The New Hindustan Cements Limited were given permission in 1946 to start a cement factory of one lakh tons annual capacity near Wardha.

(g) The firm are at present negotiating for the purchase of machinery.

WORKING OF DISPOSALS DEPARTMENT

1152. *Dr. P. S. Deshmukh: Will the Honourable Minister of Industry and Supply be pleased to lay on the table of the House a statement giving the following particulars:

(i) the date on which the Disposals Department was opened;

(ii) the date on which disposals actually began;

(iii) the monthly expenditure incurred on the department since its establishment up-to-date;

(iv) the value of goods disposed of per month from the date of the starting of the department; and

(v) the kind and quantity of goods sold in each lot?

The Honourable Dr. Syama Prasad Mookerjee: A statement giving the desired information is laid on the table of the House.

†Not printed in the day's Debate. A copy has been placed in the Library of the House.—Ed. of D.

DISPOSAL OF ARTICLES LYING UNSOLD

1153. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether the Disposals Department has any motor vehicles for disposal? If so, what is their number and where are they stored?

(b) Are there any cycles, gramophones and radios? If so, what is their number in each case?

(c) Are there any bull-dozers? If so, how many?

(d) Are there any libraries, laboratories and cinema projectors?

(e) If so, how many and what is the approximate value of each?

The Honourable Dr. Syama Prasad Mookerjee: (a) A statement showing the number and location of vehicles awaiting disposal is placed on the table.

(b) Yes, Sir. There are 64 cycles, 16 gramophones, and 1558 radios. In addition, there are 3150 aircraft receiving sets.

(c) Yes, Sir. 14 bull-dozers of different types are available.

(d) There are no libraries, but laboratories and cinema projectors are available.

(e) Seven photographic laboratories are available. Three of them have a book value of about Rs. 27,960 each, and the other four a book value of about Rs. 21,670 each. Two cinema projectors of 16 millimeters and 150 of 35 millimeters are available. The price will vary from Rs. 400 to Rs. 500 each for the 16 millimeter type, and from Rs. 1,640 to Rs. 4,000 each for the 35 millimeter type. In addition, 68 cinema projectors valued at about Rs. 620 each are available.

STATEMENT

showing number and location of Vehicles of all types ex-Indian and American Surpluses

| S. No. | Location | Surplus | Salvage |
|------------------|----------------------|---------|---------|
| INDIAN SURPLUSES | | | |
| 1. | With D. G. D. | | |
| | Delhi | 1,443 | |
| | Bombay | 77 | |
| | Calcutta | 11 | |
| | Avadi | 1,505 | |
| | Tambram | 421 | |
| | Ondal | 2,411 | |
| | Dhanbad | 593 | |
| | Nirsa | 897 | |
| | Whitefield | 770 | |
| | Kirkee | 436 | |
| | Chheoki | 504 | |
| | Ranchi | 9 | |
| | Jubbulpore | 77 | |
| | Ferozepur | 22 | |
| | TOTAL | 9,176 | |

| S. No. | Location | Surplus | Salvage |
|-----------------|-------------------------|---------|---------|
| <i>Regions.</i> | | | |
| 2 | Bombay Area | 1,033 | 208 |
| 3 | Calcutta Area | 413 | ... |
| 4 | Kanpur Area | 39 | 89 |
| 5 | Madras Area | 9 | 416 |
| TOTAL | | | |
| GRAND TOTAL | | 2,083 | 713 |
| | | 11,250 | 713 |

AMERICAN SURPLUSES

With M/S Tata Aircraft Ltd.

| | | | |
|-------|---------------------|-----|--|
| 1 | Titaghur | 116 | |
| 2 | Ranaghat | 8 | |
| 3 | Panagarh | 29 | |
| 4 | Agra | 1 | |
| 5 | Allahabad | 2 | |
| 6 | Jodhpur | 2 | |
| TOTAL | | 158 | |

U.S.A.S.S. Depots.

| | | | |
|-----------------------------------|--------------------------------------|-----|--|
| 7 | Brooklyn, Calcutta | 38 | |
| 8 | New Delhi | 31 | |
| 9 | Alipore Airstrip, Calcutta | 732 | |
| TOTAL | | 814 | |
| GRAND TOTAL OF AMERICAN SURPLUSES | | 972 | |

FOODSTUFFS WITH DISPOSALS DEPARTMENT, LYING UNSOLD

1154. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether the Disposals Department has any articles of food still undisposed of? If so, what are they, and what is their value?

(b) What are the reasons for their non-disposal so long?

The Honourable Dr. Syama Prasad Mookerjee: (a) About 4,800 tons of food-stuffs are at present awaiting disposal. These comprise tinned foods (meat, vegetable oil, cheese, fruit and juices) and liquors (rum, beer and brandy). There are also some grains, gram and beans. The total value of these stores is about Rs. 40 lakhs.

(b) About half of the quantities awaiting disposal were reported to the Director General of Disposals in February and March. The chief factor militating against quick disposal is the ban imposed, with a view to meeting refugees' requirements. Most of these surpluses are situated in West Bengal, and the West Bengal Government have objected to the sale of stocks with less than a year's life. This matter is under discussion with the Government of West Bengal.

ENQUIRY INTO RECENT AIR DISASTERS

1155. *Shri Damodar Swarup Seth: (a) Will the Honourable Minister of Communications be pleased to state whether it is a fact that since November 1947, four air accidents have occurred in the Indian Union?

(b) Did Government order an enquiry to determine the cause of the Karachi disaster as also of the three disasters following it?

(c) If the answer to part (b) above be in the affirmative, do Government propose to make available to the public or lay on the table of the House the result of the enquiries?

The Honourable Mr. Rafi Ahmed Kidwai: (a), (b) and (c). Yes, Sir.

PRIVILEGE TO 'AIR INDIA' TO MANAGE INDIA'S CIVIL AVIATION AFFAIRS IN INTERNATIONAL FIELD

1156. *Shri Damodar Swarup Seth: Will the Honourable Minister of Communications be pleased to state:

(a) the steps that Government have so far taken to enable India to take her rightful place in the international field of Civil Aviation; and

(b) whether it is a fact that Air India has been given the privilege of managing the affairs of India's Civil Aviation in the international field?

The Honourable Mr. Rafi Ahmed Kidwai: (a) India has ratified the Convention on International Civil Aviation and is a member of the International Civil Aviation Organisation. She has been elected to the Council of the Organization on which she has a whole-time representative. International standards with respect to safety and other aspects of aviation (Aerodromes, air navigation facilities, etc.) have been and are being adopted in India. Bilateral Agreements have been concluded between India and the United States, France and the Netherlands for the operation of air services. India is at present operating international air services to Pakistan, Ceylon and Burma. A new Indian Company has been formed, viz. Air India International Limited, for the operation of overseas air services to the West. The first service of this Company will be to the United Kingdom, via Egypt and Switzerland, and this is expected to commence in June, 1948. Services to other countries also will be gradually established.

(b) As I have stated in reply to part (a) a company known as Air India International has been formed for the operation of air services from India to countries in the West. Air India Limited, which has an interest of 25 per cent. in the capital of this company, has been entrusted with its technical management. Government have not yet decided on the set-up of the organisation required for the operation of air services to other countries.

POST-WAR CIVIL AVIATION PLANS VIS A VIS EXTERNAL AIR SERVICES.

1157. *Shri Damodar Swarup Seth: Will the Honourable Minister of Communications be pleased to state: whether it is a fact that the Government of India, while drawing up their Civil Aviation Post War Plans *vis-a-vis* External Air Services made a declaration of the desirability of giving a major interest in external Air Services to an Air Transport Operator of proved experience?

The Honourable Mr. Rafi Ahmed Kidwai: Yes, Sir.

CULTIVATION AND PRODUCTION OF RUBBER

1158. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Industry and Supply be pleased to state the area under rubber cultivation in the Indian Union?

(b) Have Government formulated any plans to increase this area?

(c) Is there any research being carried out to enable the growth of these trees in other parts of the Indian Union?

(d) Is there any international convention governing the acreage that may be cultivated in India?

(e) Do the post-war schemes of Government include the manufacture of synthetic rubber?

The Honourable Dr. Syama Prasad Mookerjee: (a) 158,637 acres as on 30th June, 1947.

(b) India is at present self-sufficient in rubber and since Indian cost of production is higher than world prices it is somewhat premature to formulate plans for increase of rubber area.

(c) One of the functions of the newly constituted Rubber Board is to promote research in the cultivation and production of raw rubber. Since the limiting factor to rubber cultivation is climate and rainfall, only South India and possibly some parts of Assam would be suitable for rubber cultivation. Research at present should be directed fruitfully towards increasing the yield per acre in the existing areas under cultivation which is much below world levels.

(d) No, Sir

(e) Since raw rubber, which is for most purposes superior to synthetic rubber is available in sufficient quantities at present, there is no immediate need to consider the manufacture of synthetic rubber.

WITHHOLDING OF PROVIDENT FUNDS OF RAILWAY EMPLOYEES

1159. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Railways be pleased to state whether the provident funds of any Railway employee have been withheld during the last financial year for the following reasons.

(i) for taking part in political activities;

(ii) for taking part in strikes; and

(iii) for disobedience?

(b) Is it a fact that information about such deductions is withheld from the individuals concerned and that they come to know of it only at the time of retirement?

The Honourable Dr. John Matthai: (a) No

(b) Does not arise.

REPRESENTATION FOR FIXATION OF PAY OF ENQUIRY AND RESERVATION STAFF AT KANPUR CENTRAL STATION

1160. *Shri Harihar Nath Shastri: (a) Will the Honourable Minister of Railways be pleased to state whether it is a fact that the Inquiry and Reservation staff at the Kanpur Central Station have made a representation to the General Manager of the East Indian Railway and to the Chief Commissioner of Railways, regarding the fixation of their pay?

(b) If so, what action have Government taken in respect of the said representation?

The Honourable Dr. John Matthai: (a) Yes. Only an advance copy of a representation purporting to come from the Enquiry and Reservation Staff at Kanpur Central Station has been received by the General Manager, East Indian Railway.

(b) No action has yet been taken. The representation will be considered by the General Manager, E.I. Railway on receipt of the original through the Divisional Superintendent, Allahabad who has been asked to forward it.

INDIA SUPPLY MISSION IN WASHINGTON

1161. *Shri B. Shiva Rao: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) the functions of the India Supply Mission in Washington and of its branch in New York;

- (b) the total cost of maintaining the Mission in Washington and New York; and
- (c) the number of persons employed, Indians and non-Indians separately?

The Honourable Dr. Syama Prasad Mookerjee: (a) The main function of the India Supply Mission, with headquarters at Washington, is to arrange procurement from North America on behalf of Government, of food grains and stores, including capital goods, plant and machinery, which are not available either from indigenous sources or from any sterling area. The Mission is also responsible for inspection, inland movement and ocean shipment of all goods procured by it. Its operations extend over the whole of U.S.A. and Canada.

(b) A sum of dollars 271,144 was provided for the period from 15th August, 1947 to the 31st March, 1948, and for the year 1948-49, a sum of dollars 444,500 has been provided to cover the cost of maintenance of the India Supply Mission, Washington including its branch offices in New York and Canada.

(c) *Officer Staff:* Indians—4.

Non-Indians—9.

Subordinate Staff: Non-Indians—63.

BURNING OF RECORDS OF POST OFFICE AT KISHOREGANJ, BENGAL

1162. ***Shri S. M. Ghosh:** Will the Honourable Minister of Communications be pleased to state:

(a) whether it is a fact that in February, 1947, the papers including those relating to Savings Bank and Cash Certificates in the Post Office of Kishoreganj (Mymensingh, Bengal) were burnt;

(b) whether it is a fact that the depositors have not as yet been paid their dues; and

(c) which of the two Dominions, India or Pakistan, will now be responsible for the payment of the claims?

The Honourable Mr. Rafi Ahmed Kidwai: (a) The records of the Kishoreganj head post office were destroyed by fire on the 24th January, 1947.

(b) So far as this Government is aware, the dues of depositors have not yet been paid.

(c) Pakistan.

SMUGGLING OF WHEAT AND GRAM ON BHATINDA-FEROZEPUR LINE

1163. ***Prof. Yashwant Rai:** Will the Honourable Minister of Railways be pleased to state:

(a) whether Government are aware that smuggling in wheat and gram is going on on the Bhatinda-Ferozepur line;

(b) whether Government are aware that smugglers hide the sacks full of wheat and gram in the latrines and thus cause trouble to the passengers; and

(c) if so, what steps Government propose to take in this matter?

The Honourable Dr. John Matthai: (a) Reports were made by the Ticket Checking Staff sometime ago that both wheat and grain were being carried unbooked from places in East Punjab into Delhi by the Ferozepore-Bhatinda Line.

(b) No such case has been reported.

(c) A strong post consisting of police and railway staff has been established at Bahadurgarh. Every passenger train is checked at this point and, amongst other things, smuggling of wheat and grain is prevented.

TICKETLESS TRAVEL ON BHATINDA-FEROZEPUR LINE

1164. *Prof. Yashwant Rai: Will the Honourable Minister of Railways be pleased to state:

(a) whether it is a fact that people are still travelling without tickets on Bhatinda Ferozepur line in large numbers; and

(b) if so, what steps do Government propose to take in this matter?

The Honourable Dr. John Matthai: (a) and (b). An intensive campaign against ticketless travel is now being carried out by the E.P. Railway. As a result of this campaign, the number of people travelling without tickets over the Bhatinda-Ferozepore Line has come down considerably.

THROUGH TRAIN FROM KISHENGANJ TO PALEZA GHAT IN PURNEA DISTRICT ON O. T. RAILWAY

1165. *Shri B. P. Jhunjhunwala: (a) Will the Honourable Minister of Railways be pleased to state whether it is a fact that after the creation of the two dominions, Kishenganj, a sub-divisional Headquarters of the Purnea district became the terminus of the Oudh and Tirhut Railway on the eastern point?

(b) Is it a fact that except local trains, no through trains start from and terminate at Kishenganj?

(c) Is it under the consideration of Government to run a through train from Kishenganj to Paleza Ghat?

The Honourable Dr. John Matthai: (a) There has been no change in the position of Kishenganj as far as the railway is concerned, following partition.

(b) There is a through passenger train daily each way between Kishenganj and Manihari Ghat.

(c) It is not possible, at present, to introduce a through train between Kishenganj and Paleza Ghat on account of paucity of passenger vehicles and engine power.

AGENCIES FOR DISTRIBUTION OF QUOTAS OF TIN PLATES, STEEL AND IRON

1166. *Shri Ramnarayan Singh: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) the allotment of quotas of tin-plates, steel and iron for the years 1946-47 and 1947-48 province by province;

(b) the agencies for distribution of the quotas referred to in part (a), above in each province; and

(c) the terms on which the agencies have been appointed?

The Honourable Dr. Syama Prasad Mookerjee: (a) A statement showing allotment of steel for 1947 and Periods I and II of 1948 to Provinces for distribution to the general public including small-scale manufacturers of consumer goods, is laid on the table of the House. No steel allotments were made province-wise during 1946. Figures according to financial years are not available. Allotments of Pig Iron and Tinplates are made to Industries and are not made Province-wise.

(b) The Provincial Governments make sub-allotments to Registered Stockists who purchase steel from Producers and sell against permits issued by the Provincial Controllers.

(c) Registered stockholders constitute the agency through which the Provincial quota is distributed. All *bona fide* iron and steel merchants who applied for registration in 1941 were appointed as registered stockists and the list has been revised from time to time on the recommendation of Provincial Governments. The terms of their appointment require that they should sell steel only against permits issued by the Provincial Controller and at prices fixed by

the Central Government. These prices, known as 'column 3 prices', are Rs. 40 above the prices which they are required to pay to the producers. They are required to furnish periodical returns and their accounts and books are subject to inspection by Government both Provincial and Central.

STATEMENT

Showing Steel allotment to Provinces from the Provincial quota in 1947 and periods I and II/1948

| * Province | Total allotment in 1947 | In period I/1948 | Period II 1948 |
|---------------------|-------------------------|--------------------------------|----------------|
| 1. Bombay | 16,750 | 2,710 | 2,710 |
| 2. Assam | 4,800 | 775 | 775 |
| 3. Madras | 24,750 | 4,000 | 4,000 |
| 4. Bengal | 31,250 | 2,515 | 3,415 |
| | | W/Bengal (W/Bengal) 2,515 | |
| | | E/Bengal (including sylhet) | |
| 5. U.P. | 30,300 | 4,905 | 5,105 |
| 6. Bihar | 17,600 | 2,835 | 2,835 |
| 7. Punjab | 16,750 | 1,355 | 1,355 |
| | | (E/Punjab) (E/Punjab) 1,355 | |
| | | (W/Punjab.) | |
| 8. N. W. F. P. | 1,700 | 255 | ... |
| 9. C. P. & Berar | 6,775 | 1,095 | 1,315 |
| 10. Orissa | 3,675 | 580 | 880 |
| 11. Sind | 4,050 | 645 | ... |
| 12. Delhi | 375 | 65 | 125 |
| 13. Baluchistan | 1,600 | 65 | ... |
| 14. Coorg | 125 | 65 | 40 |
| 15. Panth Piploda | 75 | ... | ... |
| 16. Andaman Islands | 175 | ... | ... |
| 17. Ajmer-Merwara | 375 | 65 | 65 |

N. B.—These figures include only allotments made to the Provinces for distribution to the general public including small-scale manufacturers of consumers goods. Besides this, steel is also distributed to Provincial Governments for their development schemes, and to private industries in the Provinces (and States) for steel processing, industrial development and maintenance requirements. No figures are readily available for these province-wise (or State-wise).

RESTRICTION OF MOVEMENT OF PULSES AND CEREALS FROM BIHAR AND U.P. TO
MADRAS

1167. *Shri Ramnarayan Singh: Will the Honourable Minister of Food be pleased to state whether restrictions still continue against the movement of pulses and cereals from Bihar and the United Provinces to Madras and if so, why?

The Honourable Shri Jairamdas Doulatram: There are no restrictions on the movement of pulses other than gram from Bihar and U.P. to other Provinces. Restrictions, however, exist on the movement of cereals (Paddy, rice, wheat, maize, barley, jowar and bajra) and their products from the provinces of Bihar and U.P. to all other provinces. Inter-Provincial restrictions on cereals have

been maintained in view of Government of India's revised food policy.

TENDERS FOR LABOUR AT GAYA, MUGHALSARAI, MUKAMA, JHAJHA, DANAPUR, AND MARMADIH RAILWAY STATIONS

1168. *Shri Ramnarayan Singh: (a) Will the Honourable Minister of Railways be pleased to state whether it is a fact that tenders for contract to supply labour for loco-sheds, goods-handling and porter-work at Gaya, Mughalsarai, Mukama, Jhajha, Danapur and Barmadih Railway Stations were invited in the years 1945-46 and 1946-47 and if so, what were the principles followed in giving the contract?

(b) How many contractors submitted their tenders?

(c) What are their names and to whom were the contracts given?

The Honourable Dr. John Matthai: (a) to (c). The information has been called for and will be laid on the table of the House in due course.

TRAIN SERVICE BETWEEN UJJAIN AND RATLAM

1169. *Shri Ram Sahai: (a) Will the Honourable Minister of Railways be pleased to state whether Government are aware of the fact that there is only one train service between Ujjain and Ratlam and that due to her late running, passengers have to wait for twenty-four hours?

(b) Do Government propose to introduce another train service?

(c) If the answer to part (b) above be in the negative, do Government propose to attach a few bogies to the goods train so that this difficulty of the public can be overcome?

The Honourable Dr. John Matthai: (a) On the broad gauge, yes. In addition; a metre gauge train service is available between Ujjain and Ratlam.

(b) Yes, as soon as stock and engine power become available.

(c) As goods trains run only when required and not to fixed timings and as all spare vehicles are at present being utilized for refugee movements, it is not possible to attach passenger vehicles to goods trains on this section.

RESUMPTION OF SUSPENDED TRAIN SERVICE BETWEEN DELHI AND BOMBAY

1170. *Shri Ram Sahai: (a) Will the Honourable Minister of Railways be pleased to state when Government propose to resume the service of one pre-war passenger train which used to run between Delhi and Bombay?

(b) If the service of this passenger train cannot be resumed, do Government propose to revert to the old practice of booking on the Parcel train?

The Honourable Dr. John Matthai: (a) One passenger train each way is already running through between Bombay and Delhi.

(b) Does not arise in view of the reply to part (a).

WAGONS FOR TRANSPORT OF TIMBER FOR IMPERIAL MATCH COMPANY (INDIA) LIMITED, GWALIOR

1171. *Shri Ram Sahai: (a) Will the Honourable Minister of Railways be pleased to state whether Government have received any representation from the Imperial Match Company (India) Limited, Gwalior regarding the supply of wagons?

(b) Is it a fact that it takes a wagon several months to cover the distance of 80 miles between Bassai and Gwalior?

(c) Are Government aware that due to the non-availability of wagons in time for the transport of timber, the factory has been closed?

(d) Have Government any arrangements under consideration for the supply of wagons to the factory?

The Honourable Dr. John Matthai: (a) Yes.

(b) No.

(c) Information shows that the Factory is not closed.

(d) Everything possible is being done to move the traffic.

FUNCTIONS OF CENTRAL AGRICULTURAL MARKETING DEPARTMENT

1172. *Shri V. C. Kesava Rao: Will the Honourable Minister of Agriculture be pleased to state:

(a) the functions of the Central Agricultural Marketing Department;

(b) the commodities that are being handled by the department at present, and the possible lines of expansion in the immediate future; and

(c) whether there is any publicity given to the activities of this department?

The Honourable Shri Jairamdas Doulatram: (a) With effect from the 1st January, 1948, the Central Agricultural Marketing Department took over all the functions performed by the Directorate of Inspection of the Ministry of Food and since then the Department has been re-designated as the Directorate of Marketing and Inspection. The functions of the Directorate are as under: (i) Carrying out and publishing the results of commodity marketing surveys in co-operation with provinces and States and also by direct first hand inquiries, (ii) Conducting research on the fixation of quality standards for agricultural and animal husbandry produce, and exercising control over the quality of Agmark standards, (iii) Inspecting foodgrains entering into the procurement and distribution plans of the Ministry of Food, and (iv) Initiating and co-ordinating for the country as a whole, development work on improved methods of marketing.

(b) The Directorate deals with all products of agricultural and animal husbandry and it has so far published marketing survey reports on the following 27 commodities and subjects:—(1) Wheat, (2) Rice, (3) Potatoes, (4) Gram, (5) Barley, (6) Grapes, (7) Bananas, (8) Citrus fruits, (9) Linseed, (10) Groundnuts, (11) Cashewnuts, (12) Lac, (13) Sugar, (14) Coconuts and coconut products, (15) Tobacco, (16) Milk, (17) Fish, (18) Cattle, (19) Hides, (20) Skins, (21) Wool and Hair, (22) Sheep and Goats, (23) Eggs, (24) Coffee, (25) Co-operative marketing of agricultural produce, (26) Fairs and markets and produce exchanges and (27) Casterseed.

Reports on (1) Rapeseed, mustard and toria, (2) Ghee and other milk products, (3) Cardamoms and (4) Arecanuts are expected to be published within the next few months. In addition, reports on (1) Maize, (2) Millets, (3) Poultry, (4) Mangoes, (5) Minor fibres and (6) Sesamum and nigerseed are under compilation.

These reports refer to conditions prevailing during pre-partition days. A large majority of them are out of print and out of stock. They have, therefore, all to be redone for the present India.

The investigations on commodity marketing conditions so far handled by the Directorate related to pre-partitioned India. Since 15th August, 1947, there have been material changes in conditions. The Directorate, therefore, would have to undertake fresh investigations for the Union of India in commodities and subjects already handled by it and in respect of other products which are yet to be surveyed. Much more needs to be done for improving agricultural marketing conditions as a whole with particular regard to the development and adoption of quality or Agmark standards for the internal and external trade, regulation of markets including the agricultural produce exchanges, co-operative marketing and standardisation of weights and measures. The Vijavaraghavacharya Marketing Sub-Committee of Policy Committee (V) on Agriculture, Forestry and Fisheries recently reviewed the working of the Directorate and has made a large number of recommendations for its expansion in the immediate future. These recommendations are under the examination of Government.

(c) When the survey reports are published, press notes are issued. Agmark posters are exhibited in different parts of the country and some publicity is arranged for on the occasion of exhibitions and shows. The present publicity arrangements, are not considered adequate and the question of improving them is being considered.

FEDERAL AGENCIES AND INSTITUTES CARRYING ON INDUSTRIAL RESEARCH

1173. *Shri V. C. Kesava Rao: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) what are the Federal Agencies and Institutes for carrying out industrial research;

(b) the nature of the research and the subjects in which research is being made at present; and

(c) whether this research is being done in co-operation with industry?

The Honourable Dr. Syama Prasad Mookerjee: (a) Industrial research is being carried out in the Physical and Chemical sections of the Delhi Laboratories of the Council of Scientific and Industrial Research, who are also financing schemes of research at the Indian Institute of Science, Bangalore, Bose Research Institute, Calcutta, Tata Institute, of Fundamental Research, Bombay, Bengal Tanning Institute, Calcutta, and the Universities of Aligarh, Banaras, Calcutta, Madras, Nagpur, Bombay, Delhi, Allahabad and Andhra. In addition, some research work is also being carried on in the Central Glass and Ceramic Research Institute, Calcutta, and the National Metallurgical Research Laboratory is under construction at Jamshedpur.

(b) So far as the Council of Scientific and Industrial Research is concerned the attention of the Honourable Member is invited to Appendix VI to the Review of its activities which gives a list of research problems and subjects in which research is being carried out at present. A copy of the Review is available in the Library of the Legislature.

(c) The answer is in the affirmative.

GUR TRADE WITH PAKISTAN

1174. *Ch. Ranbir Singh: (a) Will the Honourable Minister of Food be pleased to state the amount of *Gur* exported to Pakistan during the months of January and February 1948?

(b) If no exports have been made, what steps do Government propose to take to promote the trade of *Gur* between India and Pakistan?

The Honourable Shri Jairamdas Doulatram: (a) Export of sugar and *gur* to Pakistan was prohibited in December, 1947 simultaneously with the decontrol of these commodities and no *gur* was transported to Pakistan in the months of January and February, 1948.

(b) When the Food Delegation from Pakistan was in Delhi in January, 1948 it asked for and got an *ad-hoc* quota of 10,000 tons of *gur*. But none of this quantity has been lifted and the quota is still available for export. Government have lately received enquiries from traders in India for export of *gur* to Pakistan and is willing to issue them export licences for a quantity of 10,000 tons. It is understood however that the import of *gur* into Pakistan is controlled and exporters of *gur* would have to make sure that the necessary import licences from the Government of Pakistan become available. Government would be willing to continue for a further period the export quota of 10,000 tons which under the original agreement expires on the 31st March, 1948. The present day low prices of *gur* in certain producing areas are however mainly due to transport difficulties and export of *gur* to Pakistan will not materially solve the problem. The country is not really surplus in *gur*.

MOTION FOR ADJOURNMENT

INCREASE IN POSTAL RATES BETWEEN INDIA AND PAKISTAN WITHOUT CONSULTING THE ASSEMBLY

Mr. Speaker: I have received notice of an adjournment motion, which runs as follows:

"This House do adjourn to consider a definite matter of urgent public importance, namely, the disrespect shown to this House by the Government in increasing the postal rates between India and Pakistan without informing the House or consulting the Standing Committee of the Department."

I presume the Honourable Member who has given notice of it has also sent a copy to the Honourable Minister concerned?

Mr. Hussain Imam (Bihar: Muslim): Yes.

Mr. Speaker: I should like to know from the Honourable Member, who has given notice of this, as to how exactly disrespect has been shown and how the conduct is construed as disrespectful to this House, even on the assumption that the rates have been changed?

Shri K. Saathanam (Madras: General): I think disrespect to the House must be treated by a Committee of Privileges and not by an adjournment motion.

Mr. Speaker: That is also true. But at present there is no Committee. But, I think if the Government have acted in a way which does not show proper respect, or want of respect, or disrespect, the member is entitled to ventilate that grievance here in the form of an adjournment motion.

But I am not myself sure, as to whether what is alleged really constitutes disrespect. Therefore, I have called upon the Honourable Member to show me as to how this constitutes disrespect. It is possible that Government might do many things without meaning any disrespect. Many irregular things are done but that does not mean disrespect because of having done those things.

Mr. Hussain Imam: May I draw the attention of the Speaker to the fact that the Assembly was in session. The budget had been presented to the House. The Honourable the Finance Minister himself in his speech stated that he has not taken into account the effect of the customs duties between India and Pakistan. So we had an indication that Government intended to do a certain thing.

This is a major issue. Burma was separated from India 12 years ago and the change in the rates has been made only now. Pakistan has not been separated from India even for twelve months and yet this tremendous change has been brought about. Lakhs of people from India still have connections with people in Pakistan.

Mr. Speaker: All this is, to my mind, irrelevant to the point which I am wanting to have clarified.

Mr. Hussain Imam: I am coming to that. I say that it was the duty of the Government to give an indication that they intended to increase the postal rates, or in the alternative they should have consulted the Standing Committee of the Legislature attached to the Department in order to get their consent, because it is a matter really of taxation on the people of India. The postal rates will not fall upon Pakistan nationals. It is we nationals of the Indian Union who will have to pay them. I do not know what the Pakistan Government has done. If they follow in our footsteps they will be equally wrong.

Mr. Speaker: That is not answering the question. Assuming they have done all that kind of thing, assuming the thing is irregular, even then, how does the irregularity constitute disrespect to the House? That is the point. I should say that it does not appear to me to be disrespect.

Mr. Hussain Imam: The Honourable Minister did not give us an indication when presenting the budget, which was passed only so recently as in the middle of the month.

Mr. Speaker: I should like to know what the Honourable Minister has to say about this increase in the postal rates.

The Honourable Mr. Rafi Ahmed Kidwai (Minister for Communications): I think the Honourable Members forget that it is through the efforts of the party to which they belong that a part of our country has become foreign country. Both of us are now members of an International Postal Service organization and the rates adopted are the rates fixed by that organization. Had we agreed to any deviation then I would have come before this House for their approval. But as the international rates were to be applied between the two independent countries, there was no necessity for me to come before this House.

At one time there was a proposal that we should agree amongst ourselves to continue the existing rates both telegraphic and postal. When this question of telegraphic rates was considered, the Pakistan Government refused to share the income with us. They said they would have the full share at the rate prevalent there and we could fix whatever we liked for our share. Therefore we had to increase the rates, but before we could take it up, Pakistan had raised the price of postcards and other charges.

Pandit Lakshmi Kanta Maity (West Bengal: General): Telegraphic charges?

The Honourable Mr. Rafi Ahmed Kidwai: That is common knowledge: The Pakistan Government has raised the rates of postcards and other postal articles. If we had agreed to continue the existing rates then Pakistan would have got the rates that were prevalent there while our rates would have remained the same. Therefore, we would have been the loser. The alternative was either to raise our internal rates also or take up the international rates. Instead of raising the internal rates, we adopted the international rates.

Mr. Hussain Imam: Was the Standing Committee of the House consulted?

Mr. Speaker: Order, order. It seems to me the automatic result of the two Dominions being treated as independent States *vis a vis* the adoption of the international postage rates. So it is not even an action of the Government of India and I do not think this adjournment motion is in order.

WORKMEN'S STATE INSURANCE BILL

Mr. Speaker: The House will now proceed with Legislative Business.

The Honourable Shri Jagjivan Ram (Minister for Labour): Sir, I beg to move:

"That the Bill to provide for certain benefits to workmen employed in or in connection with work of factories in case of sickness, maternity and accident and to make provision for certain other matters in relation thereto, as reported by the Select Committee, be taken into consideration."

In making the motion, I may, with your permission, Sir, inform the House that soon after my motion for referring the Bill to Select Committee was accepted, I asked my Ministry to examine the various suggestions made by Honourable Members. All these suggestions were carefully examined. Amendments incorporating all acceptable suggestions were drafted and placed before the Select Committee. As a matter of fact, a comprehensive list of amendments was proposed by the Ministry itself. This procedure greatly facilitated the work of the Select Committee and the Committee was able to finish its labour in comparatively smaller time. I shall also take this opportunity to express my thanks to the members of the Select Committee who contributed considerably in improving and elucidating the provisions of the Bill. I shall now explain very briefly the important changes made in the Select Committee.

Provision had been made in the Bill for the application of the scheme only to factories and the scheme did not apply to clerical employees. It has now

[Shri Jagjivan Ram]

been modified to apply to all employees in factories. A new sub-section has been added enabling the appropriate Government acting in consultation with the Corporation and with the approval of the Central Government, to extend the scheme to other establishments, industrial, commercial, agricultural or otherwise. The exemption clauses in Chapter 8 have also been amplified to provide, where necessary for the application of one or more parts of the scheme as for example the application of the scheme in so far as it relates to compensation for employment injury in, say, seasonal factories. They provide the necessary authority to enable the extension of the scheme, as soon as some experience is gained of its working and the necessary administrative organisation is set up, to other categories of workers, whether working in seasonal factories or in other establishments.

The scheme has also been modified in regard to the contributions which should be paid to enable a worker to qualify for sickness or maternity benefits. It had originally been provided that before a worker could qualify himself for sickness benefit, there should have been paid in respect of him at least 17 weekly contributions in a period of six continuous months preceding the week in which he claimed the benefit. It has now been provided that the contributions should be paid for a period of six months known as the contribution period and that in return for such contributions the worker should be entitled to benefits in a subsequent period of six months known as the benefit period. Under the new scheme the Corporation will issue to the worker at the end of the contribution period an authorisation card indicating the benefits which can be claimed by him during the subsequent benefit period. With this authorisation and the medical certificate, the employee will be able to obtain the benefit speedily and without any waiting or harassment.

The principle that contributions should be payable for two-thirds of the period is retained, but the minimum number of contributions has been reduced to twelve. In calculating the two-thirds number of contributions, periods during which the worker was not available for employment because of sickness or confinement or disability resulting from employment injury would be excluded irrespective of whether he was in receipt of benefit during the period or not.

Likewise in the case of maternity benefit, instead of 26 contributions in a period of 52 weeks preceding the week in which the claim is made, benefit will be payable if contributions were payable in respect of the employee for two-thirds of the period in the corresponding contribution period, subject again to the limit of 12 contributions. The number of contributions payable between 85 and 40 weeks before the week in which confinement takes place or notice of pregnancy is given, has been reduced from five to one.

The definition of sickness also has been changed. The limiting clauses have been removed. Under the new definition, a worker will be qualified to receive sickness benefit provided he is sick and unable to attend work, whatever may be the cause of his sickness.

These amendments are designed to liberalise the qualifying conditions considerably and make it easier for the worker to qualify for the benefit.

The clause relating to the payment of contributions has been amended to provide that contributions should be payable not only in respect of weeks during which the employee renders service and receives wages but also in respect of weeks during which he is on authorised leave or is unable to work either because of a lockout or because of a legal strike, with a further qualification that in respect of legal strike, contribution will be payable only if wages are paid either in part or in full. This provision is intended to minimise the chances of breaks in service. It has also been made clear that the employee's contribution is recoverable only from the wages due for the period to which the contribution relates and not otherwise.

The Bill had provided that only employees whose average daily wages were ten annas or below should be exempted from the employees' contribution. In deference to the wish expressed in the House the limit has now been raised to include all those whose daily wages are below a rupee a day.

Three more groups have also been added. As originally provided all employees in receipt of a daily wage of Rs. 3 and above were grouped together and the average daily wage of this group was taken to be Rs. 3-8-0 a day. This would have meant that workers in receipt of a wage exceeding Rs. 78 a month, could get sickness or disablement benefit at a flat rate of Rs. 52-8-0 a month. This would have pressed hard on the higher income groups. Under the revised scheme, workers with a monthly income of Rs. 260 and below will all receive approximately seven-twelfths of their monthly earnings by way of sickness or disablement benefit.

Another important change made in the Select Committee relates to the provision of medical care and attendance to families of insured persons. Here again, a compromise has been struck between the desirable and the practicable. Provision has been made for the extension of the benefits, if so requested by the appropriate Government. In other words, if a Provincial Government is in a position to provide for medical care and treatment not only for the insured worker but also for his family and if the Corporation is in a position to bear the extra expenditure involved, then the benefit would be extended to the family of the insured person also.

The Select Committee also considered the question whether the maximum period for which sickness benefit is payable should not be extended to more than eight weeks in a year. There was general agreement as regards the desirability of extending the period. At the same time it was recognised that we should have some experience as to how the scheme will work, what will be the average incidence of sickness, and what would be the financial consequences of such extension. The present scheme has been worked out on the basis of such data as we have regarding the incidence of sickness. The data is not as full and comprehensive as it should be. Further it is a common experience that the incidence of sickness tends to shoot up as soon as a State insurance scheme of this type is introduced. For these reasons, the Committee felt that the existing provision should be allowed to stand for the present. The Committee has however expressed the hope that as soon as circumstances permit the Corporation should make use of the power given to it under the Bill and extend the period of benefit.

I would also like to mention another important change made in deference to the wishes of the House. It relates to the number of representatives of employees and employers on the Governing Bodies. Employers and employees will now have five members each on the Corporation which is the supreme authority and two members each on the Standing Committee.

There was also some criticism that the Bill provides for contributions only from employers and workers and none from Government. This is not correct. Under the scheme Provincial Governments are expected to contribute about a third of the cost of providing medical care and treatment. Most of the Provincial Governments have agreed to do so. We expect that the standard of medical care and treatment for insured workers will be such as will cost about Rs. 6 per head per year. The *per capita* expenditure now is only about annas six. The Bhoré Committee's recommendation is that it should be raised to Rs. 1-14-0 per head per year during the course of the next ten years. Instead of reaching this figure over a period of ten years, Provincial Governments have been invited to provide for insured workers services costing about Rs. 6 per head per year and bear a third of the cost from now onwards. No mention has been made either of the *per capita* expenditure which the Provincial Governments are

[Shri Jagjivan Ram]

expected to incur or of their share of expenses because under the Constitution Act we cannot by an Act of this Legislature, impose a charge on Provincial revenues. The subject, therefore, has been left to be settled by agreement between the Corporation and the Provincial Government. So far as the Central Government is concerned, it will make a grant equal to two-thirds of the administrative expenses for a period of five years. We have made provision for this purpose in Section 27 of the Bill as amended by the Select Committee. After the five year period is over, the question whether, and if so to what extent, the Central Government should continue to assist the Corporation financially will be taken up for consideration and a decision taken in the light of the circumstances then existing.

The Bill as it has emerged from the Select Committee is a considerable improvement over the one that was referred to it. The question of extending the scope of the scheme or enhancing the benefit is now an administrative or financial problem, but I venture to hope that it will be possible, before long, not only to bring a much larger proportion of employees within the scheme, but also to enhance the period of the sickness benefit and to make provision for medical treatment to the families of insured persons.

With these words, Sir, I commend my motion for the acceptance of the House.

Mr. Speaker: Motion moved:

"That the Bill to provide for certain benefits to workmen employed in or in connection with work of factories in case of sickness, maternity and accident and to make provision for certain other matters in relation thereto, as reported by the Select Committee, be taken into consideration."

Before Honourable Members take up this motion for discussion I might just invite their attention to one or two aspects. As the House knows, the Bill has already gone through the Select Committee. The principle of the Bill was discussed, I believe, thoroughly, when the motion for Select Committee came before the House. The Bill runs through 99 clauses—pretty large number of clauses—and the number of amendments received is 312. Considering all this and also the fact that members will get opportunities of placing their points with reference to the several clauses, when the amendments come up, it will be much better in the interests of saving time—as we are sitting only for nine days and have a long programme—that the speeches should be as short as possible. That is the request I should like to make. Otherwise, I am afraid, we shall be repeating the same thing over and over again, when we come to the clause by clause stage. The salient points may be touched at this stage and the other small things may be taken, as and when the amendments to the clauses come in.

Shri K. Santhanam (Madras: General): Mr. Speaker, Sir, I agree with you that we ought not to take much time in the discussion and I do not propose to take more than three or four minutes. I want to express my appreciation of the way in which the Honourable the Labour Minister and his Department dealt with the Select Committee. I have been on many of the Select Committees during the last two sessions and I have no hesitation in saying that if all the Ministers and their staff deal with us in the same way as the Labour Minister and his staff have dealt with us in the Select Committee a great deal of work and much better and quicker work would be done in the Select Committees.

Sir, this is just a beginning. This Bill should not be treated as if it is a complete system of social insurance. It is the beginning, and we have tried to amend the Bill so that it can be continuously and progressively expanded.

Many other things can be brought into it. It provides a skeleton or framework which can be indefinitely extended, and it is for that purpose we must welcome the Bill. It can be extended to the agricultural workers; it can be extended to every other class of workers. The benefits given by the Bill are of course not very extensive. We have tried to expand the benefits also. If Honourable Members will look at page 33 of the Bill they will find that while the original Bill gave exemption only to people whose daily wages are below 12 annas we have exempted all employees whose average daily wages are below Re. 1 from paying any kind of contribution. Even in respect of those who get Re. 1 and above, they have to pay only 2 annas. The contributions are pitched on a very moderate scale and the benefits are to be on a very considerable scale. It will be found that in the case of maternity benefits and sickness benefits, when the employees fall ill and when they have to be absent, all the time has been cut out from the calculations of the periods during which they should have paid contributions. In almost every respect the Select Committee has improved the Bill and expanded the benefits of the Bill though, as I have said, the House need not be over-satisfied with this Bill but should only take it as an earnest of further benefits which will come in the next few years. I suggest that they should accept the Bill as a whole and not try to tamper with it because it stands as one whole. We have tried to examine the financial implications. There were proposals to increase the benefits also, and as has been given in the Notes, the Select Committee as a whole would have liked to have expanded the benefits. But they found that they should not try to wreck the scheme of the Bill by trying to put too much at the start. The whole thing has been done on an actuarial basis, and that is the only proper way of beginning with the scheme. The Central Government should not be saddled with unlimited liabilities. The liabilities have been calculated. The Central Government is to pay a certain portion of the administrative charges and the whole scheme is to be more or less self-supporting in other respects. When the scheme is further expanded and when the Federal finances are such as to provide considerable subventions for social insurance, there will be no difficulty whatsoever in expanding the benefits. Therefore I commend to the House the adoption of the Bill as a whole subject of course to minor, verbal and other amendments as may be needed. But I would urge them not to tamper with the main provisions. I support the Bill.

Mr. E. K. Sakhya (C. P. and Berar: General): Sir, I must congratulate the members of the Select Committee and also the Honourable the Labour Minister for extending the scope of this Bill. That is a very good beginning for the social security of workers. When this Bill was originally brought to this House for being sent to Select Committee it was confined only to factory workers. The Select Committee has extended its scope immensely—it has extended it to all the employees. I really congratulate them, because this was a step which was needed long long ago. Factory workers mean only labourers who are in industrial concerns and they only had been given protection whereas many of the other workers had been absolutely neglected. In the workers' list there are dock workers; there are seamen; there are tramway men; and, Sir, the most important, there are the tally clerks and weightmen clerks who do the duty of a labourer as much as a real labourer does. Some of my friends here may not be knowing it, but tally clerks are doing work like coolies. A tally clerk has to check the goods unloaded from the steamer and loaded into the wagon and *vice versa*. He has to stand at the dock without a chair and a table; he has to run from one end of the harbour to the other. Similarly, a tally clerk has to do the same duty in the railway. These clerks are employed not only by the Port Trusts and the Railway but also by private firms for the purpose of checking. Then there are the weightmen clerks. They have also to do this manual duty although they are known as clerks. These

[Mr. R. K. Sidhva]

people have to work in the sun, in rainy season, roam about from one place to another with a tally book and a pencil, and run about marking down the number of packages loaded and unloaded etc. Sir, I am glad they have all been brought into the scheme of the Bill. Also clerks who were absolutely neglected in the past. I see no reason why clerks should not have all along in the past been included under the term 'workers'. I quite understand that the clerk has a chair and a table in an office. But they are all different kinds of workers. A typist, for instance, uses both his hands and his fingers. What an amount of labour he does can be realized only by one who has done it. I have myself done it—I can type at the rate of sixty words a minute—and I know how it affects a man's chest. Therefore, to have excluded clerks from these provisions in the past was very wrong. But, Sir, in the past we had a different government and their policy all along in such social matters was 'go slow'. I am very glad that this Government has adopted the policy 'go ahead' and I would request them to go ahead without any fear that they will meet with many difficulties if in social matters many improvements are brought rapidly. Conditions have changed; they have materially changed in this country. And the view that rapid progress in the matter of social improvement of this class will bring some kind of disaster or dislocation or inefficiency is one which I do not share. On the contrary, the rapid progress for their social improvement and the amelioration of their conditions will improve efficiency. Not only that. It will make them happy and contented. From that point of view I am glad that the Select Committee have really given great thought to this matter and I give credit to the Honourable Minister for acceding to this request.

At one time non-seasonal workers, that is those who work for four or six months in the year, were omitted in these schemes because they work only periodically, for three or four or six months. It was thought they should not be given any benefit. But the Committee, considering the conditions existing in the country, have certainly gone ahead, and I for one am very happy about it. While I am happy I would have personally thought that there should not have been any restriction as to the operation of this very important clause.

Under clause 2 it has been stated that the provisions of this Act will be applicable to all these classes excepting factory workers after a certain period, and that period may be, according to my calculation, not earlier than two years. There may have been certain reasons for the Select Committee to have taken this decision. They have taken this desirable step and I do not want to criticize them for postponing the operation of this clause up to two years. The Act will come into operation immediately for the factory workers and certain formalities have to be observed and for that purpose it is left to the provincial government to frame laws and thereby apply the other provisions to that class of people. Personally I would have gone ahead and would have straightaway, without any proviso, given them relief immediately, but I do not want to dispute the majority decision. After all we have to submit to the majority view, whatever be one's personal view. I would have recorded my dissent even if I were single but in this matter I feel Select Committee has done its job well and I, therefore, do not want to single out any clause for opposition.

Kasi Syed Karimuddin (C.P. and Berar: Muslim): Was the Honourable Member a member of the committee?

Mr. Speaker: No. The very absence of a minute of dissent shows he was not.

Mr. R. K. Sidhva: There is one permanent benefit in this Bill in the shape of sickness benefit, maternity benefit, disablement benefit, and injury benefit.

These are also provided for to a certain extent under the Workmen's Compensation Act as at present, and there are certain Acts prevailing in some provinces, for instance in Bengal, Assam and Bihar, and I think in Bombay also for maternity relief. This comprehensive law will be helpful but the material initiative that has been taken by the Government and the Select Committee is the provision of benefit for sickness, and it has been found that the workers who work in a non-congenial atmosphere shorten their lives: they have to undergo very many sicknesses and no provision was provided either by the industrialists or by the government before. I find in this Bill the proportion is prescribed as for the employer and the employee and the State comes in only for maintaining the department. The State has not contributed towards this fund. In other countries for social benefit the State gives money. I am very glad that the State has not contributed, not that I do not like it. The State has to come at one stage, but I am glad that today the State money has not been utilised for this reason that the industrialists today pay very low rate of taxes, compared with other countries. In view of this the industries may be made to pay a larger amount so that the State should not be burdened; if it did it would mean indirectly the consumer and the average tax-payer are burdened; therefore the industrialists have been asked to contribute their share along with the share of an employee. It is a very good innovation. We have not to follow unnecessarily the British idea in health insurance although I do not deprecate that. For unemployment and sickness the time may come when the State may intervene, but today, unless the industrialists pay proper taxation to the State, which they are not doing today, unless they pay to the same extent as is done in other countries, for example in America and Britain, the only desirable and right step for the government to take is to ask employers to contribute, although the Central Government will provide something, as the Honourable Minister just now stated, towards administrative purposes.

There is one thing in the Bill—the hospitals and dispensaries which are to be opened, it is left to the provincial governments' sweet will whether they should make provision or they should give the workers treatment in General or other hospitals. I have some experience of General hospitals. There are very many good hospitals in capital towns, but these labourers do not really get relief there. I would suggest that the Honourable Minister should make a rule that provincial governments must necessarily construct hospitals and dispensaries for this class of workers, particularly in Ahmedabad, Bombay, Cawnpore, Madras, and at such other places where there are industrial workers, and also at other places where large number of employees reside. I am only mentioning these four towns because the Act will come into operation immediately for factory workers only, but if the benefit is to be given to all labourers, then Sir, the necessity will arise in almost all important towns for special hospitals to be provided. To that extent I would have preferred in the Bill compulsion upon the provincial governments for opening up hospitals and dispensaries. I hope the provincial governments will realise their duty and see that as the Central Government is very keen on improving the conditions of the labourers, they do not lag behind in giving them relief. The pretext of financial stringency or some such excuse has always been brought forward so far. I therefore hope that our own governments in the provinces as well will bear this particular point in mind. They have left it to their good sense and I hope good sense will prevail, and they will of their own accord not bring in any kind of pretext or false excuse by allowing these employees to go to any hospitals which may be existing for the general public. There must be special hospitals provided for their benefit.

Then Sir, I also find another matter of importance. As you know there is a large number of T.B. patients and generally T.B. is a disease which prevails

[Mr. R. K. Sidhva]

in an atmosphere where there is no open air, where there is no proper breathing and where there is no proper diet. In the industrial area, if you take the statistics, you will find that nearly 15 per cent. of these industrial workers are suffering from T.B. T.B. hospitals exist in some parts of India only. One we know is in Solan in East Punjab. The provision in this Bill confines the treatment to patients in the province where a worker resides. So what I contend is that when a patient is suffering from T.B., because the hospital is not in his province, he should be sent out for treatment outside the province if it is necessary. Provision ought to be made that he should be sent to the all-India institute wherever it exists for T.B. and other such diseases.

The Honourable Shri Jagjivan Ram: It is not restricted to the province.

Mr. R. K. Sidhva: I have read the provision. It says 'institutes'. Any provincial government may say it does not fall within its jurisdiction. If it does mean, then I have nothing to state, but let it be made very clear so that no one can have any ambiguity about the English language and say 'such an institute is not in my province: my government is not going to bear the expenditure.' When the question of money comes in, everyone raises all kinds of excuses and then argue according to one's own choice and sweet will. I only desire that the object should be made very clear by the Honourable Minister when he frames the rules.

Sir, I would have also desired—I do not want to make any sort of criticism because as I told the House earlier I am very glad at the principle of the Bill—but I would have desired that some provision had been made for convalescent patients. After the sickness, sometimes a very bad sickness, the patient does require a fortnight or ten days to recoup if relief is to be given. If an ordinary person desires for recouping health a little convalescent period, I do not see why an employee should not have a small period of ten or fifteen days for convalescence. It is not provided in this Bill.

Then, Sir, I have only to make a passing reference to a point which, although technically a medical point, if they find that what is stated in the Bill is justifiable then I have nothing to say. I am referring to the pregnancy period of a woman with reference to the benefits. Provision is made that benefit will be given only after six months of pregnancy. Well, Sir, as far as I know according to medical authorities the child conceives after three months of pregnancy and if she gets the child between three months and six months, will she get the benefit?

An Honourable Member: She could get sickness benefit.

Mr. R. K. Sidhva: Yes, sickness benefit she could get, but maternity benefit she could not get. (Interruptions).

Mr. Speaker: The Honourable Member may proceed. After all he is giving his own views of the matter.

Mr. R. K. Sidhva: Sir, I have only mentioned this. Statistics have shown that there are premature deliveries and abortions; there have been many such cases in India—that cannot be denied. And with the very poor health of these women many premature deliveries take place. Therefore, I thought it advisable that if the law is not very clear on this matter, it should be clarified further.

Then, Sir, as regards the contribution during the sickness period, Schedule II lays down the average assumed daily wage. So far as the average assumed daily rate has been worked out, it is quite all right. But if you look at clause 2 on page 34, it says:

"The daily rate of sickness benefit during any benefit period shall be an amount equivalent to one-half....."

The amount of relief to be given is one-half. That is to say, if a patient is entitled to a daily wage of Rs. 1-12 then he or she will get annas 14 only. Now, his or her earning capacity is Rs. 1-12. When he or she falls sick, he or she gets half the amount. Although, of course, the provision for sickness is provided, while he used to earn Rs. 1-12 when healthy he gets annas 14 when he falls sick. On the other hand, when one is sick there is more expenditure. Special diet is required sometimes—I do not know if that provision will come under sickness; milk may be required and some special diet may be required. International law has laid down, and in Russia, in France and in Belgium even, two-thirds is allowed and here I would have wished, it not the full amount, at least two-thirds should have been provided. I would draw the attention of the Honourable Minister if he could see, if not now at a later stage, to increase this amount because I do feel that it is not fair that when a man falls sick he should earn less. After all the industrialists can pay. If your scheme upsets this payment, then the industry should have been asked to contribute more. The industrialist can do it; they are paying very much less to the State and therefore that should be compensated by giving this kind of relief to the labourers. I am not saying this because I am against the industrialists but because I want it in the interests of the industrialists themselves, to keep the men content and to step up production, so that happy and cordial relations may prevail between the two. Though I would have desired that with the generosity of the industrialists themselves, I would appeal to them today, although my appeal has not brought fruitful results in the past. But if they come out and say, "The Act gives you annas 14, I will give you Rs. 1-12", then I will give them the greatest credit and I will tell them they are the patriots. Here is an open offer thrown to them; my honourable friend the Finance Minister has been giving them all kinds of opportunities to step up production, he has given them relief and he feels they have now realised their duty. They must come out and they must prove to the world that they are very keen and very anxious to see that the labour also should be content. After all, labourers are their servants—they are not the servants of the State. They are the servants of the State so far as their industries are concerned but they will benefit more by increased production and the State will need more of production. Therefore, Sir, while we cannot do anything in this matter, I have got this opportunity and I appeal to the industrialists. While they met in the last Conference at Delhi, I must admit that I was sorry to see their resolutions. While the labourers are not content with even what the State is doing and lay the charge against the industrialists that they are not satisfied, that the industrialists are not *bona fide* desirous of coming to any kind of settlement; the industrialists do not want to part with one pie of their profit for the benefit of their labourers. Therefore, for the resolutions passed by them one would not give them credit—at least I would not give them credit. They have not been helpful to the Government in passing their resolutions in the last Conference. After all, seeing what happens in the whole of India.

Mr. Speaker: I am afraid that subject is beyond the scope of discussion. He may return to the Bill, let him not go outside it.

Mr. E. K. Sthava: I was referring to the increment of relief, I was not stating anything more. I wanted to impress upon the industrialists that they must really contribute and see the result.

In conclusion, Sir, I would submit that this is a Bill which has paved the way for the industrialists also to come to the rescue not only of the labourers but also of the State. The State is very anxious, our Government is very anxious, to keep the labourers content, but the Government by itself cannot be helpful unless the industrialist is helpful. Therefore, this Act is now before the country and whatever loopholes may be there, whatever gap may be there

[Mr. R. K. Sidhva]

which requires to be filled up, I desire, Sir, that they should not necessarily come on and off to the Government for implementing those loopholes or those gaps, but they themselves must voluntarily do so. I wanted that and it is very germane, Sir, with due respect to you, to the discussion on the Bill.

Sir, though there are other small matters on which I hold my opinions, I do not want to lay stress upon them because while I am satisfied on the main principle of the Bill for which we have been fighting for a number of years, rather decades, which has now been accepted by this Government, I will not have much to say if something is omitted because I know time will take its own course. I am confident that although the two years provision may be for application to other workers in this Bill, the Provincial Governments will be made to put this Act into operation much earlier than what is specified.

With these words, Sir, I really am happy that this Bill is being passed. I am happy that whatever was said on the Bill was sent to the Select Committee; the Honourable Minister has taken note of all that was said and very sincerely placed it before them. Many of the items which we had been suggesting here have been accepted. One important matter was the 10 annas that they had laid down for the labourer's contribution; they have raised it to one rupee. They have raised it to Re. 1. I was for Rs. 1-8-0. But I am glad they have raised it to Re. 1 and thereby given a lift.

I do again welcome this Bill and heartily congratulate the Government for such a benevolent and good measure for the people for whose betterment we have been striving since long. I am sure that when this Act comes into operation, these people will really be glad and they will have no reason to complain that this Government is indifferent towards them. I only desire that the Rules may be made expeditiously so that the Act may be put into force without any delay. I know in the Ministries the preparation of the rules takes a long time. Sometimes, when a Bill is passed into law, it does not come into operation for six months or nine months. In the previous regime, I know of certain cases where Acts passed by the Legislature did not come into operation for 18 months, because the rules were not framed.

Mr. Speaker: The Honourable Member is actually repeating what he has stated. If he does not really want delays, then the passage of the Bill should be a quick one.

Mr. R. K. Sidhva: Sir, I congratulate the Government for this very benevolent measure which they have brought in and I commend it for the acceptance of the House wholeheartedly.

Kazi Syed Karimuddin: Sir, after the detailed and illuminating speech of the Honourable Mr. Sidhva, very few points are left for me. I heartily congratulate the Minister for Labour for bringing a very comprehensive, salutary and welcome measure before this House. The presentation of this Bill shows as what is the difference between a foreign Government and a National Government. In England such a Bill was presented in the time of Lloyd George about, I think, 25 years ago whereas in India not a single measure of the kind was brought on the Statute Book in these twenty or twenty-five years; and with the inception of the National Government, within six months or so the Minister for Labour has brought several salutary measures—which is really to his credit. I sincerely congratulate him for incorporating very valuable provisions in this Bill.

Sir, the Honourable Minister and members of the Select Committee have paid so much attention to the opinions that have been received that every alternative and every suggestion made by the Provinces and by responsible

organisations have been incorporated. There were three suggestions, I think, which were very important. The first suggestion was that there should be no contribution from the labour. The second was that the definition of "workmen" should be extended to workers engaged in industrial and commercial concerns also. The third was about the medical treatment that is to be given to the dependents of the labourers. Except the demand regarding contribution, the rest are accepted. But the point that labour should not contribute at all was not met and it could not be met. In fact, this is a measure which is more or less an insurance. Of course, Government—the Provincial Governments—and the industrialists must contribute, but at the same time, the labour also must realise the responsibility of saving money and make their own contribution.

One thing more which I want to impress upon the House and the Labour outside this House is that the entire success of this measure depends upon the co-operation of labour. My honourable friend Mr. Sidhva has made an earnest appeal to the industrialists to make contributions, which they have not been doing generously. In my opinion, the success of this Bill mainly depends upon the attitude of the labour class. Unless they are properly educated, unless their ignorance is removed and unless their illiteracy is wiped out, they will not realise the benefits arising under this Act and they may not make contributions generally. That is point number one. Secondly, the success of this Bill depends upon proper production. If the labour decides to go on strikes and create deadlocks many a time, there may not be any profits for the industry and when there is no profit, it is impossible that any contributions will be made by the industry to the labour towards this fund. The result will be that the entire scheme which is presented by the Government will fail. Therefore, when the Government comes forward with a salutary measure for the benefit of the labourers, it is up to the labourers to realise their responsibility and increase production and not play into the hands of those who want to engage in subversive activities in order to change the order of society by violence.

Another thing, Sir, to which I want to draw the attention of the Minister in charge is about clause 85. In clause 85, definition of particular contraventions has not been mentioned at all. It is an ordinary rule in criminal jurisprudence that when you want to prosecute a man, then a specific contravention under a specific clause should be given. You will be pleased to see that clause 85, sub-clause (g), merely says: "is guilty of any contravention of or non-compliance with any of the requirements of this Act or the regulations in respect of which no special penalty is provided". Therefore, my submission is that it is very necessary that contraventions of specific clauses should be mentioned in this clause in order to bring the guilty person to book. I hope the Minister in charge will correct this.

Before I resume my seat, I once again congratulate the Minister in charge for this very wholesome measure.

Shri Harhar Nath Shastri (U. P.: General): Sir, I rise to accord my whole-hearted support to the Workmen's State Insurance Bill as it has been modified by the Select Committee. I regard this measure as one of the most important ones that have been brought forward in this House in course of the last six or seven months. In fact, it marks the first serious attempt on the part of the Government of this country to ensure a considerable measure of social security for labour. Though the problem of social security has been on the forefront in the international sphere for the last twenty or twenty-five years, it has all along been ignored in this country except for some specific relief as provided for in the Workmen's Compensation Act and, in certain provinces, through the Maternity Act.

[Shri Harihar Nath Shastri]

Sir, in pursuance of your directions, I would not go into much detail, but for the information of the House I should like, in a few words, to go into the history of social insurance in this country. The question of Health Insurance which is the main part of the Bill was for the first time discussed in 1926 by the Governing Body of the International Labour Conference. The Governing Body included the subject on the agenda of the tenth session of the International Labour Conference in the year 1927 and the Conference while recognizing that the Health Insurance provided the best means of obviating any loss to the worker's productive capacity adopted two conventions and one recommendation in regard to the subject of Health Insurance.

Most of the countries since then ratified these conventions and recommendations, but the conclusions arrived at by the Government of India were that these conventions were not practicable in this country. The matter was discussed in the Central Assembly in the year 1928, when the Government moved a Resolution that the International Convention should not be ratified. In spite of the fact that the Congress Party in the Legislature at that time tried its level best to get the convention ratified unfortunately it could not be done and an amendment moved in support of the ratification was negatived and the modified Resolution was passed.

Between 1928 and the year 1948 the question was discussed again and again no less than half a dozen times. It was tackled in the year 1931 by the Royal Commission of Labour and it, while leaving the consideration of the comprehensive scheme to some further occasion, suggested a tentative scheme based on voluntary contribution from employers and workers to be carried out immediately. It took the Government of India full six years to consider the proposal of the Royal Commission of Labour. In the first instance, it was placed before the Standing Committee of the Departments of Industry and Labour. Then it was subjected to the scrutiny by the Commissioner of Insurance; again opinion on that measure was elicited from the Department of Actuaries in London; again the Provincial Governments were consulted and after full six years, the Government of India came to the conclusion some time in 1935, that the whole idea should be dropped as it was not practicable.

Again, Sir, after the outbreak of the War, the question was taken up in the year 1940 when the first Conference of Ministers was convened by the Government of India and at that time it was decided that organizations of Labour and Employers should be asked how far they were willing to contribute towards this fund. A favourable reply was received and then the matter was again discussed in 1941 at the second Conference of Labour Ministers. The conclusion of the Conference was that preliminary actuarial examination should be undertaken in certain large industries before a scheme could be introduced. Soon, however, difficulties of actuarial examination covering a wide field were experienced and the Government of India were inclined to the view that it might be worthwhile without waiting for a detailed statistical investigation to start with some experimental scheme to apply to certain well defined industries with two purposes; firstly to make a start and partly to obtain a statistical data by the utilization of which this scheme could be subsequently finalized. The Government of India prepared a tentative scheme and that tentative scheme was placed before the Third Conference of Labour Ministers which took place, probably in the year 1943, and after a good deal of discussion, it was decided that instead of making experiments with any tentative scheme the details of a full scheme should be worked out by a small expert committee. Later on the work was entrusted to an Officer on Special Duty with whom were associated advisers representing employers and workers

and the report of the Officer forms the basis of the Bill as it was originally introduced before this House.

Sir, I would not go now with the various improvements that have been made in this Bill by the Select Committee as the same have already been referred to by the Honourable Minister and certain Honourable Members of this House. But I would refer to a few objections that have been made just now by my friend, Mr. Sidhva and some others. As I also happened to be a member of the Select Committee, I feel I should state the reason which led me to support or to accept the proposals that have been criticised by my honourable friends. Mr. Sidhva has criticised the postponement of the Bill for a period of two years. I should like to assure my friend, Mr. Sidhva, and every section of the House that every member of the Select Committee was as anxious as my friend for an early application of the Bill, but he would realize that a measure of this kind to be put into actual practice requires a huge administrative machinery and if a start is made abruptly, the whole thing is likely to fizzle out. So to set up an administrative machinery for a Bill of this nature, of course, it takes time. Then I might say that the two years is the maximum period. It does not mean that the Bill cannot come into force at an earlier date and I do hope that the Government of India and various provinces will see to it that the Act is brought into force as soon as possible and even much earlier than the maximum period prescribed under this Bill.

Then Mr. Sidhva referred to hospitals and dispensaries and urged the need for having separate hospitals for workmen. I must plainly say that I do not subscribe to that view. We do not want the workers to be put into a separate section of untouchables or depressed classes; they must be part and parcel of the community. Their standard also may in that case suffer. Of course for certain diseases like disablement due to injuries in factories and things of that kind it may be advisable and feasible to allot certain sections of the general hospitals to be used for that purpose. But I do not agree to separate hospitals for workers as a principle.

As regards the criticism that the provincial Governments should not have been entrusted with this duty, in fact it is they who are in charge of the health and welfare of the people and it is a duty which they have to perform; and I have no doubt that they will do their level best in this direction. But should there be any difficulty in this respect I am sure the Government of India will take the necessary steps in this regard.

It was said by Mr. Sidhva that the convalescent stage has been omitted. But I do not think so and I presume that the convalescent period i.e., the period during which a worker is not able to attend to his duties due to the after effects of sickness, is covered under 'Sickness', and so he need have no misapprehension on that account.

Mr. Speaker: The Honourable Member may continue after Lunch.

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

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

Shri Harhar Nath Shastri: Sir I will just say a few words about the scope of the Bill. When the Bill originally came up for consideration some months back before this House, I strongly pleaded for the inclusion of seasonal labour in the purview of this Bill. I was particularly anxious for workers in the sugar industry, whose conditions of work are extremely unsatisfactory

[Shri Harihar Nath Shastri]

and who claim every possible protection from the State. The matter was considered at length in the Select Committee also and we also discussed the point with the Actuary of the Labour Department of the Government of India, and it was felt that inclusion of any new category of workers will upset the actuarial calculations and that it would raise practical difficulties and, if insisted upon, there was a likelihood of the whole scheme being considerably delayed. It was on that account that we agreed that for the present the Bill be limited to perennial factories. All the same, as has been pointed out by the Honourable Minister, a provision has been made for extending the Act to other establishments at a later stage, and I am glad the Honourable Minister has again this morning given an assurance that as soon as possible the scope of the Bill will be extended to other establishments. There is yet another point over which I strongly felt when the Bill was originally brought up before this House and it was in regard to the period of benefits. I had urged at that moment that 13 weeks as suggested by Professor Adarkar be taken as the basis on which benefits should be paid to workers covered under this scheme. But the same consideration that weighed in connection with the previous point did apply in this case also. The scheme was framed and calculations were made on the basis of 8 weeks. So although at one stage I had an idea to put in a note of dissent on that point, ultimately I felt that whatsoever has been done is the only thing possible at a time when the whole scheme is passing through an experimental stage. But I am grateful to the Honourable Minister who agreed with the Select Committee that a clause be added to the provision whereby it is possible to enhance the benefits at a later stage. The Select Committee, as you will find from the report that has been appended along with the Bill, has accepted the principle that benefits should be raised to 12 weeks, and I am sure very soon it will be possible for the Government to implement the assurance that has been given this morning in this respect by the Honourable Minister.

Then, Sir, the original Bill sought to confine medical benefits to actual workers only. Here, too, I as well as other members of the Select Committee keenly felt that dependents should not be deprived of the medical benefits, and although a beginning has been made with medical facilities confined to actual workers, I am sure it will be possible for the Government to extend medical benefits to dependents of the workers also.

Then, Sir, the question arises, as it has arisen this morning too, and also when the Bill was originally introduced, that the workers should be exempted from payment of contributions. In this connection, Sir, it may be noted that the whole idea of social insurance as conceived by the International Labour Organization is based on contributions both from labour and industry and the idea as envisaged in this Bill in fact prevails in every other country where the scheme of social insurance is in operation.

I would go into no further details, but while offering my hearty congratulations to the Honourable Minister for this measure, I should, with your permission, avail of this opportunity of speaking just a word in connection with the Ministry of Labour. Although, Sir, the expectations of labour from the Labour Ministry are not fully realized, and although there is a lot still to be done, yet I trust the House will share with me the belief that Shri Jagjivan Ram is sincere in his desire to promote the welfare of the working classes and that he has done his utmost in that direction since he took charge of this portfolio. If he has not gone so far as we wanted him to go, it is not because of lack of earnestness on his part but due to the obvious limitations under which he has had to work. Even then the series of legislative measures that have been brought forward in the course of the last six months speak highly of the earnestness with which he has devoted himself in tackling the labour problems. I do not propose to enter into any detail but for some idea

of the working of the department I would invite Honourable Members to go through the memorandum recently prepared by the Ministry of Labour about its manifold activities up to the 31st December, 1947. In conclusion I reiterate what has been said this morning by my Honourable friend Mr. Nanthanam that this is only a beginning of social insurance in this country and I trust that the present measure will be followed soon by a Bill regarding provident fund and that investigations will soon be initiated to pave the way for unemployment insurance in this country. Sir, I thank you for the privilege which you have given me of taking up so much time of the House. With these words, Sir, I resume my seat.

Prof. N. G. Ranga (Madras: General): Sir, I associate myself with all the nice things that my Honourable friend Mr. Shastri has said about the labours of our friend Shri Jagjivan Ram. At the same time I cannot agree with my friend that labour has expected so much and has not found satisfaction as yet from this Ministry. If labour leaders and workers and wellwishers, among whom I consider myself also to be one, were to go on expecting so many things and yet not do anything at all from their own end, I do not think it is quite fair. Shri Jagjivan Ram, our Labour Minister, according to Mr. Shastri and other friends, has done so much during the last six months but what is it that we have been able to get in the way of response from labour?

Shri B. Das (Orissa: General): That is the question.

Prof. N. G. Ranga: Now my answer is, we hear so much about that section of labour which has been creating trouble for Government as well as the employers and the industry, but we hear so little about a much greater section of labour which is all the time co-operating with the Government, which has pinned its faith in this national government and which likes to support the national government. Therefore even on that score it is not possible either for my friend Mr. B. Das or for any one else to find fault with the great majority of the industrial workers in this country. They are satisfied with the national government, they have confidence in the Government. Only very recently I had an opportunity of going to Jamshedpur and meeting the labour workers there and their leaders also and I was assured by them of their wholehearted support and loyalty to the national government. This naturally increases the responsibility of the national government towards labour.

Secondly, I am very glad that this principle of contribution has come to be accepted in regard to this kind of labour legislation. I am also glad that my Honourable friend Mr. Sidhva has noticed the fact that the Government is not expected to make any contribution excepting meeting up to 75 per cent. the administrative expenses for the first five years but that the employers and the employees are expected to pay for the social insurance. I welcome this feature and I hope the acceptance of this principle will enable my Honourable friend Shri Jagjivan Ram to bring forward in the near future a Bill for establishing unemployment insurance also on the very same basis.

There is one other healthy feature here. Instead of expecting the workers as well as the employers to contribute in equal measure to these social funds, the principle has been accepted that the employers' share should certainly be much higher than that of the worker. It is all for the good and on the same basis if legislation were to be proposed for the establishment of unemployment insurance also, I think it will be a feasible proposition and it will be possible for my friend to achieve that social reform also in a very short time. Surely it is the duty of the employers to provide compulsorily housing for their workers. If we apply the same contributory basis the construction of housing for industrial workers may come to be developed by the State or through the initiative of the State.

[Prof. N. G. Ranga]

I wish to say one thing more and that is today situated as we are in this country, the industrial sector of our social economy is a very small one. I should be surprised if it is proved to be more than 15 per cent. of our total annual wealth production and yet we are now trying to create such facilities for the capitalists and industrialists on one side and their proletariat on the other as would enable them to live in a sort of suspended animation in an insulated prosperity completely removed from the whole of humanity of our country and enjoying certainly a number of social securities and amenities which are not available for the great mass of our people, the industrialists special responsibility rests on these two classes of our people, the industrialists on one side and their proletariat on the other. I want to sound a note of warning in the name of our own country and in the name of our own great mass of people, the kisans and the labourers, that it is their duty to stand by our nation and national government and appreciate these special facilities and advantages that are being created for their special benefit and try to co-operate with our national government as well as their national effort.

A wrong impression has been created that all that has been produced or is being produced from our mills is the achievement of the industrialists and the workers alone. According to me these industries would not be there and these social amenities would not be there if there were no State at all, if the State were not a benevolent one and a State which has the proletariat at its heart. Therefore these people have their responsibility towards the State.

Secondly, if all the raw materials on which these industries work are not supplied to them as cheaply as they are being supplied at present, it would not also be possible for them to carry on their own productive activities and supply these manufactured goods at the prices at which they are being placed in our hands. Therefore all the profits that are being derived from out of these industries with the co-operation of the proletariat ought not to be treated as a special contribution or special earnings of the industrialists and their proletariat along. On the other hand they ought to be treated as the common achievement of the whole of the community with of course the special cooperative of the industrialists and the workers. (Because of this I am glad that this contributory system has been introduced and I hope that in future also the State will try to make the financing of social insurance the special responsibility of the industry concerned, and not of the general public.

With these general remarks I have very great pleasure in supporting this Bill. I have also had the privilege of working on the Select Committee and I know with what enthusiasm my Honourable friend Shri Jagjivan Ram has co-operated with us and steered this Bill through the Select Committee. He was even more enthusiastic than many of us on the Select Committee and if at all he had to come in anywhere it was only to help us to appreciate the point of view of his own actuary. If we have been unable to give satisfaction in the directions in which my Honourable friend Mr. Sidhva had asked for in the morning it was not because of any lack of enthusiasm on our part but because it should come gradually. If in course of time, in the next two or three years, as a result of the experience gained in the working of this insurance it comes to be seen that for a longer period relief can be given to those sufferers or special benefits can be given to those sufferers; certainly the Government as well as the House will be quite ready to extend these benefits to the extent to which my Honourable friend Mr. Sidhva has desired this morning.

Shrimati Rannika Ray (West Bengal: General): Mr. Speaker, Sir, quite a number of members have spoken on this subject and I do not wish to take up the time of the House by reiterating what they have said. I should like to say first of all that although we have passed quite a lot of legislation during this

session I do feel that the Bill that we are now considering is perhaps one of the most important and vital. My Honourable friend Prof. Ranga has pointed out quite truly that a great deal of legislation is yet to be enacted for labour, and in particular for agricultural labour, which has not yet been emphasized. This does not take away from the fact that this Bill even if it is not comprehensive enough is the nucleus of the future social insurance legislation of the country. I do not think that members of the Select Committee or even the Honourable the Labour Minister will say that it is as widespread or as comprehensive as they would have liked it to be. My Honourable friend Mr. Shastri has pointed out this in detail and he has told the House something about the discussion in the Select Committee. The administrative difficulties were pointed out, the lack of trained personnel, and it would not be very practicable to have its terms extended immediately, as it would be difficult to implement. Nonetheless it is the nucleus of a more comprehensive scheme and I do not think that anyone can deny the merits of the Bill as it stands.

My Honourable friend Mr. Sidhva and others advanced some objections on the ground of its not being comprehensive and in regard to the need for wider application of sickness benefits—or rather I should say he has suggested some improvements. My friend Mr. Shastri has replied to this and I do not want to repeat what he has already said. But I want to point out two things to the Honourable the Labour Minister. First of all, I think that it is not merely a question of passing legislation but of seeing that it is properly implemented that is most required. The Honourable the Labour Minister will I think agree with me when I say that some times Provincial Governments do take a long time and do delay in bringing in rules for implementing such enactments and that labour legislation is some times not implemented as quickly as it could be. I think that if the Central Government draws up model draft rules in connection with, this enactment and sends them round to the Provincial Governments to some extent the delay might be shortened. Also I hope the Honourable the Labour Minister who is so anxious and enthusiastic about this legislation will endeavour to press the Provinces until they do implement the provisions. Otherwise the legislation will remain on the statute book as a principle which will not be of any real benefit, for much longer than is necessary for administrative reasons.

Then there is another point on which I speak from a certain amount of personal experience. I have seen this particularly in the case of such labour as plantation labour or mines labour where the labour is very ignorant. Whatever legislation is being passed for benefit of labour a large section of labour is not aware. Sometimes they remain totally unaware and the employer takes advantage of this situation. For instance, in regard to the Maternity Benefit Act which was passed, I have seen in the plantations that the women labourers were quite satisfied because they were paid a sum of Rs. 5 in all and they thought that the employer was very good to them. The employers got their thumb impressions. When the Inspectors come round, the thumb impressions were there to show that they had been paid maternity benefits. This sort of thing may again arise because labour is still just as ignorant. I do hope the Honourable the Labour Minister will bear in mind this point, which was I think discussed in the Select Committee. It is very essential to have the provisions of this Bill translated in a simple manner in the languages of the different areas and given to these labourers. And where the labourer is so ignorant and cannot read at all I hope the Inspectors will be specially deputed to go round and explain the provisions of the Act to them. If nothing of this sort is done I feel there will be still a great many employers—with all respect to them—who are likely to infringe the provisions of the Act and get round it in some way or another. These are the two points I wanted to make.

As regards the Bill itself I do not think it can be improved upon at the present moment. I hope that within two years its provisions will be applicable to agricultural labourers and others, and that unemployment insurance

[Shrimati Renuka Ray]

will be provided for in the near future also. But it is the implementation of the Bill when it becomes an Act which is really most urgent.

I agree with my Honourable friend Mr. Santhanam when he said that the way that the affairs of the Select Committee were conducted by the Labour Minister and by the Labour Ministry is one which I think should be a precedent for others. It is the way in which the Select Committees under a National Government should function. I would like to join with other speakers in my praise of the Honourable the Labour Minister for the sincerity and the regard he has shown for the betterment of labour conditions.

Shri Ramnarayan Singh (Bihar: General): Sir, I shall not take much time of the House. I have stood up only to express my joy over this measure and also to express my proud feelings I have about my Honourable friend Babu Jagjivan Ram. Sir, I entirely agree with all the praise-worthy words which have been said about my Honourable friend Babu Jagjivan Ram, with whom I had the honour to work from the very beginning of our political career. But with all these things I must tell him one thing which I have repeated several times before. Legislation is going on, but as has been suggested by my lady friend, much attention ought to be paid to the implementation of the measure. I think my Honourable friend the Labour Minister had gone recently to Jharia. He must have seen the activities of the welfare committee there. The Labour Welfare Act has been passed some time ago. A Labour Welfare Committee has been established at Jharia and something is going on. Towards the Fund some Rs. 60,000 have been realised from Bokaro and Beramo coalfields and their neighbourhood. I think about 1 lakh of labourers work there. But up till now no representative of the labour has been taken into this Committee from that area. That is one matter. And up till now not a pice has been spent in that field as regards the relief of the labourers there. Things are said and done in this House. But unless proper attention is paid to the work on the spot no good will be done to the labourers.

Sir, everybody knows that the whole social fabric depends on labour. It is on labour that our very existence depends. I think the whole society ought to realise this. The Government also should realise this. Everything is due to labour. We live on labour, but the thing is not realised by anybody, and especially by the Government. My friend Prof. Ranga has just said that labour is very satisfied and as proof of this he said that he had been to Jamshedpur and the people there have assured him of their loyalty to Government. Loyalty does not mean satisfaction. Loyalty is loyalty but satisfaction is something quite different. I think nothing is done to satisfy labour. Of course labour is loyal to the Government and they will be loyal to the Government, but I do not think the Government deserve this loyalty. So long as my friend Babu Jagjivan Ram is there, I am sure he will do all that he can and we are all with him, but we have to see that substantial things are done for labour as soon as this measure is passed.

With these few words, Sir, I again congratulate my Honourable friend and support the measure he has submitted to the House.

Shri V. C. Kesava Rao (Madras: General): Sir, this measure was expected for the last many years, but I do not think there is much to be appreciated in it. Sir, the Workmen's Compensation Act was passed in 1923 and that provided for accident insurance and maternity benefit. The only improvement in this Bill is the inclusion of sickness benefit. Except for that I do not think there is any additional benefit that is given to labourers.

Prof. N. G. Ranga: Agricultural labour is to be brought into the sphere.

Shri V. C. Kesava Rao: My friend says that agricultural labour will also be brought into this. From 1923 to 1948, they have taken 25 years to bring

in this kind of legislation; but I do not know how many more years Government will take to include Agricultural labour. The scope at present is restricted to factory labour only and not to any other type. There is organized labour, such as miners and railwaymen dock workers, people working in the leather trade and *beer* industry etc. All these who are organized today are excluded from this Bill. I do not think any extra burden will fall on the Government or the Corporation that is to be set up if these organized labour are brought into the scope of this Bill.

Another thing, Sir, is that risks are restricted, *i.e.* only sickness insurance, accident insurance and maternity benefit are dealt with. I think it is essential that old age pensions as well as unemployment benefit should also be included straightaway now.

As regards sickness benefit, they are eligible for it only for 8 weeks and that only when they are in the hospital and I think one of the Honourable Members pointed out that something should be done when they are convalescing. So any man, especially a labourer, who does physical work, as soon as he comes out of hospital—I do not think—will be in a fit condition to do heavy work in the factory. So sometimes a margin of 10 to 15 days should be given to that man to convalesce and recoup his health.

As regards maternity benefit, a pregnant woman is allowed only a total of 12 weeks before and after confinement. I think this is too low a period. If it is six weeks before confinement it will be too short a time and it will not be possible for a woman to work in the factory up to 8th month or $7\frac{1}{2}$ month of her pregnancy. So the period for the maternity benefit should also be extended, *i.e.*, it should be at least for four months—two months this side and two months that side of the confinement.

The maternity benefit is restricted to 14 annas a day. I think when a woman is under confinement, she requires more expenditure than the ordinary woman. In this case also I do not think 14 annas is sufficient to maintain the mother. She has to maintain the child inside and she has to look to her own health. So in such cases, to improve the health of the woman, it is necessary that the benefit should be increased and she must at least get Rs. $1\frac{1}{8}$ a day—not 12 annas or 14 annas a day.

There are many insurance companies and private firms where a large number of clerks and peons are employed. They are not included in this Bill. They work throughout the day and they will not be able to get the amenities of life that they require. There are no rules to regulate their salary, and I do not think this Bill will be made applicable to them in a short time. All the clerical staff and peons who are working in insurance companies, banks, firms, etc. should also be included in the scope of this Bill.

Another thing is that though it is a bit difficult to include agricultural labour in this Bill, I do not think there will be any extra expenditure incurred by the inclusion of agricultural labour. Labour on plantations and labour in seasonal factories are also to be included in this. Especially agricultural labour, work only for six months in the year, and they get very little, and nobody notices how they spend their lives and how they spend the rest of the six months in the year and how they earn their livelihood. So at least for six months these people must be given these benefits and during those six months something can be collected from the agriculturists and the landlords should be asked to pay towards the insurance premiums of agricultural labour.

Another thing is that the standard of life of labour is very low in India and we are asking them to pay from 2 annas onwards up to Rs. 4, and I do not think a labourer who gets Re. 1 will be able to pay 2 annas towards insurance. So the share of the labourer should be reduced. The Government should pay one anna and the labourer should be asked to pay only one anna, and the rest

[Shri V. C. Kesava Rao]

of the insurance money by the employer. So this will enable the labourer to reduce his burden to a certain extent. It is a fact that labourers have many children and they have to rear them. If a labourer has to pay two annas a day, that will be a loss to him and with the two annas he can feed one child. So this should be included and Government should bear a part of the contribution of the labourer.

Another thing, Sir, is that labourers working in the textile mills and in the cement factories will naturally lose their sight soon. There should be some provision in this Bill to employ those people; when the sight is lost, people will be driven away from the factories. So, there should be some provision in this Bill to re-employ them in such jobs where a keen eye-sight is not necessary; up to old age they must be allowed to work and then get the full benefits of the insurance scheme.

Labourers do not get any leave. They have to get some leave for recreation and that leave should be paid by the factories. They should get recreation leave of at least fifteen days in the year and should be paid by the company according to the rates fixed for the sickness insurance or accident insurance etc. Then these people who work throughout the day and throughout the year will be able to recoup their health and will be able to do more and help the nation. In these days of an all round appeal for more production, I think a sort of recreation is also necessary for these people and for that period this Corporation should pay them sufficiently.

A good feature of this Bill is that the lump sum grant was excluded. The seasonal factories should also have been included. One of the Honourable Members pointed out that there are some administrative difficulties in including these. But I think the expenditure involved by including these seasonal factories will not be much; it will cost more, but not too much. So I think it is better that we should include all the seasonal factories and all the workers working in agricultural lands and plantations. We should include all of them straightaway and do some justice to labour.

The Honourable Shri Jagjivan Ram: Sir, I do not propose to give any detailed reply to the various points that have been raised here as I am afraid no new points have been made and there is nothing new that I may give in the shape of reply than what I had said while replying to the debate when I referred this Bill to the Select Committee.

Sir, I have been congratulated from many sides and I was just thinking with whom to agree—with the friends who have congratulated me, or with the friend who has just spoken.—and I feel inclined that I should agree with the last speaker. I myself feel, Sir, that there is nothing in this Bill which deserves appreciation or on the score of which I deserve any congratulation. But as I said on the previous occasion, this measure is a modest step towards a great social objective, and I look at this Bill from that point of view.

My friend Mr. Kesava Rao has been critical. But I am afraid much of his criticism is due to his ignorance of the Workmen's Compensation Act. Also, his criticism is due to his ignorance of the condition of the workers in the Railway Department. I may point it out to him that the workers in the Railway Department today have better facilities than what we are providing in this Bill and it will be, of course, doing injustice to the railway workers if we were, as suggested by my friend Mr. Kesava Rao, to bring them within the purview of this Bill. If he comes to know the conditions of the railway workers I feel he will withdraw his suggestion.

As regards the maternity and disablement benefits, I would request my friend to go through the Workmen's Compensation and Maternity Benefit Acts and then he will come to realise what is the difference, or what are the extra benefits that we are providing here in this Bill.

As regards the contribution from the workers, I for one, Sir, feel that all the social security measures should be of a contributory nature. Even provident fund, old age pensions and unemployment insurance which my Ministry is already examining and which we may bring before this House in due course of time, should be on a contributory system. If the Government were to contribute to these things, I would like to know from my friend who suggested that Government should contribute, wherefrom the money will come for the Government.

An Honourable Member: Hear, hear. That is the question.

The Honourable Shri Jagjivan Ram: It will naturally come from the taxpayer, and whether you get it from the labourer or you take it from the taxpayer, it certainly affects the worker. There is no denying the fact that whether you charge the employer to make a contribution to these funds, or whether you levy a cess on the products of the industry, it falls ultimately on the consumer. But the thing is to see whether it is a direct charge which falls on the consumer or an indirect one. There is no denying the fact that all these burdens ultimately fall upon the consumer.

Sir, as I said—and I do admit that the Bill is not a very comprehensive one—it is not all-embracing at present, but provision has been made in the Bill to expand its scope and also to enhance the period and rates of benefit, whenever the Corporation finds that the finances of the Corporation are in a position to bear the burden of expansion or extension or enhancement. So there should be no misapprehension on that score. When the Provincial Governments find that they can easily extend it to the agricultural labour, they will certainly do so. The thing to be considered, as I said on the previous occasion, is not only the finances but also the necessary personnel, medical and others, to man this scheme. As every member in this House is aware, we are so short of qualified personnel especially in medical field, and the whole scheme cannot be proceeded with unless we have the requisite number of qualified doctors and others. Before we think of expanding the scope of this Bill to all categories of workers, in the mines, in the plantations and in agriculture, we will have to take into consideration the general deficiency of our health services in this country. The question is not to look after the health and medical care and attendance only of the workers, industrial or otherwise, but to look after the health and medical attention of the entire population. And we cannot consider this thing in isolation; we will have to consider the question of the working classes in connection with the entire population, and the whole question is not only for the Labour Ministry but for the entire Government, to see how soon and how far we can provide medical facilities to our entire population. We should look to this Bill in that context and if we look to this Bill in that context I feel that Honourable Members of this House will agree with me that it is not a very small step towards social security of labour.

As I said Sir, I do not propose to make any detailed reply to all the points that have been raised. They are covered by my speech which I made in reply to the criticism while referring this Bill to the Select Committee. I hope the House will unanimously accept my motion for consideration.

Mr. Speaker: The question is:

"That the Bill to provide for certain benefits to workmen employed in or in connection with work of factories in case of sickness, maternity and accident and to make provision for certain other matters in relation thereto, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Mr. Speaker: We will now take the Bill clause by clause. Before we proceed with the various amendments, I might just state that quite a large number of amendments proposed relate to correction of punctuation, printing mistakes, insertion of correct articles or the changing of capital into small and small into capital letters. The Honourable the Labour Minister was good enough to intimate to me the amendments which are acceptable to him. I must mention here the great trouble which the Honourable Member, Mr. Naziruddin Ahmad, has taken in carefully scrutinising the Bill from the point of view of punctuation, articles and other little things to make the language perfect and I propose, as I stated to him the other day, that I shall be forwarding these to the Draftsmen because I look upon them as practically mistakes in writing out the correct text of the Bill, not in hand but in print. So I do not propose to put them to the House and we shall take up the other amendments and I am sure the Draftsmen will do the necessary work and do also justice. With these preliminary remarks, I will just put the clauses and the amendments to the House, and I hope we will proceed as rapidly as we did in the first consideration stage.

I shall call out such of the amendments as do not fall under the particular category which I mentioned. Amendment No. 6 in the consolidated list.

Mr. Naziruddin Ahmad (West Bengal: Muslim): Sir, I beg to move:

"That in part (1) of clause 2 of the Bill, before the word 'mine', the word 'or' be inserted."

Sir, the text lays down a large number of alternative conditions separated by the word "or". But the words "post" and "mine" have not been so separated. This is the only exception and the amendment fills in the gap.

The Honourable Shri Jagjivan Ram: Sir, I accept the amendment.

Shri K. Santhanam: I think it is a mistake, Sir. I would like to point that the word "control" refers to the control of the Central Government. Mine or oilfield is not a matter to be controlled by the Central Government. It is a separate category. I think therefore that he has misunderstood the scope of the clause. The first part is separate and mine or oilfield is separate. I do not think the amendment is acceptable.

Mr. Naziruddin Ahmad: My difficulty is that the Draftsman has accepted this amendment. I am merely faithfully following the same.

Shri K. Santhanam: The Draftsman, I think, may make a mistake, but I think the House here will have to do the correct thing. The Draftsman should not have accepted this amendment.

Shri O. Subramaniam (Madras: General): Sir, may I respectfully submit that establishments under the control of the Central Government are a separate category; Federal Railway is another category; major port is another category; then, mine or oilfield is a separate category. From this, it is not at all necessary, as my friend Mr. Santhanam says, that mine or oilfield should be one of the establishments of the Central Government. I think therefore the suggested insertion of "or" is quite appropriate.

Mr. Speaker: I think the word "or" should be there. It should be "or a mine or oilfield".

The question is:

"That in part (1) of clause 2 of the Bill, before the word 'mine', the words 'or a' be inserted."

The motion was adopted.

Mr. Nasiruddin Ahmad: Sir, I beg to move:

"That in part (7) of clause 2 of the Bill, after the word 'or' the word 'with' be inserted."

The Honourable Shri Jagjivan Ram: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in part (7) of clause 2 of the Bill, after the word 'or' the word 'with' be inserted."

The motion was adopted.

Mr. Nasiruddin Ahmad: Sir, I beg to move:

"That in part (8) of clause 2 of the Bill, for all the words beginning with the words 'employment injury' and ending with the words 'arising out of', the following be substituted, namely:—

"employment injury" means—

(i) a personal injury to an employee caused by an accident, or

(ii) an occupational disease arising out of."

Sir, I think this amendment is necessary in order to prevent some amount of confusion which is likely to ensue from the clause as it stands now. We have to distinguish a personal injury caused to a workman from the disease which he may contract in the course of his occupation and for this purpose the amendment I have suggested appears to be necessary.

The Honourable Shri Jagjivan Ram: I don't consider that amendment to be necessary and am not accepting it.

Mr. Speaker: I am not, therefore, placing it before the House.

Mr. Nasiruddin Ahmad: Sir, I beg to move:

"That in part (9) (i) of clause 2 of the Bill, for the words 'incidental to, or preliminary to or connected with', the words 'incidental or preliminary to, or connected with' be substituted."

Sir, the amendment saves the word "to" at least once.

The Honourable Shri Jagjivan Ram: Sir, I am prepared to accept the amendment.

Mr. Speaker: The question is:

"That in part (9) (i) of clause 2 of the Bill, for the words 'incidental to, or preliminary to or connected with', the words 'incidental or preliminary to, or connected with' be substituted."

The motion was adopted.

Mr. Nasiruddin Ahmad: Sir, I beg to move:

"That in part (9) (i) of clause 2 of the Bill, the word 'or' be added at the end."

Mr. Speaker: The question is:

"That in part (9) (i) of clause 2 of the Bill, the word 'or' be added at the end."

The motion was adopted.

Mr. Nasiruddin Ahmad: Sir, I beg to move:

"That in part (9) (ii) of clause 2 of the Bill, the word 'or' be added at the end."

Mr. Speaker: The question is:

"That in part (9) (ii) of clause 2 of the Bill, the word 'or' be added at the end."

The motion was adopted.

Mr. Nasiruddin Ahmad: With regard to my amendment (No. 17) I should like to bring to your notice that it is not merely a question of spelling. The word "dependent" though commonly spelt with either 'e' or 'a' after 'd', has its definite form of spelling in the two different parts of speech. When it is an adjective it is spelt with 'e'; when it is a noun it is spelt with 'a' or 'e'. Here it is used as an adjective and so it must be spelt with 'e'.

Mr. R. K. Sidhva: Sir, I have given notice of an amendment:

"That in part (9) (iii) (a) of clause 2 of the Bill, for the words 'His Majesty's' the words 'Government of India's' be substituted."

The Honourable Shri Jagjivan Ram: Sir, that point was raised in the Select Committee as well—I myself raised that point, but it was pointed out that the phrase 'His Majesty's Government' is being used in other Bills, and it may as well remain in this Bill too. I have no particular objection to the amendment, but the difficulty is to find a suitable substitute for it. In fact, the draftsman advised its retention for the time being. When the proper time comes, it can be changed by an Adaptation order.

Mr. R. K. Sidhva: In that case I do not want to move the amendment.

Pandit Thakur Das Bhargava (East Punjab: General): The last line of clause 53 says: "and to minor legitimate or adopted sons and minor legitimate unmarried daughters". Now I understand, Sir, the word 'son' should be there instead of 'sons'. If one son is adopted another cannot be adopted and ordinarily the adoption of a son is possible and the adoption of a daughter is not possible except in case of prostitutes. If you will kindly see clause 2 sub-clause (11) you will see the word used is 'adopted children'. Now if the words 'minor legitimate and adopted children' are taken together, it is susceptible of various interpretations and therefore from the point of ambiguity it is indefensible. If taken alone it is liable to misinterpretation though it may be said that 'adopted children' might mean more than one son and even a daughter and in order to clarify it I think that we should have some words like this: 'Minor and legitimate daughters and adopted son'.

Mr. Speaker: Is the Honourable Member referring to clause 53?

Pandit Thakur Das Bhargava: If the word 'sons' were not used in section 53, I won't mind, because the word children is capable of two interpretations. If with words 'minor legitimate' the word 'children' is taken then there is nothing objectionable, because the minor daughter and adopted son would be included in the word 'children', but if adopted children means adopted sons or adopted daughter, then it is objectionable. So the word is ambiguous to say the least.

The Honourable Shri Jagjivan Ram: Then make it 'children' in section 53.

Mr. Naziruddin Ahmad: I have some difficulty with the word 'legitimate' in sub-clause (11) of clause 2. I do not think we should here introduce the word 'legitimate' because it may lead to a great deal of controversy. A son may be legitimate, but the question may be raised whether he is legitimate or not. This may be regarded as a loop-hole to deprive children of the protection. Whether legitimate or not the children are the most innocent; their parents may be guilty, but we should not penalise the child who is the most innocent of the lot. I submit that 'all children, whether adopted or otherwise', should be the proper expression. I appeal to the good sense of the House to remove this stigma and remove the cause of difficulty for children.

Shri C. Subramaniam: I would suggest that instead of having the words 'legitimate and adopted children' we may have 'minor children'. It is only under Hindu law an adoption can be made and once an adoption is made, he is the child of the father and it is not necessary to say for certain purposes whether it was an adopted son or not. In this case the adoption refers only to the Hindu law and I would therefore suggest that it is better we have it as "minor children".

Mr. Speaker: I am not quite clear on this. It depends upon the intention. If the expression adopted were not there it is possible to construe that the families are restricted to only natural issue. Perhaps to avoid a conflict of that type, it is desirable to make it clear that even adopted children are

intended to be included in the definition. That is what seems to be the idea. Further, I cannot quote chapter and verse—but you find many cases in which even daughters are adopted by custom in certain communities and the adoption is not merely restricted to sons—I am speaking from memory. The matter requires clarification.

Shri C. Subramaniam: In Malabar and other places the custom is to adopt the daughter.

Mr. Speaker: Therefore 'adopted children' is the phraseology used there and it will be seen that the object of the two sections are quite different. Here a "family" is defined, while in section 53 refers to particular relations or heirs to whom the amount of benefit is payable. Therefore, there is no possibility of any conflict between the two. Here also when the word 'sons' is mentioned, I believe the objection was to the plural sense: the expression used here is: 'minor legitimate or adopted sons'. The legitimate sons may be more than one though the adopted son could be only one; or even it is possible that there may be an adoption first and a legitimate child may be born later on, in which case the expression 'legitimate and adopted son' will not be quite an appropriate expression. That is how it appeals to me. It does not seem to be so much a matter for doubt or conflict, as the Honourable Member has made out; but after all, it depends upon the intention of the Legislature as to what they intend.

Shri C. Subramaniam: I suggest minor children, legitimate or adopted, may be better.

Mr. Speaker: Does he refer to sub-clause (11)?

An Honourable Member: Why 'or'?

Shri C. Subramaniam: "Legitimate or adopted", would cover all children to whatever category they might belong.

Mr. Speaker: I will make one thing clear. If we are going into discussions of that type, I am afraid there is greater likelihood of our retouching the wording incorrectly instead of improving it in the right direction. I personally feel nervous about touching it, unless the point is very clear.

Mr. Nasiruddin Ahmad: The question is whether illegitimate children under the care of a worker are entitled to protection, apart from the ethical and moral question?

Mr. Speaker: I think the best course is to leave it as it is.

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, on this definition itself I should like to say a word. As you rightly advised, I am not going into the question of children because, as you know, in the Bombay Presidency a married man also can be adopted. And if a married minor is adopted his minor wife also comes in. There are so many consequences coming in; therefore let us leave the word "children".

My main complaint is this that we are defining 'family' to mean only the spouse and children; that is the conception of an English family. As soon as a son is married he goes out of his father's family and sets up a family of his own, and from that time his family consists of his own wife and children. The aged parents who have looked after him so long are left out. But here parents are also in the family and that is one of the means of relieving unemployment in this country. In a joint family the son takes the responsibility of maintaining the entire family, including the aged parents and minor brothers and sisters. But we are blindly copying English standards, and though we cannot change our colour we have changed our ideas. It was to carry out the word given by his aged father that one of our greatest Avatars left the country and went to the forest, and we still revere him. But these ancient traditions have unfortunately been trampled under foot for so many

[Shri M. Ananthasayanam Ayyangar]

years; now it is time for us to regain our culture also. I am told that a railway employee gets a pass by which he can take only his wife. If he is a bachelor is he to take a wife for the nonce? Why should he leave his aged parents and go after somebody? Now that we are trying to provide various measures of social security for our people let us not disturb our ancient institutions. Every one knows that for people of all creeds and religions in this country family includes not only aged parents but also minor brothers and sisters. It is strange that we are trying to create and increase unemployment in this country. In the west when a man is employed the woman also seeks employment, and there is a race between them. Here we should try to solve the question of unemployment and provide that family should include not only the wife and children but also aged parents.

Mr. Speaker: There are two important suggestions which have been made, though one is included in the other. The point is as to what should exactly be the scope of the "family", whether it should include all blood relations or—for the matter of that—even others who are dependent on the man, or whether a "family" should be restricted only to children, and further whether it should be restricted to legitimate children. If it is the desire of the House that the point should be considered and discussed further,—whether aged parents or brothers and sisters or even widowed sisters or deceased brother's wife, etc should be included or not,—the point may be kept over, because, in any case, we are not going to finish this Bill today. This question of legitimacy of children raised by Mr. Naziruddin Ahmed may be considered later. It is not necessarily a case of immoral relations. We know of cases where a man and a woman even without being married have lived together for years as husband and wife. It is a question whether the children of such a union should be deprived of the benefits of this law. So this may be kept over for further discussion and we may go on to the other clauses and amendments.

Mr. B. K. Sridha: Sir, I have no objection to this proposal. I move amendment No. 8 exactly on those lines but the Honourable Minister refused to accept it. So it will now be difficult for him to reconsider it.

Mr. Speaker: What I suggest is that people holding these different views may informally meet in the lobby and come to a conclusion about this, 4 p. m. and any further amendment that may be necessary, if it is a substantially agreed amendment, may be discussed tomorrow. We need not be very hard and fast about the procedure. So this can be kept pending.

[At this stage Mr. Speaker vacated the Chair, which was then occupied by Mr. Husain Imam (one of the Panel of Chairmen).]

Mr. Chairman: In view of the arrangement come to by the House in regard to Clause 2 I am not putting it to the House for adoption.

The question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clause 4 was added to the Bill.

Mr. Naziruddin Ahmad: Sir I move:

(1) "That sub-clauses (1) and (2) of clause 5 of the Bill be re-numbered as sub-clauses (2) and (1) respectively," and

(2) "That in sub-clause (1) of clause 5 of the Bill, for the words, brackets and letters 'other than the ex-officio members and members referred to in clauses (c), (d) and (e)', the words, brackets and letters 'referred to in clauses (f), (g), (h) and (i)' be substituted."

Sir, the wording of sub-clause (1) is most round about. It refers to some of the sub-clauses of clause 4, but does so in a peculiar manner. There are 9 sub-clauses (a) to (i) to clause 4. Sub-clause (1) of clause 5 refers only to

4 sub-clauses of clause 4 by a process of exclusion. It enumerates them by only describing some exceptions. It says—"members of the Corporation other than *ex-officio* members and members referred to in clauses (c), (d) and (e)". The *ex-officio* members are dealt with in clauses (a) and (b). With these exceptions left out there remain clauses (f), (g), (h) and (i). These are clauses really referred to but without mentioning them. The process of enumeration is something like this: There are 9 clauses in section 4. From these, exclude the *ex-officio* members, that is clauses (a) and (b). Then from the balance, exclude (c), (d) and (e). The remainder is what I mean. This is quite unnecessarily round about, for by these exclusions we are left with (f), (g), (h) and (i). The amendment enumerates the actual clauses namely (f) to (i).

The next is inverting the numbers of clauses (1) and (2) of clause 5. Clause (2) deals specifically with clauses (c), (d) and (e), while clause (1) deals with clauses (f), (g), (h) and (i). In proper sequence therefore clauses (1) and (2) should be reversed to remove the incongruity.

The proposed changes are verbal and will not change the sense but will make the clause clear and logical.

Shri M. Ananthasayanam Ayyangar: My own feeling is that this Bill is intended to satisfy the employees first. Why not make representations with their representatives first and then bring in the *ex-officio* representatives later on? There we have (f), (g) and (h). They have been rightly placed. Those who come under (f), (g) and (h) cater for 5 representing employers, 5 representing employees and 2 representing the medical profession. These come under that category. The original scheme might stand. There is no purpose for inverting it. It will appeal to the employees. The others will come later.

The Honourable Shri Jagjivan Ram: I do not think he is going to press his amendments.

Mr. Chairman: Does the Honourable Member want to press his two amendments?

Mr. Naziruddin Ahmad: No.

Mr. Chairman: The question is:

"That clause 5 stand part of the Bill."

The motion was adopted.

Clause 5 was added to the Bill.

Clause 6 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"That in clause 7 of the Bill, for the words 'in this behalf' where they occur for the second time, the words 'by it' be substituted."

The purpose is to effect economy in words and directness.

Mr. Chairman: Amendment moved:

"That in clause 7 of the Bill, for the words 'in this behalf' where they occur for the second time, the words 'by it' be substituted."

The Honourable Shri Jagjivan Ram: That is a verbal change. I accept it.

Mr. Chairman: The question is:

"That in clause 7 of the Bill, for the words 'in this behalf' where they occur for the second time, the words 'by it' be substituted."

The motion was adopted.

Mr. Chairman: The question is:

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

The motion was adopted.

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

Clause 8 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (1) of clause 9 of the Bill, for all the words beginning with the words 'a member of' and ending with the words 'shall be', the following be substituted: 'a member of the Standing Committee referred to in clause (c) of section 8 shall be'."

The text says: ".....a member of the Standing Committee, other than a member referred to in clause (a) or clause (b) of section 8,....."

There are only three clauses to be considered, (a), (b) and (c). Instead of saying "a member of the Standing Committee, other than a member referred to in clause (a) or clause (b) of section 8" it is far better to say "a member of the Standing Committee referred to in clause (c) of section 8.....". This is more direct and I do not see any point in expressing it so indirectly.

Mr. Chairman: This is only a verbal amendment. In view of the fact that in sub-clause (2) it is already provided that "a member of the Standing Committee referred to in clause (a) or clause (b) of Section 8 shall hold office", there does not seem to be much difficulty in having it otherwise.

The Honourable Shri Jagjivan Ram: To a layman like me the present draft reads better than what Mr. Naziruddin Ahmad suggests.

Mr. Naziruddin Ahmad: I do not desire to press my amendment.

Mr. Chairman: The question is:

"That clause 9 stand part of the Bill."

The motion was adopted.

Clause 9 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"That in part (e) of sub-clause (1) of clause 10 of the Bill for the word 'organisation' the word 'organisations' be substituted."

The Honourable Shri Jagjivan Ram: Sir, I accept the amendment.

Mr. Chairman: The question is:

"That in part (e) of sub-clause (1) of clause 10 of the Bill for the word 'organisation' the word 'organisations' be substituted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I move:

"That in part (g) of sub-clause (1) of clause 10 of the Bill, after the word 'whom', the words 'not less than' be inserted."

The clause reads "three members of whom one shall be a woman" and my amendment would make it "three members of whom not less than one shall be a woman". There is no reason why you should limit the number of women members. It might be that there are more competent women members available. There is no distinction between a male and a female in law or in public life. If you say "not less than one" it would enlarge the scope of the clause.

Mr. Chairman: Amendment moved:

"That in part (g) of sub-clause (1) of clause 10 of the Bill, after the word 'whom', the words 'not less than' be inserted."

The Honourable Shri Jagjivan Ram: Sir, I accept it.

Mr. Chairman: The question is:

"That in part (g) of sub-clause (1) of clause 10 of the Bill, after the word 'whom' the words 'not less than' be inserted."

The motion was adopted.

Mr. Nasiruddin Ahmad: Sir, I move:

"That in sub-clause (2) of clause 10 of the Bill, after the word 'as' the word 'otherwise' be inserted."

The clause reads "save as expressly provided". With the amendment it would read "save as otherwise expressly provided".

The Honourable Minister has agreed to accept the amendment.

Mr. Chairman: The question is:

"That in sub-clause (2) of clause 10 of the Bill, after the word 'as' the word 'otherwise' be inserted."

The motion was adopted.

Mr. Nasiruddin Ahmad: Sir, I move:

"That in sub-clause (2) of clause 10 of the Bill, for the words, letters and brackets 'other than a member referred to in any of the clauses (a) to (d)' the following be substituted:

'referred to in clauses (e), (f) and (g)'."

There are 7 clauses (a) to (g). While meaning clauses (e), (f) and (g) we say "a 1 the clauses from (a) to (g) minus (a) to (d)." The clause will set an algebraical problem to a school boy. What is the necessity of expressing it in this algebraical fashion? We only mean clauses (e), (f), (g) and we arrive at it by a process of subtraction of (a), (b), (c) and (d) from the whole and taking the remainder. I do not see what kind of pleasure the reader will entertain in going through this. It may sound more musical to the ear but it should also sound better sense.

Mr. Chairman Amendment moved:

"That in sub-clause (2) of clause 10 of the Bill, for the words, letters and brackets 'other than a member referred to in any of the clauses (a) to (d)' the following be substituted:

'referred to in clauses (e), (f) and (g)'."

The Honourable Shri Jagjivan Ram: It has one advantage. It sounds musical without confusing the sense.

Shri M. Ananthasayanam Ayyangar: My Honourable friend has received too much of encouragement because we accepted the other amendments. Sir, I am opposing this.

Mr. Chairman: The question is:

"That in sub-clause (2) of clause 10 of the Bill, for the words, letters and brackets 'other than a member referred to in any of the clauses (a) to (d)' the following be substituted:

'referred to in clauses (e), (f) and (g)'."

The motion was negatived.

Mr. Chairman: The question is:

"That clause 10, as amended, stand part of the Bill."

The motion was adopted.

Clause 10, as amended, was added to the Bill.

Mr. Nasiruddin Ahmad: I move:

"That in sub-clause (2) of clause 11 of the Bill, for the word 'in' occurring in line two, the words 'to fill' be substituted."

The clause reads "elected in a casual vacancy". I want to make it "elected to fill a casual vacancy". You are not elected in a casual vacancy but rather elected to fill a casual vacancy. That is the only purpose of the amendment.

Mr. Chairman: It is an innocent amendment. I think the Honourable Minister will accept it.

The Honourable Shri Jagjivan Ram: We shall give him a further encouragement.

Mr. Chairman: The question is:

"That in sub-clause (2) of clause 11 of the Bill, for the word 'in' occurring in line two, the words 'to fill' be substituted."

The motion was adopted.

Mr. Naziruddin Ahmad: I move:

"That clause 11 of the Bill as amended, be re-numbered as clause 14 and transposed after the existing clause 14 and the existing clauses 12, 13 and 14 be re-numbered as 11, 12 and 13 respectively."

The House will be pleased to consider the reason for this amendment. Clauses 12, 13 and 14 deal with the creation of vacancies, but clause 11 which occurs earlier deals with the filling up of vacancies. Clause 12 deals with resignations, clause 13 with cessation of membership for other causes, clause 14 with cessation of membership by disqualification. Clause 11 which was inserted earlier should rather come in at this stage. We first of all contemplate various categories of vacancies created, and then the question of filling up the vacancies arises. Due to the speed with which the Select Committee acted and probably on account of their attention being diverted to various useful channels, this sequence was perhaps lost sight of. The creation of vacancies should come first and the filling of vacancies should come next. First thing first.

Mr. Chairman: Amendment moved:

"That clause 11 of the Bill as amended, be re-numbered as clause 14 and transposed after the existing clause 14 and the existing clauses 12, 13 and 14 be re-numbered as 11, 12 and 13 respectively."

The Honourable Shri Jagjivan Ram: This may be accepted.

Mr. Chairman: I shall first put clause 11.

The question is:

"That clause 11 as amended, stand part of the Bill."

The motion was adopted.

Clause 11, as amended, was added to the Bill.

Mr. Chairman: I shall now put Mr. Naziruddin's amendment.

The question is:

"That clause 11 of the Bill as amended, be re-numbered as clause 14 and transposed after the existing clause 14 and the existing clauses 12, 13 and 14 be re-numbered as 11, 12 and 13 respectively."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 12 (re-numbered as clause 11) stand part of the Bill."

The motion was adopted.

Clause 12 (re-numbered as clause 11) was added to the Bill.

Mr. Chairman: The question is:

"That clause 13 (re-numbered as clause 12) stand part of the Bill."

The motion was adopted.

Clause 13 (re-numbered as clause 12) was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I ask your ruling as to whether amendment No. 53 in my name requires to be moved. It has been accepted.

The Honourable Shri Jagjivan Ram: It has not been accepted.

Mr. Chairman: The Honourable Member need not move his amendments relating to capital and small letters etc.

Mr. Naziruddin Ahmad: Then I shall move Nos. 55 and 56.

Sir, I move:

"That in parts (a) and (b) of clause 14 of the Bill (re-numbered as clause 13), the word 'or' be added at the end."

Mr. Chairman: The question is:

"That in parts (a) and (b) of clause 14 of the Bill (re-numbered as clause 13), the word 'or' be added at the end."

The motion was adopted.

Mr. Naziruddin Ahmad: I move:

"That in part (d) of clause 14 of the Bill (re-numbered as clause 13), the words 'and sentenced to transportation or imprisonment' be omitted."

The clause deals with disqualification by reason of conviction. The clause says that a man will be disqualified "if before or after the commencement of this Act, he has been convicted of an offence involving moral turpitude and sentenced to transportation or imprisonment". I think the words "and sentenced to transportation or imprisonment" are unnecessary. We should merely say "if.....he has been convicted of an offence involving moral turpitude" he should be disqualified. It may be that a man is guilty of cheating or of theft. In such cases the sentence of imprisonment or of transportation is not compulsory; but these are offences involving moral turpitude of the worst type. Sentence of imprisonment is not compulsory in these offences and theft or cheating may be punished with mere fine. But as I said they are offences of a serious character involving moral turpitude. I submit the addition of these words rather unduly widens the scope of the exemption. It is enough that a man has been convicted of offences involving moral turpitude. That should be enough to disqualify him.

The Honourable Shri Jagjivan Ram: This may be accepted.

Mr. Chairman: The question is:

"That in part (d) of clause 14 of the Bill (re-numbered as clause 13), the words 'and sentenced to transportation or imprisonment' be omitted."

The motion was adopted.

Mr. Naziruddin Ahmad: I move:

"That in part (d) of clause 14 of the Bill (re-numbered as clause 13), for the word 'release', the word 'conviction' be substituted."

Sir, this is consequential upon the amendment which has been accepted just now. This occurs at the end of clause 14, that is, the Governor-General may allow in any particular case an exemption from this disqualification if a proper time has elapsed after his release. As we do not provide for sentence of imprisonment or transportation, 'release' would not be a suitable word. The words "after his conviction" will convey the sense. That would be quite enough.

The Honourable Shri Jagjivan Ram: Suppose a person is convicted for ten years, if we say here "after conviction", the man may not be released.

Mr. Naziruddin Ahmad: The Governor-General will have power to extend the term as much as he likes. If he is still suffering from imprisonment, then the matter is in the discretion of the Governor-General, that is, in the discretion of the Minister-in-charge, and he will of course consider the whole matter. The question of release does not really apply in view of the amendment that we have just now carried. Conviction would be the appropriate word, and the question of lapse of time is entirely in the discretion of the Ministry. And the Governor-General acts as advised by the Ministry. There will therefore be no harm and the word 'conviction' may be allowed to stand.

The Honourable Shri Jagjivan Ram: I accept the amendment.

Shri M. Ananthasayanam Ayyangar: In case he is imprisoned, it will have to be 'after his release'. Of course the question of release does not apply to all cases. This is the mistake of accepting amendments offhand.

Mr. Nasiruddin Ahmad: The amendment was accepted long before.

Shri M. Ananthasayanam Ayyangar: It was accepted just five minutes before. As every case does not mean imprisonment I think we must add at the end 'unless a period of ten years or such less period has elapsed after his conviction and after his release from imprisonment in case of imprisonment'. I am not satisfied even with this.

Shri K. Santhanam: I suggest the whole clause be dropped from "unless" to the end.

Mr. Chairman: May I just point out that it is after a man has been convicted that the question will come in whether he is disqualified and therefore if the power is given to the Government of the day, there is no danger of any kind of misuse being made of this power. Therefore I do not think there is anything incompatible between conviction and imprisonment. Even if a man is in jail, the Government will not release him. Naturally he will be disqualified because he is unable to attend himself. Therefore there will be no difficulty as far as that goes. The difficulty which the Honourable Member pointed out will not arise but otherwise it seems to be consequential to the fact that when you do not insist on imprisonment but a fine is imposed, then the question of release does not arise. It is the question of conviction that comes in. So as Mr. Nasiruddin pointed out, once having accepted the amendment of doing away with imprisonment, you are bound to have it.

Shri M. Ananthasayanam Ayyangar: Mr. Santhanam's amendment is more fundamental. He feels that it is not as if this disqualification attaches to any worker who is entitled to benefits but it attaches to members who are chosen as members of the Corporation, the Standing Committee or the Medical Benefit Council. There ought to be no suspicion attached to the conduct of the individuals, and therefore if once a man undergoes imprisonment or is convicted of an offence involving moral turpitude, he is the last man to be touched, and therefore why not we do away with all that? The entire further clause of exemption must go. Some of our friends,—the Premier of Orissa—was disqualified and later on he was allowed to come back. But it was apparently a different thing. I would therefore, though a formal amendment has not been moved, agree with my Honourable friend Mr. Santhanam that all the words from "unless" to the end be omitted.

The Honourable Shri Jagjivan Ram: I feel inclined to agree with this view.

Shri K. Santhanam: May I request your permission to move formally:

"That in part (d) of clause 14 (re-numbered as clause 13) of the Bill, all the words beginning with the words 'unless a period of ten years', to the end, be omitted."

Mr. Chairman: The question is:

"That in part (d) of clause 14 (re-numbered as clause 13) of the Bill, all the words beginning with the words 'unless a period of ten years', to the end, be omitted."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 14 (re-numbered as clause 13), as amended, stand part of the Bill."

The motion was adopted.

Clause 14 (re-numbered as clause 13), as amended, was added to the Bill.

Mr. Nasiruddin Ahmad: I beg to move:

"That in clause 15 of the Bill, the words 'from time to time' be omitted."

This expression has come up several times before the House and must be judged in its context in each case. I find that the words "from time to time" are used on some occasions but have not been used on other occasions.

Shri K. Santhanam: The words are necessary here.

Shri M. Ananthasayanam Ayyangar: Notwithstanding his persistently moving the deletion of these words, we have been persistently continuing to have them from time to time.

Mr. Naziruddin Ahmad: The difficulty is that the words "from time to time" have not been used consistently in all cases. Sometimes they have been given up, and at other times they have been inserted. The difficulty will be that wherever the words "from time to time" do not appear, the interpretation might be that power could not be used except once. We are ignoring the General Clauses Act and introducing a kind of draftsmanship of our own. I have no objection to that, but I only point out the danger of a wrong interpretation in cases where the expression does not appear, but which would be implied by the General Clauses Act. There may be serious difficulty and argument as to whether any power may be exercised from time to time though it is not specifically stated. The words "from time to time" are implied. That is why they are unnecessary, and that is why I want to remove them also to remove misapprehension in other cases.

Mr. Chairman: Amendment moved:

"That in clause 15 of the Bill, the words 'from time to time' be omitted."

Shri K. Santhanam: Here the words are necessary because otherwise it would mean that fees and allowances may be fixed once and for all. It is only to allow the Corporation power to change these fees and allowances that the words are there. The words are quite necessary and it is quite convenient to have them. Even if they are not necessary, it will make the meaning clear by having them. My friend Mr. Naziruddin wants to have a thing when it is not there, and when the thing is there, he does not want to have it.

Mr. Chairman: Does the Honourable Member want to press his amendment?

Mr. Naziruddin Ahmad: Yes.

Mr. Chairman: The question is:

"That in clause 15 of the Bill, the words 'from time to time' be omitted."

The motion was negatived.

Mr. Naziruddin Ahmad: I beg to move:

"That in clause 15 of the Bill, the words 'by the Central Government' be omitted."

The word "prescribed" has been defined.

The Honourable Shri Jagjivan Ram: I think those words are necessary.

Mr. Naziruddin Ahmad: I do not press the amendment then.

Mr. Chairman: The question is:

"That clause 15 stand part of the Bill."

The motion was adopted.

Clause 15 was added to the Bill.

Shri M. Ananthasayanam Ayyangar: May I say about procedure that the form should be "do stand part of the Bill"? If it is a new clause that is added, we may have to go in for a different language altogether.

Mr. Chairman: Both forms of words have been used. In the House of Commons, they use the words "be added", and here they use mostly "stand part of the Bill".

Shri K. Santhanam: Sir, I move:

"That in sub-clause (1) of clause 16 of the Bill, after the word 'may', the words 'in the case of the first appointments itself and in the case of subsequent appointments' be inserted."

The Honourable Shri Jagjivan Ram: Sir, I accept it

Mr. Chairman: The question is:

"That in sub-clause (1) of clause 16 of the Bill, after the word 'may', the words 'in the case of the first appointments itself and in the case of subsequent appointments' be inserted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I want to move a short notice amendment. It is of a consequential nature. By reason of re-numbering clause 11 as 14 and clauses 12, 13 and 14 as 11, 12 and 13, this amendment is necessary consequent upon the rearrangement.

Mr. Chairman: Is it one of the amendments of which notice has been given?

Mr. Naziruddin Ahmad: No, Sir. I beg to move:

"That in sub-clause (6) of clause 16 of the Bill, for the figure '14', the figure '13' be substituted."

The Honourable Shri Jagjivan Ram: That is necessary, Sir.

Mr. Chairman: The question is:

"That in sub-clause (6) of clause 16 of the Bill, for the figure '14', the figure '13' be substituted."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 16, as amended, stand part of the Bill."

The motion was adopted.

Clause 16, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That for sub-clause (1) of clause 17 of the Bill, the following be substituted:

'(1) The Corporation may appoint such other officers and servants as it may consider necessary for the efficient transaction of its business:

Provided that the sanction of the Central Government shall be obtained for the creation of any post with a maximum monthly salary of five hundred rupees and above."

Sir, this is a rearrangement of sub-clause (1) of clause 17. In fact, the operative part of the sub-clause and the proviso have been welded together. I have merely separated the proviso part from the operative part. That is the only change. Then there is one little drafting change. For "as may be necessary", I have introduced "as it may consider necessary". This is of a verbal nature, but otherwise the effect is merely to separate the proviso from the operative part of the sub-clause. I think it is in accordance with the accepted practice.

The Honourable Shri Jagjivan Ram: I think, Sir, it is better as it is.

Mr. Chairman: Does the Honourable Member press his amendment?

Mr. Naziruddin Ahmad: No, Sir.

Mr. Chairman: The question is:

"That clause 17 stand part of the Bill."

The motion was adopted.

Clause 17 was added to the Bill.

Clause 18 was added to the Bill.

श्री गोकुलभाई दौलतराम भट्ट : मेरी तरकीब नीचे मुद्रांकित है :

Shri Gokulbhai Daulatram Bhatt (Eastern Rajputana States Group): My amendment is as under:

"That in the heading of clause 18 of the Bill, for the word 'employees', the words 'insured persons' be substituted."

Mr. Naziruddin Ahmad: This is an amendment to a marginal note.

Mr. Chairman: As a matter of fact, in the Select Committee Report that is before us, this marginal note has been left out.

Shri M. Ananthasayanam Ayyangar: There is no harm in accepting it.

Mr. Naziruddin Ahmad: Sir, it has been ruled that the marginal note cannot be amended in the House because it is not part of a section. But a note may be taken and the draftsmen asked to consider the change at a later stage.

Mr. Chairman: I think it is a better procedure. As it has been held that it is not a part of the Bill, the House may not make the amendment, but it may be noted down by the Secretary. It is a very necessary amendment, but it is not within the purview of the House.

Shri M. Ananthasayanam Ayyangar: The House may indicate its opinion that the marginal note may be amended.

Mr. Chairman: Yes, the Secretary is making a note of it.

The question is:

"That clauses 19 to 21 stand part of the Bill."

The motion was adopted.

Clauses 19 to 21 were added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in part (b) of clause 22 of the Bill, after the word 'prescribed', the words 'by the Central Government' be inserted."

Sir, the object of the amendment is that the word "prescribed" has been defined as "prescribed under the Act". But a provision has been made for prescribing by the Central Government and another section has been provided where the Provincial Governments may prescribe. They have different objectives and applicable to different circumstances, but the word "prescribed" has been used promiscuously as "prescribed by the Central Government" and "prescribed by the Provincial Government". In this case all that is said is "prescribed". I take it that it is meant, in the context, as "prescribed by the Central Government". If we do not say that then it will not be known whether the Central Government will prescribe under its appropriate rule or the

Provincial Government will prescribe it under another rule. It is better therefore to make it absolutely clear. It is a question of intention. If the Honourable Minister means that the Central Government should prescribe it, then it should be made clear. I think the Honourable Minister is already aware that there are two rule-making powers. Clause 95 gives the Central Government the power to make rules. Again clause 96 gives power to the Provincial Governments to make rules. The word "prescribed" has been defined in clause 16 as meaning "prescribed by rules made under this Act". So "prescribed" includes "prescribed by the Central Government under this Act" and "prescribed by the Provincial Government under this Act". In the face of this ambiguity it should be made clear whether it is the Central Government that should prescribe or the Provincial Government that should prescribe. I think in the context the Central Government would be more appropriate, but it is a question of policy which only the Honourable Minister will be able to clarify.

Mr. Chairman: Amendment moved:

"That in part (b) of clause 23 of the Bill, after the word 'prescribed', the words 'by the Central Government' be inserted."

Shri M. Ananthasayanam Ayyangar: I think the Honourable Mover is right. If you will refer to clauses 26 and 95, the powers and duties of the Medical Council have been included in the rule-making powers of the Central Government.

The Honourable Shri Jagjivan Ram: So it is not necessary to mention the Central Government here.

Shri M. Ananthasayanam Ayyangar: If you want to be more explicit, you may do so. Really, it does not matter whether it is there or it is not there. For the sake of uniformity, I think you may accept this amendment.

Mr. Chairman: The Honourable Minister has drawn attention to the fact that already provision exists in Section 95 as pointed out by Mr. Ayyangar. Therefore, there is no ambiguity and it need not be cleared. While it is necessary to remove ambiguities, it is not necessary to bring in points repeatedly and overburden the Bill. The whole point is whether this is covered by Section 95 or not and you may state your case on that.

Mr. Naziruddin Ahmad: I beg to draw the attention of the House to a large number of clauses where the word "prescribed" has been used, namely, clauses 15, 29(1), 29(2), 83, 22, 23, 28 and 34. In all these cases, we have said "prescribed by the Central Government". In clauses 77(2) and 78(2) we have said "prescribed by the Provincial Government". We have already used the expression "prescribed by the Central Government" and "prescribed by the Provincial Government" in several places. The real confusion began by using one expression "prescribed" for meaning "prescribed" by Central as well as Provincial Governments. In fact, two different words should have been used, but since we have used the same expression for expressing rules made by the Central Government and Provincial Government and as we have already provided for the authority which will "prescribe" in various other clauses, apart from its being mentioned in clause 95, I submit it is necessary in this case also to mention it. It would make it uniform and would be absolutely free from ambiguity. I may draw the Honourable Minister's attention to clause 15.

The Honourable Shri Jagjivan Ram: May I just point out to my Honourable friend, in order to remove his misapprehension. He refers to clause 15. It was necessary there to mention "Central Government" because that "prescribe" does not mean "prescribe under the rules". That means "prescribed

by the Central Government" and that may vary from time to time. Here it is not necessary because if my Honourable friend will refer to Section 95(2) (e), he will find that it has been specifically mentioned there that the rules giving the powers and duties of the Medical Benefit Council are to be prescribed by the Central Government alone. So insertion of the word "Central Government" here will be superfluous.

Mr. Chairman: The question is:

"That in part (b) of clause 22 of the Bill, after the word 'prescribed', the words 'by the Central Government' be inserted."

The motion was negatived.

Mr. Chairman: The question is:

"That clause 22 stand part of the Bill."

The motion was adopted.

Clause 22 was added to the Bill.

Clause 23 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in clause 24 of the Bill, after the word 'reason' occurring in lines three and six, the word 'only' be inserted."

The text says:

"No act of the Corporation, etc., shall be deemed to be invalid by reason of defect or on the ground that any member thereof (Standing Committee or Medical Benefit Council) was not entitled to hold or continue in office by reason of any disqualification....."

The Corporations acts will not be invalid on the ground of so many things, one of which is that on the ground of any defect in the constitution or of any member not being entitled to hold or continue in office by reason of any disqualification. It may be invalid on other grounds, not simply because of a member's disqualification. For instance it may be invalid because it may be that the Act is entirely *ultra vires*. Therefore, we should make it clear that the proceedings shall not be null and void by reason only of any disqualification of the members. That is why I have suggested the amendment seeking to add the word "only".

The Honourable Shri Jagjivan Ram: Sir, I cannot accept the amendment.

Mr. Chairman: Does the Honourable Member press the amendment?

Mr. Naziruddin Ahmad: No.

Mr. Chairman: The question is:

"That clause 24 stand part of the Bill."

The motion was adopted.

Clause 24 was added to the Bill.

श्री लक्ष्मी नारायण साहू : मैं यह संशोधन का प्रस्ताव रखना चाहता हूँ ।

"That in clause 25 of the Bill, the following be added at the end:

'In all such Boards some workmen must be represented.'"

पहले तो यह जो संकशन आया है कि कारपोरेशन (Corporation), रीजनल बोर्ड्स (Regional Boards), लोकल कमेटीज (Local Committees),

एन्ड (and) रीजनल एन्ड लोकल मेडिकल बेनीफिट काउन्सिलस Regional and Local Medical Benefit Councils) बना सकता है और उनको वह अधिकार दे सकता है जो रेगुलेशन्स (Regulations) में दिये हैं और इस तरह काम चल सकता है। कारपोरेशन (Corporation) में पांच आदमी सेन्ट्रल गवर्नमेन्ट (Central Government) के नामिनेटेड (nominated) होंगे, यह बात ठीक है लेकिन जो नामिनेटेड (nominated) आदमी होते हैं, उन पर दूसरों को विश्वास नहीं होता है और इस तरह से बोर्ड (Board) में कोओपरेशन (Cooperation) नहीं होता है और यह ज्यादा जोर से काम नहीं कर सकते हैं यह मेरा विश्वास है।

दूसरे पक्षीस बलाज में रीजनल बोर्ड (Regional Board) का क्या काम होगा इस का कुछ पता नहीं है और लोकल कमिटीज (Local Committees) में क्या होगा इसका भी कुछ पता नहीं है। यह सब मैं चाहता हूँ कि रीजनल बोर्ड (Regional Boards) और लोकल कमिटीज (Local Committees) की बँठक एक २ दफा होनी और हर दफा हम कैसे जानेंगे कि कैसे क्या काम होना इसको बताना चाहिये और इसलिये मैं यह प्रोविजन (provision) देना चाहता हूँ। अगर ऐसा होगा तब वर्कमेन (workmen) का इन्टरेस्ट (interest) जरूर रहेगा तब तो यह विल जो हम यहां बना रहे हैं इसका प्रस्ताव यह है कि सिकनेस (sickness) और डिसेब्लिड (disabled) और इजर्ड (injured) के लिये भी इसमें प्रोविजन (provision) है। फँकट्रीयों में लेबर (labour) की यह हालत है कि जो बड़े २ आदमी हैं वह नीचे आदमियों का ब्याल नहीं करते और हर एक दफा में यह देयता हूँ कि जितने ऐसे लोग होते हैं यह लेबर के दोस्त नहीं हैं। इन सब बातों को देखते हुए मैं चाहता हूँ कि मेरा अमेंडमेन्ट (amendment) मान लिया जाय।

(English translation of the above speech).

Shri Lakshminarayan Sahu (Orissa: General): I move the following amendment:

"That in clause 25 of the Bill the following be added at the end:

"In all such Boards some workmen must be represented."

First of all we take up the section which provides that a corporation can form Regional Boards, Local Committees and Regional and Local Medical Benefit Councils, and that it can give them the powers provided in the Regulations and thus the business can go on. The Central Government will have five nominated members on the corporation but other

members will not have much faith in nominated persons and the work of the Board will suffer for want of cooperation among its members.

Secondly I beg to say that the functions of Regional Boards and local committees have not been amplified in clause 25. If the Regional Boards and Local Committees will meet only once how can we know, what business they will transact and how. This should be made clear in the Bill. I therefore want this provision. If this is done the workmen will certainly take interest and we can say that the present Bill has provision for the 'sick', the 'disabled' and the 'injured'. In factories the condition of labour is such that well placed persons do not care for labour at all and generally it is found that they are not the best friends of labour. I therefore request that my amendment be accepted.

Mr. Chairman: Amendment moved:

"That in clause 25 of the Bill the following be added at the end:
'In all such Boards some workmen must be represented'."

Does the Honourable Minister accept this amendment?

The Honourable Shri Jagjivan Ram: No, Sir. I have every sympathy with what the Mover has said; but I may point out to him that in all these bodies, it has been provided that there will be workers' representative. It may be possible that the representative may not himself be an actual worker, but all the same it is for the workers to see that when their organizations are asked to send representatives they do send some actual workers. I have every sympathy with that. There is no necessity for the proviso as suggested by him and therefore, I do not accept the amendment.

Shri Lakshminarayan Sahu: I beg leave of the House to withdraw my amendment.

Mr. Chairman: Has the Honourable Member leave of the House to withdraw his amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. Chairman: The question is:

"That clause 25 stand part of the Bill."

The motion was adopted.

Clause 25 was added to the Bill.

Mr. Chairman: The House will now adjourn till 10-45 A.M. tomorrow.

The Assembly then adjourned till a Quarter to Eleven of the Clock on Friday, the 2nd April 1948.

CONTENTS

| | | | |
|---------------------------------------|---------|---|----------|
| 1. Introduction | 2962-64 | 23. Iron Castings | 2990-91 |
| 2. Alcohol | 2965 | 24. Leather | 2991-93 |
| 3. Automobiles | 2965-66 | 25. Machine Tools | 2993-95 |
| 4. Bichromates | 2 966 | 26. Matches | 2995-96 |
| 5. Bicycles | 2966-67 | 27. Metals | 2996-99 |
| 6. Caustic Soda | 2967-69 | 28. Paints | 2999-300 |
| 7. Cement | 2969-74 | 29. Paper | 3001-03 |
| 8. Ceramics | 2974-75 | 30. Plastics | 3003-04 |
| 9. Diesel Engines | 2975-76 | 31. Plywood | 3004-08 |
| 10. Drugs | 2976-78 | 32. Radio Receivers, Telephone Equipment | 3009-10 |
| 11. Dry Batteries | 2979-80 | 33. Rayon | 3010-11 |
| 12. Electric Lamps | 2980-81 | 34. Refractories | 3011-12 |
| 13. Electric Motors | 2981-82 | 35. Rubber | 3012-14 |
| 14. Electrical Steel Sheets | 2982 | 36. Ship-building | 3014-15 |
| 15. Electrical Transformers | 2983 | 37. Silk | 3015-17 |
| 16. Enamelled Copper Wire | 2984 | 38. Soap | 3017 |
| 17. Enamelware | 2984-85 | 39. Soda Ash | 3017-1 |
| 18. Glass | 2985-88 | 40. Storage Batteries | 3019 |
| 19. Glycerine | 2988 | 41. Sulphuric acid | 3020-21 |
| 20. Hurricane Lanterns | 2988-89 | 42. Superphosphates | 3021-23 |
| 21. Industrial Gases | 2989 | 43. Appendix to Introduction | 3023-27 |
| 22. Insulators | 2990 | | |

INTRODUCTION

In the following pages, an attempt has been made to formulate in concrete form short-term plans for the development of 42 industries listed above, which we hope to execute within the next 3 years. It will be seen that the execution of the plans in most cases will be dependent on the availability of steel, cement, coal and transport. The requirements of each industry have been separately given.

2. It is clear that if these plans are to materialise, it will be necessary to provide immediately for a million tons of steel by imports. The present deficiencies of a million tons can be classified as follows:—

| | Tons (in lakhs) |
|--|-----------------|
| (i) Mild steel, Heavy structural, Rolled Sections, i.e. I beams, Tees, angles & Channels | 2 |
| (ii) Mild steel, light structurals, Rolled Sections, i.e., Tees, Angles & channels | 2 |
| (iii) Mild steel bars & rods | 3 |
| (iv) Mild Steel plates 1/8" to 1" thick | 1 |
| (v) Tin plate | 0.5 |
| (vi) Black Mild Steel Sheets & Strip | 0.5 |
| (vii) Corrugated galvanised sheets | 1 |
| | 10 |

3. Equally serious is the supply position of certain other raw materials which need to be imported to tide over the present difficulties. These are to be found in Appendix 'A'.

4. With regard to coal, the present deficiency in supply is largely due to the transport difficulties. It will be seen that for various industrial developments, we will roughly need another half a million tons of coal per annum from 1949.

5. The position regarding cement is clearly explained in the note relating to the Cement industry.

6. As regards transport, it is extremely difficult to assess the requirements of various industries. Every industry has reported that unless the transport problem is solved, improvements in the industry cannot be effected.

7. It is understood that the Tatas are taking steps to establish a dyestuff industry in India in co-operation with the I.C.I. No accurate information is available in this Ministry about the probable requirements of steel, coal, cement and transport which the industry will require in the next three years.

8. For taking an effective part in implementing these various schemes, a large number of scholars have been sent abroad, many of whom are returning to India on completion of their studies. There is a considerable reluctance on the part of industry to employ these scholars even when they had practical training. Unless the industry realises that it is necessary for them to have new blood, they will remain anaemic. On the other hand, the unemployment of these technical men is likely to have serious repercussions on the future inflow of technicians. In the table below, an attempt has been made to assess the requirements of technical personnel for the industry on the basis of the new capital that has been floated in 1946.

| Industries | New capital floated in 1946 (in lakhs) | Estimated requirements | | |
|--|--|------------------------|-----|-------|
| | | A | B | C |
| Glass ceramics | 213 | 10 | 30 | 20 |
| Chemicals Drugs | 570 | 20 | 100 | 250 |
| Soaps & Oils (excluding edible oils & Vanaspati) | 110 | 8 | 10 | |
| Rayon Art silk | 402 | 6 | 30 | 20 |
| Paper, Board, etc. | 281 | 10 | 50 | 150 |
| Plastics | 50 | 10 | 40 | 200 |
| Leather | 85 | 5 | 13 | 35 |
| Cement | 483 | 10 | 20 | 80 |
| Woolen | 137 | 10 | 36 | 100 |
| Rubber | 117 | 7 | 94 | 188 |
| Engineering | 1,242 | 25 | 150 | 1,000 |
| Electrical | 910 | 25 | 150 | 300 |
| Non-ferrous metals | 98 | 6 | 45 | 250 |
| Machine Tools | 122 | 100 | 400 | 1,000 |

'A' = Experts

'B' = Technicians with superior qualifications

'C' = Lower grade technicians including mechanics

PART II

1. In the short-term plans which have been formulated in this note, no reference has been made to the development of engineering industries which will manufacture machinery for (i) Agriculture, (ii) Dairy, (iii) Textile, (iv) Hosiery, (v) Sugar, (vi) Paper, (vii) Leather, (viii) scientific and surgical instruments, (ix) films and photographic equipment, (x) mining, (xi) chemicals and electro-chemical industries. Yet these are key industries which should be the basis of all planned development. With the exception of limited production here and there, no progress has been made. Too much stress cannot be laid upon accelerated development in this field. Private enterprise has been shy for lack of technical experience and legitimate doubts about reasonable profit. It is suggested that—

- (1) these industries be sponsored under the auspices of the State with such association of private capital as is available, and
- (2) a Development Cell be immediately set up in the Ministry of Industries and Supplies which will plan, prepare detailed blue prints and generally look after the establishment of the industries enumerated above. The Provinces may be requested to actively associate themselves with the Centre in this enterprise and, for that purpose, it is desirable that these industries should be so dispersed that each Province has at least one such industry within its borders.

2. The manufacture of explosives for civilian and industrial requirements is another subject which is already receiving the attention of Government. It is necessary to formulate plans early for the manufacture of these explosives in the Ordnance Factories.

3. At present, about 3 million tons of soft coke are being produced by stack burning entailing considerable waste of valuable by-products. It has now been found in England that efficient recovery of by-products can be made, which makes soft coke manufacture an economic process. This subject has received the cursory attention of various experts in India from time to time but no progress seems to have been made. It is suggested that the State should take up this as one of the important industries, the establishment of which will have its repercussion on various chemical industries dependent on coal tar by-products.

4. India's coal resources are limited but, at present, much of the first class coal is being wasted by the Railways. Immediate steps should be taken to see whether the Railways could not burn coal with high ash content.

5. Our resources of petroleum are very limited and, therefore, for national self-sufficiency, it is absolutely essential that we should have a plan for the production of synthetic petroleum by the Bergius process. It is possible that such a plant may be available as a part of the German reparations and instructions should be issued to be on the look-out for one and have it installed in a suitable area to aim at a production of 100,000 tons of fuel per annum. In this connection, attention is again invited to the question of distillation and refining of imported crude oil in India. This will give valuable training in the methods of Petroleum Technology and will be a considerable saving to the tax-payer.

ALCOHOL INDUSTRY

OBJECTIVES

1. 100 per cent. increase in production of power alcohol.
2. Production of acetic acid* from alcohol,* and acetic anhydride.
3. Establishment of production of Butyl alcohol and Ester Solvent.

MEASURES

1. Assistance in respect of steel—non-ferrous metals etc., will be required.
2. There is now no production of Acetic acid in the country. Plan to produce 300 tons per annum of acetic acid and acetic anhydride by end of 1948.
3. Plan to produce 2,000 gallons a month of Butyl alcohol for conversion to Butyl acetate by end of 1948. M/s. Shadilal Chemical Works will be producing 2,000 gallons of butyl alcohol by fermentation.

Probable arrival of Plant & Machinery: Approx. value 10 lakhs.

Requirements of adjuncts in respect of two distilleries expanding production four distilleries in process of construction: six new distilleries envisaged in 1947—50 Acetic acid plant: Butyl Alcohol Plant.

| | |
|--|----------------------|
| Non-ferrous metals (copper tubes, rods and sheets etc) | 2,500 tons |
| Cement | 600 tons |
| Coal | 2,000 tons |
| Power | 30,000 tons (Annual) |
| | 300 Kw. |

AUTOMOBILE INDUSTRY—TRUCKS, LORRIES & CARS

This Industry being of strategic importance to India, will be given a high place in our short-term plans. It will also be the training ground for labour, required later in the long-term plan for aircraft manufacture.

In 1946, Government gave permission and assisted (a) Messrs. Walchand Hirachand & (b) Messrs. Birla Brothers to float (a) Premier Automobiles, Ltd., & (b) Hindustan Motors Ltd., the former in Bombay and the latter in Calcutta. The Automobile Assembly portion of the Bombay factory is in operation now and that of the Calcutta factory is expected to be ready in January 1948. Those portions of the factories, in which Engines will be manufactured are in course of construction; a fair portion of the machinery has arrived and the remainder will arrive in the next year or so.

Value of Plant & Machinery which has arrived for the two factories but not yet installed Rs. 2 Crores

Estimate of additional Plant & Machinery likely to arrive for installing in the next 3 years Rs. 3 Crores.

When the above plant has been installed, our capacity will be 30,000 vehicles per annum. Our demand is likely to be 30,000 vehicles in 1948, 36,000 in 1949 and 45,000 in 1950. To bridge the gap permission will be given for the construction of a third factory; plans for this third factory may be taken in hand immediately:

To complete the two factories mentioned above, the following raw materials and transport will be required:

| | |
|------------------------------|---|
| Cement | 3,000 tons in 1948. |
| | 1,500 tons in 1949. |
| Coal Dust for burning bricks | 4,000 tons in 1948. |
| | 2,000 tons in 1949. |
| Steel | 3,000 tons in 1948. |
| | 1,000 tons in 1949. |
| Telephone connections | 200 Nos. in 1948. |
| | 100 Nos. in 1949. |
| Transport | 8000,000 tons miles per mensem on E.I.R. G.I.P., and B.B.C.I. systems. |

BICHROMATES

(All figures in tons per annum)

| | |
|------------------------------|---|
| 1. <i>Present Position</i> — | (5 units economic 3,000) |
| | (" uneconomic ") |
| Existing capacity | 6,000 |
| Present production | 3,000 |
| Domestic consumption | 2,400 (Tariff Board's estimate) |
| Surplus | 600 (can be stepped up to 1000/2000) |

This is one of the successful wartime industries of which the late Supply Department could be legitimately proud of, as the industry is meeting all internal demands and has developed export markets. Photographic quality has also been developed.

2. *Short-term plan*

No increase in capacity contemplated but part of the idle capacity can be utilised (i) by stimulating internal consumption *i.e.* mineral khaki dyeing can be encouraged (ii) by developing export markets and thus earning 16 to 20 lakhs rupees of foreign exchange. Uneconomic units should be forced to improve their efficiency or to go out of production.

3. *What it involves*

- (i) Raw material—soda ash—100 per cent. requirements of efficient units should be met *i.e.* some 4,000 tons soda ash per annum plus 1,000 tons for 3 months stocks for uninterrupted production.
- (ii) Some of the efficient units in the Bombay area have already developed export markets which have more than absorbed their surplus with the result that they have sold forward up to March/April 1948.

It would nevertheless be advisable to tackle the export trade at Govt. level by bringing our Trade Commissioners in U.S.A., Canada & European countries into the picture.

- (iii) Govt. had promised to make sulphuric acid (another raw material available at Rs. 160 per ton). This promise is to be made good (see sulphuric acid plan).
- (iv) Some 200 tons of steel for remodelling furnaces or raising the unit to an economic one as recommended by the Tariff Board.

4. *Action required.*

Please see prepage.

BICYCLE INDUSTRY

Bicycle Industry can at present meet about 17 per cent. of India's estimated demand. Our Short-Term plan should be aimed to reach the target figure of self-sufficiency at the end of 3rd year.

The first phase of the plan will be to develop the existing units within a year (*i.e.* 1948) to meet 40 per cent. of the demand for Cycles and 100 per cent.

of the requirement for Ball Bearings only. Preliminary arrangements for these expansions are almost complete and the present position is as follows:—

| | |
|--|---|
| (a) Value of plant & Machinery which has arrived for Bicycle Factories, but not yet installed | 5 Lacs. |
| (b) Value of Plant & Machinery likely to arrive in the Bicycle Factories within next 3 to 6 months | 10 Lacs |
| (c) do. for Ball Bearing Plant | 40 Lacs. |
| To complete the above projects the following raw materials and transport will be required:— | |
| Steel | 755 tons (Release for 350 tons already recommended) |
| Cement | 900 tons do for 400 tons do. |
| Coal Dust to Burn Bricks | 800 tons do. for 500 tons do. |
| Transport — 2 million ton miles on E.I. Ry., B.B. & C.I. Ry. and B. N. Ry. | |

The second phase of the plan will be to select private enterprise to start 3 more new Factories. Two for the manufacture of complete Bicycles and one for the manufacture of Freewheels and Chains.

It may be difficult to find private enterprise to start a Chain and Freewheel manufacturing factory unless the Government take initiative to finance 50 per cent. of the Capital. Because an economical unit for these items will produce much more than the requirement of the home market and will have to depend ultimately on export trade.

The location of two Bicycle Factories should preferably be at Calcutta or Bihar and in Madras. The chain Factory may start near the new Ball Bearing Factory at Jaipur where labour will be trained for precision work with specialised steel. The Rollers for chain and steel balls for the Free-wheel should also come from that Factory.

To start these new Factories it will be necessary to import machinery worth about Rs. 45 lacs. The building materials and transport that will be necessary in 1949 is estimated as follows:—

| | |
|------------------------------------|--|
| Steel | 3,500 tons |
| Cement | 1,800 tons |
| Coal Dust to burn Bricks | 800 tons |
| Transport | 5 million ton miles on B.N. Ry. and M. & S. M. Ry. |

CAUSTIC SODA INDUSTRY.

| | | |
|--|---------------------------------------|---|
| | (All figures in tons per annum.) | |
| <i>Present Position and Target:</i> | <i>Capacity</i> | |
| (i) Existing capacity | 10,500 Electrolytic units = | 3,250 |
| (ii) Present Production | 3,000 Lime-Soda Unit = | 1,525 |
| (iii) Target (short-term) | 100,000 Idle capacity | 7,500 |
| | New capacity planned or to be planned | 89,500 |
| | | 97,000 |
| (iv) Increase in production planned or to be planned | Idle | 7,500 |
| | 97,000 New | 89,500 |
| | | 97,000 |
| (v) Plants under erection. | Process 'F' Units | Capacity |
| | Electrolytic 3 | 4,500 (will go into production in March July 48.) |

| | | | |
|---|--|-------|----------|
| | Electrolytic | 12 | 28,500 |
| (iii) Plants for which import licences have been granted. | Process | Units | Capacity |
| | ∴ Production capacity already planned (II) & (III) | | 33,000 |
| | Add existing capacity. | | 10,500 |
| | | | 43,500 |

Of this 43,500 only 30,000 may materialise. The rest will have problems of chlorine utilisation (by product of electrolytic plants) which may not be solved in the short term or may be given up by the firms.

(iv) Capacity still to be planned New 89,500-43,500-46,000. This quantity of 46,000 is best planned not by electrolytic but by causticising (or time-soda) process. This will therefore be linked with soda ash plant (Please see Note E on Soda Ash.)

The following are the existing plants in different areas and their capacity.

| Area | No. of Plants | Present Annual Capacity |
|--------------------------------------|---------------|-------------------------|
| Assam | Nil. | Nil. |
| Bengal | 1 | 1,500 |
| Bihar | Nil. | Nil. |
| Madras | 1 | 1,500 |
| Bombay | 1 | 7,500 |
| Punjab, Delhi, U.P. Baroda | Nil. | Nil. |
| | 3 | 10,500 |

Import licences have been issued to 15 firms and the plants will be located as follows:—

| Area | New Plants | Additional Capacity |
|--------------------------|------------|---------------------|
| Assam | Nil. | Nil. |
| Bengal | 2 | 3,000 |
| Bihar | Nil. | Nil. |
| Bombay | 4 | 7,500 |
| Madras | 5 | 13,500 |
| Punjab & Delhi | 1 | 1,500 |
| U. P. | 2 | 6,000 |
| Baroda | 1 | 1,500 |
| .. Total | 15 | 33,000 |

The requirements of various adjuncts for the erection and running of these additional plants will be as follows:—

| Area | Requirement of Steel (Tons) | Salt Tons | Annual Requirement | |
|--------------------------|-----------------------------|-----------|--------------------|----------------------------|
| | | | Power K.W.H. | Ton Mileage. Raw materials |
| Assam | Nil. | | Nil. | |
| Bengal | 1,200 | 6,000 | 105,00,000 | 84,72,000 |
| Bihar | Nil. | | Nil. | |
| Bombay | 2,800 | 15,000 | 262,50,000 | 6,90,000 |
| Madras | 4,100 | 27,000 | 575,50,000 | 17,64,000 |
| Punjab & Delhi | 600 | 3,000 | 52,50,000 | 30,22,000 |
| U.P. | 2,000 | 12,000 | 210,00,000 | 132,48,000 |
| Baroda | 600 | 3,000 | 52,50,000 | 18,00,000 |
| Total | 11,300 | 66,000 | 1155,00,000 | 29,19,800 |

Out of 15 plants licenced two have already arrived and are under erection. Out of the remaining 13 six firms are known to be definitely going forward with their plants, while the other seven do not seem to have solved their initial problems like the utilisation of chlorine.

Action suggested:

1. To cancel licences where no interest has been shown by the parties concerned to implement the licences.
2. Active procurement assistance for plants through the goods offices of India Supply Mission and India Supply Commission U.S.A. & U.K. respectively.
3. Technical advise and help to be given in solving the problem of chlorine utilisation.
4. To get the importers of soda ash plants to order out or locally fabricate causticising equipment for a part of their soda ash production.

CEMENT INDUSTRY

PART II.—SHORT-TERM PLAN.

The requirements of the Cement Industry in connection with the short-term plan of the Government are shown in a series of tables giving the information required as compiled by the Hon. Consulting Engineer (Cement) to the Government of India who explains that he has enumerated all the Cement factories which are in operation and which may be expected to be in operation by the end of 1950. He has stated the rated yearly output for the factories on the 1st of January 1948 and the rated yearly output as it will be on the 31st of December 1950 and this list will be in accordance with the schedule showing new capacity included in the C.E. (C)'s report of September 1947.

On the subject of raw materials the C.E. (C) reports:—

1. *Raw Materials which are difficult to obtain. If any.*

The main raw materials required for the cement industry are limestone and clay and in few cases bauxite and laterite. None of these raw materials are difficult to obtain as the cement factories are usually constructed at sites where such raw materials are available, and in practically all cases the raw materials are carried to the factory on the factory's own rails and with their own wagons. In a few cases a certain amount of transport on Government railways is involved. This is calculated in schedule No. 4, under "Sundries." Apart from the improvements calculated a few works obtained small quantities of bauxite and laterite by Government railways, but the amounts and the distances are negligible.

2. *Gypsum.*

A secondary raw material is gypsum. Gypsum is obtained mainly from the salt range in Punjab (Khewara) from deposits in Bikaner and Jodhpur, and from small deposits from Kathiawar and south India. [The C. I. (C) is not quite certain whether the cement factories still receive gypsum from Khewra but has taken it for granted they do]. The only alternative source is Bikaner and Jodhpur. The amounts required for each Cement Works as well as the distance from the source are given in Schedule No. 3.

3. *Gunny Bags.*

Another secondary raw material is gunny bags used for packing. Such gunnies are received from the Calcutta region and the number of bales required for each factory as well as the distance from the factory to Calcutta are given in Schedule No. 3.

4. Coal.

In Schedule No. 2, the C.E. (C) has indicated the amount of coal which will be required by the factories at the end of 1950 (all the figures in the Schedules having been calculated for that date). Most of the coal has to be obtained from the Bihar and Bengal Collieries and only in the case of a few works is coal used from Local sources. The Schedule shows from where the coal is obtained and the average distance to the works. It is impossible to state exactly from which colliery the coal is received as this may vary from month to month.

5. Steel.

The normal requirements of iron and steel for maintenance and repairs of the works are not very considerable, for instance, the whole requirement of A.C.C. is 100-200 tons per month. These amounts and other materials which require railway transport have been included under "Stores in Schedule No. 4". The figures in this Schedule are estimated, but in the view of the C.E.(C) the quantities are negligible compared with the other raw materials required.

It is different with steel for extension. To build a new cement Works, it requires between 1000-2000 tons according to circumstances and to construct an extension of an existing Works it would require 500-1000 tons.

Schedule No. 5 indicates the approximate amount of steel which will be required by the Works in question during the next 3 years.

The C.E.(C) has not included steel which has already been allotted, also he has not calculated steel for maintenance and repairs which has been considered under "Stores". The steel requirements for the next 3 years for the first 12 factories have been worked out together with A.C.C.

6. Railway Movement by Zones.

It will be noted, for all materials mentioned above, the Schedules indicate amounts and sources as well as the distance of the factory from the source. From these schedules the railway movements necessary can easily be calculated.

In the case of cement, the main areas to be fed, and the average distance cannot be filled in from information at present at my disposal, but this information can be obtained, if required.

Sd/- H. E. ORMOROD.

Hon. Cement Adviser to Govt. of India.

Schedule No. 1

21-11-47

| Name of Works | Rly. Address | | Rated | Rated |
|---------------|-------------------------------|------------------|------------------------------|--------------------------------|
| | | | Yearly Output 1/1-1948 | Yearly Output 31/12-1950 |
| 1. Banmor | Banmor Gwalior State. | G.I.P.Rly. | 60,000 | 60,000 |
| 2. Bhupendra | Surajpur Patiala State. | N.W.Rly. | 100,000 | 200,000 |
| 3. Coimbatore | Madukkarai Madras Pr. | S.I.Rly. | 180,000 | 280,000 |
| 4. C. P. | Kymore C.P. | G.I.P. Rly. | 250,000 | 350,000 |
| 5. Dwarka | Dwarka Baroda State | J. and D. Rly | 180,000 | 180,000 |
| 6. Khalari | Kahiawar Khalari Bihar. | E.I.Rly. | 100,000 | 100,000 |
| 7. Kistna | Mangalagiri Madras | M. & S. M. Rly. | 80,000 | 180,000 |
| 8. Lakheri | Lakheri Bundi State | B.B and C.I.Rly. | 225,000 | 325,000 |

Schedule No. 1—contd.

| Name of Works | Rly. Address | | Rated Yearly Output 1-1-1948 | Rated Yearly Output 31-12-1950 |
|-------------------------------|--|------------------------|---------------------------------------|---|
| 9. Porbandar | Porbandar, Porbandar State, Kathiswar, | Gondal Rly. | 40,000 | 40,000 |
| 10. Shahabad | Shahabad, Hyderabad State, | G.I.P. Rly. | 240,000 | 240,000 |
| 11. Chaibasa | Jhinkpani, Bihar. | B. N. Rly. | 100,000 | 200,000 |
| 12. Balasinor | Sevalia, Bombay Prov. | B.B. & C.I. Rly. | ... | 100,000 |
| 13. Rohtas Industries Ltd. | Dalmanagar, Bihar | E.I. Rly | 150,000 | 300,000 |
| 14. Dalmia Dadri | Dalmia Dadri, Jind State. | B.B. & C.I. Rly | 40,000 | 70,000 |
| 15. Dalniapuram | Dalniapuram, Madras. | S.I. Rly. | 70,000 | 220,000 |
| 16. Sone Valley P. C. Co. | Japla, Bihar. | E.I. Rly. | 200,000 | 200,000 |
| 17. Andhra C. Co. | Bezwa, Madras. | M.&S. Rly. | 30,000 | 90,000 |
| 18. Mysore Iron & Steel Works | Bhadravati Mysore. | Mysore State Rly. | 20,000 | 50,000 |
| 19. Kalyanpur | Banjari, Bihar. | Dehri Light Rly. | 36,000 | 36,000 |
| 20. Jhajha C. & Ind. Ltd. | Jhajha Bihar. | E.I. Rly. | 12,000 | 12,000 |
| 21. Shree Digvijay Cement Co. | Jamnagar (Nawanagar). | J.&D. Rly. | | 100,000 |
| 22. India Cement Ltd. | Tinnevely (Madras). | S.I. Rly. | | 100,000 |
| 23. Travancore Cem. Ltd. | Kottayam (Travancore.) | | | 50,000 |

Schedule No. 2

| Works | CEMENT Monthly tons | Outgoing movements to | Aver. distance | COAL monthly tons. | (Incoming) movements from | Approx. distance |
|-------|---------------------------|-----------------------------|-------------------|--------------------------|---------------------------------|---------------------|
| 1 | 5,000 | | | 2,200 | Bengal | 800 |
| 2 | 16,500 | | | 6,900 | " | 1,100 |
| 3 | 23,000 | | | 6,000 | " | 1,300 |
| 4 | 23,000 | | | 15,000 | C. P. | 100 |
| 5 | 15,000 | | | 4,000 | Port Okha | 26 |
| 6 | 8,300 | | | 3,800 | Bihar. | 50 |
| 7 | 15,000 | | | 6,000 | Bengal | 750 |
| 8 | 27,000 | | | 16,000 | Bengal & C. P. | 1,000 200 |
| 9 | 3,300 | | | 1,600 | Bengal | 1,500 |
| 10 | 20,000 | | | 9,000 | Singareni | 200 |
| 11 | 16,500 | | | 6,500 | Bengal | 200 |
| 12 | 3,300 | | | 3,300 | " | 1,100 |
| 13 | 25,000 | | | 13,000 | " | 900 |
| 14 | 3,300 | | | 2,300 | " | 1,600 |

Schedule No. 2—contd.

| Works | CEMENT Monthly tons | Outgoing movements to | Aver. distance. | COAL monthly tons | (Incoming) movements from | Approx. distance |
|-------|---------------------------|-----------------------------|--------------------|-------------------------|---------------------------------|---------------------|
| 15 | 18,000 | | | 4,500 | Bengal | 1,250 |
| 16 | 16,500 | | | 8,500 | " | 300 |
| 17 | 7,500 | | | 2,900 | " | 700 |
| 18 | 4,100 | | | 1,200 | " | 1,300 |
| 19 | 3,000 | | | 1,500 | " | 300 |
| 20 | 1,000 | | | 500 | " | 150 |
| | | | | Oil | | |
| 21 | 8,300 | | | 2,000 | Port Okha | 80 |
| 22 | 8,300 | | | 2,000 | Bengal | 1,400 |
| | | | | Oil | | |
| 23 | 4,100 | | | 1,000 | Cochin | By sea. |

Schedule No. 3

| Works | GYPSUM Monthly Tons | (Incoming) movements from | Approx. distance | GUNNIES | Movements from | Approx. distance |
|-------|---------------------------|---------------------------------|---------------------|------------------|-------------------|---------------------|
| | | | | Monthly Dates | | |
| 1 | 200 | Jodhpur. | 380 | 200 | Calcutta. | 850 |
| 2 | 660 | Khewra. | 265 | 660 | " | 1,100 |
| 3 | 920 | Trichinop. | 150 | 920 | " | 1,300 |
| 4 | 1,160 | Jodhpur. | 685 | 1,160 | " | 675 |
| 5 | 600 | Jamnagar. | 60 | 600 | " | 1,600 |
| 6 | 335 | Khewra. | 1,150 | 330 | " | 150 |
| 7 | 600 | Trichino. Slurupeta. | 400 | 600 | " | 750 |
| 8 | 1,080 | Badwasi. | 300 | 1,100 | " | 1,000 |
| 9 | 150 | Jamnagar. | 60 | 130 | " | 1,550 |
| 10 | 800 | Trichinop. | 600 | 800 | " | 1,200 |
| 11 | 660 | Khewra. | 1,250 | 660 | " | 250 |
| 12 | 335 | Jodhpur. | 400 | 330 | " | 1,100 |
| 13 | 1,000 | Khewra. | 1,000 | 1,000 | " | 350 |
| 14 | 235 | Khewra. | 450 | 230 | " | 1,000 |
| 15 | 720 | Trichinop. | 200 | 720 | " | 1,250 |
| 16 | 660 | Khewra. | 1,050 | 600 | " | 350 |
| 17 | 300 | Trichino. Sulurupeta. | 400 | 300 | " | 750 |
| 18 | 165 | Khewra. | 200 | 165 | " | 13,000 |
| 19 | 120 | Khewra. | 1,056 | 120 | " | 350 |
| 20 | 40 | Khewra. | 1,200 | 40 | " | 200 |
| 21 | 335 | Kathiawar. | 20 | 330 | " | 1,500 |
| 22 | 335 | Trichinop. | 100 | 330 | " | 1,400 |
| 23 | 165 | " | 200 | 165 | " | 1,350 |

Schedule No. 4

| Works | STORES | | SUNDRIES | | Movements Tons | Source | Approx. distance |
|-------|-----------------|-------------------|---------------------|----------------------|-------------------|-------------------|---------------------|
| | Monthly Tons | Movements from | Approx. distance | Monthly commodity | | | |
| 1 | 20 | Bombay | 750 | Limestone | 7,800 | Samai Khailars | 87 30 |
| 2 | 60 | Bombay | 1,050 | | | | |
| | | Calcutta | ~1,100 | | | | |
| 3 | 80 | Madras | 300 | | | | |
| 4 | 80 | Bombay | 675 | Clay | 7,000 | Okhamandi | 14 |
| 5 | 60 | Bombay | 600 | | | Magasar | 3 |
| 6 | 40 | Calcutta | 150 | | | | |
| | | | | | | Kaza | 7 |
| 7 | 60 | Madras | 275 | Limestone | 24,000 | Sitaram- puram | 70 |
| 8 | 80 | Bombay | 600 | | | | |
| 9 | 20 | Bombay | 650 | | | | |
| 10 | 60 | Bombay | 375 | | | | |
| 11 | 60 | Calcutta | 250 | | | | |
| 12 | 40 | Bombay | 300 | | | | |
| 13 | 80 | Calcutta | 350 | Limestone | 40,000 | Banjari | 80 |
| 14 | 20 | Bombay | 1,050 | | | | |
| 15 | 60 | Madras | 350 | | | | |
| 16 | 60 | Calcutta | 350 | | | | |
| 17 | 40 | Madras | 3,000 | Limestone | 12,000 | Nadikude By River | |
| 18 | 20 | Madras | 250 | | | Gungeneni | |
| 19 | 20 | Calcutta | 350 | | | | |
| 20 | 10 | Calcutta | 200 | | | | |
| 21 | 40 | Bombay | 450 | | | | |
| 22 | 40 | Madras | 550 | | | | |
| | | Madras | | | | | |
| 23 | 20 | Cochin | | By sea | | | |

Schedule No. 5

Steel required for Expansion of Cement Industry during next-3 years up to 31-12-1950 (including modernisation of existing works, manufacture of cement, machinery, housing, etc., but exclusive of maintenance and repairs).

| Name of Works | Works | | Total Tons | |
|-------------------------|-----------------|---------|---------------|-------|
| | Construction | Housing | | |
| 1. Banmor | (Modernisation) | 150 | 150 | 300 |
| 2. Bhupendra | (Extension) | 50 | 150 | 200 |
| 3. Coimbatore | (") | 600 | 200 | 800 |
| 4. C. P. | (") | 250 | 250 | 500 |
| 5. Dwarka | (Modernisation) | 1,200 | 150 | 1,350 |
| 6. Khalari | | 0 | 100 | 100 |
| 7. Kistna | (Extension) | 800 | 200 | 1,000 |
| 8. Lakheri | (") | 650 | 250 | 900 |
| 9. Porbandar | | 0 | 150 | 350 |
| 10. Shahabad | | 100 | 250 | 350 |

Schedule No. 5

| Name of Works | | Works Construction | Housing | Total Tons |
|------------------------------|-----------------|-------------------------------------|---------|---------------|
| 11. Chaibasa | (Extension) | 400 | 250 | 650 |
| 12. Balasinor | (") | 3,300 (incl. rails 1700 tons) | .. | .. |
| 13. Rohtas Industries | (") | 1,000 | .. | 1,000 |
| 14. Dalmia Dadri | (Modernisation) | 100 | .. | 100 |
| 15. Dalmiapuram | (Extension) | 1,000 | 200 | 1,200 |
| 16. Sone Valley | (Modernisation) | 300 | .. | 300 |
| 17. Ajdhra | (Extension) | 600 | .. | 600 |
| 18. Mysore Iron & St. | . | .. | .. | .. |
| 19. Kalyanpur | (Completion) | 200 | .. | 200 |
| 20. Jhajha C. & Ind. | . | .. | .. | .. |
| 21. Shree Digvijay | (Completion) | 600 | .. | 600 |
| 22. India Cements | (") | 1,000 | .. | 1,000 |
| 23. Travancore Cement | (") | 600 | .. | 600 |
| | | | | <u>4,500</u> |
| | | | | 20,000 |

The monthly demand of steel for Maintenance and Repairs have been included under "Stores" and amount to about 300 tons per month for all Works. This gives a total consumption up to 31-12-50 of 10,800 tons.

CERAMICS

58. Existing Factory—

Total production of the above (including white wares, white glazed wares) working at 70 per cent. capacity—23,000 tons (approx.)

No. of new factories starting in the course of next 3 years—12.

Plan.

- (1) to increase the production by 75 per cent. in the course of next 3 years.
- (2) to assist new factories coming up for production of white wares.
- (3) to encourage industrialists to establish factories in areas where no factories exist at present.
- (4) to improve the quality of wares.

Capital Equipment.

Capital equipment to the extent of nearly Rs. 5,00,000 ordered outland are expected within the next three years. Machinery and equipment to the value of nearly Rs. 3,00,000 have already arrived in 1947. One of the factories is changing their kilns outright and converting them to modern tunnel kilns. Equipment and machinery in this connection have already arrived.

*Requirements for increasing production.**Steel.*

Steel released for extension and new construction during 1947—133.5 tons.

Steel required for extensions and new constructions in the course of next 3 years.—2,000 tons.

Most of the steel will be required in the form of heavy and light structurals. Arrangements have to be made to release steel to the industry.

Cement.

Cement release in 1947—Nil.

Cement required for expansion, new construction, etc., during the next 3 years.—About 1,000 tons.

Power

Power connection recommended in 1947.—Nil.

Power required in the course of next 3 years.—75,000 K.W. approx.

30 per cent of above will be required in Kathiawar, 30 per cent in Bengal area and the rest at different places all over India. Bengal area is already congested in connection with electric power but it is expected that Damodar Valley project will come into operation within the next 3 years and the difficulties will be solved.

Raw Materials

China clay and ball clay are the two principal ingredients required C.C.I. may be advised to issue licences freely for the importation of ball clay to manufacturers of ceramic wares. Geological Survey of India may be requested to take a survey and explore occurrences of China clay at different places. The Government Test House or any other organisation have to test the samples of China clay and classify them according to their suitability for use in different qualities of ceramic wares.

Coal

The present allotment of coal to this industry is about 5,000 tons per month from the centre. In addition, the Provincial Government allot about 1,500 tons per month. The total requirements for the industry are nearly 8,000 tons per month. Additional quantity of coal have to be found by the Coal Committee to allot to this industry.

Some of the firms are keen to dispense with coal and to use producer gas for firing their kilns. The main difficulty in this connection is procurement of producer gas plant. A few plants were available from U.K. Disposals of surplus stores and when Indian firms contacted Disposals Ministry for allotment of these plants, they were refused as the plants were needed by the U.K. manufacturers. No new plants are also available to them. The Glass and Ceramic Research Institute and the Fuel Research Institute may be asked to concentrate attention on the design and fabrication of producer gas plants which will be suitable for use by this industry.

Transport.

The present ton x mileage required for this industry is about 1 million. This is to be increased by 33½ per cent. in case of increase of production likely to occur in the course of next 3 years.

DISEL ENGINES

Introduction

Diesel Engines, due to their simplicity in operation and relatively more rugged construction, and high thermal efficiency, will play an important part in our national life. This observation is made since it is felt that the electrification of rural areas will be a slow process, and in the mean time India's Agriculture, Road Transport and some of the cottage industries will have to be mechanised. Diesel Engines are expected to be the most popular motive power for this purpose.

Present and Future Capacity.

At present the only two factories manufacturing Diesel Engines in India are:

- (i) Messrs. Ruston & Hornsby (India) Ltd., 1, Forbes Street, Bombay; and
- (ii) Messrs. Cooper Engineering Ltd., Stara Road,

The capacity of both these factories put together is only 650 engines annually against our requirements of approximately 5,000 engines per year. In order to fill up partially the gap in the next three years, the existing capacity will be raised and assistance will be given for the completion of the factory of Messrs. Kirlosker Oil Engines Ltd., Poona. The capacity will thus be raised to 2,000 engines annually, i. e., over 100 per cent of the existing output.

There is need for further capacity upto 3,000 engines annually. In order to meet his deficiency and to render zonal self-sufficiency, establishment of new factories in Bengal, U.P. and Madras will be encouraged. Plans for starting these factories, if necessary, with state help, may be taken in hand immediately.

Imported Components.

Since India has to depend upon import of certain component parts of the engines, viz., Crankshafts, fuel oil Injection-Equipment, Forced Feed Lubricators, Piston Rings to complete the engines manufactured in the country, facility will be given to the manufacturers for the import of these. Efforts will also be made to promote the manufacture of some of the components within the country, through the Ordnance Factories, where the Government may have to bear a certain portion of the cost to bring down the price of these component parts to a level competitive with that of imported components.

Raising Standards of Indigenous Engines.

The engines manufactured by Messrs. Cooper Engineering Ltd., the biggest existing manufacturer, are not of high standard. The manufacturer will be urged to raise the standard. For this purpose Government may take immediate steps to appoint inspectors. The technical advice of the Internal Combination Engineering Lab., which is being set up in Bangalore, should be made readily available to this industry.

Requirement of Building Materials.

The following materials will have to be transported on a high priority to complete the factory of M/s. Kirloskar Oil Engines Ltd., and to raise the existing capacity:—

| | |
|------------|---|
| Cement | 300 tons in 1948. |
| | 100 tons in 1949. |
| Steel | 200 tons in 1948. |
| Petrol | 750 gallons per month for six months from now. |
| Telephones | 100,000 ton miles per mensem on B.B.R., G.I.P., and B.B.&C.I.R. |

Import of Capital Plant

(a) Machinery which has arrived in this country for M/s. Kirloskar Oil Engines Ltd., and is not in operation yet, is valued at Rs. 3,00,000.

(b) (i) Machinery worth Rs. 18,00,000 is likely to arrive in the next three years.

(ii) Components worth Rs. 15,00,000 to complete the indigenous engines are likely to be imported during this period.

DRUG INDUSTRY

1. The Drugs Act of 1940 is now being implemented and consequently a larger number of unsatisfactory firms are being automatically eliminated.

2. Programme.**ALKALOID PRODUCTION**

The existing production of 90,000 lbs. of quinine will in 3 years' time be expanded, it is hoped, to about 120,000 lbs. per annum, but in the meantime private agencies are being encouraged to extract quinine from bark imported

from abroad. The production of the following drugs is being established to meet the internal requirements as well as for export.

Santonin
Caffeine
Ephedrine
Strychnine
Minor Opium alkaloids, etc.

3. *Synthetic Drugs:*

With imported phenol, aniline and other basic chemicals, plans are ready to establish the manufacture of the following drugs:—

SULPH A DRUGS

Atebrine type of anti-malarials.
Chlorosal type of disinfectants.
Arsenicals of neo-salvarsan type and carbarson type.
Organo antimony compounds of urea stibamine type.

4. A plan which is a short term project is the immediate establishment of production of phenol. This is being looked into. Arrangements are being made also to produce aniline at the Ordnance Factories but the present cost of production at the Ordnance Factories is high due to high overheads. Relief is required in this direction. When aniline is available in larger quantities and at cheaper prices phenomenal development of the synthetic drugs enumerated above will take place. The general trend of production inspite of this handicap is on the up-grade

5. Bound up with the question of production of caustic soda is the problem of utilisation of chlorine. An outlet for chlorine is being sought in the manufacture of D.D.T. The present plan is production of 1,000 tons at the end of 2 years period. Machinery equipment and other requirements are being planned for starting production. The production is expected to commence in full swing in 6 to 8 months time. Priority assistance is required to be given to firms producing D.D.T. in respect of steel and building materials.

6. *Intermediates required for synthetic drugs industry.*

The most important deficiencies are with regard to phosphorus, phosphorus pentoxide, chlorosulphonic acid, acetic acid and a cetic anhydride.

Plan:

To produce chlorosulphonic acid sufficient for the requirements of the synthetic drug industry in 2 years. Already sufficient progress has been made in that a fair quantity of chlorosulphonic acid is now available.

Acetic acid:—See under PLASTICS

Phosphorus and phosphorus pentoxide cannot be produced under the short-term plan. A policy decision will have to be taken for the establishment of a factory under Government auspices when one of the hydro-electric schemes such as the Damodar Valley Project materialise.

7. *Facilities required.*

At present, the help of the Bio-chemical Standardisation Laboratory for the testing and assaying of drugs by private firms has been stopped by the Ministry of Health. It is necessary that arrangements should be made in the Alipore Test House to give firms assistance in getting their drugs standardised and tested.

8. It is difficult to give a comprehensive account of various drugs under planning as their total embraces will over a thousand. The plan is therefore to take up the manufacture of such drugs as have a bearing on the treatment of major diseases such as Malaria, Dysentery, Venereal Diseases, Diseases of bacterial origin, Antiseptics and disinfectants.

9. *Vitamins and Hormones.*

Plans.

To put the present shark liver-oil industry on its foot. To plan production of Vitamin A from natural sources. Production of liver extracts and other hormones in well established firms.

Synthetic production of Vitamin C or failing that, its production from natural sources.

10. No. of new firms expected to start production in the course of next three years=24.

Bengal—18; Bihar—1; U.P. 1; Bombay—2; Madras—1; Delhi—1.

Existing firms extending capacity of production=11.

Bengal—5; Bombay—2 Baroda—2;

U. P.—1; Madras—1.

11. D.D.T. Production:

Target.....30,000 tons per annum.

Present production.....20-30 tons per annum.

Plan.

To produce 1,200 tons per annum during the next three years. No. of firms expected to commence production—4.

Bombay—2; Madras—1; Baroda—1.

Action:

(i) Important raw materials are Benzene, Alcohol, chlorine, Sulphuric Acid. Firms will produce their own Chlorine and Sulphuric Acid 250,000 galls. of Benzene per annum will be available from Ordnance Factories and 350,000 galls. of Alcohol per annum are to be provided. The question of excise duty is involved.

Present position of the schemes for manufacture of antibiotics.

A mission was sent by the Government of India to investigate the possibility of production of penicillin and allied products in India. The report has been received and is under examination by Government. It may not be possible to start production immediately as considerable planning has yet to be done.

12. *Raw materials:*

Steel...2,500 tons per annum.

Cement...4,500 tons per annum.

Steel for containers...1,500 tons per annum.

Additional coal requirements...36,000 tons per annum.

Additional requirements of ton x mileage per annum...1,00,00,000.

Alcohol...0.5 millions gallons per annum.

13. *Action required:*

- (i) A statutory body to control production and quality of shark liver oil.
- (ii) To make the Test House available to industry for testing products.
- (iii) To make the Ordnance Factories produce nitrobenzene, aniline, etc. for the industry at a reasonable price.
- (iv) To improve the quality of benzene produced at the Ordnance Factories.
- (v) To provide for the basic requirements indicated in paragraph 12.

DRY BATTERIES

Present capacity.

The present productive capacity of the country for Dry cells is 132,000,000 Cells per annum. This is regionally distributed as follows:—

| <i>Province/State.</i> | <i>No. of factories.</i> | <i>Aggregate capacity.</i> |
|------------------------|--------------------------|----------------------------|
| Baroda | 1 | 2,000,000 |
| Bengal | 1 | 100,000,000 |
| Bombay | 1 | 30,000,000 |
| | <u>3</u> | <u>132,000,000</u> |

Expansion by 1950.

By 1950, this capacity will be expanded to 1,80,000,000 cells per annum having the following regional distribution:—

| <i>Province/State</i> | <i>No. of factories</i> | <i>aggregate capacity</i> |
|-----------------------|-------------------------|---------------------------|
| Baroda | 1 | 2,000,000 |
| Bombay | 2 | 55,000,000 |
| Bengal | 1 | 120,000,000 |
| Mysore | 1 | 3,000,000 |
| | <u>5</u> | <u>1,80,000,000</u> |

Progress:

This expansion of 48,000,000 Cells will be achieved by expanding the capacity of two existing factories and by setting up two new ones. The capital issue up to date for the Industry is Rs. 40,00,000 out of which Rs. 30,00,000 will be spent on the short term expansion referred to above. Floor area of factory construction to house the additional and new plants being imported amounts to 81,000 sq. ft. Bulk of the plant for the expansion of the existing factory in Bombay area has arrived while the plant required by the new factory in the same area is on waters. A feature of the former will be the introduction of assembly line methods for production of dry batteries.

Long Term Target.

There does not seem to be any need at the moment to set a long term target for this industry as by 1950 the industry is expected to fully meet the country's requirements and show a substantial surplus for export.

Raw materials:

The present annual requirements of the principal raw materials and those that will be required by 1950 are given below:—

| | <i>Present</i> | <i>By 1950</i> |
|------------------------------|------------------|------------------|
| Manganese Dioxide | 3,600 tons | 4,900 tons. |
| Graphite | 920 tons | 1,260 tons. |
| Zinc Sheets | 2,500 tons. | 3,400 tons. |
| Ammonium Chloride. | 1,200 tons. | 1,630 tons. |
| Carbon Electrodes | 132,000,000 Pcs. | 180,000,000 Pcs. |
| Wheat, Flour and Corn Starch | 240 tons. | 325 tons. |

Machinery are being imported for the rolling of Zinc Sheets in the country and making of cans. Part of the equipment for processing carbon electrodes is at site. Drawings are now being obtained from German sources for a design of the mixing and finishing machine for the process. Attempts have been initiated to process activated manganese dioxide in the country, having regard to the abundant supply available in India of Manganese ores but a rigorous drive in the next two years, however, in collaboration with the Council of Scientific Industrial Research is necessary to put the production of Manganese dioxide on a commercial scale and commensurate with the needs of the dry battery industry.

| | | | |
|--|---|-------------------|-------------------------------------|
| Estimated Annual Transport Requirement by 1950 | { | Raw materials | . 1,500,000 tons/mile (250 wagons). |
| | | Finished products | . 4,000,000 tons/mile (500 wagons). |

ELECTRIC LAMPS

Present Capacity:

The present production capacity of the country is 13,350,000 pieces per annum. This capacity is regionally distributed as follows:—

| <i>Province/State.</i> | <i>Number of Fys.</i> | <i>Aggregate Capacity</i> |
|------------------------|-----------------------|---------------------------|
| Bengal | 6 | 11,150,000 |
| Bihar | 1 | 200,000 |
| Bombay | 1 | 400,000 |
| Mysore | 1 | 1,000,000 |
| U. P. | 1 | 600,000 |
| Total | 10 | 13,350,000 |

Expansion:

This capacity will be expanded by 1950 to 22,000,000 pieces. The regional distribution will then be as follows:—

| <i>Province/ State.</i> | <i>Number of Fys.</i> | <i>Aggregate capacity</i> |
|-------------------------|-----------------------|---------------------------|
| Bengal | 7 | 15,500,000 |
| Bihar | 1 | 200,000 |
| Bombay | 1 | 400,000 |
| Mysore | 1 | 2,000,000 |
| Madras | 1 | 900,000 |
| U. P. | 1 | 3,000,000 |
| Total | 12 | 22,000,000 |

Progress:

The expansion of the capacity by 7,000,000 Pcs. per annum is proposed to be achieved by expanding the capacity of all the big lamp factories and by putting up two new lamp making plants. Licences for import of lamp making equipment for the entire expansion have already issued and deliveries have begun in most cases. The entire scheme for expansion was sponsored by this Office at several stages. This expansion is covered by capital issue of Rs. 6,500,000 approx. of which Rs. 7,50,000 is for the installation of furnaces for blowing glass shells in one factory above.

Long Term Target:

By 1950, the lamp industry's capacity will not only be sufficient to meet the country's requirements but also promise export prospects for this item. As such, there does not seem to be any need at the moment to fix a target covering a period longer than three years.

Raw Materials:

The present requirements of the industry for the principal raw materials and these anticipated by 1950 are given below: The figures represent every where annual consumption:—

| <i>Present</i> | | <i>By 1950</i> |
|---------------------------|-------------------|-----------------|
| Glass shells | 14,00,000 Nos. | 23,000,000 Nos. |
| Brass Caps | 14,700,000 Nos. | 24,200,000 Nos. |
| Glass Tubing & Glass Rods | 126 tons. | 200 tons. |
| Molybdenum wire | 1,481,850 Metres. | 2,442,000 Mts. |
| Tungsten wire | 14,685,000 Pcs. | 25,300,000 Pcs. |
| Beading-in-wire | 30,715,000 Pcs. | 52,900,000 Pcs. |

Indigenous production of glass shells is now approx. 25 per cent. the industry's needs. Plans for installation of furnaces by the biggest manufacturers for blowing glass shells are however under way and it is expected that by 1950 there will be a far greater measure of self-sufficiency than at present. Allocations of chemicals like Soda Ash, Borax, Salt Petre and Sodium Nitrate and Fuel, mainly coal, will have to be substantially increased if the additional capacity for glass shells is to be utilised.

Estimated Transport Requirements: by 1950.

| | | | |
|-----------------|------|------------------|--------------|
| Raw material | | 500,000 ton/mile | (45 wagons). |
| Finished stores | | 625,000 ton/mile | (62 wagons). |

ELECTRIC MOTORS.

Present Capacity:

The present productive capacity of the country for A C 3 Phase 50 Cycles Squirrel cage motors is 100,000 H.P., per annum in the range 1 to 30 H.P. This is regionally distributed as follows:

| Province/State. | No. of Factories | Aggregate Capacity in H. P. |
|-----------------|------------------|--------------------------------|
| Baroda | 1 | 4,500 |
| Bengal | 2 | 26,500 |
| Bombay | 3 | 54,000 |
| Madras | 3 | 15,000 |
| Total | 9 | 100,000 |

There is at present only one factory (situated in Bengal) in the country which produces fractional Horse Power Motors. This Factory's production is small being of the order of 600 Nos. only per annum

Expansion by 1950.

The existing capacity for AC 3 phase squirrel cage motors is expected to be expanded by 1950 to 250,000 H.P. per annum while that for fractional Horse Power Motors will be increased to 25,000 Nos. per annum by the same time. The regional distribution of the expanded capacity by 1950 will be as follows:

| Province/State | No. of Fys. | Aggregate Capacity in H. P. |
|---------------------------|-------------|-----------------------------|
| AC 3 Baroda . . . | 1 | 4,500 |
| Phase Bengal . . . | 4 | 86,500 |
| Squirrelcase Bombay . . . | 4 | 83,000 |
| Bihar . . . | 1 | 10,000 |
| Madras . . . | 3 | 16,000 |
| Mysore . . . | 2 | 50,000 |
| Total | 15 | 250,000 |
| Fractional Bengal | 1 | 12,000 Nos. |
| Horse Power. Mysore | 1 | 12,000 .. |
| C. P. | 1 | 1,000 .. |
| | 5 | 25,000 Nos. |

Progress:

This programme of expansion is covered by a part of the total capital issue upto date for this industry which is now to the tune of Rs. 1,200,000. 60 per cent of capital equipment licensed for import has already arrived. Construction materials like glue and cement are being released in Pd. 1/48 for some of the new factories. With the expected further arrival of plant in 1948 it is expected that by the beginning of 1949 three out of the six new factories will be in production, while two of the existing factories will have expanded therein capacity.

The net effect of this expansion by the beginning of 1949 is expected to be an additional capacity of 100,000 H.P. The possibilities of increased supply of basic raw materials to engage this capacity fully are now being investigated.

Long Term Target:

It is difficult at this stage to fix a long term target for this industry as this must necessarily be related to such unforeseeable factors such as the demand of the country 10 years hence, the facilities that are likely to be available for the rapid expansion of industry etc. A productive capacity of 800,000 H. P. per annum within the next five years is, however, a worthy target, in view of the fact that C.T.P.B. contemplate commissioning an additional installed capacity of 800,000 K.W. by 1953.

Raw Materials:

To engage the expanded capacity fully by 1950 the supply of the principal raw materials in the country will have to be considerably increased. The present requirements and those that will be required by 1950 are given below:-

| | Present | By 1950 | |
|---------------------|------------|------------|--------------|
| (1) Pig Iron | 1,000 tons | 2,500 tons | } Per annum. |
| (2) Steel | 400 tons | 1,200 tons | |
| (3) El Steel sheets | 1,100 tons | 8,000 tons | |
| (4) Winding Wires | 80 tons | 230 tons | |

Estimated annual transport requirements by 1950.

| | | |
|----------------|---------------------|----------------|
| Raw materials | 4,000,000 tons/mile | } (400 wagons) |
| Finished Stock | 4,000,000 ton/mile | |

ELECTRICAL STEEL SHEETS

Present Capacity:

The present production capacity of the country is 1,800 tons per annum. There is only one factory in the country producing Electrical Steel Sheets, namely Tata's Tatanagar.

Expansion:

By 1950, this capacity will be expanded to 4,000 tons per annum. Production of Transformer grade sheets will also be undertaken.

Progress:

This expansion will be achieved by the installation of a new annealing furnace which has already been ordered by Tata's on Birlec, England. Cables have been sent to the India Supply Commission for taking up the question of shipments on a priority basis from the United Kingdom. Both the furnace and auxiliary equipment like Transformer are expected to arrive by the middle of 1948. It is expected that the second furnace will be in production by the end of 1948.

Long term Target:

8000 tons.

Raw Materials:

No difficulty is expected in the procurement of the necessary raw materials for utilising the expanded capacity.

Estimated annual transport requirements by 1950:

Finished sheet:—4,000,000 ton/mile (200 wagons):

As still further capacity is required, it is suggested that Messrs. Bhadravati Iron and Steel Works should be got interested in installing capacity in their works and every assistance should be given towards this end.

ELECTRIC TRANSFORMERS

(a) The present productive capacity of the country is 102,000 KVA. This is distributed regionally as follows:—

| <i>Province/State</i> | <i>No. of Fys.</i> | <i>Aggregate Capacity</i> |
|-----------------------|--------------------|---------------------------|
| Bengal. | 3 | 28,500K.V.A. |
| Bombay | 3 | 43,500 " |
| Mysore | 1 | 30,000 " |
| Total | 7 | 102,000 " |

(b) This capacity is expected to be expanded to 177,000 KVA by 1950. The regional distribution will then be as follows:—

| <i>Province/State</i> | <i>No. of Fys.</i> | <i>Aggregate Capacity</i> |
|-----------------------|--------------------|---------------------------|
| Bengal | 3 | 53,500 K.V. |
| Bombay | 4 | 93,500 " |
| Mysore | 1 | 30,000 " |
| Total | 8 | 177,000 " |

(c) This expansion will be achieved by expanding the capacity of two of the existing factories and by setting up a new factory. The new factory which is in the Bombay area will go into production by the end of 1948 with an initial annual capacity of 25,000 KVA. 80 per cent. of the plant for this factory is at site while the remainder is on its way. Steel for factory building is being allotted in period I/48 for this project. The technical director of the firm has recently returned from an inspection of the centres of heavy electrical machinery production in Germany, and it is expected that his experience will be valuable. Steel is also being allotted in Period I/48 to enable the biggest transformer factory in Bombay to expand their facilities for handling transformer components thus paving the way for an expansion of their capacity. The existing transformer factory in the Mysore State is planning to instal its own punching press and cotton covering machines for making laminations and winding wires respectively.

(d) *Long Term Target*:—250,000 KVA per annum in the next five years.

(e) Supply of basic raw materials like transformer grade electrical Steel sheets, porcelain bushing, boiler tubes, insulating materials will have to be arranged in considerable quantities. At present the bulk of these materials are imported. A beginning will, however, be made with transformer grade electrical steel sheets in 1948 when Tata's second annealing furnace will be received and put into operation. The initial annual out-put is unlikely to exceed 200 tons per annum which will be inadequate. Experiments are already in progress regarding the production of Transformer grade sheets in the country. It is also proposed during 1948 to develop indigenous production of bushing as samples of bushing produced by the Government Porcelain Fy., Bangalore, promise to be of acceptable quality.

Mysore Electric Company may be got interested in producing the extra material necessary for self-sufficiency.

ENAMELLED COPPER WIRE

Present Capacity:

The present production capacity of the country for enamelled wire is negligible.

Expansion:

This capacity will be developed to 120 tons per annum by the end of 1947. Further expansion is also contemplated. There is only one factory for the purpose and it is situated in Bengal.

Progress:

The whole project was sponsored by this Office. The enamelling plant was licensed with the active support of this office from U.S.A. and its shipment was made finally as a result of the efforts of this office. The plant is now in experimental production stage.

Raw Materials:

No difficulty is anticipated in respect of the basic raw material for this industry, namely copper wire. Copper wire is produced in the factory's own works to B.S.S. and in a quantity sufficient to guarantee the necessary off-take by the enamelling plant. The development of indigenous resin for enamelling, however has to be speeded up in the next one or two years.

Long Term Target:

500 tons per annum.

Estimated Transport Requirements by 1950.—Finished Store: 30,000 ton/mile—(3 wagons).

ENAMELWARE INDUSTRY

| | |
|-----------------------------------|-------------------------------|
| Existing factories | 22 (10 since 1945). |
| No. to be added by 1949 | 14. |
| Production in 1946 | 10 to 12 million pieces |
| Capacity in 1947 | 24 million pieces. |
| Cause of shortage | Steel mostly and coal partly. |

Short-term plans:

- (1) To equip the factories on modern lines by importation of machines worked by power;
- (2) Improvement of quality of products;
- (3) To cater for export markets for which just at the moment there is a good demand from the neighbouring countries;
- (4) To find steel for the industry for processing.

In assessing the capacity of the firms those having first class equipments are given more steel than others. Factories possessing less efficient equipment are advised to modernise them by import of up to date machineries. Two such factories have got their machineries out in 1947. Three more factories have ordered their machineries out which are expected within the next 3 years. They have to be given assistance in connection with power for running them. The total value of capital equipment expected within the next three years is about 1½ Lakhs.

Requirement of Steel, Cement and Power for the increased production.

Steel.

| | |
|---|--------------------|
| Steel allotted for building new factory in 1947 | Nil |
| Steel required for housing machineries of existing Fys. in connection with their extensions in course of next 3 years | 1,300 tons approx. |

Cement.

| | |
|--|--------------------|
| Cement released in 1947 for extensions and new constructions | Nil |
| Cement required for expansions in next 3 years | 1,700 tons approx. |

Power:

To instal the machineries imported by the existing fys. power needed will be about 10,000 K.W. 75 per cent. of this is required in Bombay. There is already congestion in Bombay and the Electric Supply Corporation has to be advised to increase their output to supply additional power to the new extensions.

Utilising Ordnance Fys. for needs of the Enamelware Industry.

Steel castings required by the enamelware factories are not easily available from the indigenous production. It is understood that the Ordnance Factories can turn out those castings off suitable materials. Our efforts in this direction lately have proved to be unsuccessful in persuading Ordnance Factories to take such castings. High level action is required to induce them to take to these castings whenever necessary.

In order to have the steel castings, special tool steel will be required by the Ordnance Factories. Estimated quantity for this item likely to be required is about 20 tons per quarter.

Raw materials:

2,000 tons of mild steel sheets are required to be provided to this industry every quarter. For period I/48 only 900 tons have been provided. Factories may be allowed to import freely such sheets if they can procure the same from abroad even at a higher price, in case sheets cannot be made available from indigenous production.

Fuel:

Coal supply to this industry at present is about 2,200 tons per month. This has to be supplemented by an equal quantity as the factories are running 50 per cent. of their capacity. Coal committee may be requested to give adequate allocation to this industry.

Export:

The export quota is to be increased to 20 per cent. of total production in 1948 and 33 per cent. in 1949 provided steel quota for processing is correspondingly increased.

GLASS

Plans:

- (1) Replacement of the inefficient factories by more efficient ones.
- (2) Modernisation of the existing factories.
- (3) To increase the production of glass.
- (4) Improvement of the quality of products.
- (5) Planning for the export market for which there is a demand.

In pursuance of the above plans, furnace designs for nearly 25 Fys. have been modified. 2 more factories are changing their designs and replacing the old furnaces, with new ones in 1948. New factories coming up have been advised to use furnaces whereunder their consumption of coal may decrease 2 factories in Calcutta area are changing over from coal to fuel oil within the next 6 months.

There are at present 174 factories in different areas as detailed below:—

| | <i>Provinces</i> | <i>No.</i> |
|-------------------------------|------------------|------------|
| Bengal | | 32 |
| Bihar | | 8 |
| Bombay | | 32 |
| C. P. | | 6 |
| Delhi | | 3 |
| Madras | | 3 |
| Punjab | | 6 |
| Orissa | | 1 |
| U. P. | | 70 |
| Hyderabad | | 2 |
| Mysore | | 1 |
| Other Indian States | | 9 |

These include about 65 bangle factories. Present annual production of glass is about 90,000 tons against the rated capacity of 150,000 tons.

In pursuance of the plan for increase in the production of glass, 7 more new factories are starting in 1948 as follows:

| | | |
|----------------------|---|--|
| Bihar | 1 | } Machinery and equipment for them have already arrived or are on way. |
| Baroda | 1 | |
| Travancore | 1 | |
| Bharatpur | 1 | |
| Dholpur | 1 | |
| Madras | 1 | |
| U. P. | 1 | |

In addition, the following new fys. are likely to come up in the next 3 years, as capital issues have been sanctioned for them:—

| | |
|----------------------|---|
| Bengal | 4 |
| Madras | 2 |
| Bombay | 4 |
| Idar State | 1 |

11

Further, a number of factories are extending their capacity for productions which are classified as follows:—

- (1) Sheet glass 2 factories . (Bihar 1, Bengal 1.)
- (2) Bottle & table wares 10 factories . (Bombay 2, Bengal 3, U.P. 2, C.P. 1, Orissa 1, East Punjab 1).
- (3) Globes & Chimneys 2 factories . (Bengal 1, Bombay 1).
- (4) Scientific glass wares 3 factories . (Bengal 2, Mysore 1).

Machinery and equipment in some instances have already arrived. In all cases, they have been ordered and are expected to arrive within 3 years.

II. Total value of machinery and equipment ordered from abroad:

Rs.

| | |
|---|-----------|
| (a) Value of the machine, etc. already arrived | 26,50,000 |
| (b) Value of the machine, etc. expected within next 3 years | 18,53,000 |

III. On account of the above expansion, the following quantities of steel and cement will require to be released for housing the factories:

| Projects | Total Qty. of steel required | Steel already released | Balance to be released | Total Qty. of cement reqd. (tons) | Cement already released | Balance |
|------------|--|------------------------|------------------------|-----------------------------------|-------------------------|---------|
| | tons | tons | tons | tons | tons | tons |
| New Fys. | 4,426 | 1,020 | 3,406 | 9,000 | | 9,000 |
| Extensions | 1,200 | 287 | 933 | 1,800 | | 1,800 |
| | | | | | tons | |
| | Steel required for new projects and extensions in the course of next 3 years | | | | 4,339 | |
| | Cement reqd. for new projects and extensions in the course of next 3 years | | | | 10,800 | |

As Steel and cement are in short supply, high level action is required to secure them for this industry.

IV. Raw materials and Fuel.

Soda Ash: Present allotment is about 9,000 tons per quarter of which there is a shortage of 2,000 tons and, therefore, the factories have been rationed to take only 75 per cent of their normal off take. The cut has to be restored and another 2,500 tons per quarter are required to meet the increased production. The distribution for the additional quantity will be as follows:

| | <i>Tons per quarter</i> |
|--------------------------------|-------------------------|
| Bengal Factories | 500 |
| Bihar Factories | 100 |
| Madras Factories | 250 |
| Bombay Factories | 550 |
| Travancore Factories | 150 |
| Bharatpur Factories | 90 |
| Dholpur Factories | 90 |
| U. P. Factories | 250 |
| Punjab and Delhi | 100 |
| Other States | 420 |
| | 2,500 |

If we can get the production of soda ash of M/s. Dhrangadhara Chemical Works in our pool, then our present shortage will be eliminated. The balance of 2,500 tons required for the increased production of M/s. Tatas which is likely to increase in 1948 and from imports. The present monetary ceiling limit on the import of soda ash has either to be increased or this chemical may be allowed to be imported freely into the country.

Coal and fuel oil:

Present allocation of coal to glass industry is about 15,000 tons per month, of which actual supplies are not more than 10,000 tons. In order to meet the increased production this has got to be increased by another 7,500 tons per month of "A" grade coal. In addition to the above, 1500 gallons of fuel oil will be required to supplement the coal for the increase in production.

Allotment of coal is done by the Coal Committee. Factories in Bengal area are willing to take coal by road transport if they are given an adequate quantity of petrol to run the trucks. If this is agreed to, then the transport of coal, due to which supplies fall short of allotment, will not be difficult.

Transport:

The present ton mileage required for the glass industry to transport the raw materials and finished stores is about 500 millions. In order to meet the increased production, another 100 million ton mileage is to be added to the above and facilities for the same have to be provided for.

V. To improve the quality of the products, specifications have to be drawn for raw materials. This is already under correspondence with the Glass Technologist to the Government of U.P. and the Indian Institute of Standards. It is presumed that the quality of glass will improve when these specifications are introduced.

VI. Export market:

We have already received enquiries from Australia, New Zealand and other neighbouring countries of the export of glasswares, particularly, sheet glass, to these places. In view of the shortage, no export was permitted. With

the increased production, it is expected that we shall be able to meet the export markets

GLYCERINE

| | |
|--------------------------------------|-----------------------|
| Annual production capacity | 3,000 tons distilled. |
| Present production (1946) | 1,782 tons distilled. |
| Annual requirements | 1,000 tons distilled. |
| Number of factories | 5 |

Plan:

To modernise existing equipment and to set up distillation plants in all the major factories so that larger exports may be made and a large reserve capacity built up for Defence purposes.

LANTERN INDUSTRY

General:

Hurricane Lantern is a general utility article considered necessary by the common man in India. It is, therefore, essential to produce them in sufficient number for all the people to obtain their requirements without difficulty.

Present and future capacity:

At present there are the following major factories manufacturing Hurricane Lanterns in the country:

- (1) M/s. Oriental Metal Industries, Calcutta.
- (2) M/s. Jay Engineering Works, Calcutta.
- (3) M/s. India Industrial Works, Calcutta.
- (4) M/s. Ogale Glass Works, District Satara, Bombay.
- (5) M/s. J. Hardware Works, Delhi.

Apart from the above factories there are small units located in Delhi.

The combined output of all these factories is 7,00,000 numbers annually against a requirement of 50,00,000 numbers per annum. In order to fill up partially the gap in the next three years the production will be raised to the maximum available capacity at present in the country *viz.*, 12,00,000 numbers per annum. M/s. Harbans Lal Malhotra & Sons Calcutta have imported plant with an annual capacity of 1,50,000 Lanterns. They will be assisted to complete their project which will raise the total capacity of India to 13,50,000 lanterns per year.

There is need for further capacity upto 37,00,000 numbers yearly. In order to meet this deficiency new factories will have to be set up. The main capacity is, at present, concentrated in Bengal and Bombay areas. In order to render zonal self sufficiency new factories in the following areas will be encouraged:

| Province | Factories having annual production of |
|-----------------------|---------------------------------------|
| Bihar | 4,00,000 Nos. |
| Madras | 6,00,000 " |
| U. P. | 7,00,000 " |
| C. P. | 2,00,000 " |
| East Punjab | 4,00,000 " |

New factories will be encouraged to be put up in these areas during the next three years and any further deficiency after this period will be dealt with in the long term plan.

Raising Standards of Indigenous Lanterns:

At present the indigenous manufacturers have to use Blacksheets, which is not generally of the uniform gauge. The correct raw material for the lan-

terns is tinplate. Government will be persuaded to import correct raw material for the item *viz.*, tinplate, so that the indigenous product can compete in quality with the imported article.

Some of the units in India are not balanced, resulting in inefficient production giving bad workmanship and finish. All unbalanced units will be urged to balance themselves and workmanship and finish of the indigenous articles will be raised within the next three years. For this purpose the Ordnance Factories will be requested to prepare dies on behalf of any manufacturer who wishes to utilise them.

Import of capital plant:

Machinery worth Rs. 2,00,000 has arrived in the country, but is not in operation yet.

Machinery worth Rs. 20,00,000 is likely to arrive in the next three years.

A major portion of the plant for fabrication of lanterns will be manufactured in India.

Requirements of building materials:

The following materials will have to be transported on a high priority, to complete the factory for Messrs. Harbans Lal Malhotra & Sons and to raise the existing capacity to 30,00,000 lanterns per annum.

| | | |
|-------------------------|-----------|---|
| Cement | | 250 tons in 1948. 250 tons in 1949. 250 tons in 1950. |
| Coal for burning bricks | | 400 tons in 1948. 400 tons in 1949. 400 tons in 1950. |
| Steel | | 200 tons yearly between 1948/50 |
| Transport | | 1,00,000 ton miles per mensem on E.I.R., G.I.P., B.B.C.I., E.P. Rly. & B. N. Rly. |

INDUSTRIAL GASES.

OBJECTIVES

1. 50 per cent. expansion of production of Oxygen and Acetylene Gases which is now almost the monopoly of one firm.
2. Increase in capacity for production of CO₂ gas and dry ice.

MEASURES.

1. Plan to assist M/s. The Industrial Gases Ltd., with steel etc. They have been allowed the import of plant and equipment to the value of 12 lakhs for acetylene and Oxygen.
2. Plan to assist in the construction of factory of Hindustan Gases Ltd., Calcutta; Carbon Gas Co., Trichinopoly and other firms so as to increase production by 50 per cent.

Probable arrival of plant and machinery (for CO₂, Oxygen and Acetylene gases Approx. 20 lakhs)

Requirements of adjuncts against construction of five new factories and expansion of existing factories.

| | | |
|--------|-----------|---------------------|
| Steel | | 1,000 tons |
| Cement | | 800 tons |
| Coke | | 3,000 tons (annual) |
| Power | | 200 K.W. |

INSULATORS

(a) The present production capacity of the country for insulators is 4,200,000 Pcs. per annum.

This is regionally distributed as follows:

| Province/State | Number of Factories | Aggregate capacity |
|----------------|---------------------|--------------------|
| Bengal | 2 | 3,700,000 |
| Mysore | 1 | 500,000 |

(b) It is proposed to expand this capacity by 1950 so as to increase the output of P&T insulators for tele. communication schemes and H. T. insulators in particular.

(c) Two new kilns are being constructed by the biggest insulator factory in the country and import licences are being arranged for the import of hydraulic sagger Press and Kerisulgar for this factory. Release of steel and cement for the project has been recommended to enable provision of facilities for improved storage of Pearl Coke. Essential raw materials like ball clay have also been licensed for import. Plans are also under way in respect of the expansion of the existing State Government owned factory in Mysore with the object of nearly doubling its present capacity. Import licences have already been issued for Routine Testing equipment for the entire industry. It is hoped that the resources of the High Voltage Engineering laboratory which is being set up in the Indian Institute of Science, Bangalore at a cost of 23 lakhs will be available for technical advice on manufacturing and testing of H. T. insulators.

(d) *Long term target*: Information regarding the anticipated annual requirements of insulators in the next few years is being collected. A long term target can only be fixed after the above information has been collected.

(e) While China clay occurs extensively in the country, its quality is not of such a high standard as to be ideally suited for H. T. Insulators. It is, however, believed that deposits of excellent china clay exist in the country. The same is also true of ball clay, another essential ingredient of H. T. insulators, for which no deposits have so far been discovered on a large scale in the country. It is reported that ball clay occurs in Rajmahal Hills, Monghyr distt. The D. G. Geological Survey is being requested to make a survey of such deposits.

IRON CASTINGS INDUSTRY

This industry is the backbone of the Machine Tool Industry and of Industrial Machinery and also supplies essential needs such as Cast Iron Pipes and Cooking pans. The location of existing foundries is given below, together with the proposals of rationalisation and expansion.

| Province | Existing foundries | | Proposed rationalisation as at end of 1950 | |
|-----------|--------------------|-------------------------------------|--|------------------|
| | No. | Capacity Tons of castings per annum | No. | Capacity |
| Assam | 4 | 800 | 4 | 8,000 |
| Bengal | 258 | 256,000 | 100 | 300,000 |
| Bihar | 83 | 22,000 | 40 | 80,000 |
| U. P. | 175 | 43,600 | 75 | 1,50,000 |
| C P. | 17 | 3,600 | 17 | 34,000 |
| Delhi | 49 | 14,400 | 20 | 40,000 |
| E. Punjab | 261 | 84,000 | 75 | 1,50,000 |
| Madras | 163 | 50,000 | 75 | 1,50,000 |
| Bombay | 123 | 34,400 | 75 | 1,50,000 |
| Orissa | 2 | 800 | 4 | |
| States | 157 | 48,000 | 75 | 1,50,000 |
| | 1,292 | 5,57,600 | 560 | 1,200,000 |

Amongst the existing foundries, only about 40 of them manufacture 2,000 tons of castings or more each per annum. The rest of the foundries are all small ones. Out of 40 large foundries, only about a dozen or so could be termed really efficient units. The quality of the castings produced by the rest is poor. Therefore, if we are to rationalise the industry, it will be necessary to shut down more inefficient units but there will be difficulties in doing so. However, in order that the foundry may be run on economical lines, its output of castings should be at least 2,000 tons per annum. If the plan of rationalisation can at all be adopted, it is estimated that 24,000 tons of coal can be saved of an output of 50,000 tons of castings.

The chief raw material needed for the foundries is Pig Iron. A new Blast Furnace has been erected at Kulti by the Indian Iron and Steel but has not been put into full operation yet due to shortage of transport to move coal and ore. We should now do everything in our power to get this Blast Furnace put into full operation.

| | |
|---|--------------|
| Value of Plant & Machinery which has arrived for the foundries but has not yet been installed | Negligible. |
| Estimate of additional Plant & Machinery likely to arrive in the next three years for modernising the foundries | Rs. 1 crore. |

The following raw materials and transport will also be required in the next three years.

| | |
|---|---|
| Cement | 2,000 tons in 1948. 2,000 tons in 1949. |
| Steel | 2,000 tons in 1948. 2,000 tons in 1949. |
| Additional transport for movement of raw materials for putting the blast Furnace at India Iron & Steel into operation | 5,00,000 ton miles per month on the E.I.R. |
| Additional transport if and when this Pig Iron is produced to move the Pig Iron to the foundries | 1,00,000 ton miles per month on all systems in India. |

LEATHER

The following short-term plans for development are put forward:

(1) *Increase in the production capacity of finished leather from raw goat and sheep skins:*

It is estimated that the total production of raw goat and sheep skins in India, excluding the Pakistan area, is about 39.25 million skins a year. It is also estimated that about 23.25 million skins are processed a year by the organized and the cottage tanneries in India (excluding Pakistan), leaving a surplus of about 16.0 million skins a year for export as raw. One unit of the organized tanning industry in the Madras area would be increasing their tanning and finishing capacity during the next three years to be able to process additional 1,000,000 raw skins a year for the manufacture of finished leather for internal consumption as well as export.

(2) *Increase in capacity for the production of machine-made footwear:*

The Leather and Leather Goods Panel estimated that at present 30,000,000 pairs of Western types of footwear are being manufactured in India annually mainly by hand and suggested that the production of shoes should be mechanised to step up production as the production of shoes by the hand-process could not be increased much further on account of the shortage of skilled labourers. Two new factories, one in the Calcutta area and the other in the Bombay area are being set up and it is expected that within the course of the next three years, a new production capacity of about 850,000 pairs of machine-made footwear a year will be established.

(3) *Production of suitable belting Butts for the manufacture of leather belting:*

About 400 to 500 tons of leather belting valued at about Rs. 50,00,000 are imported every year. Indigenous production so far had not been upto the standard. Samples of leather beltings produced in the Government Harness & Saddlery Factory, Cawnpore, were forwarded to the Alipore Test House for test and report. The reports indicated certain defects in the beltings produced by the H. & S. Factory. The Superintendent, H. & S. Factory, Cawnpore, is being further requested to produce fresh samples of leather beltings after removing the defects pointed out by the Alipore Test House for further test and report. Should the reports on the new samples be encouraging, steps will be taken to introduce production of suitable Belting Butts by the Tanning Industry in India for the manufacture of leather beltings to standard specifications. The scheme, if successful, it is expected, will reduce the import by about 75 per cent.

(4) *Possibility of utilisation of indigenous vegetable tanning materials as a substitute for imported wattle bark to meet the shortage caused by the cessation of trade relations with South Africa:*

Steps have been taken to carry out necessary survey on indigenous vegetable tanning materials not generally used by the Tanning Industry, their laboratory and small-scale practical tanning tests for investigating the possibility of their use as a substitute for wattle bark. Assistance of I.G. Forests, the Director General of Ordnance Factories, the Supdt., Bengal Tanning Institute, Govt. of West Bengal, and the Principal, Institute of Leather Technology, Madras, have been sought in the matter. Tangible result are expected soon.

(5) *Improvement in the quality of Babool bark and Avran bark used as vegetable tanning materials by the Tanning Industry:*

Actions have been initiated for carrying out necessary laboratory and small scale practical tanning tests on various samples of the barks collected from different age groups and different soil areas for improving the quality of babool bark and avran bark produced in India. Assistance of I.G. Forests, the Director General of Ordnance Factories, the Supdt., Bengal Tanning Institute, Govt. of West Bengal and the Principal, Institute of Leather Technology, Madras, have also been sought in the matter.

(6) *Improvement in the quality of raw hides produced in India:*

It is estimated that the total production of raw hides in India excluding the Pakistan area is about 21.5 million hides a year. About 20 per cent. of the total production is at present obtained from slaughtered cattle and the balance 80 per cent from fallen hides. The percentage of production of hides from slaughtered cattle is likely to fall off in the future. Hides obtained from the fallen cattle are very poor in quality and it is therefore essential that steps should be taken to improve their quality. One of the reasons for the poor quality of hides obtained from fallen cattle is the delay that takes place in flaying after the death of the animal. The defect is unavoidable under the present methods of collection as the agencies working on carcasses are often either single individuals (village chamars) or very small groups scattered throughout the country. To generally improve the quality of raw hides and to utilise other bye-products obtained from the dead cattle such as Tallow, Bones, etc. it is necessary to set up collecting centres of dead cattle throughout the country for quick flaying of the carcasses and to attend to the preliminary works connected with the recovery of Tallow and Bones, etc. and to forward them to suitable centres for final recovery.

To start the nucleus for the above, it is proposed to set up in consultation with provinces experimental plants in suitable centres where at least 30 or 40 dead cattle could be collected a day for flaying and curing of raw hides and recovery of bones, tallow, etc. Should this scheme prove to be a success, the long term plan mentioned above could then be introduced.

Private enterprise may be shy in starting the experimental plants, and Provincial Governments may ask for financial assistance. In that case it may be necessary to make a non-recurring grant upto Rs. 1,00,000 to each Province willing to undertake the enterprise.

(7) *Probable arrivals of new machinery during the next three years and the requirements of iron and steel etc.*

It is estimated that new machinery valued at about Rs. 35,00,000 would be arriving in India during the next three year for the re-organisation of the existing units and to effect the increase in capacity mentioned in paras 1 and 2 above. Requirements of iron and steel, cement and coal during the next three years for the re-organisation of the existing factories and carrying out the extensions mentioned above are given below:—

| | Tons |
|--|-------|
| (a) Est. requirements of iron and steel for the next three years | 3,500 |
| (b) Est. requirements of cement during the next three years | 4,000 |
| (c) Est. increased requirements of coal per year during the next 3 years in addition to existing normal requirements of the industry | 2,000 |

(8) *Additional ton mileage required:*

As the sources of supply of raw materials and the markets for finished products of the tanning and leather industry are very much diffused, it is regretted that it is not possible to assess the extra ton mileage that would be required for the increase in production capacity mentioned before.

MACHINE TOOL INDUSTRY

Important targets aimed at in the short-term development programme:

(i) Double the present production of machine tools within the next 3 years.

The average present production of about 7,500 machine tools to be raised to 15,000.

(ii) Build latest models of machine tools.

Accelerate the manufacture of modern production type of machine tools in addition to the primary types already successfully manufactured in the country. To achieve this result, every manufacturer of machine tools to Grade I limits of the accuracy should at least produce 1 new model per year.

Steps required to be taken to achieve the 2 objects enumerated above in the short term Programme:

Development of this important key industry is only possible with close co-operation between the indigenous manufacturers and the Government. Certain steps have to be taken by the manufacturers and others have to be implemented by Government. These are:—

Steps to be taken by the industry:

(i) The indigenous machine tool industry must be rationalised as quickly as possible. This forms the foundation on which leading Western countries have built up their powerful Machine Tool Industries.

(ii) Components of the machine tool industry must also be developed on Cottage Industry lines. The conditions in the country are very favourable for such development. Certain experimental measures already carried out have proved successful.

(iii) The Indian Machine Tool Manufacturers' Association should establish "Scales & Service Organisation" to safeguard the interests of the consumers.

(iv) Essential raw materials, *vis. steel, pig iron* etc. must be conserved and saved as much as possible by every possible means, *vis. rationalisation* and specialisation, which enable the right type of firms manufacturing the right type of products.

Manufacture component parts as efficiently and economically as possible, thus minimising wastage to the utmost extent.

Steps to be taken by Govt.

(i) Machine Tool Manufacturers must be provided with necessary Balancing Plant for increasing their production capacities. As suitable machinery equipment is not readily available from foreign countries within reasonable periods, suitable types of machines available from reparation plants must be allotted to machine tool manufacturers.

A provision of Rs. 50 lakhs worth of Balancing Plant must be provided either from reparation plant allocations, or from other foreign resources.

(ii) Provision of a subsidy of Rs. 10 lakhs to enable the Indian Machine Tool Manufacturers to meet the heavy cost of jigs, tools and fixtures, which are very essential for producing new models of machine tools.

(iii) Effect to be given to Tariff Board's recommendations with the least possible delay.

(iv) Appointment of 4 high-calibre specialists in order to strengthen and establish the Machine Tool Industry in the country.

(v) Assistance to indigenous manufacturers in the procurement of foreign technicians for employment in their factories and improving their products.

(vi) Provision of facilities for training qualified Machine Tool Engineers connected with the industry and obtaining specialised higher training abroad.

(vii) The Services of Government Machine Tool Inspection Organisation to be placed at the disposal of the industry free of cost to assist the infant indigenous industry.

(viii) Government should permit higher percentage of depreciation being shown in the income-tax returns to assist the speedy rehabilitation and establishment of machine tool factories.

(ix) Government (Central & Provincial) should assist the machine tool manufacturers in acquiring suitable plots of land for expansion of their factories.

(x) Preparation by the Indian Standards Institution of Indian Standard Specifications pertaining to machine tools at an early date.

(xi) Surplus capacity of Ordnance Factories for the manufacture of forgings, drop-stampings and steel castings to be placed at the disposal of indigenous machine tool manufacturers.

(xii) Regular supply of necessary raw materials, and electric power in requisite quantities at reasonable prices.

Essential raw materials.

The total present quota of steel is about 5,000 tons per annum. The allocation of steel per annum during the next 3 years to enable the present production being doubled is roughly estimated at 6,700 8,400 & 10,000 tons respectively.

Pig iron requirements per annum during the next 3 years to achieve the production target indicated above, is roughly estimated at 13,400 16,800 & 20,000 tons respectively.

Transport :

(a) The present tonnage miles effected due to transport of raw materials from sources of supply to factories are roughly estimated at 15 million ton miles.

If the target of doubling our present production is to be effected, then the tonnage miles during the next 3 years due to transport of raw materials will be 25 million and 30 million ton miles. The tonnage miles covered in transporting finished products to marketing centres at present are roughly estimated at 7½ million ton miles. If the production target is to be doubled during the next 3 years, it is roughly estimated that the tonnage miles on finished products during the next 3 years will be 10, 12½ & 15 million ton miles respectively.

| MATCH INDUSTRY | | Gross |
|---------------------------------|---|------------|
| Annual Production capacity | . | 250,00,000 |
| Present Production (1946) | . | 248,87,887 |
| Annual requirements (estimated) | . | 238,00,000 |
| Number of factories working | . | 150 |

India has enough capacity to meet her entire requirements and also to export small quantities to neighbouring countries. Number of new factories are also coming up, but irregular distribution has caused occasional local shortages.

The main raw materials of the industry are chemicals for the dipping composition and soft wood for making sticks and boxes. The country is at present self-sufficient with regard to these chemicals excepting for phosphorus and sulphur which are required to the extent for 120 and 170 tons per annum respectively. The most important chemical potassium chlorate, is made indigenously; the annual capacity of its production is about 2,000 tons, but potassium chloride, a raw material required in its manufacture, is mainly imported as chloride of the required purity is not made in the country.

41,18,000 c.ft. of soft wood are required for making the required amount of sticks and boxes. The plywood industry also depends on similar species of wood and not enough is available all over the country to meet the total demands of both the industries.

The Provincial Forest Departments and other authorities have, therefore, been requested to give preference to the requirements of the Match Industry by reserving these species as far as possible except in those areas where plywood comes in serious competition with the match industry, an equitable distribution between the two industries are to be arranged. If this can be done, large exports of matches are possible.

New Units :

Forty new units are likely to come into being during the period of coming three years. They will be distributed as under:—

| | Units |
|--------|-------|
| Madras | 26 |
| Bombay | 12 |
| Bengal | 2 |

Capital Issue :

There is no capital issue involved. Most of the equipment will be fabricated in India and no imports of capital goods are expected.

Iron & Steel requirements :

Approximately 400 tone of iron and steel will be consumed in connection with the setting up of these units.

Raw Materials :

| | |
|--------------------------------|--------------------------|
| Match Wood | 2,101,000 cft. per year. |
| Potassium chlorate | 90 tons per year. |
| Amorphous phosphorus | 8 tons per year. |
| Sulphur | 8 tons per year. |

Ton mileage.

Ton-mileage involved with respect to the movement of raw materials and finished goods in regard to the production of these units will be about 160,000.

METALS

Development of Metal Industries requires special treatment in so far as raw materials are concerned. Availability of ore for metals such as copper, zinc, lead, antimony, etc. is limited to the extent to which prospective work is carried out. The necessity for active prospecting though Government help for metallic ores should, therefore, be considered in the short term plan.

The short term plans for metals will embrace increasing the production capacity of plants already in existence. In many cases, the plants were started originally with a projected capacity higher than the present production. The projected capacity could not be attained because of non-availability either of machinery, raw materials or power. The short term plans also embrace new developments which could be put into operation within the next three years.

ALUMINIUM :

No. of plants in operation:—2

Location:—J. K. Nagar near Asansol (Bengal), Alwaye, Travancore (Alumina plant in Muree, Bihar).

Projected capacity:—8,000 tons (Alwaye plant 5,000—present production rate 2,500/2700 tons; Asansol plant 3,000—present production rate 1,200/1,300 tons)

Present production rate:—3,500 to 4,000 tons per year.

Present consumptive rate of aluminium in all forms:—

About 15,000 tons per year.

What it involves: Realisation of projected capacity would involve:

- making available additional power (10,000 kilowatt) and equipment.
- steel 4/5,000 tons,
- caustic soda (100 tons per month in addition to present supplies).
- doubling the import of cryolite, aluminium fluoride, flourspar, lining materials, etc., and
- Additional transport required will be of the order of 12,000 ton miles.

Starting construction on proposed new plants will involve import of major plant and equipment and making available raw materials for building construction, furnaces, etc.

Short term plans: To attain the projected capacity of the present plants and start construction work on two proposed plants of 10/12,000 tons capacity each, for which capital issue sanction has been given. The long term target of production may not be fulfilled even with the two new plants. The final target to be aimed at should be between 50,000 and 60,000 tons of aluminium per year.

Action to be taken:—(1) TO DECIDE ABOUT THE PROTECTION OF THE INDUSTRY BY CONVENING THE TECHNICAL COMMITTEE APPOINTED BY THE COMMERCE DEPARTMENT.

(2) To make a block of 7,500 kilowatt available to the Alwaye plant from the Pallivasal Hydro Electric Project.

(3) To facilitate import of additional boiler, generating plant and ancillary equipment already on order for Asensol plant, and transformers for Alwaye plant.

(4) To make 4/5,000 tons of steel available for additional reduction cells and cell house.

(5) To arrange for the provision of about 100 tons a month additional caustic soda and facilitate availability of hard and petroleum coke locally, and flourspar, aluminium fluoride and cryolite and lining material through imports.

(6) To facilitate transport of additional supplies of raw materials and finished products.

2. COPPER FROM COPPER BASE SCRAP:

No. of plant:—Nil.

No. of plants projected:—1.

Location: Bombay

Present production:—Nil from scrap. 6/7,000 tons from copper sulphide are at Ghatsila in Bihar.

Projected capacity:—10,000 tons per year.

Estimated requirements of copper in the country: 70,000 tons estimate made by the Tariff Board.

Short term plans:—(1) To expedite design and erection of the proposed plant by providing necessary facilities.

(2) To do extensive prospecting work for copper ores at sites where copper is known to occur.

What it involves:—The process involves erection of the plant having converters for blowing the scrap, furnaces for fire refining of blister copper and electrolytic tanks for final refining of copper. The process is economic and would make available electrically refined copper at less than the landed cost of such material at present. The plant is not yet designed, but would roughly require 2,000 tons of steel and other building materials; about 200 tons coal per month and 2,000 K.W. power. Transport requirements would be about 6,000,000 ton miles.

Action to be taken:—(1) To give an undertaking to the entrepreneurs that raw materials as well as power would be available.

(2) To procure the services of two German Technicians, who were contacted by the entrepreneurs sometime ago.

3. LEAD:

No. of plants:—1.

Location:—Mines at Zawar, Udaipur; Smelter at Katrasghur, Bihar.

Smelter capacity:—600 tons of refined piglead per month.

Present production:—5 per cent. to 6 per cent. of capacity.

Requirements:—15/18,000 tons.

Bottlenecks:—Inadequacy of wagons for transport, petrol, diesel oil, steel cake, etc.

Short term plans:—(1) To increase production of ore and pig lead. Since lead and zinc occur and are mined together, zinc oxide can also be produced from hand picked zinc sulphide ore.

(2) To investigate lead deposits in other areas.

Action to be taken:—(1) Grant of further Rs. 20 lakhs capital issue for which they have made applications. Application is pending for the last several months now. We have supported the application.

(2) Technical help from the Works Minies & Power Deptt. for the proper development of their mines.

(3) To increase their petrol allotment from 800 gallons per quarter to 1,500 gallons per quarter immediately and 3,000 gallons per quarter from March 1948. (All the transport of ore from mines to railhead is through trucks.)

(4) Supply of about 160 tons steel for which orders have been placed and accepted by Tatas. Only 80 tons have so far been received out of a quota of 250 tons previously given. Supply of pipes from Calcutta or Bombay stocks, as it is not possible to get pipes from Karachi stocks.

(5) Regular supply of 200 tons of coke per month to their smelter at Katrasghur.

(6) Most of their trouble is due to inadequacy of wagons for transport. Equipment required for development of mines has been held up either in Bombay or Calcutta. Transport of ore from Zavar to Katrasghur is also held up and ore is accumulating due to shortage of wagons. They require a standing priority for at least 24 wagons per month for the next six months to take care of the backlog in transport. After that they require 48 to 50 wagons per month. Movement of refined pig lead from Katrasghur to Calcutta is also held up due to shortage of wagons.

(7) To encourage prospecting work on lead by private parties with financial and technical help from Government if necessary.

4. ANTIMONY:

No. of plants:—1.

Location: Mines at Chithral (Pakistan); Smelter at Bombay.

Smelter capacity:—300 tons per year.

Present production:—80 per cent. of capacity.

Requirements:—1,200 tons approximately per annum.

Bottlenecks:—Availability of ore and transport of ore. Chithral having acceded to Pakistan, transport of ore has almost stopped.

Short term plan:—To make ore or concentrate available from Burma and other countries and to increase the reduction capacity to 600 tons per year.

Action to be taken:—(1) Government assistance in making available ores from Pakistan, Burma and other countries.

(2) Putting antimony ore in 'Free List' of import.

(3) To double the allotment of caustic soda for production of antimony to 32 tons per month.

(4) Assist in procurement of Steel and other raw materials for additional furnaces.

5. REFINING OF ZINC AND TIN DROSS FOR RECOVERY OF METALS:

Zinc and tin drosses available from galvanising and tinning plants could be processed to recover either the oxides of the metal or the metal itself. Tin or oxide can also be recovered from tinplate scrap. At present there are three small units producing tin oxide and very small quantities of tin from tinplate scrap and tin dross. The main bottleneck is regularity in the supply of tinplate scrap.

There are no units for recovering zinc oxide or zinc from zinc dross. It is feasible to put up a small unit somewhere in Bengal to utilise the zinc dross available from steel Companies. The equipment required would not be elaborate and we are trying to interest some parties to take up the project as a short term plan.

6. SEMI-MANUFACTURES—SHEETS AND STRIPS:

No. of Plants: Major 2, Medium 4, Small 12, Cottage scale units not ascertained.

Under erection:—Major 1 (Bombay), Medium 2 (Bombay), Small 1 (Madras).

Under contemplation: Major 2 (1 in Bombay & 1 in Travancore), Medium 1 (Bengal), Small 1 (U.P.).

Cottage and very small scale units not taken into account.

Present capacity:—20/22,000 tons per year.

Capacity when units under erection completed: 28/30,000 tons.

Additional capacity of the contemplated mills: 12,000 tons.

Present requirements:—50/60,000 tons.

Short term plans:—To complete erection and start production in the contemplated mills within the next three years.

Action required:—To facilitate the import of machinery and supply of raw materials for the erection of building etc. Quantities of raw materials have not yet been intimated to us.

7. ALUMINIUM FOIL:

No. of plants: 1.

Location: Bengal.

Capacity: 600 to 700 tons per year foil for tea chest lining. No capacity for light aluminium foil for wrapping purposes.

Short term plan: To set up a factory for light aluminium foil, bottle caps, condenser foil, etc. in Bengal for which an application for capital issue has already been made.

PAINT INDUSTRY

OBJECTIVES

1. Increased production (doubling of present production).
2. New lines of production.
3. Development of raw materials.
4. Local fabrication of simple grinding equipment & importation of modern oil to varnish Kitchen plant.
5. Organisation of the industry on scientific lines.

Measures.—Assistance to establish manufacturers for raw materials and containers: steel and construction materials for new factories. Complete scheme in respect of an economical unit for production of Paint materials made, available to those who want to instal new factories and technical advice, *re.* formulation in respect of new lines of production. Expect to double production in 3 years. 1946-47 production is about 25 per cent. above 1945-46.

Lithopone.—Establishment of manufacture—2 plants (2000/2500 tons per annum cash). One in Calcutta other in Madras. Calcutta firm M/s. India Alkali Ltd., have completed planning. Madras Government interested and have carried on correspondence with us for 18 months. Blue prints have been given to Madras Government. They should be advised to go forward and add barytes bleaching plant along with it. Priority assistance for construction materials and assistance for coal and procurement of Zinc dross will be required.

Zinc Oxide.—Production monopoly of one firm; extra production, of at least 2,000 tons per annum required. A Calcutta firm 'Associated Pigments Ltd.' has been brought in the field. Special priority *re.* Steel, etc., required to be given.

Titanium Dioxide.—Plan is to produce for self sufficiency and export. A Travancore firm Indian Titan Products' is engaged on the project. By end of 1949 hope to produce 1,500 tons. All assistance is being given. Priority assistance in respect of steel required.

Aluminium Paste.—Plan to produce for self sufficiency. Hope to complete project by 1948.

Synthetic Oxide Iron.—Will be able to produce enough for the paint industry by 1950. Samples from M/s. Chemicals Ltd., are being tried by leading firms to eliminate defects.

Chrome Colours.—Plant (i) to utilise surplus bichromate. (2) Present production 500 tons (3) Plan to produce 800 tons.

Cashewashell Oil.—Plant (i) to utilise in industrial finishes (2) except to meet all requirements by 1950.

Oil Modified Alkyd.—Plan (i) to produce 200 lbs. Expect to complete by 1948.

Industrial Nitro Cellulose.—Required to produce nitro cellulose in Ordnance Factories.

4. **Plant and Machinery**—(1) An ideal kettle has been devised. (2) It is being fabricated in U. K. (3) It will revolutionise manufacturing practice in small paint factory with this upto date equipment. Priority assistance on steel and building materials required.

PROBABLE ARRIVALS OF NEW PLANT AND MACHINERY

| | | |
|--|---|-----------------|
| Grinding mills already licenced in 1946-47 and due to arrive | } | Value 8 lakhs. |
| Plant and machinery for 8 new factories envisaged in 1947-50 | | |
| Plant and machinery for expansion of existing factories and replacements envisaged in 1947-1950. | } | Value 10 lakhs. |
| | | |
| | | Total 30 lakhs. |

Requirements of adjuncts against construction of new factories, expansion of existing factories and installation of the above plant and machinery.

| | |
|--------|----------------|
| Steel | 2,000 tons. |
| Cement | 3,500 tons. |
| Coal | 3,000 (Annual) |
| Power | 900 K.W. |

Requirements against two Lithopone Plants of 2,500 tons annual capacity each.

| | |
|--------|----------------------|
| Steel | 400 tons. |
| Cement | 700 tons. |
| Coal | 5,500 tons (Annual). |
| Power | 200 K.W. |

Requirements of Zinc Oxide Plant (2,000/2,500 tons per annum capacity).

| | |
|--------|----------------------|
| Steel | 150 tons. |
| Cement | 300 tons. |
| Coal | 1,500 tons (Annual). |
| Power | 60 K.W. |

Requirements of Titanium Dioxide (1,800 tons per annum capacity).

| | |
|--------|--------------------|
| Steel | 1,000 tons. |
| Cement | 500 tons. |
| Coal | 900 tons (Annual). |
| Power | 90 K.W. |

Requirements of Aluminium Paste Pigment Plant (300/400 tons per annum capacity:

| | | | | | | | |
|--------|---|---|---|---|---|---|--------------------|
| Steel | . | . | . | . | . | . | 200 tons. |
| Cement | . | . | . | . | . | . | 400 tons. |
| Coal | . | . | . | . | . | . | 300 tons (Annual). |
| Power | . | . | . | . | . | . | 100 K.W. |

Requirements against Synthetic Oxide of iron Chrome colours, Casheshell Oil and Phthalic anhydride for alkyl resin production.

| | | | | | | | |
|--------|---|---|---|---|---|---|--------------------|
| Steel | . | . | . | . | . | . | 250 tons. |
| Cement | . | . | . | . | . | . | 600 tons. |
| Coal | . | . | . | . | . | . | 800 tons (Annual). |
| Power | . | . | . | . | . | . | 150 K.W. |

Estimate of total requirements of adjuncts for short term plan (1947-1950) for the Paint Industry is as follows:

| | | | | | | | |
|--------|---|---|---|---|---|---|-----------------------|
| Steel | . | . | . | . | . | . | 4,000 tons. |
| Cement | . | . | . | . | . | . | 6,000 tons. |
| Coal | . | . | . | . | . | . | 12,000 tons (Annual). |
| Power | . | . | . | . | . | . | 15,000 K.W. |

ORDNANCE FACTORIES.

The question of production of industrial nitro cellulose has already been taken up with the Cordite Factory Aravankadu. M.G.O. were investigating the possibility. This matter should be pursued with the Defence Department.

SOLVENTS.

Large amounts of fusel oil are available as a by-product in the fermentation industry, which has been employed as a solvent. M/s. Shadilal Chemical Works are now producing butyl alcohol by fermentation. Their capacity is 2,000 gallons per month. Necessary assistance has been given to them to keep up production.

(b) The present production of acetone in the Cordite Factory is about 400 tons, which is sufficient to meet the requirements of the industry for the present.

(c) Large amounts of benzene and toluene are available from the Ordnance Factories Production, which can be used by the industry as thinners.

PAPER INDUSTRY

1. With the successful execution of immediate plan, it is expected that the production of the indigenous paper industry, which has during the year 1947 dropped to about 95,000 tons, will be raised to its maximum output of 120,000 tons. The next stage of expansion will be the creation of new capacity by the additions and extensions to the existing plants and erection of new mills.

2. Additions and Extensions to the existing units.

Out of the 15 existing units of the industry, only 5 viz. Titaghur, Bengal, Sirpur, Orient & Shree Gopal Paper Mills are making sincere efforts to raise their production by affecting extensions to their existing plants. As a result of this, the increase in production within the next three years is expected to be as follows:—

| | Tons |
|-------------------|--------|
| Titaghur . . . | 8,000 |
| Bengal . . . | 2,000 |
| Sirpur . . . | 25,000 |
| Orient . . . | 10,000 |
| Shree Gopal . . . | 10,000 |
| | 55,000 |

For the proposed extensions, machinery for Titaghur, Bengal, Sirpur and Orient has already started coming in and the building work for housing this machinery is being expected. The orders for the extensions to Shree Gopal

Paper Mills have been placed with the manufacturers in the U.K. and Swedel. According to the stipulated delivery period, the machinery is expected to arrive at site by the middle of August 1949. The chief Engineer is shortly proceeding to England and to discuss the final details with the manufacturers. It is expected that if the necessary materials in short supply and transport is made available, it will be possible to obtain the increased output from the first four units by the beginning of 1949 and Shree Gopal Paper Mills will be able to put the additional plant into commission by the end of 1949.

3. Proposed New Mills.

As far as we are aware, only 3 of the 15 units which have been allowed capital issue sanctions against the Paper Panel recommendations of 10 new units in various deficit provinces will be able to go into production by the end of 1950. The production of these three units is expected to be about 27,000 tons per annum. Of these 3 units, M/s. United Paper & Board Mills and Tribeni Tissues have made definite headway. The machinery for the former plant is already on its way and is expected to arrive at site is about 2 to 3 months time.

4. From the above, it will be observed that the total tonnage available by these developments will be about 82,000 tons. It may be stated that this tonnage will not include the newsprint paper for the manufacture of which no various attempt has yet been made. The paper Panel had estimated a consumption of about 280,000 tons of paper including Newsprint in 1951. The normal consumption of newsprint during the pre-war years had been in the neighbourhood of about 40,000 tons and it is expected that the consumption in 1951 will not be less than 80,000 tons. Against the balance requirements of 20,00,000 tons of writing, printing and wrapping varieties, the following tonnage of paper will be available within the next 3 years.

| | Tons |
|---|----------|
| (a) Present potential capacity | 1,20,000 |
| (b) Extension to the existing units | 55,000 |
| (c) New capacity | 27,000 |
| Total | 2,02,000 |

5. Later on, as the requirement of paper increases, the other new units will come up which will be included in the long term plan. It is expected that, with the successful execution of these plans, we will be able to meet the whole of our present requirements of writing, printing and other such varieties of paper. The above increased output will also include varieties of paper like coated papers, grease-proof, cheap printings, tissues, specialised lines and other varieties which are not so far manufactured in India.

6. For the execution of these plans, the following assistance will be required:-

| | |
|---|---|
| (i) For purchase of capital goods Exchange facilities for about | Rs. 3 crores. |
| (ii) Structural steel | 7,000 tons. |
| | In 1948 3,500 tons. |
| | In 1949 2,500 tons. |
| | In 1950 1,000 tons. |
| (iii) Cement | 10,000 tons |
| | In 1948 6,000 tons. |
| | In 1949 3,000 tons. |
| | In 1950 1,000 tons. |
| (iv) Coal | Additional 4 lakhs tons. |
| (v) Caustic Soda | Additional 4,000 tons. |
| (vi) Transport | Movement of 3,200 tons of material (requiring 156 wagons per day for an average distance of 200 miles). |

7. It is also suggested that the Ministry of Agriculture should be asked to carry out an immediate survey of at least the known raw materials like Bamboo and Grass (Sabai) in different regions of India, so that arrangements could be made to allot to each unit forest areas large enough to meet individual requirements. The areas allotted to each unit should be nearest to it to avoid long haulage. The leases of these forests should be given on the condition that systematic rotational basis of felling will be employed and the allotted areas will be developed by the paper mills concerned. This will not only ensure regular supplies of raw materials to the paper mills but will also give an impetus to the mills to grow more suitable types of raw materials required for paper manufacture.

8. The systematic regional collection and distribution of other paper-making raw materials like old rags, tailor outtings, old hamp rope, waste paper, etc. will have to be organised. This work in our opinion, should be taken up by the two Associations of the industry.

9. There do not appear to be any chances of this industry being able to utilise the production of Ordnance Factories for meeting their immediate needs. Enquiries made so far by this Directorate General revealed that no surplus capacity exists at present for these jobs.

STRAWBOARD AND MILL BOARD

10. The potential production of this industry is about 30,000 tons per annum, against which the present output is only about 16,000 tons. The bringing up of this production to its maximum capacity has been dealt with in the immediate plan.

11. M/s. Jaswant Board Mills have imported a plant for duplicating their existing unit. This will give an additional 4,000 tons of straw board per annum. Besides this project, we are not aware of any other going into production within the next three years, although 4 or 5 have received capital issue permission.

12. The ban on the use of straw by various Provincial Governments in the manufacture of straw-board has been responsible for the deterioration in the quality and the drop in production.

Newsprint: The question of production of newsprint is being actively pursued but it will take some time before the plans mature, a Nagpur firm has been permitted capital issue sanction for this purpose but their progress is not known. The chief difficulty is the finding of a suitable raw material. Bulk samples of *boswellia serrate* have been sent to Canada for actual trial in the manufacture of newsprint. In the meantime, *sterculia rampanaluta* occurring in the Andamans is being investigated.

PLASTIC INDUSTRY

OBJECTIVES

1. Expansion of manufacture of Plastic goods (by compression and injection moulding, extrusion and lamination methods and machine fabrication.) Doubling of present production.
2. Development of indigenous woodflour as filler.
3. Stabilisation of manufacture of Phenol Formaldehyde Moulding Powder and experimental production of Urea Formaldehyde Plastics.
4. Raw film manufacture.

MEASURES

1. (A) Assistance for the importation of upto date presses where difficulties experience and procurement of modern plastics materials required. (B) Reduction of import duty on plastics materials which are not likely to be produced in the immediate future such as Polystyrene and Poly Methyl Methacrylate, Polyvinyl chloride etc., for a temporary period proposed. (C) Plan to produce moulds in

India Assistance for the importation of special alloy steel required. As the manufacture of moulds is a highly specialised job and services of an expert acquainted with the latest developments in mould design and manufacture on short term contract will also be required by manufacturers who have the necessary tool shop equipment for the purpose. (D) *Policy decision* has to be taken regarding the establishment of a 10-ton plant for the manufacture of urea and an economic plant for the manufacture of synthetic methanol and formaldehyde at Sindhri.

WOODFLOUR

2. Samples of woodflour are being tested by Moulding Powder Manufacturers. Expect suitable material to meet requirements completely will be available by the end of 1948.

MOULDING POWER

3. Production of Phenol Formaldehyde Moulding Powder of satisfactory quality already established. A plan is to stabilise production and increase the full demand of the Moulding Industry. Experimental production of other Phenol Formaldehyde Plastics for Plywood Bonding, Textile, Anticrease and Moulding powders—will be initiated.

4. Plan to produce 8 tons of transparent film per month. The Film casting plant of the Calcutta firm M/s. India Oil Plastics has arrived and is being installed. Production expected by middle of 1948.

PROBABLE ARRIVALS OF PLANT AND MACHINERY

| | |
|--|-------------------|
| Machinery for compression, moulding, injection moulding • extrusion, lamination and Dieshop equipments, licenced in 1946-47 (i) already arrived and awaiting installation (ii) due to arrive. | } Value 30 lakhs |
| Plant and machinery for three big factories, envisaged in 1947-50. | } Value 30 lakhs. |
| Plant and machinery for six medium sized factories envisaged in 1947-50. | } Value 15 lakhs |
| Plant for expansion of existing factories | Value 10 lakhs |
| Total | 85 lakhs |

Requirements of adjuncts against construction of new factories and expansion of existing factories and installation of the above plant and machinery.

| | |
|------------------|------------|
| Steel | 2,500 tons |
| Cement | 4,000 tons |
| Coal | |
| Power | 800 K.W. |

Ordinance Factories:

- Investigation of possibilities of making dies in ordnance factories e.g. gun and shell factory Cossipore.
- Possibility of manufacture of special alloy brass inserts for Bakelite Electrical accessories.

SHORT TERM PLAN (TIMBER)

General:

This plan deals with what can be achieved in the next three years, i.e., end of 1950 with proper planning of the industries. The main industries consuming wood as raw material can be divided into three main categories (1) Plywood, (2) Bobbin factories and (3) sawmilling.

PLYWOOD

The main consumer of plywood is the tea industry. There is a growing demand for other commercial purposes as well.

(i) *Teachests*: The requirement of teachests is indicated below:—

| Region | Production of tea (in million lbs.) | No. of teachests required (in millions) | Equivalent sq. ft. (in millions) |
|-----------------------|-------------------------------------|---|----------------------------------|
| North India | 490 | 4.9 | 86.2 |
| South India | 90 | 0.9 | 16.2 |
| Total | 580 | 5.8 | 102.4 |

As tea production is not likely to increase appreciably, the required quantity at the end of 1950 may, therefore, be taken as 110 million sq. ft. of teachests plywood made up as follows:—

| | Million sq. ft. |
|-----------------------|-----------------|
| North India | 90 |
| South India | 20 |
| Total | 110 |

(ii) *Existing capacity*: The Production from the existing mills is estimated as follows from the actual production figures received so far.

North India:

| | Million sq. ft. |
|--|-----------------|
| Assam (2 factories) | 16 |
| Bengal (10 factories including 2 mills in Cooch Bihar) | 6 |
| Bihar, Orisa & the U.P. (5 factories) | 1 |
| Total | 23 |

South India

| | Million sq. ft. |
|---|-----------------|
| Bombay, Madras, Mysore, Cochin & Travancore States (about 20 factories) | 17 |
| Total | 40 |

The total deficit in supply therefore stands as follows:

| | Million sq. ft. |
|-------------------------------|-----------------|
| North India (90—23) | 67 |
| South India (20—17) | 3 |

(iii) *Commercial Plywood*: The requirement at the end of next three years may be taken as 50 million sq. ft. against the present production of 10 million sq. ft.

(iv) *Location of new factories*: During the next three years, it may be possible to locate new factories in the following places:

| | |
|--------------------------------------|---|
| Eastern States (Kalahandy) | 1 |
| Central Provinces | 1 |
| Andamans | 2 |
| Assam | 4 |

Capital issues for Kalahandy and the C.P. factories have been already recommended. M/s. Rohtas Industries, Dalmanagar and Plywood Products, Sitapur have arranged with the Ministry of Agriculture to shift their machinery to Andamans where timber is plentiful. Negotiations are in progress to establish another plywood mill in North Andamans. Besides the two existing factories in Assam, there is room for another four factories mostly in the areas now opened up after the last war.

The estimated production of the different factories proposed above will be as follows:—

| | Million sq. ft. |
|--------------------------|-----------------|
| Eastern States | 9 |
| C. P. , | 6 |
| Andamans | 40 |
| Assam | 40 |
| Total | 95 |

If the above mills can be installed, India will be very nearly self-sufficient in the matter of plywood as will evident from the following:—

The probable demand at the end of '950

| | Million sq. ft. |
|------------------------------|-----------------|
| Teachest | 110 |
| Commerical plywood | 50 |
| Total | 160 |

The estimated production at the end of 1950

| | Million sq. ft. |
|------------------------------|-----------------|
| Existing factories | 50 |
| New factories | 95 |
| Total | 145 |
| Less contingencies | 15 |
| Nett | 130 |

The deficit of 30 million sq. ft. will be mostly in commercial plywood for which the existing demand for local consumption is not considerable. The commercial plywood requires special glues and before attempting to speed up production of plywood of this category, it is necessary to organise research on the glues.

RAW MATERIALS

(i) Timber

To produce 145 million sq. ft. of plywood, the quantity of timber required will be about 1,45,000 tons. Timber requires special types of wagons and long distance movement of this large quantity of timber by rail to feed factories far away from the sources of raw material, is out of question. When the new mills are located, the factories have to be located as near the source of raw materials as possible to avoid rail movement of logs.

(ii) Glues

Casein glue is in general practice. Some South Indian Factories use protein glues. Besides casein, other chemicals required for the purpose are, Sodium Silicate, Borax, Sodium Fluoride etc. Some Caustic Soda is also

required. To produce 145 million sq. ft. of plywood, the quantitative requirement of the important gradients is indicated below:

| | | |
|---------------------------|-----------|---|
| Casein | 2500 tons | —Existing production in India is about 1000 tons. Balance required to be met by use of Protein glues for which enough raw materials exist in India. |
| Sodium silicæ | 40 „ | —Available in India. |
| Sodium Fluoride | 250 „ | —To be imported. |
| Borax | 60 „ | — ditto |

(Note.—The ban of the Bombay Government on large scale production of butter in the province has seriously affected by production of casein. It may be necessary to resort to import of casein from Australia, New Zealand and other countries. Dr. Narayanamurti in collaboration with the Bangalore Institute of Science found a formula for groundnut, protein glue and if the shortage continues, this glue may substitute casein in course of time.)

FITTINGS

Materials required for the fittings of the proposed quantity of teacheest plywood is estimated to be:

| | | |
|---|-----------|------------------|
| (a) Black plate, Terne Plates, etc. | 4400 tons | (to be imported) |
| (b) Bifurcated rivets | 200 „ | „ |
| (c) Nails | 600 „ | „ |
| (d) Staples | 250 „ | „ |
| (e) Aluminium lining | 800 „ | „ |

M/s. Venesta Ltd., Calcutta hold the virtual monopoly of the entire trade, Indian customers have complained of unfair treatment, rightly or wrongly. This can, however, be remedied by introducing some system of licensing of the production.

MACHINERY

Altogether nine new mills have been recommended. This includes two existing mills in a new site in the Andamans. The balance seven will require to be imported from the USA including the value of the additions to the existing factory for improvement, the value of the machinery to be imported is likely to be in the neighbourhood of Rs. 90,00,000 in the next three years.

TECHNICAL PERSONNEL

The Forest Research Institute, Dehra Dun, provides facilities for the training of the technical personnel. Besides, a number of students have been deputed to the USA to acquire up-to-date technical knowledge of this industry who will be available to the industry in a short time.

ACTION TO BE TAKEN

1. The provincial Governments of C.P., Assam and Orissa should be requested to grant lease of forest areas on a long term-basis to deserving parties with good financial backing for establishing plywood mills in the respective areas within a specific period.

2. The provincial Governments should be requested to undertake detailed stock taking of timber in the areas which hold out prospect of supporting plywood industries.

3. Establishment of glue research centres in other scientific institutes besides the FRI, Dehra Dun so as to get quick results.

4. Investigate the possibilities of producing various chemicals required for glue and the fittings in the country.

5. Obtain consent of the provinces concerned authorising the DGI & S to import the necessary machines from the USA in advance on behalf of the provinces. The machinery take a long time to arrive and if speedy action is intended, it is essential to make advance arrangements.

6. Arrangements for the fittings and chemicals.

2. BOBBIN INDUSTRY

The figures available so far indicate the India can meet only a small portion of the total demand. The balance require to be imported and the value of the import annually amounts nearly to a crore of rupees. Hard and Kail timbers have been extensively used for the purpose but they are good enough for heavy type of bobbins but for lighter varieties more suitable timber has yet to be found. The main bottleneck is the availability of suitable timber at competitive prices. Small sized trees can meet the demand of the industry. It may be possible to initiate at this stage a policy of forest plantations of suitable species at the most convenient places. The plantations are likely to mature in about 25 to 30 years, if not yearly.

Some countries such as Australia, Germany etc., are using compressed wood for this purpose. Attempt should be made whether similar industry can be developed to meet this demand in India. If this succeeds, it will utilise a good quantity of veneer which are otherwise wasted in the plywood mills.

ACTION TO BE TAKEN

1. Research in the use of compressed wood for bobbin making;
2. The provinces should be requested to initiate a policy of forest plantations to grow suitable species for Bobbin manufacture in the most convenient places, from the point of view of transport.

3. SAWMILLING

The last war has depleted all the accessible areas of the forest of exploitable growing stock. It will now require a very heavy outlay on opening up communications in the remoter areas. Hand sawing has been the rule but the number of sawyers is decreasing, the wages are going high and if the number production has to be maintained at the pre-war level, it will require to be organised on a more systematic scale and the hand sawing has to be replaced by machine sawing. This can be achieved if the provincial government would initiate a sale policy on a long term basis to encourage capital investment on machinery and development of extraction rules.

The number of leave/lend sawmills which were installed during the last war are at present considerably handicapped for not getting any replacement of parts. The number of such mills is not large and the total demand is not sufficiently big to encourage the ordinary traders to maintain any stock of such spare parts. It will be a help if, by negotiations with different firms in various parts of India, some arrangement is made for importing these machinery parts and keeping a stock of them to meet the day to day demand of the mills.

ACTION TO BE TAKEN

Provincial Governments should be persuaded to agree to a sale policy of forest coupes on a long term basis to encourage sawmills.

2. Establishment of agencies in different parts of India for maintaining a stock of imported woodworking machines and spare parts.

C. PURKAYASTHA,

Development Officer (Timber).

RADIO RECEIVERS

Present Capacity:

The present production capacity of the country for Radio Receivers is 8,000 Nos. of which only 800 Nos. are for large sets while the remainder are for People's sets. Bengal. 1 fy.—800 Nos. Bombay—1 Fy.—1,200 Nos.

Expansion by 1950:

This capacity is expected to be expanded by 1950 to 18,000 Nos. per annum. The regional distribution will then be as follows:—

| Province/State | No. of Factories | Aggregate capacity |
|------------------|------------------|--------------------|
| Bengal | 3 | 5,000 |
| Bombay | 2 | 5,000 |
| Bihar | 1 | 4,000 |
| Mysore | 1 | 3,000 |
| Total | 7 | 18,000 |

Progress:

The total capital issue for this industry is Rs. 1,62,00,000. As manufacture of Radio Sets will largely mean assembly of imported components for some time to come, no elaborate equipment is needed. It is however intended to undertake progressive manufacture of Radio components except valves in the country in the next three years. A beginning has already been made in this direction. Steel for construction of factory buildings is being licensed in Period I of 1948 to two of the new factories.

Long term Target: 25,000 Nos. per year.

Raw materials:

The present requirements of the principal components and those that will be required by 1950 are given below.

| | Present | By 1950 |
|---|---------|----------|
| | No. | Nos. |
| Valves | 25,600 | 90,000 |
| Paper Condensers | 52,000 | 1,98,000 |
| Mica Condensers | 34,400 | 1,26,000 |
| Dry Electrolytic condensers | 16,600 | 36,000 |
| Ceramicon Condensers | 27,200 | 1,26,000 |
| Resistancers | 31,200 | 3,78,000 |
| Loudspeakers 6" | 8,000 | 18,000 |
| Chassis complete with Tuning condensers, output transformer assembly, I.R. Transformer R.F. Case Washers, Cleats, Clips Knebs, etc. | 8,000 | 18,000 |

It is proposed to develop manufacture of all these Radio Components in order to put the Radio Industry on a Footing of self-sufficiency.

Manufacture of transmitters and Valves for Radio receivers is a defence industry and immediate steps should be taken to establish, with State help this industry in the country. It is understood that C.S.I.R. has received a small Pilot plant for making Valves.

TELEPHONE EQUIPMENT

The Super Services (India), Bombay, have made considerable progress in connection with the establishment of a large and modern factory to fabricate complete telephone equipment and accessories, and a new public company under the name and title of Indian Automatic Telephone and Electric Co., Ltd. with a capital of one crore and 25 lakhs will be floated in the near future.

There are three factories *viz.* M/s. Super Services (India), Bombay, M/s. India Electric Works Ltd., Calcutta and Messrs. Telephone Manufacturers Ltd. Dehra Dun, who are at present manufacturing the following telephone components:—

1. Bakelite and Ebonite Ear Pieces.
2. Bell type Receiver.
3. Ringing and Listening Keys.
4. Hand Micro Telephones.
5. Brass Earth-plate for box pattern Telephone.
6. Drop Coils, Heat Coils and Winding Coils.
7. Generator Handles.
8. Receivers and Transmitters.
9. Glass Fuse.
10. Ringer movements.
11. Mouth Pieces, and
12. Certain types of Relays.

There are certain components which are at present not manufactured in India and these are—

1. Permanent Magnets.
2. Soft iron pole pieces.
3. Stalloy Diaphragms.
4. Special types of carbon electrodes. Carbonegranules, Carbon diaphragms.
5. Numbering Dials.
6. Condensers, and
7. Special type of Relays.

The difficulties in manufacturing the above-mentioned components are—

(a) Non-availability of requisite materials, such as: Stalloy, Processed Carbon, required for electrodes and granules and Bakelite moulding powder.

(b) Lack of specialised technique.

Attempts are being made to persuade N.I.C.C. and I.C.C. to take up the manufacture of paper core cable for telephones.

RAYON INDUSTRY

OBJECTIVES

1. Two Rayon factories expected to come into production before 1950.
2. Indigenous production of minor parts of Rayon Plant.
3. Development of pulp for Rayon.

Measures:

1 & 2. (a) Priority assistance for construction of factory and in respect of steel to Indian Engineering firms for fabrication of minor parts of Rayon plant will be required.

(b) Investigation into the possibility of obtaining pulp from sources like Russia and Australia is required, as the supply position on the continent U.K. and America is reported to be not easy.

(c) Exemption of duty on imported plant and machinery and refund of duty on raw materials used in Rayon manufacture required to be given consideration as promoters of Rayon are paying dearly for the technical services from abroad and price of plant is also reported to have gone up considerably.

Following are Stages:

3. Plant for (a) survey of cellulosic materials with a view to get correct data of availability of raw materials required to be carried out by the Forest Deptt. Plan (b) Preparation of pulp from these raw materials and testing their suitability for rayon manufacture. Plan (c) Standardisation of method of manufacture of the pulp from the best suited material and working out of the details so as to arrive at the cost of manufacture of the pulp to be carried out at the Forest Research Institute. Government Pilot Plant if established will be required to be at the Forest Research Institute (Pulping Plant) and at the Rayon Factory which first comes into production (Spinning Plant).

Probable arrival of new plant and Machinery.

Approximate value 3 crores:

Requirements of adjuncts against construction of two factories and installation of the above plant and machinery:

| | |
|------------------|-----------------------|
| Steel | 5,000 tons. |
| Cement | 10,000 tons. |
| Coal | 30,000 tons (Annual). |
| Power | 8,000 K.W. |

REFRACTORIES

Present capacity:

The present productive capacity of the country is 2,13,700 tons. This is regionally distributed as follows:—

| Province/State | Number of factories | Aggregate capacity (in tons) |
|------------------|---------------------|------------------------------|
| Bengal | 4 | 98,480 |
| Bihar | 5 | 80,600 |
| C. P. | 2 | 18,060 |
| Delhi | 3 | 4,800 |
| Morvi | 1 | 8,400 |
| Mysore | 1 | 3,360 |
| TOTAL | 16 | 2,13,700 |

Expansion by 1950:

This industry is expected to be expanded by 1950 to 2,25,000 tons. The regional distribution will then be as follows:—

| Province/State | Number of factories | Aggregate capacity (in tons) |
|------------------|---------------------|------------------------------|
| Bengal | 4 | 1,92,280 |
| Bihar | 5 | 84,500 |
| C. P. | 2 | 18,060 |
| Delhi | 3 | 4,800 |
| Morvi | 1 | 12,000 |
| Mysore | 1 | 3,360 |
| TOTAL | 16 | 2,25,000 |

Progress:

One of the two existing factories in the C.P. area and the factory in Morvi have already started work in putting up two tunnel kilns, while the other two factories intending to expand are now taking steps to finalise their plans.

Long Terms Target : 2,50,000 tons by 1952.

Raw Materials ;

The present requirements of Basic raw materials and those that are anticipated by 1950 given below :—

| | Present | By 1950 |
|------------------------|---------------|---------------|
| Coal | 1,80,000 tons | 1,92,000 tons |
| Bauxite | 9,500 tons | 10,000 tons |
| Fireclay | 2,10,000 tons | 2,30,000 tons |
| Keyonite | 2,100 tons | 2,300 tons |
| Magnesite | 5,500 tons | 6,000 tons |
| Silica Stone | 32,000 tons | 34,000 tons |

Estimated Annual Transport Requirements by 1950 :

| | |
|-----------------------------|-------------------------------------|
| Raw materials | 23,71,500 ton/miles (23,715 wagons) |
| Finished products | 11,25,000 ton/miles (11,250 wagons) |

RUBBER INDUSTRY

1. At present the Industry consists of :—

| | |
|---|----|
| Tyre factories | 2 |
| Cable factories | 2 |
| General mech. goods factories | 53 |
| Latex Factories | 28 |

Many new small factories have come into existence and they are mostly run on cottage industry basis.

2. The above factories have the capacity to consume approximately 21,000 tons of rubber per annum. At present due to want of raw materials like coal, chemicals, steel (bead wires) and textile materials, the full capacity is not utilised. With the exception of the tyres, tubes and footwear and a few other items, the entire production of the industry is being utilised against home requirements. The statement showing the capacity and the peak production achieved during 1945-46 in India is placed below (List 'A').

3. We had recommended the applications from about 27 factories for the import of new machinery from U.K. and U.S.A., the total value of which is approximately a crore of rupees. Some of the machinery have already arrived and the rest are likely to reach India before the fourth quarter of 1948. With the installation of the additional machinery under order, it is expected that the production capacity in India will be increased by approximately 30 per cent. Many specialised machinery like Banbury mixing mills, calendars, extruders and spreading machines are required for the rubber industry and it is very difficult to get these perfectly manufactured anywhere in India. Various moulds and dyes can be manufactured in the Ordnance Factories and the matter will be taken up immediately after the new machinery arrives. The majority of rubber goods are required by other industries and hence as industrialisation proceeds in the country, the demand also will proportionately increase and it is expected that this increase will be about 30 per cent. of the present requirements by 1951. At that stage it is expected that there will be an exportable surplus in most of the items. A statement showing the position in 1951 is placed below (List 'B').

4. To house the machinery under the present programme, it is expected that an additional quantity of 6,000 tons of steel will be required. When the factories start working to full capacity, the following will be the additional requirements of raw materials :—

| | |
|-------------------------------------|----------------------------|
| (1) Rubber (a) high grade | 4,000 tons per annum. |
| (b) reclaim | 1,500 tons per annum. |
| (2) Chemicals | 2,500 tons per annum. |
| (3) Coal | 24,000 tons per annum. |
| (4) Textiles (a) cloth | 21,45,000 yards per annum. |
| (b) yarn | 6,00,000 lbs. per annum. |
| (5) Steel (bead wire) | 40 tons per annum. |

5. *Transport*: The transport facilities that are required at present for the industry is partly made by movement through sea and partly by rail inland. The requirements of the industry per month for the movement to the works and for finished products distribution throughout India is 7,247 tons covering an approximately mileage of about 41,200 per month. When the production increased, it is expected that there will be approximately an increase of about 30 per cent. At present the manufacturers experience great difficulty due to want of railway transport facilities.

6. *Remarks*: The following are some of the important points which, if initiated, now, will facilitate the working of the short term plan.

(i) Some parties who have applied for import of machinery complain that there is much delay in receiving the necessary licence and further delay may result in missing their chance of procuring the machinery which is earmarked for them. Therefore, the Ministry of Commerce must be requested to expedite the issue of the import licence for machinery;

(ii) The factories are to be advised to manufacture goods strictly according to the British Standard Specifications for at a later stage when India has got a large exportable surplus, the goods will have market only in case the quantity is high;

(iii) By the end of 1951, the country will have a large quantity of exportable surplus of rubber goods and in order that the Indian manufacturer may be able to capture the foreign markets, it is necessary that we have to encourage exports in spite of the fact that some items will be in short supply at present in India. This export drive may also give incentive to the manufacturers to step up production;

(iv) Rubber, Alkali reclaim rubber, chemicals and Bead wire have to be imported into the country and hence we have to render all facilities to the manufacturers to procure these.

7. *Conclusion*: The short term plan envisages an increase of production of rubber goods by 30 per cent. of the present production in 1951 and the materials indicated in paragraph 4 above will be required to achieve this target.

RUBBER INDUSTRY.

LIST 'A'

Statement showing the present installed capacity peak production achieved in 1945-46

| Items of goods manufactured | Capacity of all factories | Peak production achieved | Country's requirements | Exportable surpluses |
|--|---------------------------|--------------------------|------------------------|----------------------|
| Motor car, giant and Aero Tyre and tubes | 10,00,000 sets | 7,00,000 sets | 6,03,000 sets | 1,00,000 sets |
| Cycle tyres and tubes | 50,00,000 sets | 32,00,000 sets | 30,00,000 sets | 2,00,000 sets |
| Wrapped hoses | 70,00,000 ft. | 35,00,000 ft. | 50,00,000 ft. | Nil. |
| Dipped goods (cottage industry) | 400 tons | 100 tons | 300 tons | „ |
| Moulded goods | 6,00,000 pcs | 3,80,000 pcs. | 8,00,000 pcs. | „ |
| Soles and Heels | 2,00,000 gross | 16,000 gross | 1,50,000 gross | „ |
| Calendered articles | 1,000 tons | 500 tons | 650 tons | „ |
| Extruded Articles | 3,000 tons | 300 tons | 4,000 tons | „ |
| Built up goods rollers | 2,060 Nos. | 1,400 Nos. | 2,400 Nos. | „ |
| Ebonite rods and tube Sheets | 150 tons | 130 tons | 120 tons | 10 tons |
| Surgical Goods | 120 tons | 120 tons | 80 tons | 40 tons |
| Proofed fabrics | 42,00,000 yds. | 10,45,000 yds. | 37,80,000 yds. | „ |
| Football bladders | 22,00,000 prs. | 19,00,000 prs. | 18,00,000 prs. | 100,000 prs. |
| Canvas shoes | 2,30,10,000 prs. | 1,80,00,000 prs. | 1,58,00,000 prs. | 22,00,000 prs. |
| Gum boots | 1,50,000 prs. | 80,000 prs. | 50,000 prs. | 30,000 prs. |

RUBBER INDUSTRY.

List 'B'

Statement showing the increased capacity of all Factories Home Requirements etc. in 1951

| Items of goods manufactured | Capacity of all factories | Home requirements | Exportable surpluses |
|--|---------------------------|-------------------|----------------------|
| 1 Motor car, giant and aero tyres and tubes. | 13,00,000 sets | 8,40,000 sets | 4,60,000 sets |
| 2 Cycle tyres and tubes | 65,00,000 sets | 42,00,000 sets | 23,00,000 sets |
| 3 Wrapped hoses | 91,00,000 ft. | 70,00,000 ft. | 21,00,000 ft. |
| 4 Dipped goods (cottage industry) | 520 tons | 420 tons | 100 tons |
| 5 Moulded goods | 7,80,000 pcs. | 11,00,000 pcs. | Nil |
| 6 Soles and heels | 2,60,000 gross | 2,10,000 gross | 50,000 gross |
| 7 Calendered articles | 1,300 tons | 910 tons | 390 tons. |
| 8 Extruded articles | 3,900 tons | 5,600 tons | Nil |
| 9 Built up goods or other | 2,600 Nos. | 3,340 Nos. | Nil |
| 10 Ebonite rods and tube sheets | 195 tons | 168 tons | 27 tons |
| 11 Surgical goods | 156 tons | 112 tons | 44 tons |
| 12 Proofed fabrics | 54,00,000 yds. | 52,92,000 yds. | 1,68,000 yds. |
| 13 Football Bladders | 28,00,000 pcs. | 5,20,000 pcs. | 3,40,000 pcs. |
| 14 Canvas shoes | 2,99,13,000 prs. | 2,21,20,000 prs. | 77,93,000 prs. |
| 15 Gum boots | 1,95,000 prs. | 70,000 prs. | 1,25,000 prs. |

N.B.—It is gathered that more parties are interested in the import of machinery and so it is expected that the shortage in the items Nos. 5, 8 and 9 will also be met before the end of 1951

SHIP BUILDING INDUSTRY

General:

India's capacity for (Steel) shipbuilding was nil in pre-war days. In the interest of war effort the British Admiralty took initiative in building ships in India during the war period. Within a short period of 5 years the industry has developed to such an extent as to produce nearly 2 lacs gross tons of shipping including two of the worlds largest floating docks 50,000 gross tons each.

Unfortunately, the efforts of British Admiralty was only a means to an end and was not motivated by the idea of developing the industry on a permanent basis, as a result of which the temporary shipyards and the extensions made to the existing yards at enormous cost were dismantled and lost to the country.

Present Maximum Capacity.

At present there are 6 firms (who were engaged in ship-building during the war) capable of undertaking new constructions namely:—

- (1) M/s. Scindia Steam Navigation Co., Ltd., Vizagapatam.
- (2) M/s. Garden Reach Workshops, Ltd., Calcutta.
- (3) M/s. Shalimar Workshops, Ltd., Calcutta.
- (4) M/s. Hooghly Docking & Engg. Co., Ltd., Calcutta.
- (5) M/s. Alcock, Ashdown & Co., Ltd., Bombay.
- (6) M/s. Shaparia Dock & Steel, Bombay.

Out of the above six firms, only M/s. Scindia have a definite programme for building new ships, whereas M/s. Garden Reach have none although they have all the facilities and equipments to take new construction work immediately. The remaining ones are more or less Ship-repairers, but their capacity can be switched to shipbuilding with very little effort. If the capacity of these firms be properly mobilised, then we may expect an average outturn of nearly 10,000 gross tons per annum.

Estimated Requirement.—India's estimated requirements of *Mercantile Marine* is about 2 millions gross tons, whereas the existing shipping capacity is approximately 2,50,000 gross tons or about 12.5% of the actual requirement.

Our Target.—Although it may not be possible to meet our immediate requirements by building new ships and we will have to depend on buying surplus ships available with other maritime countries, our target should be to produce a minimum average quantity of 50,000 gross tons of shipping per annum at the end of 1950.

The First phase of our Plan is to mobilise the existing units with the object of building 10,000 gross tons of shipping per annum. To achieve this object, the following raw materials and transport will be necessary:—

- (1) Steel (Shipbuilding plates, Heavy Bulb Angles, Rivets, etc.)—4000 tons annually
- (2) Transport—1½ million ton miles on B. N. Rly. B. B. & C. I. Rly. and M. & S.M. Rly

The second phase of our Plan should be to achieve the target figure of building 50,000 gross tons of shipping annually. For this purpose it will be necessary to have at least 50 Nos. Building Berth. Provision for 11 Nos. of Building Berths has already been made by Messrs. Scindia. To lay out the balance Building Berths, it will be necessary to construct 3 more new shipyards preferably at Government initiative. The location of the 3 new shipyards should be at Calcutta, Bombay and it is. This can only materialise within a short period if Government of India is able to obtain shipyard machinery as preparations from Japan for which maximum endeavour should be made.

The estimated requirements for raw materials and transport for the construction of 3 new shipyards are as under:—

| | |
|--|--|
| (1) Steel | 8,000 tons in 1949. 4,000 tons in 1950. |
| (2) Cement | 5,000 tons in 1949. 3,000 tons in 1950. |
| (3) Coal Dust to burn bricks | 2,000 tons in 1949. |
| (4) Transport | 15 million ton miles in 1949. 5 million ton miles in 1950. on B. N. Rly., B. B. & C. I. Rly. and E. I. Rly. |

It will, therefore, be necessary to make a provision to long-Term Plan for steel at the rate of 20,000 tons annually to build 50,000 gross tons of shipping. It is defence industry for the development of which the state should take a large share of responsibility.

SILK

Development of sericultural industry of India

1. *Consumption and production of raw silk in 1939 (also please see appendix attached).*

| | | |
|--|---------------|----------------|
| (a) Consumption | Approximately | 3,750,000 lbs |
| (b) Production | Approximately | 1,500,000 lbs |
| Deficit in 1939 between production and consumption | | 2,250,000 lbs. |

2. *Estimated production and consumption in 1948*

| | | |
|-------------------------------------|---------------|---------------|
| (a) Estimated consumption | Approximately | 4,000,000 lbs |
| (b) Estimated production | Approximately | 2,100,000 lbs |

made up as follows :—

| | Charka lbs. | Filature lbs. | Total lbs. |
|----------------------------------|----------------|------------------|---------------|
| (a) West Bengal Government | 350,000 | 50,000 | 400,000 |
| (b) Madras Government | 100,000 | 50,000 | 150,000 |
| (c) Mysore Government | 1,100,000 | 300,000 | 1,400,000 |
| (d) Kashmir and Jammu Government | ... | 140,000 | 140,000 |
| (e) Assam Government | 15,000 | ... | 15,000 |
| (f) Bombay Government | ... | 1,00 | 1,000 |
| | 1,565,000 | 541,000 | 2,106,000 |
| Grand total | 2,106,000 lbs. | | |

8. Deficit between consumption and production in 1948.

Approximately 1,900,000 lbs.

4. Short term plans

Targets for 1950.

Mysore, Kashmir, Bengal and Madras are the present 4 big Mulberry silk producing territories. Assam, Bihar and C.P. produce some non-mulberry variety, i.e., silk produced from wild cocoons and are of rather inferior quality. The term raw silk applies to Mulberry raw silk which is the standard quality silk all over the world. Bombay and Assam have, however, already made useful start in producing mulberry silk. The targets which Mysore, Kashmir, Bengal, Madras, Assam and Bombay Governments are now striving to attain, in accordance with their present plans are:—

| | Filature : lbs. | Charka. lbs. |
|-------------|--------------------|-----------------|
| (a) Mysore | 550,000 | 1,450,000 |
| (b) Kashmir | 250,000 | Nil |
| (c) Bengal | 200,000 | 400,000 |
| (d) Madras | 275,000 | 92,000 |
| (e) Assam | Nil | 20,000 |
| (f) Bombay | 25,000 | Nil |
| | 1,300,000 | 1,962,000 |

= 3,262,000 lbs.

5. To increase the production up to this target, during the next 3 years, we have to take the following actions:—

- A Central Silk Board should be formed immediately.
- Supply of large quantities of disease-free seeds to cocoon rearsers is vitally needed. The Central Sericultural Station at Berhampore should be expanded, and placed under a wholetime. Officer-in-Charge, so that in addition to its research work it can produce annually at least 300,000 disease-free layings. The re-organisation and expansion is likely to necessitate about Rs. 15 lakhs non-recurring expenditure and about Rs. 2 lakhs recurring expenditure.
- All filature raw silk produced in Mysore and Bengal should be canalised through Conditioning Houses (i.e. Silk Test Houses) and for this purpose Warehouse Acts should be enacted and Warehouse Houses established before the end of 1948.
- All the Provinces have got plans for establishment of Regional Research Stations and Central Government to insist that these schemes be expedited so that the regional stations may begin to function before the end of the next year. This should be immediately finalised.

- (e) Silk Directorate's present technical staff (the Inspectorate staff of five at present posted in Calcutta), which assist filatures in Bengal to develop their production quantitatively and qualitatively, to be increased as the above mentioned plans materialise by December, 1948, and a Chief Inspector of Conditioning Houses in India, as recommended by the Silk Panel, will have to be appointed and attached to this Directorate by the same period. Although this has a long term aspect, the necessity for initiating it is immediate.
- (f) 800 fully equipped, grainages are required to be set up by the various Governments concerned for seed requirement of Indian Sericulture; the cost of buildings and equipment of each grainage would be about Rs. 20,000 each. These to be set up within the next two years, viz. 1948 and 1949.
- (g) Development of Spun Silk Industry should also be immediately undertaken.

SOAPS

| | Tons |
|--|---------|
| Present capacity | 200,000 |
| Present production | 85,000 |
| Minimum requirements | 200,000 |
| Target of production as suggested by Panel | 300,000 |

It is planned to stabilise production at 200,000 tons per annum during the next 3 years. It is not necessary to increase the present capacity but it is desirable that the industry be rationalised with a view to make the best use of available supplies of raw materials.

Additional requirements of the Industry.

| | | |
|------------------------|-------------|--|
| Caustic Soda | 14,000 tons | (3,000 tons from indigenous production and 11,000 tons from imports) |
| Steel | 400 tons | (for remodelling and maintenance of existing factories). |
| Coal | 20,000 tons | |
| Tons mileage | 20,000,000. | |

SODA-ASH

1. *Present Position and Target.*—(All figures in tons per Annum)

| | | |
|-------------------------------------|---------|---|
| (i) Existing capacity | 55,000 | Durgadhra 19,000 Tata Chemi: 36,000 (Just going into prodn.) |
| | | I.C.I. ₹ 20,000 |
| (ii) Present Production | 12,000 | Idle capacity 43,000 |
| (iii) Target (short-term) | 110,000 | New capacity Planned or to be planned } 55,000 |

Short Term Plan:

| | | |
|--|------------------------------------|---|
| (i) Increase in production planned | 98,000 | Idle capacity 43,000 New capacity 55,000 <hr/> 98,000 |
| | | No. of Units. Capacity |
| (ii) Plant under erection | Nil | Nil |
| (iii) Plants for which import licences have been granted | 3 | 36,000 will normally take three years or more to commence production. Please see 3 below. |
| (iv) Plants for which contact industrialists and interest them | 2 of 18,000 each or 1 of 36,000 | } 36,000 |
| | | <hr/> 72,000 |

(If in two units, at least one could be put into commission in short term.
or 54,000 if only one unit of 18,000 is to be installed.)

The following are the existing plants in different areas.

| Area | No. of Plants | Present annual Capacity (Tons) |
|------------------|---------------|--------------------------------|
| Bombay | 2 | 55,000 |

Import licences have been issued to three firms and the plants will be located as follows :—

| Area | New Plants | Additional Capacity |
|------------------|------------|---------------------|
| Madras | 3 | 36,000 tons |

The requirements of various adjuncts for the erection & running of these additional plants will be as follows:—

| Area | Requirements of steel (Tons) | Annual requirements of | | | Ton mileage |
|------------------|------------------------------|------------------------|-------------|--------|-------------|
| | | Lime Stone | Coal & Coke | | |
| Madras | 6,000 | 48,000 | 63,000 | 30,000 | 219,40,000 |

3. What it involves:—

- (i) All assistance are being given to Tata Chemicals to put their plant in commission.
- (ii) Active Assistance for procurement of the 3 plants licenced [see 2(iii) above] I.S.M. Washington & India Supply Commission U.K. to be brought into the picture with action to be initiated at Embassy High Commissioner level.
- (iii) An industrialist, preferably in West Bengal to be got interested in installation of a plant there to meet Regional requirements of the Eastern Area. West Bengal Government may be asked to participate directly.

Action Required:—

- (i) Above will result in production 36,000 tons more. Most of it may be available in 1948.
- 3(ii) and 3(iii) may result in production maturing only after the expiry of the short-term but action in the short term is required to ensure results thereafter.
- (2) To cancel licences where the parties are not interested in going forward.
- (3) To interest other industrialists and encourage them in the soda ash industry.
- (4) If private enterprise shows slackness in implementing the projects already approved, the Provincial Governments and the Centre should help them with finance and technical advice.

STORAGE BATTERIES

Present Capacity.—The present productive capacity of the country for storage batteries is 172,000 Nos. This is regionally distributed as follows:—

| Province/State | No. of Fys. | Aggregate capacity. |
|------------------|-------------|---------------------|
| Bengal | 2 | 112,000 |
| Bombay | 2 | 36,000 |
| Mysore | 1 | 24,000 |
| | 5 | 172,000 |

Expansion by 1950.—This capacity will be expanded by 1950 to 272,000 Nos. The regional distribution will then be as follows:—

| Province/State | No. of Fys. | Aggregate capacity. |
|------------------|-------------|---------------------|
| Bengal | 2 | 112,000 |
| Bombay | 2 | 100,000 |
| Mysore | 1 | 60,000 |
| | TOTAL 5 | 272,000 |

Progress.—It will be evident from above that the capacity of three out of the five existing factories will be considerably expanded by 1950. The capital issue for the industry up-to-date is Rs. 30,00,000 of which Rs. 20,00,000 will be spent on the short-term expansion under reference. Almost the entire equipment required by the larger of the two factories in Bombay area has arrived in the country with part of it having already been commissioned. A feature of this project is the modernity of the plant which is illustrated by such items as automatic die casting and pasting machines, Assembly line roller conveyors etc. Negotiations with foreign manufacturers are now in progress in respect of the other two factories for the purchase and import of the plant required for the expansion. Besides above, two container plants have been imported for two of the existing of five factories of which one has already its container plant. Possibility of indigenous production of Reclaim Rubber for hard rubber containers is now being investigated.

Long Term Target.—Industry's Capacity by 1950 will be adequate for the country's requirements.

Raw Materials.—The present requirements of basic raw materials and those that are anticipated by 1950 are given below:—

| | | |
|---------------------------------|-----------------------|-----------------------|
| Lead | Present 2,500 Tons | By 1950 4,000 Tons |
| Antimony | 175 Tons | 275 Tons |
| Red Lead and Litharge | 800 Tons | 1,300 Tons |
| Sulphuric Acid | 120 Tons | 190 Tons |
| Separators | 6,500,000 Nos. | 10,500,000 Nos. |

Experiments have been initiated with regard to the use of Indian timber for the manufacture of separators which are almost entirely imported at present.

Estimated Annual Transport requirements by 1950.

| | |
|--------------------------|---------------------------------|
| Raw Materials | 6,00,000 ton/mile (40 Wagons) |
| Finished store | 1,700,000 ton/mile (120 wagons) |

In the absence of quality control, the present production is of varying qualities. It is absolutely necessary that some form of quality control should be introduced if this industry is to survive competition.

SULPHURIC ACID:

1. Present position and target (All figures in tons per-annum)

| | |
|---------------------------|---------|
| (i) Existing capacity | 100,000 |
| (ii) Present production | 65,000 |
| Idle capacity | 35,000 |
| (iii) Target (Short-Term) | 150,000 |
| New capacity required | 50,000 |

The following are the existing plants in different areas and their capacity.

| Area | No. of plants | Capacity |
|--|---------------|----------|
| Assam | 1 | 4,500 |
| Bengal | 6 | 16,000 |
| Bihar | 6 | 21,000 |
| Bombay | 6 | 10,000 |
| Madras, Mysore, Hyderabad and Travancore | 4 | 32,700 |
| Punjab and Delhi | 9 | 9,600 |
| U. P. | 6 | 5,000 |
| Baroda | 1 | 400 |
| | 38 | 100,000 |

2. Short-term plans.

| | |
|---|--|
| (i) Increase in production planned | 85,000 |
| New | 50,000 |
| Using idle capacity | 35,000 |
| (ii) Plants under erection | 2 contact—6,000 production expected shortly. |
| (iii) Plants for which import licences issued | 9 contact—60,000 2 years to commence production. |

Some of the new plants are for replacement of absolute and worn out ones so that the final aggregate capacity still will be 150,000 tons

Import licences have been issued to 9 firms and the plants will be located as follows:—

| | |
|--------|---|
| Bengal | 4 |
| Bihar | 4 |
| U. P. | 1 |
| | 9 |

The requirements of various adjustments for the erection and running of these additional plants will be as follows:—

| Area | Requirements of steel | Annual requirements | |
|--------|-----------------------|---------------------|-------------|
| | | Sulphur | Ton-mileage |
| Bengal | 700 | 5,500 | 55,000 |
| Bihar | 650 | 4,500 | 15,75,000 |
| U. P. | 150 | 1,000 | 6,30,000 |
| | 1,500 | 11,000 | 22,60,000 |

Sulphur imports.—Total 50,000 tons imported sulphur required for existing plants to work to capacity and for new plants when they go into production.

Indigenous gypsum as a substitute for sulphur (experimental).—To minimise dependence on import of foreign sulphur, a situation aggravated by the short supply of foreign exchange, indigenous resources of gypsum have to be harnessed. In this connection, a licence for import of a plant with a Capacity of 10,000 tons sulphuric acid per annum has been granted to Raja Sahib of Venkatagiri. The plant is expected to commence production by 1951, when

results of experiments will be known. The results are for the long term period but the plan itself belongs to short term. A policy decision will also have to be taken for the establishment under Government auspices of a factory at Sindri for the manufacture of 10,000 tons of sulphuric acid per annum from gypsum.

Price.—Existing plants by not working to capacity and by working by absolute process or in uneconomic units produce sulphuric acid at a high cost of production which hinders the consumption of such a basic chemical. Lower consumption leads to a higher cost of production and still lower production and consumption, a vicious circle. Stopping up production is linked with superphosphate manufacture, a major consumer of sulphuric acid. Price question may resolve itself automatically in competitive area.

Action required:

- (1) Classing up and progressing the firms who have obtained the import licences.
- (2) Active assistance in procuring the plants (ISM Washingtons and ISC, London to be brought into the picture).
- (3) Provisioning of 28,000 tons more of sulphur required for increase in Production. 6000/6000 tons more in 1948 10,000/12,000 tons more in 1948 28,000 tons more in 1950.
(i.e. in addition to the present 22,000 tons per annum)
- (4) Provisioning of structural materials, steel, etc. for installing new plants.
- (5) Capacity exists in Ordnance Factories for production of sulphuric acid but the cost is very high due to high overheads. To bring down the general price of sulphuric acid, Ordnance Factories production should be sold to consumers at a competitive price or straight control over the price of sulphuric acid should be established.

SUPERPHOSPHATES

(All figures in tons)

1. Present position and target

| | |
|----------------------------|--------------|
| (1) Existing capacity | 60,000 tons |
| (2) Present production | 10,000 tons |
| Idle capacity | 50,000 tons |
| (3) Target (short-term) | 100,000 tons |
| (4) No. of existing plants | 6 |

Superphosphates are important fertilisers required for increased production of food. This industry is linked up with sulphuric acid industry, the growth of each affecting that of the other. Reasons for short production are

- (a) high price of bones, the main raw material,
- (b) high cost of production of sulphuric acid, the processing raw material
- (c) non-availability of adequate supply of rock phosphate,
- (d) poor off-take by Agriculture. This is the most important factor.

2. Short-term plan

| Total capacity (idle and new to be put into commission) | No. of units | Capacity |
|---|--------------|----------|
| Plant under erection | 1 | 10,000 |
| Plants for which import licences have been granted | 2 | 20,000 |
| Plant for which capital issue has been sanctioned | 1 | 10,000 |
| Idle capacity | | 50,000 |
| | | 90,000 |

There is enough capacity of sulphuric acid for the purpose as they are actual or potential manufacturers of sulphuric acid having acid plants already or having import licence for them.

The above plan supplements the plan for ammonium sulphate production in the country.

3. What it involves.

- (i) Energetic action by Ministry of Agriculture in effective and efficient collaboration with Provincial/State Ministries/Departments of Agriculture for lifting and distributing the Superphosphate in consonance with the production schedule of the Ministry of Industry and Supply. Bihar & Madras are understood to have working arrangement for distribution; Bengal and Bombay have shown no interest.
- (ii) Following a provisional decision on (i) above, Ministry of Industry and Supply to outline a production schedule.
- (iii) Following (ii) above, Ministry of Industry & Supply/D.G.I.&S. to estimate the requirements of the raw materials (a) bones to the extent available in the country and (b) imports of rock phosphate for the balance.

Making an assumption of 5,000 tons superphosphate in 1948, 80,000 in 1949 and 120,000 in 1950 and assuming again that only a third of the raw material will be used as bones due to the difficulties of collection transport and high price (and say, half in 1950), the necessary provision for the import of rock phosphate will be 18,000, 27,000 and 30,000 tons per annum in 1948, 1949 and 1950 respectively. The C.S.I.R. and Geological Survey may be asked to take up immediately the possibility of mining & beneficiating the phosphatic oredeposits of Bihar and Trichinopoly for Superphosphate manufacture.

- (iv) Ministry of Agriculture (or preferably at cabinet level) to get Provincial Governments interested in the collection of bones.
- (v) High cost of production of sulphuric acid [please see 1(b) above] will correct itself as the production of superphosphate and the concomitant production of sulphuric acid are stepped up.

The following are the existing plants in different areas:—

| Area | No. of Plants | Present annual capacity |
|--|---------------|-------------------------|
| Bombay | 1 | 12,000 tons. |
| Madras, Mysore, Hyderabad and Travancore | 4 | 33,000 tons. |
| Punjab and Delhi | 1 | 15,000 tons. |
| | | 60,000 tons. |

Import licences have been issued to 2 firms and the plants will be located as follows:—

| Area | New Plants | Additional Capacity (Tons) |
|--------|------------|----------------------------|
| Bombay | 1 | 10,000 tons. |
| Bangal | 1 | 10,000 tons. |

The requirements of various adjuncts for erection and running of these plants will be as follows :—

| | Annual requirements (Tons) | | | Tons mileage. |
|------------------|-------------------------------|-------------------|--------------------------------|------------------|
| | Steel | Sulphuric Acid | Bone or rock phos- phate | |
| Bombay | 200 | 3,700 | 10,000 | 100,000 |
| Bengal | 200 | 3,700 | 10,000 | 100,000 |

Action required.

- (1) A preliminary meeting of the Ministeries of Agriculture, Industries & Supply and Commerce for settling the points raised in 3 above.

(Commerce are concerned with export policy Re: bones and import of rock phosphates.)

- (2) To provide for the raw materials mentioned above.

APPENDIX " A ".

The supply position of the following stores is serious as explained below :—

| Items | Purposes for which required | Remarks |
|-----------------------|--|---|
| 1. Electrical sheets | Steel Stampings for electric fans & motors and laminations for electric transformers | Our requirements are 5,000 tons per annum, but only about 1,500 tons are available from Tatas. We sought the assistance of the India Supply Commission as well as of the India Supply Mission. We expect to obtain about 600 tons from Belgium through their London Agents & 400 tons from the U. S. A. It is pointed out, however, that Tatas do not manufacture transformer grade electrical steel sheets and we have not yet been able to locate any sources of supply in either the U. S. A. or the U. K. |
| 2. Enamelled per wire | cop- Armature & field windings for electric fans motors etc. | Out of 500 tons required annually only 50 tons can be expected from the plant installed in April 1947. for the remaining 450 tons we have to depend on foreign countries. The results of our approaches to the U. K. & the U.S.A. have been disappointing. We are, however, making arrangements for the installation of a plant for the manufacture of this kind of wire. |
| 3 Nichrome wire. | Resistance wire for domestic appliance and fan regulators. | We want 50 tons per annum and are dependent solely on the U.K, the U.S, A. and Canada. The U.K. is unable to meet our requirements on account of her Rehabilitation Schemes which are understood to absorb all her available supplies. The possibility of manufacturing the right type of alloy is being examined in consultation with the Mining & Metallurgical Deptt. of the Benares Hindu University which have already done some work in this connection. |

| Item | Purposes for which required | Remarks |
|---------------------|--|---|
| 4. Caustic Soda. | Manufacture of soap, textile, paper, oil refining, vanaspathi, etc. | Our minimum annual requirements are 54,000 tons and the Indian capacity at present is only 2,600 tons. The local production is expected to be 5,000—8,000 tons per annum by the end of 1947 and it may rise to 15,000 tons by the end of 1948. Facilities to import equipment capable of producing 100 tons a day or 36,000 tons per annum have also been afforded to the interested parties. U.K. is perhaps the only country which can help us. Possibility of obtaining some supplies from Russia is, however, being examined. |
| 5. Soda Ash. | Manufacture of glass, silicate, washing, textile paper, bichromates, photographic chemicals. | Against our annual requirements of 110,000 tons, India is producing only 30,000 tons. By the end of 1947 production is expected to reach 50,000 tons per annum. Importation Facilities for the production of 50,000 tons a year have also been granted. The critical situation can be brought under control if the U. K. and East Africa come to our rescue. |
| 6. Zinc Oxide. | Manufacture of paint and rubber. | India's production is 4,000 tons per annum, but requirements are about 6,000 tons per annum, 2,000 tons should be imported. Australia and the U.K. are the possible sources of supply. The Australian Delegation expressed their inability to help us. |
| 7. Arsenious oxide. | Manufacture of glass. | We want 400 tons per annum. There are no workable arsenic ores in India. The possibility of obtaining ores from Chitral has been investigated but the results are not promising. We have, therefore, to depend entirely on imports. Possible sources of supply are the U. S. A. and Australia. |
| 8. Newsprint. | For news printing. | Our requirements are 42,000 tons per annum, but only 30,000 tons are available by imports. We want another 12,000 tons. U. S. A., Canada and the Scandinavia are the principal sources of supply. |

Next below in order of importance and urgency came the following items, the present positions being as stated against each :—

| Item | Purposes for which required | Remarks |
|------|---|---|
| Tin | (1) Manufacture of tin plates. (2) Tinning utensils and domestic hollow ware and hospital equipment. (3) Manufacture of alloys, e.g., solder white metals, bearing metals bronze, bell metal, type metal, etc., | Tin is subject to international control and the allocations are made by the Combined Tin Committee in Washington. Our annual consumption is 6,500 to 7,000 tons, but as the result of the efforts of our representatives at the meeting of the Tin Study Group and the Combined Tin Committee, we have been able to get a provisional allocation of 3,263 for the second half of 1947. Adding to this the allotment of 1140 tons for the first half of this year, the total allotment stands at 4403 tons. India is now a Member of the Combined Tin Committee. |

| Item | Purposes for which required | Remarks |
|----------------|--|--|
| Copper | Copper sheets, brass sheets, strips, rods, pipes, casting, and alloys. | Our annual requirements are nearly 70,000 tons. India's production is only about 7,000 a year, all of which is converted in brass sheets. The main sources of supply are the U. S. A., Canada and Rhodesia. Practically all the copper produced in the British Empire is diverted to the U. K. and we have largely to depend on dollar areas for our requirements. |
| Lead | Pigment, white metal alloys sheets, electric batteries etc. | Our annual requirements are nearly 20,000 tons but the indigenous production is negligible. India has, therefore, to depend almost entirely on imports. There is a world shortage of this material. It seems that the capacity of producing countries (U.S.A., Canada, Australia and South Africa) is booked only a fraction of the Australian production is likely to be available to India. |
| | Brass sheets, zinc sheets, galvanizing for battery manufacture, process, plates, alloy casting, etc. | Our requirements are estimated to be in the neighbourhood of 60,000 tons a year, for which we have to depend entirely on foreign countries. The sources of supply are the U. S. A. Canada, Australia and European countries. Recently Indian importers have reported that Australia will not be able to send us as much zinc as in the past, because she proposes to divert supplies either to the U. K. or the U. S. A. |
| Antimony | Type metal alloys, bearing metal, antimonial lead for batteries, etc. | Our annual requirements are about 1,500 tons; only about 300 tons per year used to be available from Chitral which is now included in the Pakistan Dominion. Recently some antimony are has been imported from melting in Bombay because of the non-availability of supplies from Chitral. China is the only exporting country but she insists on payment in dollars. In the past such an arrangement was permitted by the Ministry of Finance and it is proposed to approach them for sanction of similar arrangements in future. |
| Hair Yarn. | Manufacture of hair belting | India's requirements are 150 tons a year and she is almost entirely dependent on foreign countries. The U. K. Wool Controller was requested to arrange regular supply of yarn but so far only about 10 tons have been received during this year. |
| Packing Paper. | Manufacture of coated abrasive paper. | Against our requirements of about 2,000 tons per annum 55 tons have now arrived into the country—45 from the U. S. A. and 10 from Norway. Licences for about 105 tons have already been recommended, but future supplies are uncertain. Attempts are being made by the indigenous paper manufacturers to manufacture this kind of paper to the required specification, but so far no success has been achieved. |

| Item | Purposes for which required | Remarks |
|---------------------------------|---|--|
| Sodium Bicarbonate. | Bakery | Annual consumption is roughly 6,000 tons and the local production is practically nil. U. K. is the only possible source of supply. |
| Bleaching Powder. | Textile, paper, Public Health and sanitation. | Our requirements are 10,000 tons year. India's production is a little over 2,000 tons per annum. Arrangements to import 7,700 tons have to be made, U.K. being the only source of supply. Steps are being taken to expand the production capacity in India and it is hoped she will be self-sufficient by 1948. |
| Phosphorus. | Match industry and alloy industry. | Only about 150 tons are required by India every year. This quantity does not permit the installation of an economical unit in the country. While possibilities of economical working of a smaller unit are being examined, the U. S. A. assistance may be sought in obtaining our requirements. It is a material essential for defence and a small plant which can produce 300 tons per year may be set up in an Ordnance Factory. |
| Lithophone. | Paint and rubber industries. | Our requirements are 4,000 tons per annum and we entirely depend on the U. K. and the U. S. A. for supplies. Blueprints and flow wheels have been given to the Madras Government for the establishment of a factory. All technical data has also been given to them. It will, however, take some time to establish this industry in India. |
| Calcium carbide. | Engineering industries. | India solely depends on South Africa and Canada for her requirements—6,000 tons per annum. Facilities have been afforded to Birlas for establishing a factory, but the date on which production will begin cannot be indicated. |
| Butylamylacetate. | Lacquer industry. | India's requirements are about 40 tons a year. A factory has just come into being and is expected to produce 10 to 15 tons in 1947. We have, therefore, to depend mostly on the U. K. and the U. S. A. for our requirements. |
| F. F. Moulding Plastics Powder. | | India's annual requirements are of the order of 1,500 tons. 600 tons are locally available. 900 tons should be found by imports from the U. K. and the U.S.A. |
| U. F. Moulding Plastics Powder. | | India's requirements are 500 tons per annum. An attempt will be made to produce urea when the Sindri Fertiliser plant starts functioning. In the meantime, efforts should be made to obtain supplies from the U. K. and the U. S. A. |

| Item | Purposes for which required | Remarks |
|--|---|--|
| Borax | Glass industry | India's consumption is estimated to be 4,000 tons, but there are no local sources of supply. The entire quantity has to come from the U. S. A. and Italy. The manufacture of borax from Tibetan tinkal has proved a failure on account of heavy transportation charges. |
| Tapered masonite, pressed wood, hard boards. | Repairs and construction of railway coaches ship-building and repairs, House constructions and furniture. | We have received a demand for 800,000 sq. ft. preferably in 1/8", 3/16" and 1/4" thickness on behalf of Railways. Only about 40,000 sq. ft. which were surrendered by the D. G. S. R. are being given to Railways in partial satisfaction of the demand. For the balance of 760,000 sq. ft. we have largely to depend on the U.S.A. The difficulty as pointed out by the India Supply Commission whom we approached, however, is that practically the entire output in the U. S. A. is being consumed within the States in the housing schemes for their returning service personnel and the U. S. Government are rigidly controlling distribution of the material. It seems that unless a special approach is made to the U. S. Government no help can be expected from that quarter. As indicated in column 2, hardboards, are also in great demand in the market. If supplies become available, the public will also buy large quantities for furniture and house building in India. Plans for the manufacture of this material may be taken in hand. |
| Railway Sleepers | Railway tracks | The demand for 1947 is :- B. G. 15,000 Nos. M. G. 1,800,000 Nos. According to the indication given by the Provincial representatives at the recent Timber Supplies Conference, we will have to seek imports to the extent of 400,000 B. G. Sleepers and 300,000 M. G. Sleepers. Australia is the only country we can look to for help. |
| Teakwood. | Structural carriage and wagon building, Ammunition boxes and other woodware items. | The demands are of the order of 30,000 tons per annum. Supplies in India are expected to be only about 3,500 tons. For the balance, we have to depend on Burma, Siam and Java. |