COUNCIL OF STATE DEBATES

(OFFICIAL REPORT)

Volume I, 1945

(15th February to 14th April, 1945)

EIGHTEENTH SESSION

OF THE

FOURTH COUNCIL OF STATE, 1945





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COUNCIL OF STATE DEBATES

OFFCIAL REPORT OF THE EIGHTEENTH SESSION OF THE FOURTH COUNCIL OF STATE

VOLUME 1-1945

COUNCIL OF STATE

Thursday, 15th February, 1945

The Council met in the Council Chamber of the Council House in New Delhi at Eleven of the Clock, being the First Day of the Eighteenth Session of the Fourth Council of State, pursuant to section 63D (2) of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935. The Honourable the President (the Honourable Sir Maneckji Byramji Dadabhoy, K.C.S.I., K.C.I.E., Li.D., Barrister-at-Law), was in the Chair.

MEMBERS SWORN

The Honourable Sir Arthur Cecil Griffin (Chief Commissioner of Railways).

The Honourable Sardar Bahadur Nawab Assadulla Khan Raisani (Nominated Non-Official).

The Honourable Mr. Thirumala Row (Madras: Non-Muhammadan).

The Honourable Mr. R. H. Hutchings (Food Secretary).

QUESTIONS AND ANSWERS

SELLING OF FLOUR IN BENGAL AS MANURE

1. THE HONOURABLE KUMAR N. N. SINHA: Is it a fact that about 850 maunds of atta, rotting in a Government godown in Bengal has been sold by the authorities at about four annas per maund for the purpose of manure being unfit for human consumption? Why was the stock of atta allowed to rot and not given to save human lives?

THE HONOURABLE MR. R. H. HUTCHINGS: An enquiry has been made from the Bengal Government and the information will be laid on the table of the House as soon as it is received.

Indian Troops in Great Britain

2. THE HONOURABLE KUMAR N. N. SINHA: Will Government state whether Indian troops are stationed in Great Britain; and if so, how many, and whether the expenditure incurred will be borne by the Indian Exchequer or by His Majesty's Government?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: There are a small number of administrative Indian units in the United Kingdom to assist in the repatriation of Indian prisoners of war arriving there from the Continent of Europe. As regards the second part, the expenditure is debitable to His Majesty's Government in accordance with the Financial Settlement.

ALLOTMENT OF GOVERNMENT QUARTERS TO MEMBERS OF THE CENTRAL LEGISLATURE

- 3. THE HONOURABLE KYMAR N. N. SINHA: (a) Will Government furnish the following information:—
- (i) the names of the members of the Central Legislative Assembly and of the Council of State who have been allotted Government quarters during the off-sessions?
 - (ii) the dates and time from which they have been allotted the quarters?

- (iii) how many applications for occupation of quarters during the off-sessions were received from the members of the Central Legislative Assembly, and the Council of State during the last two years but were refused?
- (iv) were any quarters left unoccupied during the off-sessions in the last two years, and if so, how many?
- (b) Is it a fact that these quarters were built exclusively for the members of the Central Legislature; and if so, will Government state why no quarters were given to members, who wanted them during the off-sessions, when they were willing to pay rents which the non-members were required to pay?
- (c) What are the rules and principles governing the allotment of quarters to members of the Central Legislature during the off-sessions!

THE HONOURABLE MR. H. C. PRIOR: (a) (i) and (ii). I am assuming that the Honourable Member requires information in respect of the last two years. A statement containing the required information is placed on the table of the House.

- (iii) Four during 1943 and six during 1944.
- (iv) No. The latter part of the question does not arise.
- (b) Yes. During off-sessions these are allotted to the members who have stay in Delhi in connection with Legislative work but are not ordinarily allotted to other members who are not required to stay on duty in Delhi.
- (c) There are no specific rules but they are allotted to such members in the offsessions as have to stay in Delhi in connection with official Legislative business.

THE HONOURABLE MR. HOSSAIN IMAM: Do members who have no Legilative business during off-sessions also get quarters?

THE HONOURABLE MR. H. C. PRIOR: In some cases a few have been scallotted.

THE HONOURABLE MR. HOSSAIN IMAM: What is the criterion for giving these quarters?

THE HONOURABLE MR. H. C. PRIOR: Custom chiefly, those who have been there for some time.

THE HONOURABLE MR. P. N. SAPRU: Is the Honourable Member aware that quarters are of different sizes and that members have to pay the same amount for different types of quarters?

THE HONOURABLE MR. H. C. PRIOR: I am afraid I was not aware of that, Sir.

THE HONOURABLE MR. P. N. SAPRU: The accommodation in the quarters varies. In some quarters the accommodation is almost double that in some other quarters and yet the same rent is charged for all the quarters.

THE HONOURABLE MR. H. C. PRIOR: So far as I know, rent is generally charged on the basis of capital cost but I will make inquiries into that.

THE HONOURABLE MR. THIRUMALA ROW: May I know on what basis these quarters are allotted? Is it merely at the discretion of the officer who controls these quarters?

THE HONOURABLE MR. H. C. PRIOR: No, it is not at discretion. We decided last year that a certain number of quarters would be allotted for people not on Legislative business and that they would be allotted to those who have been there longest. I think that is the position.

Statement

1943

- Mr. A. M. Dam
 M. L. A. From 1st September, 1943, F. N. to 28th April, 1944, F. N.
- 2. Seth Sunder Lal Daga . . . M. L. A. : In occupation since last year.
- 3. Hon'ble K. B. Ali Bux Md.
 Ausain . . . M. C. S. From 9th December, 1943 to 31st January, 19

	-, - * ,		1943-	-c	onid.
4	. Mr. Jumna Das Mehta .		M. L. A.		From 21st July, 1943.
5	Mr. Hooseinbhoy Lalljee		M. L. A.	•	From 9th February, 1943, A. N.
6.	Mr. Ram Ratan Gupta .		M. L. A.		From 9th May, 1943 to 31st August, 1943.
7.	Sardar Sant Singh	•	M. L. A.	•	From 1st September, 1943 to 19th November, 1943.
^{lı} 8.	Sir Abdul H. Gaznavi		M. L. A.	•	In occupation since previous year.
9.	Sardar Mangal Singh .	•	M. L. A.	•	From 15th September, 1943 to 4th November, 1943.
10.	Pandit Nilkantha Das .		M. L. A.		From 10th February, 1943, A. N.
11.	Hon., R. B. Ram Saran Das	• ;	M. C. S.	•	From 2nd August, 1943, A. N. in continuous occupation.
12.	Sir Syed Raza Ali		M. L. A.		From 24th October, 1943 to 10th April, 1944.
			1944	٠	
. 1.	The Hon. Mr. R. M. Chinoy		M. C. S.	•	In continuous occupation from 18th June, 1944.
2.	Mr. Hooseinbhoy Lalljee '.	•.	M. L. A.		In occupation.
`3.	L. Ram Ratan Gupta	,	M. L. A.		In occupation.
4.	Sardar Sant Singh		M, L. A.	٠.	In occupation up to 28th November, 1944, A. N.
- 5.	Pancit Nilkantha Das	-	M. L. A.	•	In occupation up to 31st October, 1944 and from 5th December, 1944.
€.	Hon. Mr. A. R. Hajee Abdool	İ,			
97	Suttar		M. C. S.	•	In continuous occupation from 14th February, 1944.
.7 .	Seth Sunder Lal Daga		M. L. A.		In occupation.
8.	The Hon. R. B. Lala Ram Saran	ì			
	Das		M. C. S.	•	In occupation.
9.	Col. Dr. Sir Ziauddin Ahmad .		M. L. A.	•	From 6th February, 1944, F. N.
10.	Mr. Jumna Das Mehta		M. L. A.		In occupation.
11.	Sir Abdul Halim Gaznavi .		M. L. A.	•	In occupation. ~
12.	Sir F. E. James		M. L. A.	• ,	From 13th October, 1944.

Publication called the Eighth Army.

4. THE HONOURABLE KUMAR N. N. SINHA: Will Government place a copy of the publication called the *Eighth Army* in the Council Library for the information of members?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: A copy of the publication called the Eighth Army is already available in the Library of the House.

INDIA'S CONTRIBUTION TO THE LEAGUE OF NATIONS

- 5. THE HONOURABLE KUMAB N. N. SINHA: (a) Do Government propose to relieve India of the financial obligation of making an annual contribution to the League of Nations? If not, why not?
- (b) What is the amount of contribution India has to pay to the League of Nations every year and what is the total amount which India has paid up to now, since the very beginning?

THE HONOURABLE MR. SHAVAX A. LAL: (a) No; because they are not prepared either to withdraw from the League or to default in the payment of the contribution.

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

THE HONOURABLE MR. V. V. KALIKAR: Is this organisation in existence now?

THE HONOURABLE MR. SHAVAX A. LAL: Yes, Sir.

THE HONOURABLE MR. V. V. KALIKAR: Where is its office?

THE HONOURABLE MR. SHAVAX A. LAL: It is in Canada now.

4

• THE HONOURABLE MR. THIRUMALA ROW: Is the League of Nations Office along with one of the refugee Governments in England?

THE HONOURABLE Mr. V. V. KALIKAR: He says it is in Canada.

THE HONOURABLE MR. THIRUMALA ROW: I am sorry.

Statement showing India's contribution to the League of Nations from 1921-1944

	League financial year			India's League financial year contribution in Rupees. Actuals						I	ea gue		India's contribution in Rupees Actuals
1921		_			. 3	5,49,160	1933					•	13,83,640
1922						4,37,380	1934				•	•	14,37,373
1923						7,77,990	1935						14,81,080
1924	•				·	7,05,260	1936						13,93,000
1925	•	•	•	•	•	5,32,880	1937				•		9,89,000
1926	•	•	•	•	•	5,44,150	1938	• •					9,60,000
1927	•	•	•	•	•	6,67,120	1939		• :	• ` '			10,78,000
	•	•	•	•	•	6,85 530	1940	•	·	. 4			9,41,000
1928	•	•	•	•	. •	7,56,130	1941	•	•		5		7,54,649
1929	•	•	•	•	•			•	•	•	•	• .	7,54,649
1930	•	•	•	• `	. •	8,10,450	1942	. •	•	•	•	•	
1931				•		9,02,790	1943		•		•	•	9,73,101
1932		•	•	• *	•	13,04,880	1944	٠.	•	•	• `\	•	8,88,000
•							,			T	otal		2,17,07,212
							,					-	

WAR SITUATION ON VARIOUS FRONTS

6. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government make a statement, relating to the war situation on different fronts, specially indicating the part played by the Indian troops, subsequent to the statement made by H. E. the Commander-in-Chief on the floor of the House in reply to a question of mine on the last occasion?

'HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I lay a statement on the table.

Statement

Events in Europe are moving so rapidly that it is difficult to do more than merely relatered the velopments. These developments have changed the whole face of the war in Europe and it is becoming increasingly evident that to the Allied mastery of the seas which they have always maintained and the Allied mastery of the skies which they have asserted within the last two years, must now be added Allied mastery on the mainland of Europe.

Our Russian Allies, in a tremendous onslaught which makes the German blitzkrieg of 1939-40 look puny by comparison, have swept through Poland and East Prussia and are now fighting within fifty miles of Berlin.

At the same time, the British and United States armies, aided by French and Polish forces have been pinning a large part of the German army on the Western frontier of Germany and in Italy. Their progress in retent menths has certainly been slow, but that is not for lack of vigour Several factors have contributed to the retardation of the Allied advance in the west after it had swept triumphantly through France and Belgium. Realising their danger, the Germans threw everything they had into stemming our advance and they succeeded in this by the narrowest of margins. The subsequent German counter-offensive in the Ardennes absorbed much of the armoured resources at the disposal of the enemy and when this thrust was frustrated, panzer strength originally available for use against the Russians on the Eastern borders of Germany was probably materially depleted. In Italy also our forces have been keeping a large number of German divisions tied up, thus materially weakening the enemy's power of resistance on his Eastern and Western fronts.

As in the arduous campaigns in the Middle East and North Africa, so in Italy Indian troops have played an important part in the struggle. The presence of three Indian Divisions in the successive assaults on the Gustav Line and the Gothic Line has been revealed at one time or another. These Divisions have added fresh-renown to the fame of India's arms. No hardships and no dangers have proved too much for them; the rigours of campaigning in the snow-clad Aponnines have not damped their ardour and we have recently had the tribute of a Canadian war correspondent who reported that "even icicle-covered the Indians always attack". We in India naturally take pride in the provess of our men and I think it is only fair to add that apart from the natural toughness of the Indian soldier his exploits in Italy do credit to the strenuous and realistic training given to recruits in India in our Training Centres all over the country. Our Training organisation bears comparison with any in the world.

In the Far East also the face of the war has completely changed within the last few months. American amphibious forces sweeping westward and northward from New Guines have now reached the Philippines and are in the process of asserting their mastery over these most strategically important islands. General MacArthur's re-entry into Manila strikes the knell of Japanese hopes in the South West Pacific. It does more than that. It means that vast areas in Malaya and Polynesia which the Japanese had overrun have now been cut off from Japan itself and the substantial garrisons left in these areas must fight on with little or no hope of relief.

Another significant gain in the Pacific is the spread of American seapower northwards to Saipan in the Mariana Islands, which brings Japan proper, including the capital sity of Tokyo, within range of American heavy bombers. Repeated raids on Japanese cities are bringing home to the Far Eastern Fascists the meaning of the war which they lauded so much when it meant misery for others. As American mastery over the waters around the Japanese islands increases, so will carrier borne aircraft add to the pressure on our enemies until their will to resist is finelly broken.

On the mairland of Asia the past few weeks have witnessed a most reassuring development, namely, the re-opening after three long years of the Burma Road. True, it is not the same Burma Road throughout its length as was closed when the Japanese overran Burma, but in its present form it is capable of carrying as much traffic as the original road. As Honourable Members know, the road leads from Ledo in North East Assam down through the Hukawng Valley in North Burma until it links up with China at the small border township of Wanting. Although the final planning and construction of the Ledo Road was in the hands of our American Allies, we in India can take pride in the knowledge that its inception was Indian and the initial work was carried out by Indian engineers and pioneers. Indian brains and Indian brawn have contributed largely to the reopening of the Burma Road, which will assuredly play a material part in building up China's capacity to resist Japanese infiltration. Indeed the situation in China itself which till recently had shown signs of grave deterioration, is now more healthy and there are indications that under the force ful leadership of the Geneeralissimo Chiang-Kai-Shek and his Chief of State Lieut. Genoral Wedemeyer, the Japanese thrust into the interior will be not merely stemmed but reversed.

This opening of the Ledo Road, of course, is a sequel to the major military successes which our armies in the South East Asia Command have won under the supreme leadership of Admiral Lord Louis Mountbatten. Once again, we in India can legitimately claim a share in the credit for these successes. The Fourteenth Army commanded by General Sir William Slim (himself an Indian Army Officer) is predominantly Indian in its composition, and is dependent almost entirely for all that it needs to enable it to fight, on our vast base organisation in India.

The vaunted Japanese "March on Delhi" of which we heard so much in the spring and early summer of last year will still be fresh in the minds of Honourable Members. So will its sequel—the flinging back in utter confusion of these arrogant and reckless invaders and their virtual annihilation in the jungles and mountains of the Burma-Assam border. How well our troops acquitted themselves in the long drawn out and bitter fighting which ranged from Manipur to Mandalay is now a matter of history. On behalf of this House I should like to pay tribute to the prowess of the British, East and West African, Nepalese and Indian soldiers who frustrated the overweening ambition of the Japanese. Their efforts have been nobly partnered by our American and Chinese Allies in the Northern Area Combat Command.

Not less noteworthy are the victories which have attended our arms on the Arakan Coast. Here too, we have shown that we are more than a match for the Japanese at their own game. Some of our landings on the coast of Burma have been unopposed as at Akyab. Others have been sternly contested as at Myebon and Ramree. But in every case, we have proved that we can fight our way ashore, and given support from the air as well as the requisite guns and armour, can chase the Japanese from whatever defences they can devise. I do not wish to strike too confident a note. Honourable Members must realise, as our fighting men do, that the Jap is a tough and relentless foe who in most cases must be exterminated before he is defeated. We all know that a great deal of bitter fighting involving heavy casualties, lies shead before Burma can be liberated and the war carried into other Japanese occupied territories further east. Nevertheless we can fairly say that we have got the Japanese on the run no less surely than the Americans have in the South West Pacific, and this is a heartening thought,

Meanwhile the India Command continues to discharge its primary task, that of training and equipping as large forces as possible to be used by the Supreme Allied Commander, South East Asia, to drive the enemy over further away from our shores. Honourable Members travelling around the country must have seen for themselves what great strides have been made in the building up of India as an offensive springboard. The economy of this country is now geared up for large-scale war production, and its manpower is hamessed for the struggle both on the battlefield and in field and factory. It is our proud beast that we have raised the largest volunteer army in history and the exploits of this army in the field speak for themselves. Their skill at arms is ably backed by the many hundreds of thousands engaged in the less exciting but no less strenuous and essential tasks of providing the fighting men with all that he requires to enable him to destroy his enemies. Not only on the land, but also at sea and in the air, India's sons have given and are giving a good account of themselves. Off the Coast of Arakan the Royal Indian Navy is adding almost daily to its reputation. As at present constituted, it is ideally suited to the task in hand; its Landing Craft Wing, its Coastal Forces and its deep-sea ships have all played their part in the amphibious operations which have progressed so satis-

factorily. The Supreme Allied Commander and the Army Commander in the Arakan have paid tribute to the excellent work done by them. So also in the air, Indian Air Force squadrons are flying side by side with the Physal Air Force and assisting in the spotting and destruction of the enemy. They have earned the highest praise from those responsible for the conduct of the operations and have rendered valuable service in air reconnaissance, in bombing and in the attack on ground targets.

Altogether, I have no hesitation in saying that we can be proud indeed of the part which India is playing in this tremendous struggle and of the contribution which she is making towards final victory over our enemies, and I know this House will join me in saying that the Indian fighting man deserves well of his country and that this should not be forgotten when peace returns to the world.

LEASE-LEND AID

7. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government give detailed figures of Lend-Lease aid to India, in terms of monetary value; as also the figures for the reverse Lend-Lease aid from India to the U.S. A. up to date?

THE HONOURABLE SIR CYRIL JONES: I would ask the Honourable Member to await the Finance Member's Budget Speech.

- THE HONOURABLE MR. HOSSAIN IMAM: Are we promised details of these statements?

THE HONOURABLE SIR CYRIL JONES: I make no promise. I merely ask the Honourable Member to possess his soul in patience for a few days.

THE HONOURABLE MR. HOSSAIN. IMAM: What will be our reward. for patience?

THE HONOURABLE THE PRESIDENT: Order, order. That is not permissible at all.

LEASE-LEND AID

8. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Are Government aware that negotiations for the Anglo-American Lend-Lease agreement to become operative when Germany is defeated, have concluded? If so, are there clauses in the agreement affecting India, in which case, will Government state such clauses, and state their implications, with reference to the Lend-Lease arrangements between India, the U.S. A. and England, now existing, or to come into effect after the successful termination of the war?

THE HONOURABLE SIR CYRIL JONES: The Government of India were represented at certain discussions between the Government of the United States of America and His Majesty's Government regarding the continuance of Lease-Lend Aid to the British Empire after the defeat of Germany, as a result of which it is hoped that India will continue to receive Lease-Lend assistance on the same basis as before, after the war with Germany is over. No formal agreement has been entered into.

THE HONOURABLE MR. HOSSAIN IMAM: Is it proposed to enter into a formal agreement? Is there any proposal for a formal agreement?

THE HONOURABLE SIR CYRIL JONES: The Honourable Member is aware, Sir, that India has not entered into any formal agreement with the United States of America for Lease-Lend aid while the war with Germany is on and therefore there is no reason to suppose that a formal agreement will be entered into after the war in Europe comes to an end; but I am not able to say anything definite on this matter, because the whole question of formal agreement between India and the United States of America is in suspense.

THE HONOURABLE MR. THIRUMALA ROW: Was any member of the Government of India present at these negotiations on behalf of the Government of India? Any member of the Executive Council?

THE HONOURABLE SIR CYRIL JONES: No, Sir.

THE HONOURABLE MR. HOSSAIN IMAM: May I ask whether there is any arrangement between ourselves and H.M.G. for reverse Lend-Lease to American forces in India?

THE HONOURABLE SIE CYRIL JONES: Reverse Lease-Lend or reciprocal aid is a matter between India and the United States of America.

THE HONOURABLE MR. HOSSAIN IMAM: On what basis? Is there any agreement for that?

THE HONOURABLE THE PRESIDENT: Next question.

INDIAN INDUSTRIES

- 9. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Is it a fact that certain instructions have been issued to the Government by the authorities in England regarding industries which shall not be regarded as essential for the conduct of the war; and which will not be allowed to start production in India within a certain period? What are such industries; and what are the precise terms of the instructions?

THE HONOURABLE SIR FIROZ KHAN NOON (on behalf of Supply Department): The answer to the first part of the question is in the negative; the second part does not arise.

FORFRITURE OF BOOKS WRITTEN BY MARSHAL BODOGLIO, ETC.

- 10. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: (a) Is it a fact that all copies of a book written by Bodoglio, the Premier of Italy, on the Abyssinian war which he had conducted have been declared forfeited to H. M. the King Emperor together with reprints and translations of the same, under the Defence of India Rules? If so, why?
- (b) Is it a fact that a book entitled "Japan must fight Britain" by Lt.-Commander Tishimaru; and another book called "Von Kaiserhoff Zur Reichskaylai" by one J. Goebbels, have also been forfeited? If so, why?

THE HONOURABLE MR. E. CONRAN-SMITH: (a) and (b). The reply to the first part is in the negative; the second part does not arise.

PAMPHLET ENTITLED Our British Empire

- 11. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: (a) Is it a fact that a pamphlet entitled Our British Empire has been circulated by Government among the British officers in charge of Indian troops? Who is the author of this pamphlet?
- (b) Is a copy of it available in the Library of the House; and if not, will a copy be placed there?
- (c) Has it been withdrawn from circulation; and how much money has it cost in its production?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I have no knowledge of a pamphlet entitled Our British Empire. But on the assumption that the Honourable Member is referring to the pamphlet Our Indian Empire the answers to this questions are—

- (a) The answer to the first part is in the affirmative. As regards the second part, the publication was produced by the General Staff, India, and was printed and revised four times during the period 1932 to 1940.
 - (b) A copy is available in the Library of the House.
- (c) The answer to the first part is in the affirmative. As regards the second part, information regarding the cost of production is not readily available.

THE HONOURABLE MR. HOSSAIN IMAM: What was the reason for its withdrawal?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: It was withdrawn because it was out of date and no longer applicable.

OCCUPATION OF GERMANY BY THE ALLIED NATIONS

12. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Are Government aware what part India and the Indian Army are expected to be assigned in the plans which are now being formulated for the Allied occupation of Germany after the Victory of the Allied Powers? Do Government propose to press for an elucidation of India's position in such a plan?

THE HONOURABLE SIR FIROZ KHAN NOON: The answer to the first part of the question is in the negative. That to the second is that we shall doubtless receive timely information and see no reason to press for it now. It is just as well to remember that on the termination of a war the average soldier wishes to return home as quickly as possible.

POST-WAR PLANS FOR SPREDING UP TELEGRAPHIC COMMUNICATIONS

13. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: Will Government make a statement relating to the post-war plans for speeding up telegraphic communications between all parts of the British Empire as formulated in the inaugural session of a Conference which met in London about the third week of April, and which, among others, was attended by delegates from India? Who represented this country at the Conference and what are the main features of the plan discussed so far as India is concerned, with their financial and political implications?

THE HONOURABLE SIR MAHOMED USMAN: The Honourable Member is referred to the reply given to his question No. 34 on the 14th November, 1944 and to the Press Note issued on the 9th January, 1945, a copy of which is laid on the table. Government regret they are unable to give any additional information.

Press Note

The Government of India understand that His Majesty's Government in the United Kingdom have after consultation with the Governments of the Dominions and India invited the Right Honourable Lord Reith, P.C., G.C.V.O., G.B.E., C.B., to visit the Dominions and India for the purpose of discussing with the Governments concerned the future organisation of the telecommunications services of the Commonwealth. He will be accompanied by Sir Edwin Herbert, Director-General of the Postal and Telegraph Censorship Department, Sir Stanley Angwin, Assistant Director-General of the British Post Office, Mr. J. Buckley of the War Cabinet Office, and Mr. L. V. Lewis. This mission is expected to leave England shortly.

It will be recalled that last year the Commonwealth Communications Council submitted certain proposals to the Governments of the Commonwealth for the re-organisation of the Commonwealth Telecommunication Services on public utility lines and a public announcement in this connection was made by the Government of India on the 23rd of August, 1944.

The mission is likely to arrive in India early in March 1945.

POSTS AND AIR DEPARTMENT,

NEW DELHI;

The 9th January, 1945

Indian Troops in Italy

14. The Honourable Raja YUVERAJ DUTTA SINGH: Has the attention of Government been drawn to a note appearing in the *Hindustan Times*, dated the 14th April, 1944 (Dak Edition), that "at present Indian soldiers in Italy seem the most neglected among the troops of the United Nations, as regards comforts and amenities from their home country"? Will Government make a statement on the above, indicating the facts and reasons for this neglect and the steps taken to improve the situation?

THE HONOURABLE SIR FIROZ KHAN NOON: At the time the report appeared in the *Hindustan Times* (nearly 10 months ago) there were certain deficiencies in the welfare provision for Indian troops in Italy. This was due mainly to the slowness of delivery of amenity goods against demands placed on manufacturers in India, but this is no longer the case.

2. The present position is as follows:-

A grant of Rs. 6 per capita is given to the Army Commanders for provision of amenities and a reserve of Rs. 4 per capita is held by General Headquarters in India for the purchase of amenities in India for troops in Italy. This scale is generous.

Sports goods, musical instruments and literature in Indian languages are being sent from India to Italy to the value of over Rs. 30,000 a month. In addition to this, woollen comforts to the extent of 84 bales have been sent by air this winter from India. 10,000 helmets, 8,000 mittens, 7,000 scarves from Mrs. Amery's woollen comforts have been despatched direct from the United Kingdom to Italy for Indian troops, and 25,000 scarves, 25,000 pairs socks, 20,000 helmets and 20,000 pullovers have been sent to Italy from Paiforce.

- 3. Special arrangements have been made for the provision of Indian newspapers by air. A full share of the available radio sets has been allotted to Indian troops in Italy. Leave camps, hostels and institutes for Indian troops have been provided.
- 4. There are two Fauji Dilkhush Sabha touring parties now in Italy and another will be sent very soon.
- 5. A sum of Rs. 50,000 has been donated by His Excellency the Viceroy from the War Purpose Fund for the provision of free tea for Indian troops for the winter 1944-45 and a further £1,500 for the provision of "amenities packs" containing toilet requisites, stationery, eigarettes, playing eards, etc.
- 6. There are altogether fourteen Indian Army Welfare Officers in Italy now, and the needs and interests of Indian troops receive constant attention. I am satisfied that the deficiencies which admittedly existed for a short time have now been remedied, and that welfare arrangements for troops in Italy are on a satisfactory basis.

THE HONOURABLE MR. THIRUMALA ROW: Have Government sent any Indian film stars and actresses for the entertainment of these people in the vernacular?

THE HONOURABLE SIR FIROZ KHAN NOON: I am afraid I cannot give you an answer whether film stars are in in Italy or not and whether they will be suitable or not. There are the amenities that I have mentioned.

THE HONOURABLE MR. P. N. SAPRU: Did any member of the Executive Council go to Italy to look into the comforts of the Indian-Troops in Italy as Lord Munster did in the case of British troops in India?

THE HONOURABLE SIR FIROZ KHAN NOON: No member of the Executive Council has been to Italy yet.

THE HONOURABLE MR. G. S. MOTTLAL: Has any other representative of the Government of India been to Italy?

THE HONOURABLE SIR FIROZ KHAN NOON: Yes. I think Honourable Members forget that the Amenities Department is run by a very well organised Directorate which is staffed by very high class officers who are constantly paying visits to Italy to supervise the work of the staff permanently stationed there and to keep in close touch with the troops themselves. It does not mean that because a member of the Executive Council is not able to go to every nook and corner where troops are stationed that the comforts of these troops are not being looked after. There is a very large staff of officers belonging to the army who are doing nothing day and night except to look after the welfare and comfort of our troops and these high officers have paid visits to Italy as well as to other fronts.

THE HONOURABLE MR. G. S. MOTILAL: That is an argument. What I wanted to know was whether any representative of the Government of India was sent?

THE HONOURABLE SIR FIROZ KHAN NOON: All these high officers are representatives of the Government of India.

THE HONOURABLE MB. HOSSAIN IMAM: Could the Honourable Member give the name of any high officer of the Amenities Department who has visited Italy?

THE HONOURABLE SIR FIROZ KHAN NOON: I shall require notice of that question, Sir.

THE HONOURABLE MR. P. N. SAPRU: Is it the suggestion of the Honourable Member that these troops were not well looked after because the Earl of Munster visited India?

THE HONOURABLE SIR FIROZ KHAN NOON: I have never said that.

THE HONOURABLE MR. P. N. SAPRU: What are the names of the newspapers supplied to Indian troops in Itlay?

THE HONOURABLE SIR FIROZ KHAN NOON: I shall require notice of that

question. I have not got the names here.

DISABILITIES SUFFERED BY INDIANS IN SOUTH AFRICA

- 15. The Honourable Raja YUVERAJ DUTTA SINGH: (a) Has the attention of Government been drawn to the reply of the Minister of Transport Mr. Sturrock, in the Cape Town Assembly (South Africa), on or about the 28th April, that "as a general rule, Indians were not allowed to travel in the same railway carriages as Europeans, or to take meals in dining saloons at the same time as Europeans; but recently exceptions had been made in respect of certain Indian army officers. He was not prepared to lay down a hard and fast rule, as exceptions had to be made in special cases".
- . (b) What steps have been taken since this reply to abrogate this racial discrimination ?

THE HONOURABLE MR. R. N. BANERJEE: (a) and (b). Government have not seen the statement of Mr. Sturrock, but are aware that Indians suffer from such discrimination in South Africa. No special action can be taken for removing only a particular form of discrimination. The Government of India have been making efforts continuously to secure for Indians in South Africa equality of status with Europeans. Such discrimination can disappear only when these efforts attain success.

THE HONOURABLE MR. HOSSAIN IMAM: Could the Honourable Member give an indication of the steps taken by the Government of India?

THE HONOURABLE MR. R. N. BANERJEE: Well, Sir, Honourable Members will recall the discussion that took place in this House at the last session and I may also state that in connection with the application of the Reciprocity Act it was examined whether we should not impose the same or similar disabilities on South Africans of non-Indian origin resident in India. We found, however, Sir, that the number of South Africans travelling in India was so small that we felt that the provision of separate railway accommodation for them would be more a privilege and an amenity than a disability. (Laughter.) So we did not proceed with the question.

THE HONOURABLE MR. THIRUMALA ROW: Have Government any idea of the length of time by which their efforts will be crowned with success?

THE HONOURABLE MR. R. N. BANERJEE: Sir, I had occasion to say during the last session that this struggle has been going on for nearly sixty years. I leave it to Honourable Members to judge how long it will take.

THE HONOURABLE MR. THIRUMALA ROW: Perhaps it will take another sixty years!

ADVERTISEMENT FOR APPOINTMENT OF CHIEF EDITOR IN THE INFORMATION AND BROADCASTING DEPARTMENT:

- 16. The Honourable Raja YUVERAJ DUTTA SINGH: (a) Has the attention of Government been drawn to an advertisement in the *Pioneer*, dated the 22nd April, last (morning edition), inviting applications for the post of Chief Editor in the Department of Information and Broadcasting on a salary of Rs. 900—50—1,200 per mensem in which it is stated that "in selection special regard will be given to candidates with English and American qualifications, both in journalism and university education"?
- (b) Will Government state the reasons for preference being given to foreign qualifications, thereby placing equivalent Indian qualifications at a discount?
- (c) Who has been appointed to the post, an Indian or a foreigner? What is his name, and what are his qualifications?

THE HONOURABLE SIR MAHOMED USMAN: (a) Yes.

(b) Preference was given to qualifications which would best enable the Chief Editor to carry out the task of publicity to America. For this a thorough knowledge of American conditions and literary taste was primarily desirable. This knowledge could best be acquired by first-hand knowledge of America. Failing this, the next nearest qualification would be some knowledge of English conditions. There would be no such thing as "equivalent Indian qualifications".

(c) Major Godfrey Harrass, a British subject, was appointed to the post of Chief Editor. His qualifications were—

(i) a first-hand knowledge of journalistic work in America.

(ii) A literary style which was thought to be particularly suited to America, and

(iii) experience of contribution to British, American and Canadian journals, and publication of short stories in England and America.

.The post has now been abolished.

THE HONOURABLE MR. P. N. SAPRU: Is it the view of Government that men, possessing Indian qualifications as distinguished from American and British qualifications, whatever their experience, are unfit for the kind of work contemplated in the Broadcasting Department?

THE HONOURABLE SIR MAHOMED USMAN: I have nothing to add to what

I have said, Sir.

THE HONOURABLE MR, HOSSAIN IMAM: Will Government state what was

the reason for having special propaganda in America?

THE HONOURABLE SIR MAHOMED USMAN: Answering in a general way, I should like to say that when persons like Mrs. Vijialakshmi Pandit say in America that there are no religious differences in India and it is the British that are dividing the people and when they further say that Indian soldiers who are so much distinguishing them selves in the present war are "rice soldiers;" There is a very strong reason forgiving correct information to America.

Assistance from UNRRA

17. THE HONOURABLE RAJA YUVERAJ DUTTA SINGH: With reference to the reply of Mr. Amery, Secretary of State for India, in the House of Commons on the 9th November that no request has been made by the Government of India for assistance from the UNRRA, will Government state why no request has been de for help either in cash or in kind for the relief of sufferers in India from famine and epidemics?

THE HONOURABLE MB. RAM CHANDRA: India does not need any assistance in cash from UNRRA. Nor do Government consider anything is to be gained by approaching UNRRA for food supplies, since UNRRA can obtain supplies only through the machinery of the Combined Food Board which is already available to India. As regards medical supplies, Government would be prepared to approach UNRRA if at any time their own stocks were found to be inadequate and UNRRA happened to have an available surplus.

THE HONOURABLE MR. HOSSAIN IMAM: May we know if sufficient D. D. T.

and penicillin are being manufactured in India?

THE HONOURABLE MR. RAM CHANDRA: This does not arise out of the

question.

THE HONOURABLE MR. HOSSAIN IMAM: Have we got the medicines about which the Honourable Member said that they will get from America if occasionarises &

THE HONGURABLE MR. RAM CHANDRA: My answer was: "Government would be prepared to approach UNRRA if at any time their own stocks were found to be inadequate and UNRRA happened to have an available surplus."

NOTICES OF MOTIONS FOR ADJOURNMENT

(1) Wrongful use of the Indian Army in Greece

THE HONOURABLE THE PRESIDENT: I have received this morning two notices of Adjournment Motions and I will deal with both of them presently. Mr. Hossain Imam has given me a notice stating as follows:

"I wish to move the adjournment of the House to consider a definite matter of urgent public importance, namely, the wrongful use of the Indian Army to fight an Allied pople in Greece." [Mr. President.]
Will the Honourable Mr. Hossain Imam satisfy me that this is a definite matter
of urgent public importance.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa: Muhamadan) Mr. President the Indian Army was supposed to be used against the Axis Powers, but His Majesty's Government for its own convenience has been using the Indian Army to suppress the liberty of Greek people just as they have suppressed liberty of Indians. I wish to enter my protest against this and therefore I have given notice of this Motion.

THE HONOURABLE THE PRESIDENT: Has not this matter been before the country for the last three years?

THE HONOURABLE MR. HOSSAIN IMAM: Only in December our soldiers were sent to fight against ELAS.

THE HONOURABLE THE PRESIDENT: Even assuming your argument that. Indian soldiers were sent to fight in Greece in December as correct how has this become a matter of urgent public importance? Could you not maove a Resolution?

THE HONOURABLE MR. HOSSAIN IMAM: A matter on which a Resolution-can be moved and one on which an Adjournment Motion can be moved are analogous. It is left to the discretion of the members whether to move a Resolution or to move an Adjournment Motion.

THE HONOURABLE THE PRESIDENT: Decidedly not. Do you also know that under rule 12 (5) this Motion would require the consent of the Governor General in Council? Will you satisfy me on this point?

THE HONOURABLE MR. HOSSAIN IMAM: I shall be quite willing to wait till tomorrow and give the Governor General in Council time to consider if he allows it, or not.

THE HONOURABLE MR. P. N. SAPRU (United Provinces Southern: Non-Muhammadan): It is not a matter of urgent public importance for this reason that what has happened in Greece may happen in other countries in pursuance of the alleged reactionary policy that Britain is pursuing in liberated countries and therefore it is a matter of urgent public importance, from our point of view, that our troops should not be used for the purpose of installing royalty and bolstering up imperialism in the liberated countries of Europe.

THE HONOURABLE THE PRESIDENT: I do not think I need trouble His Excellency in this matter. I am convinced that this Motion is not in order, and A I reject it.

(2) FAILURE TO CARRY OUT RESTRICTIONS AGAINST SOUTH AFRICA

Honourable Members, I have received notice of another Adjournment Motion from the Honourable Member Mr. Sapru. It reads:

"I beg to give notice that I shall move that the House do adjourn to discuss a matter of urgent public importance, namely, the failure of the Government to carry out the direction of the Legislature in regard to South Africa."

Will the Honourable Member also convince me that the South African question is a matter of urgent public importance?

THE HONOURABLE MR. P. N. SAPRU: It was allowed to be diacussed in the other place as a matter of urgent public importance, and that would be my argument No. 1. Not that that decision is in any way binding on you. I am stating it merley as a precedent that it was discussed in the other place as a matter of urgent public importance. The question of South Africa and the treatment of Indians there, is a matter in which the people of India are most vitally interested. Their self-respect is involved, and at the last session we understood that the Government were going to take-retaliatory action against the South African Government as soon as possible if negotiations failed. Have any negotiation have been going on? I do not know that they have. The South African Government has shown no inclination to enter into negotiations with the Indian Government. So, from all points of view it is a matter of urgent public importance. I may say one thing. If a separate day is the immediate future is given to us, I will be quite content.

THE HONOURABLE MR. HOSSAIN IMAM: May I say a word, Sir? Definite action has been taken by the Government recently in the matter of replacing the High Commissioner. It was definitely stated in the Assembly during the last session that the High Commissioner should be recalled. They have defied it by sending out a new High Commissioner. That is why this is a matter of urgent public importance.

THE HONOURABLE THE PRESIDENT: In the first place, I am not concerned with what is going on in the other House; I have to look after the affairs of this House only. I have told Honourable Members frequently that they should not refer to proceedings that take place in the other House when moving their Adjournment Motions, and I hope that this request of mine will be borne in mind by Honourable Members. In the second place, as regards the question of urgent public importance, we have been discussing this question during the last three sessions, and nothing new can be said in this matter now. Further, the Honourable Member had ample time to being in a Resolution, and he ought to have taken his chance in the ballot for the Resolution. You can not discuss this matter, which has been thrashed out thoroughly in this House and elsewhere over and over again, by moving a Motion of Adjournment in this way. I hold the Motion out of order and reject it.

THE HONOURABLE MR. HOSSAIN IMAM: Am I to understand that it is the ruling of the Chair that on matters on which a Resolution can be moved no Adjournment Motion can be allowed?

THE HONOURABLE THE PRESIDENT: The Honourable Member had better read rule 12 before he asks me.

THE HONOURABLE MR. P. N. SAPRU: Before you pass on to the next business, Sir, may I ask whether the Honourable Mr. Banerjee will be prepared to give us a special day for the discussion of this matter?

THE HONOURABLE THE PRESIDENT: That is his concern, and if he wishes to say anything, I have no objection.

THE HONOURABLE MR. R.N. BANERJEE (Commonwealth Relations Secretary):
There is nothing in the present position which would require Government to make any further statement.

THE HONOURABLE MR. HOSSAIN IMAM: Sir, rule 12 only says that a Motion must not revive discussion on a matter which has been discussed in the same session. It does not say anywhere that it should not deal with a matter on which a Resolution can be moved.

THE HONOURABLE THE PRESIDENT: I have already ruled out the Motion and I cannot allow the Honourable Member to argue on that.

THE HONOURABLE MR. HOSSAIN IMAM: I am not arguing, Sir, I am asking for our future 'guidance.

THE HONOURABLE THE PRESIDENT: I have told the Honourable Member that I disallowed his Motion for two reasons. The more important reason in this case is that it is not a matter of urgent public importance. The matter has been thrashed out fully in this House in three sessions.

THE HONOURABLE MR. HOSSAIN IMAM; We understood your ruling to be that because a Resolution can be moved on the matter, an Adjournment Motion is out of order,

THE HONOURABLE THE PRESIDENT: I used the first and main argument. You have misunderstood me. I never used the argument which you now urge.

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: Sir, I lay on the table the information promised in reply to question No. 233, asked by the Honourable Rai Bahadur Lala Ram Saran Das, on the 29th March, 1944.

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***************************************	Pay and allowances admissible in India.	IBRITIM OFFICERS OF THE BRITISH ARMY

Pay and allowanter admissible to British and Indian officer serving in India and overseas (including Field Service Area in India).

ALLOWANCES

The rates shown in portion 'A' are admis-Pay and allowances admissible overseas and in Field Service Area in India. receive the following :officer belongs. 2. In addition -WALAL. (Admissible to married officers in addition Nore.—The rates below apply to British officers of the British Army and also to Indian Army officers and K. C. I. Oc. the case of British Army and 1st September Applicable to officers over 30 years of age whose families are in India and who were commissioned before 1st January 1942 in 1942 in the case of Indian Army and who to the rates shown in the first column).

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Lieut. Col.

Major

Ligutenant

Lieut. (7)

2nd-Lieut.

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of age commissioned after 1st January 1942 Applicable to officers over or under 30 years in the case of British Army and 1st September 1942 in the case of Indian Army and those commissioned before these dates but tional addichild child. who have elected this code. New Code Wife.

child

Married British Officers of the British Army* with one or more children receive a special ren allowance at the following rates:-.ieut./2nd-Lieut. Lieut. Col./Major Capt. *Not in receipt of Indian Armyfallowance or old consolidated rates of

III.—Indian Commissioned Officers.

Married rates. Rs. p.m. Rs. p. m. Rs.p.m. Rs.p.m. Total. Pay. Special. Single rates.

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NOTE. The above are regimental rates of pay only and no reference is made to additional pay, corps pay, staff rates of pay and varrying rates of pay admissible 1,145 060,1 to I. M. S., D.I.M.S., R.A.M.C., etc. officers. Lieut.-Colonel

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Private, Class I.	Non-combatante enrolled.
With 6 months' service. 79.14 With 1 year's service. 91.4 With 2 year's service. 102.11 With 3 year's service. 108.6	4 On enrolment
Private, Class I.A. With 3 years' service (Authority.—A. I. (I.) 210/43 and A. I. (I.) 213/44).	(Authority.—Rule 386, P. & A. Regs., Vol. I, read with A. Is.(I.) 96/41, 137/41, 36
II.—MARRIED ALLOWANCE ADMISSIBLE UNDER INDIAN REQUIATIONS TO FAMILIES IN INDIA. (i) Family allowance.	Plus batta in field service areas ranging from Re. 8 to Rs. 21 per mensem for combat per mensem for non-combatants.
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(ii) Separation allowance at Rs. 18 p.m. for all ranks when the Families receive free accommodation and allied services.	
. Norm.—B. O. Rs. whose families are ex. India receive married allowance under a separate code. * Converted at 1s. 4d. to the rupee.	beive married allowance under a separate code.

Private, Class II.

L/Corporal

Corporal

Lance Sgt. Sergeant

Under 6 months With 6 months With 1 year's

Sergeant with 3 year's

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41-8	! !	- 6	8-15-	32-8		(Authority.—Rule 386, 536, 548, 614,1 and 618, P. & A. Regs., Vol. I, read with A. Is. (I.) 361/40, 96/41, 358/42, 101/44 and 134/44).	Nores.—1. Batta has not yet been sanctioned for Ceylon. 2. Indian troops serving in Assam, including Indian States under the jurisdiction of the Government of Assam, and the Bengal Presidency east of Brahmaputra, Jamuna, Padma, and Meghna Rivers and the whole of Chittagong civil division receive batta.			Nores.—1. B. O. Rs., V. C. Os., I. O. Rs. and enrolled non-combatants are entitled to free rations, accommodation (including allied services, e.g., flue, light, waster and conservancy), free clothing, free haircutting and weahing and free medical treatment. 2. This statement does not include the 200 different categories of tradesmen. Each category is sub-divided into one or more Grades (e.g., Grade I, II, III, improver) and Trade pay ranges from Anna I per diem to Rs. 600 per member. 3. This statement does not include deferred pay which is 6d. per diem for B. O. Rs., and Rs. 3 per measem for I. O. Rs., and Re. 1 per measem for non-combatants (enrolled).
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STATEMENTS, ETC., LAID ON THE TABLE

THE HONOURABLE SIR CYRIL JONES, (Finance Secretary): Sir, I relay on the table the following notifications issued by the Government of India in the Finance Department (Central Revenues) under section 37 of the Central Excises and Salt Act, 1944:-

- (1) No. 5-Camp (Salt), dated the 18th March, 1944;
- (2) No. 6-Camp (Salt), dated the 18th March, 1944;
- (3) No. 7-Camp (Salt), dated the 18th March, 1944;
- (4) No. 8-Camp (Salt), dated the 18th March, 1944;
- (5) No. 9-Camp (Salt), dated the 25th March, 1944;
- (6) No. 10-Camp (Salt), dated the 1st April, 1944;
- (7) No. 2 (Salt), dated the 6th May, 1944;
- (8) No. 7 (Salt), dated the 6th May, 1944;
- (9) No. 8 (Salt), dated the 6th May, 1944;
- (10) No. 9 (Salt), dated the 13th May, 1944;
- (11) No. 10 (Salt), dated the 13th May, 1944;
- (12) No. 11 (Salt), dated the 27th May, 1944;
- (13) No. 12 (Salt), dated the 27th May 1944;
- (14) No. 9 (Central Excises), dated the 30th September, 1944;
- (15) No. XI-D (Central Excises), dated the 11th March, 1944; and
- (16) No. 14 (Salt), dated the 28th October, 1944.

SALT

No. 5 Camp, dated the 18th March, 1944.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (1 of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the rules published with the notification of the Government of India in the Finance Department (Central Revenues), No. 5-Salt, dated the 4th February, 1928, namely :--

In the said Rules-

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- (i) For rule 1, the following rule shall be substituted, namely:
- "1. In these rules "Collector" means the Collector of Central Excise, Calcutta, and "Assistant Collector" means an Assistant Collector of the Department of Central Excise, Calcutta."
- (2) In rule 2, for the words "through the Collector of Customs to the Provincial Government of Orissa" the words "to the Collector" shall be substituted.

 (3) In rule 3, the words "of Customs" shall be omitted.
- (4) In sub-rule (1) and clause (v) of sub-rule (2) of rule 4, sub-rule (1) of rule 5, sub-rule (2) of rule 6 and rules 7 and 10, for the words "Collector of Customs" wherever they occur, the words Assistant Collector "shall be substituted.

(5) In clause (c) of sub-rule (1) of rule 6, for the words "deputed on behalf of Central Government" the words "deputed by the Central Excise Department" shall be substituted.

(6) In rule 8, for the words "authorised by the Collector of Customs or by any officer of the Salt or other Department of a province other than Orissa" the words "of the Central Excise Department, Calcutta, authorised by the Collector or any officer of the Central Excise Department of a province other than those within the jurisdiction of the Collector of Central Excise, Calcutta "shall be substituted.

(7) In sub-rule (1) of rule 11, for the words "Central Government" the word "Collector" shall be substituted.

(8) After rule 11, the following rule shall be inserted, namely:—

"12. An appeal shall lie from an order of the Assistant Collector under these rules to the Collector and from any order of the Collector to the Central Board of Revenue."

SALT.

No. 6 Camp, dated the 18th March, 1944—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following amendments shall be made in the Central Excise Rules, 1944, namely :-

In rule 101 of the said Rules, in sub-rule (1) after the word "Berar", and in sub-rule (2)

after the word "Madras", the following shall be inserted, namely:—
"and the territories transferred from the Presidency of Madras to the Province of Orissa by the Government of India (Constitution of Orissa) Order, 1936". .

No. 7-Camp, dated the 18th March, 1944.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944) the Central Government is pleased to direct that the following amendments shall be made in the North Orissa Salt (Village Manufacture and Storage) Rules, 1943, namely :-

In the said Rules-

- (1) In sub-rule (3) of rule 1, for the words "Government of Orissa, in the Orissa Gazette" the words "Central Government in the official Gazette" shall be substituted.
 - (2) For rule 2, the following rule shall be substituted, namely:-
- "2. Definitions.—In these rules unless there is anything repugnant in the subject or con-
- (i) "Assistant Collector" means an Assistant Collector of the Department of Central Excise, Calcutta :
 - (ii) "Collector" means the Collector of Central Excise, Calcutta;
- (iii) "Contractor" means a person appointed by the Government of Orissa for collection on their behalf of salt manufactured in accordance with these rules;
- (iv) "duty" means the duty payable under the Central Excises and Salt Act, 1944 (I of 1944);
 - (v) "Inspector" means an Inspector of the Department of Central Excise, Calcutta;
 - (vi) "Salt" means salt manufactured in accordance with these rules;
 - (vii) "Warehouse" means a warehouse established in accordance with rule 5;
- (viii) "Warehouse Officer" means an officer appointed by the Government of Orissa to be in charge of a warehouse."
- (3) In sub-rule (2) of rule 4 and in sub-rules (1) and (2) of rule 5, for the word "Collector" the words "Government of Orissa" shall be substituted.
 - (4) For rules 7, 8 and 9 the following rules shall be substituted, namely:-
- "7. Officers in charge of warehouse.—Each warehouse shall be in charge of an Officer called "Warehouse Officer" appointed by the Government of Orissa for purchase and sale of salt and an Inspector.
- 8. Procedure at Warshouse.—(1) Immediately after the arrival of each consignment of salt at a warshouse, the Warshouse Officer shall cause the same to be weighed in the presence of the Inspector, record the result of weighment in the prescribed registers, and shall forthwith store the same in the warehouse.
- (2) The Central Government shall not in any manner be liable for the price of the salt to the manufacturer or to the Contractor or to the Government of Orissa or for any damage howsoever caused to any salt stored in any warehouse or any "hat", depot or while in transit from one place to another.
- 9. Keys of the Storage Godown.—The storage godown in each warehouse shall be locked with two locks, the key of one remaining with the warehouse officer and of the other with the Inspector."
 - (5) In rule 10-
- (i) in sub-rule (1) for the words "Central Excise and Salt Department" and "Government of Orissa", the words "Central Excise Department" and "Collector" shall be substituted respectively,
- (ii) in sub-rule (2) for the words "Warehouse Officer", "Contractor" and "Collector" wherever they occur, the words "Inspector", "Warehouse Officer" and "Assistant Collector" shall be substituted respectively.
 - (6) In rule 11-
- (i) In sub-rule (1) for the words, figures and brackets "Indian Salt Act, 1882 (XII of 1882)" the words, figures and brackets "Central Excises and Salt Act, 1944 (I of 1944) shall be substibuted:
- (ii) for the word "Collector" wherever it occurs the words "Assistant Collector" shall be substituted.
- (7) In rules 12 and 15, for the words "Commissioner of Excise and Salt, Orissa" wherever they occur, the word "Collector" shall be substituted.

SALT

No. 8-Camp, dated the 18th March, 1944.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the rules published with the notification of the Government of India in the Finance Department (Central Revenues), No. 21-Salt, dated the 19th May, 1934, namely:—

- 1. In the said Rules-
- (1) For sub-rule (2) of rule 1, the following sub-rule shall be substituted, namely :-
- "(2) In these rules-
- (a) "the Act" means the Central Excises and Salt Act, 1944 (I of 1944);
- (b) "Assistant Collector" means an Assistant Collector of the Department of Central Excise, Calcutta, and includes any officer specially authorised by the Collector to exercise throughout the area to which these rules apply all or any of the powers of the Assistant Collector under these Rules:
 - (c) "Collector" means the Collector of Central Excise, Calcutta;
 - (d) "duty" means the duty payable under the Act;
- (c) "Inspector" means an Inspector of the Department of Central Excise, Calcutta, and includes any other officer of that Department duly empowered in this behalf by the Collector;
- (f) "manufacture" means every process by which salt is separated from brine or from earth or any other liquid or substance and includes every process for the purification or refinement of saltpetre;
- (g) "Superintendent" means a Superintendent of the Department of Central Excise Calcutta; and
 - (h) "Supervisor" means a Supervisor of the Department of Central Excise, Calcutta".
- (2) In rule 3, for the words "Collector of the district in which it is desired to carry on the manu acture, and the Collector" the words "Assistant Collector, Orissa Division, who" shall be substituted.
- (3) In sub-clauses (ii), (iii), (iv), (v), (vi) and (vii) of clause (d) of rule 4, and in rules 6, 10 11, 12, 15, 16, 19 and 21, clause (b) of rule 22, and rules 23, 31, 38, 43, 48, 52, 54, 55, 57 and 5 9 for the word "Collector" wherever it occurs, the words "Assistant Collector" shall be substituted.
- (4) In sub-clause (ii) of clause (d) of rule 4 and in rules 7, 8, 9, 15, 20, 21, 22, 24, 25, 31 and 48, for the words "Store Officer", "Works Officer" and "Works Officer or the Store Officer" wherever they occur, the word "Inspector" shall be substituted.
- (5) In sub-clause (ii) of clause (d) of rule 4, for the words "by Government" the words by the Central Government" shall be substituted.
- (6) In sub-clause (vii) of clause (d) of rule 4, for the words and figures "under the Bihar and Orissa Public Demands Recovery Act, 1914, as a public demand and payable to the Collector", the words "as if it were arrears of land revenue" shall be substituted.
- (7) In rules 5, 12 and 13, sub-rule (2) of rule 15 and rules 34, 35, 40, 41, 43, 44, 45, 47, 48 and 57 the words "of Excise and Salt" shall be omitted.
- (8) In sub-rule (1) of rule 15 and in rules 23 and 30 for the words "Excise and Salt" the words "Central Excise" shall be substituted.
- (9) In sub-rule (2) of rule 24, for the words "Commissioner of Excise and Salt" the words "Central Board of Revenue" shall be substituted.
- (10) In rules 28 and 41, for the words "Commissioner of Excise and Salt" the word "Collector" shall be substituted.
- (11) In rules 35 and 36, for the words "salt or police" the words "Central Excise" shall be substituted.
- (12) In rule 39, for the words "Salt Department, whose grade is not lower than that of a Sub-Inspector" the words "Central Excise Department not below the rank of a Supervisor" shall be substituted.
- (13) In rule 48 for the words "Commissioner of the Division" the word "Collector" shall be substituted.
 - (14) In rule 55 for the figure "9" the figures "10" shall be substituted.
 - (15) For rule 50, the following rule shall be substituted, namely:-
- "56. All licensed works and all premises connected therewith shall be open at all times, by day or by night, to the inspection of any officer not below the rank of Inspector or of any officer deputed by such officer for the purpose."
- (16) In rule 58, for the word "Sub-Inspector" the word "Supervisor" shall be substituted.
 - (17) For rule 60, the following rule shall be substituted, namely:-
- "60. (1) Subject to the provisions of these rules, an appeal shall lie from any order of the Superintendent to the Assistant Collector, from any order of the Assistant Collector to the Collector and from any order of the Collector, not being an order passed on second appeal, to the Central Board of Revenue. No appeal shall lie from any order passed by the Central Board of Revanue or from any order passed by the Collector on second appeal.

- (2) An appeal under sub-rule (1) shall be accompanied by an authenticated copy of the order against which the appeal is made and shall be submitted through the officer against whose orders it is an appeal.
- (3) No appeal under sub-rule (1) shall be admitted unless submitted within 3 months of the date of the order against which the appeal is made.
- II. In the Form of license appended to the said Rules, under the heading "Conditions of the Licer se"—
 - (a) In condition 4, the word "of" shall be omitted.
- (b) In conditions 4, 7, 8, 10 (a), 14, 15, 16, 17 (ii) 23, 24, 25, 27 and 28, for the words "Colector" the words "Assistant Collector" shall be substituted.
- (c) In conditions 6 and 21, for the words "Works Officer" and "Works Officer and Store Officer" wherever they occur, the word "Inspector" shall be substituted.
- (d) In condition 9 (IV), for the words "factory officer" the word "Inspector" shall be substituted.
 - (e) In condition 10 (c)-
- (i) for the words "Commissioner of Excise and Salt", the words "Central Board of Revenue" shall be substituted.
- (ii) for the words "Salt Department or whenever" the words "Central Excise Department or whenever" shall be substituted;
- (iii) for the words "the Salt Department on his behalf" the words "that Department on his behalf" shall be substituted.
- (f) In condition 13, for the word "Government" the words "Central Government" shall be substituted.
- (g) In condition 13, (17)(1) and 19, for the words "Salt Department" the words "Central Excise Department" shall be substituted.
- (h) In condition 17 (1), the words "and all Gazetted officers of other departments" shall be omitted.
 - (i) In condition 18-
- (1) for the words "Commissioner of Excise and Salt" the word "Collector" shall be substituted;
 - ·(2) the words "of salt revenue" shall be omitted.
 - (3) for the word "supervisors" the word "staff" shall be substituted.
- (j) In condition 24, for the words "by Government" wherever they occur, the words "by the Central Government" shall be substituted.
- (k) In condition 28, for the words and figures "under the Bihar and Orissa Public Dermands Recovery Act, 1914, as a public demand payable to the Collector", the words "as if it were arrears of land revenue" shall be substituted.
- (l) At the end of the said Form, for the word "Collector" the words "Assistant Collector" shall be substituted.

SALT.

No. 9-Camp, dated the 25th March, 1944.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following amendments shall be made in the notification of the Government of India in the Finance Department (Central Revenues), No. 6, dated the 29th May 1943 and in the rules published therewith, namely:—

- I. In the preamble to the said notification-
- (a) for the words, brackets and figures "Province of Madras or in the territory transferred-from the Presidency of Madras to the Province of Orissa by the Government of India (Constitution of Orissa) Order, 1936, and in the Provinces of Bombay and Sind", the words "Provinces of Madras, Bombay, Orissa, and Sind" shall be substituted.
- (b) for the words "Bembay and Madras", the words "Bombay, Madras and Orissa "shall be substituted.
 - II. In the said rules-
 - (s) for clause (1) of rule 2, the following clause shall be substituted, namely :--
- "(1) "Collector" means, in relation to the Province of Sind, the Superintendent of Salt Revenue for Sind, and in relation to the Provinces of Madras, Bombay and Orissa, the Collector of Central Excise, Madras, Bombay and Calcutta, respectively.
- (b) in rule 10, for the words "Salt Department" the words "Salt/Central Excise Department" shall be substituted.
 - III. In the Appendices to the said rules-
 - (a) in Appendix A-
- (i) for the words "current at Madras/ Bombay/ Karachi" the words "current in British India" shall be substituted;

- (ii) for the words "Collector of Salt Revenue, Madras/Bombay" the words "Collector of Central Excise, Madras/Bombay/Calcutta shall be substituted;
- (iii) for the words "Salt Revenue", "Salt Department" and "Salt and Customs" wherever they occur, the words "Central Excise", "Salt/Central Excise Department" and "Salt Central Excise and Customs" shall be substituted respectively.
- (2) In Appendix B, for the words "Collector of Salt Revenue, Madras/Bombay" the words "Collector of Central Excise, Madras/Bombay/Calcutta" shall be substituted.

SALT

No. 10. Camp, dated the 1st April, 1944.—In exercise of the powers conferred by sub-section (1), read with clause (xvii) of sub-section (2) of section of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to make the following rule, namely:—

Rule

Salt removed from saltpetre refineries in the Punjab, the United Provinces, Bihar, Orissa Delhi or Ajmer-Merwara, is hereby exempted from the duty imposed on salt by section 3 of the Central Excises and Salt Act, 1944 (I of 1944), read with section 2 of the Indian Finance Act, 1944—

- (a) in the case of sitta (i.e., impure salt unfit for human consumption), to the extent of one rupee and eight annas per standard maund;
- (b) in the case of salt other than sitta, to the extent of one rupes and one anna per standard maund.

SALT

No. 2, dated the 6th May, 1944.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the North-Eastern India Salt Rules, 1939, namely:—

In the said Rules-

- (1) In sub-rule (2) of rule 1, for the words "Collector of Central Excises and Salt, North Eastern India" the words "Collector of Central Excise, Calcutta, except Orissa" shall be substituted.
 - (2) In rule 2—
 - (a) for clauses (i) and (ii), the following clauses shall be substituted, namely :-
 - (i) "the Act" means the Central Excises and Salt Act, 1944 (I of 1944);
 - (ii) "Collector" means the Collector of Central Excise, Calcutta;
 - (b) clauses (iv) to (x) shall be renumbered as clauses (iii) to (ix) respectively;
- (c) in clause (iii) as renumbered for the words "Central Excises and Salt, North-Eastern. India" the words "the Central Excise Collectorate, Calcutta", shall be substituted;
- (d) in clauses (iv), (v) and (vi) as renumbered for the words "Central Excises and Salt Department, North-Eastern India" the words "Central Excise Collectorate, Calcutta" shall be substituted.
- (3) In rule 8, for the words "the following fees" the words "a fee of rupees twenty" shall-be substituted and entries (1) and (2) shall be omitted.
- (4) In rule 12, for the words "Salt Officer" wherever they occur the words "Central Excise-Officer" shall be substituted.
 - (5) In rule 23, for the figure "9" the figures "10" shall be substituted.

SALT

No. 7, dated the 6th May, 1944.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the Bengal Salt (Village Manufacture, Storage and Transport) Rules, 1943, namely:—

In the said Rules-

- (1) In rule 2-
- (a) in Clauses (i) and (v), for the words "Department of Central Excises and Salt, North-Eastern India" the words "Central Excise Collecorate, Calcutta" shall be substituted;
 - (b) for Clauses (ii) and (iv), the following Clauses shall be substituted respectively, namely:
 - (ii) "Collector" means the Obllector of Central Excise, Calcutta;
- (iv) "duty" means the duty payable under the Central Excises and Salt Act, 1944 (I of 1944);
- (2) In sub-rule (1) of rule 11, for the words "Excises and Salt Department, North-Eastern India" the words "Excise Collectorate, Calcutta" shall be substituted.
- (3) In sub-rule (1) of rule 12, for the words, brackets and figures "Indian Salt Act, 1882 (XII of 1882)" the words, brackets and figures "Central Excises and Salt Act, 1844 (Lof 1944)" shall be substituted.

SALT.

No. 8, dated the 6th May, 1944.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the North-Eastern India Salt Rules, 1939, as amended from time to time, shall apply mutation mutandis to the territories within the jurisdiction of the Collector of Central Excise, Allahabad. provided that a fee of rupees fifty and twenty for each year or part of a year shall be levied in the United Provinces and the Province of Bihar respectively for a licence for the refinement of Saltpetre and the eduction of Salt therefrom.

. SALT

No. 9, dated the 13th May, 1944.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the North-Western India Salt Rules, 1931, namely :--

In the said Rules-

- (1) In sub-rule (2) of rule 1, for the words "Excises and Salt, North-Western India" the words "Excise, Delhi" shall be substituted.
- (2) In rule 2, for the words, brackets, letter and figure "clause (e) of section 6 of the Act" the words, brackets and figures "clause (xix) of sub-section (2) of section 37 of the Central Excises and Salt Act, 1944 (I of 1944), hereinafter referred to as the Act "shall be substituted.
- (3) In rules 4, 11, 12, 14, 27 and 31, for the words "Salt Revenue" wherever they occur the words "Central Excise" shall be substituted.
- (4) In rules 8 and 9, for the words "Collector, Central Excises and Salt, North-Western India" the words "Collector of Central Excise, Delhi" shall be substituted.
- (5) In rule 14 for the words "duly made under it" the words "duly made or deemed to be made under it " shall be substituted.
- (6) In rules 18, 19 and 20, for the words "Excises and Salt Department, North-Western India" the words "Excise Collectorate, Delhi" shall be substituted.
- (7) In rule 25, for the words "salt officer" wherever they occur the words "Central Excise Officer" shall be substituted.
 - (8) In rule 27, after the word "made" the words "or deemed to be made" shall be inserted.
- (9) In rule 29, after the word "rules" the words "made or deemed to be made" shall be inserted.
 - (10) In rule 36 for the figure "9" the figures "10" shall be substituted.
- (11) In rule 39, for the words and figures "section 3 of the Indian Salt Act, 1882" the words and figures "section 2 of the Act" shall be substituted.

SALT

- No. 10, dated the 13th May, 1944.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the notification of the Government of India in the Finance Department (Central Revenues), No. 1-Salt, dated the 12th January 1935, and in the rules published therewith, namely :-
- I. In the preamble to the said notification for the words 'Collector, Central Excises and Salt, North-Western India' the words 'Collector of Central Excise, Delhi' shall be substituted. II. In the said Rules-

(a) in clause (2) of the provise to rule 1 and in rule 11, for the words 'Salt Department' the words 'Central Excise Collectorate' shall be substituted;

- (b) in rule 2, for the words 'Assistant Collector, Central Excises and Salt, North Western India' the words 'Assistant Collector of the Central Excise Collectorate, Delhi' shall be substituted;
- (c) in rules 8, 11 and 12 for the words 'Excises, and Salt Department, North-Western India' the words 'Excise Collectorate, Delhi' shall be substituted;
 (d) in rule 11, for the words 'Collector, Central Excises and Salt, North-Western India' the words 'Collector of Central Excise, Delhi' shall be substituted.

No. 11, dated the 27th May, 1944,—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following amendments shall be made in the Notification of the Government of India in the Finance Department (Central Revenues), No. 24-Salt, dated the 9th Decembr 1939, namely :-

- In the said notification—
 (4) for the words 'Collector of Central Excises and Salt, North-Eastern India' the words Collectors of Central Excise, Calcutta, and Allahabad' shall be substituted;
- (ii) for the words 'Province of Bengal' the words 'Provinces of Bengal and Orissa' shall be substituted.

SALT

No. 12, dated the 27th May, 1944.—In exercise of the powers conferred by clause (i) of subsection (2) of section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to cancel the notification of the Government of Orisas in the Law, Commerce and Labour Department, No. 7752-Com., dated the 23rd November 1998.

CENTRAL EXCISE.

No. 9, dated the 30th September, 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that with effect from the lat October, 1944, the following further amendments shall be made in the Central Excise Rules, 1944, namely:—

In the said Rules-

- (1) In clause (ii) of rule 2-
- (a) sub-clause (a) shall be omitted+
- (b) in sub-clause (d), for the words "Province of Madras" the words "Provinces of Madras and Coorg", shall be substituted;
- (2) in rule 201, the words "In the Province of Coorg, the Chief Commissioner, and elsewhere in British India" and the words "his or" shall be omitted.
 - (3) in Appendix IH, under the heading "Sections 14 and 21"-
- (a) in item (i) for the words "province of Madras" the words "Provinces of Madras and Coorg" shall be substituted;
- (b) in item (iii) for the words "provinces of Sind and Coorg", the words "province of Sind" shall be substituted.

CENTRAL EXCISES

No. XI-D, dated the 11th March, 1941.—In exercise of the powers conferred by sections 6 12 and 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following amendment shall be made in the Central Excise Rules, 1944, namely:—

In sub-rule (2) of rule 1 of the said Rules, after the word "including" the words "British Baluchistan and "shall be inserted.

SALT

No. 14, dated the 28th October, 1944.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendment shall be made in the Central Excise Rules, 1944, namely:—

In Chapter VI of the said Rules, for Rule 112 the following Rule shall be substituted:-

- "112. Retention of salt works, for which licences have been relinquished or cancelled, to be determined by Collector.—Salt works for which licences have been cancelled or relinquished shall be at the disposal of the Collector, who shall determine whether the salt works shall be retained within the salt factory or not.
- (a) If the Collector directs that the salt works shall be retained within the factory, the proprietary right of other persons therein, if any, salt thereupon vest in his Majesty and the Collector shall pay the value of such proprietary right to the late licensee. In calculating such value the value of the land as a site for salt manufacture shall not be taken into account. The Collectorshall, if he admits the existence of such proprietary right, tender to the late licensee such sum as he considers to represent the value theseof, and if the sum tendered is not accepted or such proprietary right is not admitted by the Collector, he shall refer the late licensee to a Court of competent jurisdiction.
- (b) If the Collector directs that the salt works shall not be retained within the factory, he shall exclude them from the limits thereof and no payment for the value of any proprietary right shall be made.
- (c) Whether or not the salt works are retained within the factory and the value of any proprietary right is payable, the Collector shall, in respect of salt works for which licences have been cancelled otherwise than for a breach of the conditions thereof or on conviction by a Magistrate for an offence under the Act, pay to the late licensee compensation at the rate fixed under rule 114:

Provided that no compensation under this rule shall be payable, if it is excluded by express stipulation in the Sonditions of the licence."

THE HONOURABLE SIR CYRIL JONES (Finance Secretary): Sir, I lay on the table the following notifications issued by the Government of India in the Finance Department (Central Revenues) under section 37 of the Central Excises and Salt Act, 1944:

- (1) No. 1 (Central Excises), dated the 13th January, 1945;
- (2) No. 1-Camp. (Central Excises), dated the 20th January, 1945; and
- (3) No. 2-Camp (Central Excises), dated the 27th January, 1945.

STATEMENTS, ETC., LAID ON THE TABLE

No. 1, dated the 13th January, 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendment shall be made in the Central Excise Rules, 1944, namely:—

"In rule 64 of the said Rules, for the words "and where such boxes or booklets are issued in packets, each packet also shall bear albanderol appropriate to the class of matches contained in the packet" the words "and where such boxesor booklets are issued in packages, each package reckoned by the manufacturer as his minimum unit of distribution shall bear the manufacturer's trade label and a mark clearly showing the class of matches contained in the package" shall be substituted.

CENTRAL EXCISE

No. 1-Camp, dated the 20th January, 1945.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944, the Central Government is pleased to direct that the following further amendments shall be made in the Central Excise Rules, 1944, namely:—

In Rules 145, 152, 157 and 160 of the said Rules, for the words "two years" the words . "three years" shall be substituted.

CENTRAL EXCISE

No. 2-Camp, dated the 27th January, 1945.—In exercise of the powers conferred by sections 12 and 37 of the Central Excises and Salt Act, 1944 (I of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the Central Excise Rules, 1944, namely:—

In the said Rules :--

- I. After rule 9, the following rule shall be inserted, namely :-
- "9A. Alteration of duty or tariff valuation.—The rate of duty and the tariff valuation (if any) applicable to goods cleared on payment of duty shall be the rate and valuation (if any) in force on the date on which duty is paid, or, if the goods are cleared from a factory or a warehouse, on the date of the actual removal of such goods from such factory or warehouse.

Provided that if the goods have previously been removed from warehouse under bond to be rewarehoused and the duty is paid on such goods without their being rewarehoused, the rate and valuation (if any) applicable thereto shall be the rate and valuation (if any) in force on the date on which duty is paid, or if duty is paid through an account-current maintained with the Collector under Rule 9, on the date on which an application in the proper Form is delivered to the officer in charge of the warehouse from which the goods were removed ".

- II. After sub-rule (2) of rule 224, the following sub-rule shall be inserted, namely:—
- "(3) Except in special circumstances where the Central Board of Revenue, by general or special order in writing, otherwise directs, the quantities of excisable goods cleared for home consumption from a factory or from a warehouse (including quantities cleared under the proviso to Rule 9A during transit from one warehouse to another) during the month of February each year shall not exceed the following percentages of the total quantity cleared for home consumption from that factory or warehouse during the first three months of the previous year:—

First fourteen days 16 per cent.

The whole month 32 per cent. If no excisable goods were cleared for home consumption from that factory or warehouse during the first three months of the previous year, the clearances during the month of February shall not exceed such quantities as the Central Board of Revenue may declare to be reasonable in the circumstances."

INFORMATION PROMISED IN REPLY TO QUESTIONS LAID ON THE TABLE

THE HONOURABLE SIR CYRIL JONES (Finance Secretary): Sir, I lay on the table the information promised in reply to questions Nos. 42 and 43, asked by the Honourable Mr. N. K. Das on the 14th November, 1944.

Question No. 42.

Thansfer of Headquarters of Income-Tax Assessees from Obissa to Calcutta Nine, out of which four have got their headquarters at 26C, Creek Row, Calcutta.

Question No. 43

Number of Appeals filed with the Appellate Assistant Commissioner of • Income-Tax, Purulia

Year.	•	No. of appeals filed from the Province of Orissa including Sambalpur.		Amount of T. A. and other expenses drawn by the Appellate Assistant Commissioner of Incometax and his staff at Purulia.	Amount of T. A. and other expenses drawn by the Appellate Assistant Commissioner of Incometax Central Range, Patna, in connection with the hearing of E. P. T. appeals from the Province of Orissa.		
1942-43 1943-44 1944-45*		I. T. 581 618 345	E. P. T. 30 55 73	Rs. As. 2,733 3 2,600 0 2,198 0	Rs. As. 1,034 7 728 2 952 5		

STATEMENTS, ETC., LAID ON THE TABLE

THE HONOURABLE MR. E. CONRAN-SMITH (Home Secretary): Sir, I lay on the table copies of the Declaration of Exemption under section 6 of the Registration of Foreigners Act, 1939, as published with the notification of the Home Department, No. 1/30/43-Poll. (E), dated the 28th November, 1944.

DECLARATION OF EXEMPTION.

No. 1/30/43-Poll. (E), dated the 28th November, 1944.—In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, shall not apply to, or in relation to the Field Service personnel of the American Red Cross serving with the British Forces in India.

THE HONOURABLE MB. RAM CHANDRA (Commerce Secretary): Sir, I relay on the table copies of further amendments to the Insurance Rules, 1939, published with the Department of Commerce notification No. 597-1(4)/43, dated the 12th February, 1944.

INSURANCE

No. 597-1 (4)/43, dated the 12th February, 1944.—In exercise of the powers conferred by subsections (1) and (2) of section 114 of the Insurance Act, 1938 (IV of 1938), the Central Government is pleased to direct that the following further amendments shall be made in the Insurance Rules, 1939, the same having been previously published as required by sub-section (1) of the said section, namely:—

1. In the said Rules for sub-rule (3) of rule 10, the following shall be substituted, namely, "(3) The Bank shall publish as soon as may be after the 1st January in each year in such manner as the Central Government may direct a list in Form IV of deposits made with it under the Act, as at 31st December of the preceding year".

2. In the Forms set out in the Schedule annexed to the said Rules, for Form IV, the following Form shall be substituted, namely,

" FORM IV

(See Rule 10.)

List of deposits under the Insurance Act, 1938, held in the custody of the Reserve Bank of India on the 31st December 19

	Names of Depositor	Loan or nature of deposits	Amount	Tqtal face value	Cash	Total book value of securities and
•			•			cash ''

THE HONOURABLE MR. RAM CHANDRA (Commerce Secretary): Sir, I relay on the table copies of a further amendment to the Insurance Rules, 1939, published with the Department of Commerce notification No. 597-1 (4)/43, dated the 3rd June, 1944.

INSURANCE

No. 597-I (6)/43, dated the 3rd June, 1944.—In exercise of the powers conferred by sub-sections (1) and (2) of section 114 of the Insurance Act, 1938 (IV of 1938), the Central Government is pleased to direct that the following further amendment shall be made in the Insurance Rules, 1939, the same having been previously published as required by sub-section (1) of the said section, namely:—

For rules 3 and 4 of the said Rules the following rule shall be substituted, namely:—

"3. Any person signing as actuary under the Act shall be a Fellow of the Institute of Actuaries, London, or a Fellow of the Faculty of Actuaries in Scotland; PROVIDED that where explication is made to the Superintendent of Insurance and it is shown to his satisfaction that the employment of an Associate of such Institute of Actuaries or of such Faculty of Actuaries, or of any other person having actuarial knowledge for any specified purpose is expedient in order to enable an insurer or a provident society to carry out any of his or its obligations under the Act, the Superintendent of Insurance may grant the application and permit such person to sign as actuary for the specified purpose, subject to such conditions and restrictions as the Superintendent of Insurance thinks fit to impose."

THE HONOURABLE MR. RAM CHANDRA (Conferce Secretary): Sir, I lay on the table copies of further amendments to the Insurance Rules, 1939, published with the Department of Commerce notification No. 597-1 (3)/42, dated the 11th November, 1944.

INSURANCE

No. 597-I (3)/42, dated the 11th November, 1944.—In exercise of the powers conferred by sub-sections (1) and (2) of section 114 of the Insurance Act, 1938 (IV of 1938), the Central Government is pleased to direct that the following further amendments shall be made in the Insurance Rules, 1939, the same having been previously published as required by sub-section (1) of the said section, namely:—

- 1. For rules 16 and 16-A of the said Rules the following rules shall be substituted, namely:—
- "16. Licence fee for insurance Agents and the manner of collection.—The fee for obtaining or renewing a licence to act as an insurance agent shall be one and a half rupees:

Provided that an additional fee of one rupee shall be paid if the application for renewal of the licence reaches the Superintendent of Insurance on or after the date on which the licence ceases to be in force, but within twelve months of the aforesaid date.

Any fee specified in this rule and rules 16-A and 18-B shall be paid in the form of 'Government of India Insurance Agent Licence Fee' stamp available on payment from a Government Treasury.

- 16-A. Issue of licences to Insurance Agents.—An individual who desires to obtain or renew a licence to act as an Insurance Agent shall proceed as follows:—
- (1) He shall obtain from the Superintendent of Insurance a form of application for a licence which form shall be as prescribed in Form V or Form V-A. Form V shall be used when an appliant applies for a licence for the first time or for a fresh licence, while Form V-A shall be used when the applicant applies for the renewal of the licence already held by him. No application or the renewal of a licence will be accepted if it reaches the Superintendent of Insurance after a period of twelve months from the date on which the licence ceased to be in force.
- (2) He shall then send to the Superintendent of Insurance the completed application form with the "Government of India Insurance Agent Licence Fee" stamp or stamps of the value of Rs. 1-8 or of Rs. 2-8, as the case may be, affixed thereon in the proper place and superscribed with his signature.
- (3) The Superintendent of Insurance or the officer authorised by him under sub-section (1) of section 42 of the Act shall, after taking all reasonable steps to satisfy himself that the application is in order and that the applicant is not disqualified from holding a licence, issue a licence in Form VI.
- 16-B. Issue of duplicate licences.—An individual to whom a licence has been issued shall, if such licence has been lost, destroyed or mutilated, submit to the Superintendent of Insurance an application requesting the issue of a duplicate licence with the 'Government of India Insurance Agent Licence Fee' stamp of the value of Re. 1 affixed thefeon and superscribed with his signature and with a declaration giving full details regarding the issue and loss, destruction or mutilation of the licence and the mutilated pieces, if any, shall be returned to the Superintendent of Insurance with the said application. The Superintendent of Insurance may after taking all reasonable steps to satisfy himself that the original licence has been lost, destroyed or mutilated, issue a duplicate licence in Form VI with an endorsement thereon that it is a duplicate.
- 16-C. Allowance for unused stamps.—Where an applicant for a licence to act as an insurance agent under the Act has inadvertantly used 'Government of India Insurance Agent Licence Fee's stamp of greater value than necessary or where no licence in respect of an application hear.

II. For Forms V and VI in the Forms appended to the said Rules, the following Forms shall be substituted namely:—

" FORM V

(See Rule 16-A of the Insurance Rules, 1939.)

APPLICATION FOR A LICENCE TO ACT AS AN INSURANCE AGENT

To

The Superintendent of Insurance,

. New Delhi/Simla.

Dear Sir,

I request that a licence to act as an insurance agent may be granted to me. The fee of Rs. 1-8 has been paid by me, vide stamp affixed below.

- *2. I hereby declare that-
- (i) I have not been found to be of unsound mind by a Court of competent jurisdiction;
- (ii) I have not been found guilty of criminal misappropriation or criminal breach of trust or cheating or forgery or an abetment of or attempt to commit any such offence by a Court of competent jurisdiction; and
- (iii) I have not been found guilty of or to have knowingly participated in or connived at any fraud, dishonesty or misrepresentation against an insurer or an insured, in the course of any judicial proceeding relating to any policy of insurance or the winding up of an insurance company or in the course of an investigation of the affairs of an insurer.
- 3. I also declare that the particulars given below are true and that the licence for which I hereby apply will be used only by myself for soliciting or procuring insurance business:—

(1) Full name of the applicant (IN BLOCK LETTERS) (State whether (1) Mr., Mrs. or Miss). (2) Father's /Husband's name. (Strike out portion not required) (2) (3) Full address (IN BLOCK LETTERS) stating the name of the Province or Indian State in which the address is situate. (4) Date on birth in Christian Eracture (5) Age of the date of application (5) (5) Did you ever apply for a licence before? (6) If so, state— (i) whether the licence was granted. In that case, the No. and the date of expiry of the last licence should be stated;	
(2) Father's /Husband's name. (Strike out portion not required) (2) (3) Full address (IN BLOCK LETTERS) stating the name of the Province or Indian State in which the address is situate. (4) Date on birth in Christian Eracture (4) (5) Age of the date of application (5) (6) Did you ever apply for a licence before? (6) If so, state—(1) whether the licence was granted. In that case, the No. and the date	
(3) Full address (IN BLOCK LETTERS) stating the name of the Province or Indian State in which the address is situate. (4) Date on birth in Christian Era	
vince or Indian State in which the address is situate. (4) Date on birth in Christian Era	
(4) Date on birth in Christian Era	
If so, state— (i) whether the licence was granted. In that case, the No. and the date	
If so, state— (i) whether the licence was granted. In that case, the No. and the date	
If so, state— (i) whether the licence was granted. In that case, the No. and the date	
(i) whether the licence was granted. In that case, the No. and the date	
of expiry of the last licence should be stated;	
(ii) whether the licence was refused. In that case, the No. and date of	
the letter conveying refusal of licence should be stated; and	
(iii) whether the licence was granted but subsequently cancelled. In	
that case, the No. and date of the letter conveying cancellation of	
licence should be stated.	
[Replies to (i), (ii) and (iii) are to be given only if the reply to the	
main query is in the affirmative.]	
• •	

Yours faithfully,

'Government of India, Insurance Agent Licence Fee' stamp for Rs. 1-8.

Dated the

19

Signature of applicant.

(To be made over the stamp).

* Any part of the declaration which cannot be made should be scored out and the necessary explanation attached to this application,

(Please see notes below.)

Notes

- 1. The attention of the applicant is drawn to section 104 of the Insurance Act, 1938, which provides that whoever in any document required for the purposes of any of the provisions of that Act, wilfully makes a statement false in any material particular, knowing it to be false, shall be punishable with imprisonment for a term which may extend to three years, or with fine which may extend to one thousand rupees, or with both.
- 2. A licence can be granted to an individual only and not to a firm or a corporate or unincorporate body.
- 3. An individual can apply for only one licence which will entitle him to solicit or procure insurance business of any class and to act as an insurance agent for any registered insurer.

- 4. The application should be filled in, as far as possible, in the English language. Where it is not possible to do so, at least the name and address of the applicant and the father's or husband's name may be transliterated in English IN BLOCK LETTERS.
- Any correction or alteration made in any answer to the questions in the application should be initialled by the applicant.
- 6. An applicant must be at least 18 years of age on the date of submission of the application.
- 7. Payment in cash or by money order, cheque, postal order, postage stamp or bank draft is not accepted.
- 8. No acknowledgment of this application will be sent. If one is required, the application should be sent by registered post (acknowledgment due).

(FOR USE IN THE OFFICE OF THE SUPERINTENDENT OF INSURANCE)

No.

-IL ()/

New Delhi/Simla, dated

Returned with the remarks that

To

Assistant Superintendent of Insurance.

Resubmitted.

Dated To

Signature of sender.

The Superintendent of Insurance, New Delhi/Simla.

FORM V-A.

(See Rule 16-A of the Insurance Rules, 1939).

APPLICATION FOR RENEWAL OF A LICENCE TO ACT AS AN INSURANCE AGENT From

(IN BLOCK LETTERS)

Name of Insurance Agent. Full Address

Place

To

The Superintendent of Insurance,

New Delhi/Simla.

Dear Sir.

which expires/expired on I request that my licence No. be renewed for a further period of one year. The fee of Rs. has been paid by me. vide stamp(s) affixed below.

*2. I declare that since the date of my last application for a licence-

19

- (i) I have not been found to be of unsound mind by a Court of competent jurisdiction:
- (ii) I have not been found guilty of criminal misappropriation or criminal breach of trust or cheating or forgery or an abetment of or attempt to commit any such offence by a Court of competent jurisdiction.
- (iii) I have not been found guilty of or to have knowingly participated in or connived at any fraud, dishonesty or misrepresentation against an insurer or an insured in the course of any judicial proceeding relating to any policy of insurance or the winding up of an insurance company or in the course of an investigation of the affairs of an insurer; and
 - (iv) my licence has not been cancelled at any time by the Superintendent of Insurance.
- 3. I also declare that the facts stated herein are true and that the licence for which I hereb y apply will be used only by myself for soliciting or procuring insurance business.

Yours faithfully,

Government of India Insurance Agent Licence Fee stamp(s) vide note 5.

Dated the

Signature of applicante. (To be made over the stamp.)

*Any part of the declaration which cannot be made should be scored out and the necessary explanation attached to this application.

(Please see notes below).

Notes

1. The attention of the applicant is drawn to section 104 of the Insurance Act, 1938, which provides that whoever in any document required for the purposes of any of the provisions of that

Act, wilfully makes a statement false in any material particular, knowing it to be false, shall be punishable with imprisonment for a term which may extend to three years, or with fine which may extend to one thousand rupees, or with both.

2. Care should be taken to see that the name and the licence No. given in the application is identical with that shown in the last licence held.

3. Any correction or Alteration made in the application should be initialled by the appli-· eant

4. The application should be filled in as far as possible in the English language, where it is not possible to do so, the name and address of the applicant may be transliterated in English IN BLOCK LETTERS.

5. The application should reach the Superintendent of Insurance not more than three months before the date of expiry of the last licence held by the applicant and a Government of India

Insurance Agent Licence Fee' stamp for Rs. 1-8 should be affixed to it.

An additional stamp for Re. 1 must be affixed if the application reaches the Superintendent of Insurance on or after the date on which the last licence held by the applicant ceases to be in force. If the application reaches the Superintendent of Insurance after a period of twelve months from that date, the last licence will not be renewed, but a fresh licence with effect from the date of the application reaches the Superintendent of Insurance will be granted.

6. Payment in cash or by money order, cheque, postal order, postage stamp or bank draft

is not accepted.

7. No acknowledgment of this application will be sent. If one is required, the application should be sent by registered post (acknowledgment due).

(FOR USE IN THE OFFICE OF THE SUPERINTENDENT OF INSURANCE)

No.

New Delhi/Simla, dated

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Returned with the remarks that

Assistant Superintendent of Insurance.

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Resubmitted.

Dated To

19

Signature of sender.

The Superintendent of Insurance, New Delhi/Simla.

FORM VL

(See Rule 16-A of the Insurance Rules, 1939) GOVERNMENT OF INDIA OFFICE OF THE SUPERINTENDENT OF INSURANCE



No. of Licence.....

Licence to act as an Insurance Agent under Part II of the Insurance Act, 1938 of.

having paid the prescribed fee and having made the necessary declaration is hereby authorised to act as an Insurance Agent from

Superintendent of Insurance.

New Delhi/Simla,

Dated the

day of

19

Signature of Licence-holder.

(To be made as soon as licence is seceived.)

1. If it is desired to renew this licence for a further period the procedure laid down in rules 16 and 16-A of the Insurance Rules, 1939, shall be followed and, an application for renewal should reach the Superintendent of Insurance not more than three months before, but within 12 monthts after the licence expires.

Notes

2. No identifying mark of note of any description by which the identity of an insurer might be established should be placed on the licence.

3. No correction in this License will be valid unless attested by the Superintendent of I a surance or a person authorised by him is this behalf.

THE HONOURABLE MR. R. H. HUTCHINGS (Food Secretary): Sir, I lay on the table copies of a Memorandum on the Food Situation in India and developments of Food policy upto the 2nd February, 1945.

DEPARTMENT OF FOOD

Memorandum on the Food Situation in India and developments of Food Policy upto 2nd February 1945

During the past year there has been a steady improvement in the food situation throughout the country. Conditions of acute shortage experienced in the previous year have ceased to exist. The enforcement of Government's policy with regard to statutory control of prices, procurement by Government or Government controlled agencies and rationing has yielded good results. Progress has also been made towards stabilising market prices under ceiling statutory controls at levels which will ease the burden on the consumer and at the same time will provide an incentive to the producer to maintain and increase production. In the case of certain specific crops, we have announced the level at which we are prepared to buy all grain offered in the principal assembling markets in the main producing areas, should prices fall. We have also tried to reduce undue disparities between the levels of prices prevailing for the same grain and class of grain in different areas. The progress which has already been achieved in this direction has been brought about by the statutory control of prices supported by the importation of foodgrains from abroad and the planned movement of internal stocks to the areas where they are required. Distribution under Government control to the consumer is being increasingly done through rationing in urban areas and in some cases in rural areas also.

* Steady progress has also been made towards monopoly procurement of foodgrains by Government, which has already been adopted by certain provinces and States. The principle of monopoly procurement has been fully discussed and approved at the 5th All-India Food Conference of official representatives of Governments in the light of an examination of existing foodgrains monopolies conducted by Food Department.

A. Summary of Crop prospects

Kharif.—The monsoon was late in Assam, Bengal, Orissa, the U. P., the C. P., Madras and Bombay, and delayed sowings in some parts of these provinces. It broke strongly in July in the U. P., the C. P. and Bombay, but continued uneven in Bengal and Madras, and was light in Assam. Its incidence was irregular in Madras. Districts in the north-east of that province received more rain than usual, while Malabar did not receive any rainfall until the middle of July. Rainfall in Travancore and Cochin was poor, being about 50 per cent of the normal.

In Bombay and the C. P. excessive and continuous rain in July retarded sowing and damaged the jowar and bajri crops and necessitated re-sowing in some of the districts. In the rest of the country it was beneficial to the crops. In August there was a break affecting transplantation in Assam, parts of Bengal and the U. P. In the C. P. and Bombay, it continued strong and led to floods in some districts.

Sind experienced unusually heavy rainfall in August, and some damage was done to the crops and stored grain.

The weather was generally favourable in September and jowar and bajra crops recovered, in the C. P., the U. P. and Bombay. In North-West India the rains were generally well distributed and did not have any adverse effect on crops.

On the whole, the monsoon was favourable for the rice crop, except in Assam, parts of Bengal and the U. P. The millets crop was damaged in the C. P., Bombay, the Western India States and the Central India States by excessive rain in July. Travancore, Cochin, and parts of Madras suffered from scanty rainfall and the rice crops there have been below average.

Rabi.—Rabi crops all over the country are reported to be doing well. Widespread rainfall during January has proved beneficial to the standing crops. If nothing untoward happens during the next two months, a good Rabi harvest will be reaped all over the country.

B. Progress of the basic plan

Two Basic Plans are now in operation for the controlled distribution of the major food grains from surplus areas to deficit areas. One deals with the Kharif grains—rice, millets and maize—and the other with the Rabi grains—wheat and barley. The Kharif Plan is operative from November 1944 to October 1945; while the Rabi plan is operative from May 1344 to April 1945. The two Plans taken together attempt the distribution of about 2·2 million tons of foodgrains, including about 0·4 million tons arrears from the preceding year's Plans from surplus to deficit areas, and to the Defence Services. Against the above combined total movement target of 3·2 million tons, about 1·4 million tons have been despatched upto 4th January 1945. The total quantity of foodgrains despatched to each of the principal deficit areas up to 4th January 1945 is given below:—

Area			****									Tons
Bengal .												173,700
Bombay	:	:	•	•							•	311,200
Madras					•	•	•	•	•	٠.	•	132,100
Travancore			. `		•		٠	- •	•		•	78,600
W. I. States	and E	Baroc	la.	•	•		٠,	•	•	•	•	14,100
							•	-				σ

The table below gives the total export quotas and the total despatches from surplus areas (including overseas imports) to the deficit areas:—

						•			(In 000 tons)	
•		Food	igrain	8				Total Quotas	Despatches up to 4th January 1945 (for kharif grains from 1st November 1944 and Rabi grains from 1st May 1944)	Percentage of despatches to Quotas Per cent
Rice			•	٠.	•	•	•	944	181	19
Millets					•			333	40	12
Maize								.84	3	4
Wheat								1,757	1,162	66
Barley						•		99	28	28
	,				T	otal		3,217	1,414	44

The wheat quota given above includes 750,000 tons of wheat from Overseas Imports (for April—December 1944).

On the basis of the present estimates the quotas for both the Kharif and Rabi grains are likely to be completed within the respective crop years.

- 2. Rabi Plan, 1944-45.—(a) Wheat.—The Plan started with the distribution of a declared surplus of 1,018,000 tons wheat of which 2,50,000 tons was to arrive from Overseas. As the Plan progressed additional wheat surpluses aggregating 94,483 tons were offered by surplus areas, while the quantity of wheat from Overseas promised by His Majesty's Government was raised to 750,000 tons of which receipts upto 20th January 1945 total 544,230 tons.
- (b) Gram.—Under the Rabi Plan 1944-45, a surplus of 281,500 tons gram was originally offered by surplus areas for distribution. Subsequent to the compilation of the Plan, additional surpluses declared by supplying areas together with quantities surrendered by deficit. areas led to an accumulation of unallotted stocks aggregating 110,000 tons in producing areas. As gram cannot be used to any large extent to offset cereal deficit, the demand from the deficit areas was limited. The matter was placed before the Standing Food Advisory Committee of the Central Legislature at its meeting on the 9th September 1944. On their recommendation and with the approval of the provinces and states, it was decided to take gram movements off the Basic Plan. With effect from 1st November 1944 gram has been allowed to move through private trade on permits issued by the supplying administrations under high transport priority.
- (c) Barley.—Since the issue of the Rabi Plan 1944-45 in May last, an additional surplus of 49,000 tons barley has been offered to the Food Department for controlled distribution to deficit areas raising the total surplus to 99,000 tons.
- 3. Kharif Plan 1944-45.—The total rice and millets surpluses offered to the Food Department by the Provinces and States for 1944-45, at the commencement of the Kharif Plan amounted to 684,000 tons and 260,000 tons respectively, while the declared deficits of rice and millets amounted to 3,109,000 tons and 1,050,000 tons respectively. Owing to the delay in the break of the monsoon and the kharif sowings this year, the estimates of crop surpluses and deficit were based on very inadequate and approximate data. The estimates also did not include Rabi jowar production which is considerable in Bombay, Madras, Hyderabad and the Bombay States. The surpluses and deficits were as the whole estimated on a conservative basis. This has been borne out by the fact that since the issue of the Plan in November last the following further surpluses have been offered by the main surplus areas:—

 (In tons)

Grain					in in the state of	Original surplus	Additional surplus	Surplus as revised upto date (25th
						6.1		January 1945)
Rice		•	•	•	•	684,000	60,000	744,000
Millets		•	•	•	•	215,000	90,000	305,0 00

Even with additional rice and millets surpluses, the overall rice and millets position this year as compared with the preceding year is not satisfactory. In order to partially offset the rice and millets deficits, compensatory additional wheat allotments from Overseas Imports have been made to the deficit areas.

Thanks to the bumper rice harvest of 1943-44 and the measures for procurement and distribution undertaken by the Provincial and the Central Governments, the emergency conditions which called for a special measure of assistance for Bengal during 1944, have been brought under control.

4. Basic Plan for Pulses.—Pulses have also been brought under controlled distribution, and a Basic Plan for pulses was formulated for the first time in May 1944. At the time of the formulation of the Plan, the supplying areas had offered about 292,000 tons of pulses as against a declared deficit of about 470,000 tons. Since the issue of the Plan about 40,000 tons additional pulses have been offered by the surplus areas. The Kharif Pulses Plan for 1944-45 is now under formulation.

C. Price Control

After careful consideration of the recommendations of the Price Advisory Committee which met on the 17th August and again on the 9th October 1944 to consider kharif prices the Government of India came to the following decisions:—

- (i) that the existing statutory maxima for rice, bajra and jowar in different Provinces (except the Eastern Region, viz., Assam, Bengal, Bihar, Orissa and the Eastern States) should continue unchanged for the next kharif year;
 - (ii) that no all-India maximum for maize should be announced;
- (iii) that the fixation of maximum prices for the rabi crops be postponed to the harvest time when fuller data about the size of the crop would be available;
- (iv) in view of the numerous varieties and differences in quality in different producing areas, it was considered impracticable to fix the prices of pulses on an all-India basis. Provinces and States have therefore, been approached through the Regional Food Commissioners to see that prices are maintained at reasonable levels having regard to the prevailing prices of cereals in the areas concerned.

The next meeting of the Price Advisory Committee will be held on the 23rd and 24th March 1945, to consider thet evels at which prices of rabi grains should be fixed.

- 2. Prices in the Eastern Region were considered at a Conference convened by the Regional Food Commissioner, Eastern Region at Calcutta on the 9th November 1944 attended by representatives of the various units of the Region. The following conclusions were arrived at:—
- (i) That the statutory maximum price of rice in Bihar, Orissa and Eastern States be reduced as under:

											Fro	m		То	
Bihar										\mathbf{R}_{8}	. А.	Р.	Rs.	Α.	P.
Rice (medium) Rice (coarse)				:		:		•		12 11	0	0	11 10	0	0
Orisea Rice (common)			•	•						9	0	0	7	12	0
Rice (fine) .	•	•	• `	•			•	•	•	10	to 0	0	9.	12	0
Eastern States-											v	ر	'		
Rice (hand pounded co	arse)				-			•		10	8	Ó	10	0	0
Rice (milled coarse)	. •									11	8	Ð	11	$\boldsymbol{\theta}$	0
Rice (milled medium)								•		12	0	0	11	8	0

(ii) That statutory maximum prices in Bengal should continue unchanged till fuller information about the new crop was available.

. The Government of India approved the recommendations of the Conference.

In Bihar the statutory maximum price of rice was further reduced with effect from the 15th January 1945 as below:—

•								-		Rs.	Α.	Ρ.
Rice (medium)								•		10		
Rice (coarse) .	•	•	•	•			•			9 -	0	0

- (iii) Small reduction in rice and paddy prices proposed by the Assam Government were also approved.
- 3. From the trend in prices at the close of 1944, it was felt that it might, before long, be necessary for the Government of India to implement their undertaking to buy all wheat, jowar and bajra offered in the assembling markets in the main producing areas at Rs. 7-8, Rs. 6-0 and Rs. 5-8 per maund respectively. Instructions were, therefore, issued to the Provincial Governments concerned regarding the procedure to be followed in implementing this guarantee. Similar instructions were issued to the States also to implement the undertaking to buy jowar and bajra at Rs. 5-0 and Rs. 5-8 per maund respectively.
- 4. In the course of the Food Debate in the Assembly at its last session, the question of subsidy was raised by several members and the representatives of the Food Department stated in reply that this question was under the active examination of the Department and that it may have to be referred to an Inter-Departmental Committee for report. The Food Department, has therefore, decided to set up an Inter-Departmental Committee as below:—

Chairman.—Sir Theodore Gregory, Economic Adviser to the Government of India.

Members.—(1) Sir Pheroze Kharegat, E., H. & L. Department; (2) Mr. Narahari Rao, Finance Department; (3) Mr. D. S. Joshi, Labour Department; (4) Dr. V. K. R. V. Rao, Food Department.

The terms of reference are as below :--

"To examine in all its bearings, financial, administrative and social, the principle of subsidy in the matter of both distribution and production of foodgrains and other foodstuffs, whether with a view to bringing down the cost of living or raising the standard of living or aiding in the solution of the price problem in agriculture, and to make recommendations".

D. Rationina

- (A) Progress of Rationing.—1. There are now 516 towns and municipal areas wholly or partly rationed or to be shortly rationed for food in India, representing a total population of approximately 50 million people. Thus rationing has been extended to nearly 56 towns since the last report was presented in November 1944.
 - 2. Some of the important developments during this period are :--
- (i) Madras has introduced district-wide rationing in Malabar in all the Taluks except Wynad for the rationing of which steps have already been taken.
- (ii) Rationing was introduced in Peshawar on 22nd October 1944 and is reported to be working smoothly. Some local papers have suggested its extension to other towns.
 - (iii) In the Punjab it has been decided to introduce rationing in Simla.
- (B) Nutrition and use of substitute grains for rice.—Governments in the southern parts of the country are doing their best to popularise the so-called 'coarse grains' in the peoples' diet, in order to make it more balanced and not one which almost entirely consists of carbohydrates in rice.

The Cochin State have started a scheme under which free meals consisting chiefly of bajra preparations are served to school children suffering from malnutrition. The Cochin State have also organised the development of subsidised civic restaurants where meals made out of unfamiliar grains like wheat and millets are served at cheap rates. The Travancore State is subsidising the sale of wheat to the extent of Rs. 16 lacs per annum. The Madras Government have declared wheat as a rationed article in almost all the rationed areas and have arranged free cooking demonstrations at different child welfare centres in Madras City. In C. & M. Station, Bangalore, the prices of foodgrains are subsidised to bring them in level with the prices in Bangalore City. In Bombay the prices of Sort II rice and millets are subsidised.

In order to secure expert advice on nutrition, some of the Provincial and State Governments have enlisted Nutrition specialists while others are making use of experts already available in those areas.

In view of the growing importance of Nutrition it has been decided to present in simple language the application of scientific research in all matters connected with protective foods by bringing out a monthly bulletin entitled 'Nutrition'. The first issue is already out and has been widely distributed. A 'Note on Food and Nutrition Policy in India' by Dr. Aykroyd has been published and circulated. The brochure entitled 'Feeding the Worker—Cartteens in Industry' contains a lot of information on nutrition, diet sheets, menus of Indian dishes, etc.

E. Storage

There is and always has been in India, considerable waste of food owing to inefficient storage. It is now more than ever necessary to prevent this waste; and because governments have had to intervene and take over from the trade the responsibility for the procurement and distribution of food on a vast scale, their attention has been directed, on the initiative of the Central Government, to improving methods of storage and inspection. In the Food Department the nucleus of Storage Directorate has been set up, whose officers have toured in most parts of India, and have been able to give technical advice on various aspects of the problem. The Directorate is being expanded: a programme has been drawn up for the construction of new storage godowns or the improvement of existing godowns, both to contain grain imported from overseas and grain procured in surplus areas and waiting transport to deficit areas. In the latter case the Government of India propose to share the cost of new construction with local governments.

F. Sugar and Salt

Sugar.—The total production of sugar in the last season ending on the 30th November, 1944, amounted to 12,24,108 tons, out of which 93.5 per cent has moved upto the 15th January, 1945, and the balance is with the factories which is also being moved during the current year. The production during the first six weeks of current season up to 15th January 1945 amounted to 2,75,641 tons out of which 43,380 tons i.e., 15.7 per cent has moved.

The final position regarding production will not be known until the end of March. In the meantime, a provisional allotment of sugar (including Khandsari) amounting to 9,58,100 tons to various Provinces and States for the year 1944-45 has been made on the basis of a production of one million tons.

Out of the proceeds of the Temporary Excise Duty on sugar levied under the Ordinances issued in 1943 and 1944—about Rs. 60 lakhs realised in 1943-44, and 1 crore and 35 lakhs estimated for the year 1944-45—a suffi of Rs. 50 lakhs has been kept in reserve to compensate the sugar factories in case sugar prices are lowered. The balance of the fund has been placed at the disposal of the Indian Central Sugarcane Committee who are being asked to draw up a five-year plan of development of Sugar Industry and submit it to the Government of India for approval before putting it into operation.

With a view to secure maximum sugar production during the current season and to encourage maintenance of adequate area under cane cultivation for the next season, the Central Government have agreed with the proposal of the United Provinces and Bihar Governments to drop the compulsory deduction for deferred payment from cane price and to pay full cane price and cash to the producers.

Gur.—It has been decided to allow exports through Indian traders of 5,000 and 3,500 tons of gur to Iran and Ceylon respectively during the year 1944-45.

G. Procurement

The Report of the Special Officer deputed to survey the various Government monopoly schemes already operating was considered at the Fifth All-India Food Conference held on the 29th January to 2nd February. The resolution passed by the Conference on the subject is attached.

H. Exports and Imports

The Government of India, after consultation with His Majesty's Government and with the approval of the Standing Advisory Committee of the Central Legislature decided to permit the export of 500 tons of foodgrains to the Hedjaz as a free gift from Indian Muslims for relief of distress.

Out of 11,00,000 tons of foodgrains promised by His Majesty's Government for the period October 1943 to December 1944, 904,724 tons have already been received and the balance is on the way. Allocations for the first quarter of 1945 and the Rabi year 1945-46 are under consideration.

I. Foodgrains Control Order

In view of the decisions already reported to the legislature that the Provincial Governments should frame their own Foodgrains Control Orders in the light of their own requirements and to suit local conditions but based on the existing Order, the Foodgrains Control Order, 1942 has with the concurrence of the Government of India, ceased to be in force in N. W. F. P., Baluchistan the Punjab, Assam, Madras and Coorg, where local orders have come into force simultaneously.

J. Dehydrated potatoes and onions

19 factories have been selected from the existing factories in India to be remodelled for the production of dehydrated potatoes and onions for supply to the Defence Services during 1945. Two of the factories selected are Government factories operated by the U. P. Government. The remaining 17 factories are operated by contractors, with whom contracts have been negotiated in quantities appropriate to keep them working for seven months in the year, on the produce of Government growing schemes and surplus areas. Care was taken that these factories do not draw on supplies, essential for civilian consumption.

The remodelling has already been completed in three of the nineteen factories and the majority of them will come into production during this month.

K. Dehydrated meat

At present the following six meat dehydration factories with a total capacity of 5 tons per day are working:—

1. Nowshera									l ton per day.
2. Poons									I ton per day.
3. Patna									l ton per day.
4. Madras				-	·	·			I ton per day.
5. Agra				·					ton per day.
6. Delhi			-	-	•	-			ton per day.
	•	 •	•	•	•	•	 •	٠.	a com bon may.

About four tons of dehydrated meat is being produced daily at these factories. Another factory at Anantapur is under construction.

Construction of two factories (one at Ranipet and the other at Amritar) with one ton per day capacity, each for the manufacture of pre-cooked dehydrated minned mutton and meat, respectively has been taken in hand. Plant and machinery for these factories ordered from the United Kingdom is expected to arrive in this country shortly.

L. Fruit Canning Factory, Nasarpur

The canning plant has been in production during this fruit season: In spite of the fact, that the factory was newly opened and the adverse weather condition reduced the quantity and quality of fruit, the factory was able to produce about 40 tons of canned pears and 46 tons of plums.

We are now arranging to produce 1350 tons of canned fruit and 600 tons of canned tomatoes from this plant during 1945.

Experiments are also being made, to establish whether canned potatoes can also be produced and if the results are satisfactory, further progress in this line will be made.

M. Deputation of Dr. B. C. Guha and Mr. M. L. Khanna

The question of current improvement and future development in industries processing food-stuffs has received constant attention.

Dr. B. C. Guha, D. Sc., Ph. D., Chief Technical Advisor and Mr. M. L. Khanna, B.Sc. (Engr.), Technical Adviser have been sent on deputation to the United Kingdom for a period of three months to investigate modern methods of food technology with special reference to dehydration of foodstuffs required for the Defence Services, including modern methods of packing.

Dr. Guha at the conclusion of his deputation in the United Kingdom will proceed to the United States of America along with Mr. Khanna to study fruit dehydration and quick freeze process, as it is considered that their experience in this line would be of considerable value to India on their return.

N. Establishment of Headquarters Laboratory of the Department of Food

It has been recognised for sometime past that it is essential to have a headquarters Laboratory of the Department of food, where particular semples could be kept and reconstruction and storage tests could be performed under the direct supervision of the Technical staff. A Laboratory has consequently been set up and is working under the direct supervision of the Chief Technical Adviser who is assisted in his work by a Technical Adviser (Research) and two chemists.

O. Establishment of a Technical Panel in the Department of Food

It has been felt that in the various industries engaged on the production of processed food-stuffs for the Defence Services, a stage has now been reached when technical advice on the highest level should be readily and constantly available for current improvement and future development of the undertakings. This advice should comprehend not merely scientific but also nutritional, hygienic and agricultural aspects. It is accordingly considered necessary to establish a group of scientists as a technical panel to whom problems of improvement and development can be referred by the Chief Technical Advisor as and when he thinks collaborated opinion necessary. Action regarding the establishment of the Technical panel with Sir S. S. Bhatnagar as Chairman, eleven scientists as members and the Chief Technical Advisor as Scoretary, is in train.

Throughout, the aim has been to improve the quality of processed foodstuffs, so that they satisfy more completely the requirements of Defence at present and the possible requirements of the civilian market when the Defence demand should be reduced in the future.

The possibility of establishing a factory manufacturing 3,000 tons of food yeast is being examined. An Engineer with technical qualifications has been placed on special duty to report within three months on the prospects of the proposed factory.

P. Vanaspati Industry,

An Inter-departmental Conference was held in September to discuss the future of the Industry and the possibilities of expansion. It was provisionally agreed that in order to meet the increasing demand the Industry should be rendered all the necessary assistance to increase its capacity by about 100,000 tons. 85 applications for assistance to import the required machinery from the existing as well as new parties have been received.

It has been decided to control the Vanaspati Industry on the same lines as Sugar, and an Advisory Committee consisting of the representatives of the industry has been elected. The Government of India have also decided to assist in the expansion and maintenance of the Oil Crushing Industry and to assist in the import of oil Expellers.

Q. Command Co-ordination Committees for Foodstuffs

As the result of representations from certain Provincial Governments, the Government of India in the War Department requested all Provincial Governments and Administrations on 15th February 1944 to set up Purchase Co-ordination Committees for each Army Command for purposes of eliminating uncontrolled and unco-ordinated purchases of such items as fresh meat, fish, vegetables, fowls, eggs, etc, for civilian as well as military consumption.

These Co-ordination Committees were required to consider the quality, quantity, price and sources of supplies with the main objects of

- (a) checking price inflation and competitive buying.
- (b) determining the sources of supply which should be tapped,
- (c) regulating consumption of supplies in such a manner as
- (i) so protect animal breeding stocks, cows in milk and working bullooks used for agricultural and transport purposes, and
 - (ii) to avoid depletion of seed requirements, and
- (d) taking suitable action to make good the deficit in supply.

 Co-ordination Committees have been set up in all Commands with ancillary Sub-Committees in certain areas.

A Central Committee has also been constituted at New Delhi to co-ordinate the activities of the several Committees in the Commands of which the Secretary of the War Department is the Chairman.

The following indicates briefly the work and achievements of these bodies to date with particular reference to the four objects mentioned above.

On the military side, Deputy Assistant Directors of Local Purchase in all Commands are now required to work in close contact with the civil authorities in regard to securing accurate information about the economic availabilities in their Districts. Each D. A. D. L. P. is also the sole authority for placing contracts for the military. The Food Department's contracts for goats, sheep and vegetables for dehydration factories will be concluded in consultation with the Chairman of the Co-ordination Committee acting on information from D. A. Ds. L. P.

The Committees have been emphasizing the need for surveys of resources. The U. P. and Madras Governments have taken measures to achieve this and it is expected that good progress in this direction has already been made in other Provinces as well; but the collection of complete statistics is expected to take time. In the meanwhile in the Central Command

particularly the D. A. Ds. L. P. are collecting data to allow of the allocation and distribution of resources equitably.

The formation of these Committees has given an impetus to the execution of production plans undertaken by the Military as well as the Provincial Governments. The Central Command Plan includes the setting up of 15 mass production poultry farms estimated to produce 3½ lakhs of table birds a year. Two egg production farms have been planned which will produce one lakh eggs a year; in addition, there are about 50 military units likely to produce another five lakhs eggs a year. It is proposed to set up 17 pork production farms estimated so produce eight lakh lbs. of pork a year. Fresh vegetables weighing 16,000 maunds were handed over by military units to the R. I. A. S. C. during the 3 months March to May 1944. A vegetable farm of 500 acres is being established near Delhi. Similar production schemes have been put into operation in other units.

The deliberations of these Committees have also led to the Army doing its best to supplement local supplies by imports, e.g., frozen meat, tinned fish and dehydrated meat and vegetables. These measures are calculated to release more meat and vegetables for civilian consumption.

R. Fifth All-India Food Conference.

The fifth All-India Food Conference was held in New Delhi on the 29th January to 2nd February. It was attended by official representatives of the Provincial and State Governments. Problems relating to monopoly procurement, rationing, nutrition, production and distribution of fresh foods, movement and the Grow More Food Campaign were discussed. Copies of the resolutions passed by the Conference on these subjects are attached.

DEPARTMENT OF FOOD

RESOLUTIONS PASSED AT THE FIFTH ALL-INDIA FOOD CONFERENCE ON SUBJECTS RELATING TO FOOD DEPARTMENT

I. Procurement

It is recommended that:

The results so far obtained in the working of monopoly procurement systems justify their further study and their development so far as the circumstances of each Province and State permit.

Where monopoly procurement is in operation in respect of any particular grain, Government should, in the interest of producers, accept all such grain as is offered, subject to considerations of quality. Acceptance should be at notified centres, at the appropriate stages of the marketing process, and at prices fixed in accordance with the all-India policy after consultation, wherever necessary, with the Central Government.

The development of monopoly procerement should be in the direction of the acquisition by Government of grain offered for sale voluntarily. Nevertheless, in those areas where it is deemed advisable, monopoly procurement may be extended by:—

- (1) a compulsory levy and the acquisition, in addition of any balance that any producer may desire to sell, or
- (2) assessment of the surpluses of individual producers and the compulsory acquisition of such surpluses.

The Conference in making this recommendation recognises that the financial consequences of implementing the policy may necessitate assistance to the Provinces by the Central Government.

II. Rationing

It is resolved that:

The present burden of an over-all deficiency of foodgrains should be shared evenly by all parts of the country. With that object in view all Governments accept the following principles:—-

- (i) Full urban rationing should be introduced and extended in accordance with Recommendation 46 of the Foodgrains Policy Committee.
- (ii) Until all deficit areas can be ensured sufficient supplies to enable them to sustain a basic ration of 1 lb. of cereals per adult per day, the size of the basic ration in any area should not exceed that quantity.
- (iii) Extra provision should be made for heavy manual workers by means of a supplementary ration and in the form of cooked foods through industrial canteens.
- (iv) In all rationing schemes the definition of a child should be from the date of birth to the age of 8.

 III. Nutrition.

It is resolved that:

(1) It is essential to improve the diet of the people, and to this end all Governments will undertake an examination of diets in their area, to determine in what respects they are defective and how the defects can best be made good. They will examine especially measures required to provide sufficient milk and other protective foods to the vulnerable section of the community.

- (2) The introduction and popularisation of foodstuffs which should be added to the diet, or must be substituted for these in short supply, require persistent publicity, and active encouragement, including arrangements for practical demonstrations of the preparation of un accustomed foods.
- (3) Use should be made of expert nutritional advice in guiding the policy of Central and Provincial food administrations.
- (4) Large employers of Labour should be given every encouragements by governments to provide canteens for the supply of wholesome cooked food to their labour.

IV. Fresh foods and other necessary commodities.

It is resolved that:

- 1. All Governments should furnish by the 1st of May, 1945, to the Government of Indias and to the appropriate command Co-ordination Committees, in respect of eggs, poultry, fishmilch cattle, milk and milk products, goats, sheep, livestock, potatoes, seed potatoes, fresh vegetables, fresh fruit, cooking oil and oil seeds, oil cake, fuel (wood and charcoal), the best possible estimate of:—
 - (i) Local production.
 - (ii) Target for increased local production attainable in 12 months.
 - (iii) Local requirements-
 - (a) Civil.
 - (b) Military (including dehydrating factories).
 - (iv) Import requirements.
 - (v) Normal sources of supply.
 - (vi) Export surpluses.
 - (vii) Normal export markets.
 - (viii) Prices at main consuming and producing centres.
- 2. All Governments should also specify requirements, the present lack of which affects (s) production, (b) distribution of commodities offered to in (i), including minimum desirable provision of such requirements, (a) in the next 12 months, (b) in the next 3 years.
- 3. All Governments will examine the possibility of forming organised bodies of (a) producers, (b) traders, in respect of the commodities in (1), with a view to employing them as agents for planned and controlled procurement and distribution.
- 4. The Government of India, on receipt of the information to be supplied under (1) above will examine how best they can afford all possible assistance to governments to increase production, ensure supplies and control distribution of any of these commodities.

V. Movement.

It is resolved that:

- (1) The movement of foodgrains ought to proceed smoothly so far as possible throughout the year. To this end the Central Government undertake, in respect of grains subject to the Basic Plan, to plan a constant movement throughout the year, so that the transport authorities may programme a regular supply of wagons. Provincial and State Governments for their part undertake, to the best of their ability in the case of surplus areas, to see that procurement keeps pace with the transport available and to provide storage for the balance; and, in the case of receiving areas, to send despatch instructions and make arrangements for inspection, so that the programme can be punctually observed.
 - (2) In the case of other foodgrains the Central Government should undertake:—
- (a) To prepare a similar movement programme, with the same priorities as for foodgrains in (1) above, to supply deficiencies declared by Governments out of surpluses declared by Governments.
- (b) To co-ordinate the disposal of all other surpluses by means of authorised and assisted trade movements.

RESOLUTIONS PASSED AT THE 5TH ALL-INDIA FOOD CONFERENCE ON SUBJECTS RELATING TO EDUCATION, HEALTH AND LANDS DEPARTMENT.

Resolution No. I.

It is resolved that:

The campaign for growing more food should be continued with undiminished vigour in all areas, both surplus and deficit.

Resolution No. II.

Steps should be taken to ensure a market (or have an assured market) for food grains at fair prices wherever this is necessary to safeguard the interests of cultivator and ensure the success of the grow more food campaign. This may be done by the establishment of an adequate number of purchasing centres for the buying of the foodgrains offered at such centres at the prices fixed or otherwise.

Resolution No. III.

It is resolved that:

Special attention should be paid to increasing the production of protective foods such as vegetables and fruits, milk, eggs and fish and for this purpose Provinces and States should consider the desirability of-

- (1) encouraging the growing of vegetables in school gardens and villages for local consumption:
- (2) appointing a Milk Development Officer in order to increase milk production in each province and major State and taking steps to produce and provide adequate fodder and concentrates :
- (3) setting up (a) large dairy farms or encouraging their establishment by private individuals or organisations in suitable areas by the grant of land and subsidies, (b) making proper arrangements for the salvage of dry city cows, and (c) regulating the inter-provincial movements of eattle from one area to another by suitable quotas to be arrived at regionally or centrally in consultation with the provinces and States concerned;
- (4) setting up poultry farms at suitable centres for the supply of cockerels to villages and providing them with incubators, and wire fencing and other facilities;
- (5) encouraging (a) fish culture, (b) stocking of tanks with fingerlings, (c) supplying the requirements of fisher men in respect of fishing tackle and (d) providing trawlers, launches, ice and cold storage facilities for developing deep sea fishing.

Resolution No. IV.

It is resolved that:

- (a) the production of groundnuts in lieu of non-food crops should be encouraged in areas where suitable:
- (b) inter-provincial movements of vegetable oils should be regulated by suitable quotas to be arrived at regionally or centrally in consultation with the provinces and states concerned;
- (c) exports from India should as far as possible be in the form of oil rather than that of oil seeds, and for this purpose additional crushing plant should be set up for crushing the whole of the oil seeds produced.

Resolution No. V.

It is resolved that:

Each province and major State should consider the desirability of appointing a Fertiliser. Controller to conserve and promote its manurial resources by encouraging composting, extending. the practice of green manuring, utilisation of bones and arranging for the equitable distribution at controlled prices of fertilisers, of the town waste and oil cakes produced in the area concerned bearing in mind the needs of cattle for concentrates.

Inter-provincial movements should be regulated by suitable quotas to be arrived at regionally or centrally in consultation with the provinces and States concerned.

Resolution No. VI.

It is resolved that:

- (a) Facilities should be provided by the Central Government, where necessary, for the. supply of-
 - (i) building materials for seed and manure depots,
 - (ii) iron and steel for agricultural implements.
- (iii) tractors, and connected machinery, (iv) pumps and other machinery required for minor and emergency irrigation drainage and. bunding works,
- (v) diesel oil, petrol, etc., needed for working such machinery and other requirements of rice mills
 - (vi) cold stores,
 - (vii) the transport needed for seed, manures, etc.
- (b) Inter-provincial movements of seed potatoes, should be regulated by suitable quotas to be arrived at regionally or centrally in consultation with the provinces and States concerned.

Resolution No. VII.

It is resolved that:

(a) Provincial and State Governments should supply the Government of India so far as-ispossible with their programmes for increasing the production of foods during the next two years, stating the figures of increased production that they expect will result.

The Government of India will assess the nutritional needs of the country and consult with provinces how any gap between the needs and the programmed production can be reduced.

(b) The programme of facilities to be provided in the shape of seeds, manures, depots for seeds, manures and implements, irrigation works, drainage works, bunds, etc., to complete the programme should be worked out by the Governments concerned and schemes prepared to try and provide the same in so far as local resources as supplemented by the Centre permit.

MESSAGES FROM HIS EXCELLENCY THE GOVERNOR GENERAL

THE HONOURABLE THE PRESIDENT: Honourable Members, I have to deliver to you four messages from His Excellency the Governor General:—

RAILWAY BUDGET.

"For the purposes of sub-section (1) of section 67A of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935, and in pursuance of rule 43 of the Indian Legislative Rules and of Standing Order 70 of the Council of State Standing Orders, I, Archibald Percival, Viscount Wavell, hereby appoint Thursday, the 15th February, 1945, for the presentation to the Council of State, and Tuesday, the 20th February, 1945, for the General Discussion in the Council of State, of the statement of the estimated annual expenditure and revenue of the Governor General in Council in respect of Railways.

NEW DELHI:

WAVELL, F. M.,

The 24th January, 1945.

Viceroy and Governor General."

GENERAL BUDGET.

"For the purposes of sub-section (1) of section 67A of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935, and in pursuance of rule 43 of the Indian Legislative Rules and of Standing Order 70 of the Council of State Standing Orders, I, Archibald Percival, Viscount Wavell, hereby appoint Wednesday, the 28th February, 1945, at 5-30 p.m., for the presentation to the Council of State, and Wednesday, the 7th March, 1945, for the General Discussion in the Council of State, of the statement of the estimated annual expenditure and revenue of the Governor General in Council in respect of subjects other than Railways.

NEW DELHI;

WAVELL, F. M.

The 24th January, 1945.

Viceroy and Governor General."

"In pursuance of the provisions of sub-section (3) of section 67A as set out in the Ninth Schedule to the Government of India Act, 1935, I hereby direct that the heads of expenditure specified in that sub-section, other than those specified in clause (v) thereof, shall be open to discussion by the Council of State when the Budget for the year 1945-46 is under consideration.

WAVELL.

F. M.,

Viceroy and Governor General."

PANEL OF CHAIRMEN.

"In pursuance of the provisions of sub-section (2) of section 63A of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935, I, Archibald Percival, Viscount Wavell, hereby nominate the following Members of the Council of State to be on the Panel of Chairmen of the said Council of State.

In the first place, the Honourable Sir David Devadoss; in the second place, the Honourable Mr. Manockji Nadirshaw Dalal; in the third place, the Honourable Mr. V. V. Kalikar; and lastly the Honourable Saiyad Mohamed Padshah Sahib Bahadur.

NEW DELHI;

WAVELL, F. M.

The 8th February, 1945.

Viceroy and Governor General."

COMMITTEE ON PETITIONS

THE HONOURABLE THE PRESIDENT: Under Standing Order 76 of the Council of State Standing Orders, I am required at the commencement of each session to constitute a Committee on Petitions consisting of the Chairman and four members. The following members at my request kindly consented to preside over and serve on the Committee. I accordingly have much pleasure in nominating as Chairman of the Committee the Honourable Raja Charanjit Singh and as members, the Honourable Pandit Hirday Nath Kunzru, the Honourable Sir Ramunni Menon, the Honourable Haji Syed Muhammad Husain, and the Honourable Mr. Chidambaram Chettiyar.

CONGRATULATIONS TO RECIPIENTS OF HONOURS

THE HONOURABLE THE PRESIDENT: Honourable Members, it is customary for the President of the Council to express our gratification to the recipients of Honours, who have received decorations since we last met. We are all particularly gratified in the first instance that the very high Honour of G.C.B. has been conferred on one of our members, His Excellency the Commander-in-Chief in India. (Applause.) His Excellency fully deserves this high Honour-which has been conferred on him by His Majesty the King. I am not competent to state anything about his great military achievements over a long period of years but I can say this much that throughout his military career in this country and elsewhere he has earned high distinctions in many fields of activity. So far as this Council is concerned, he is not only a very highly respected member of this House but he is admired by all of us and I am sure all the members present here will bear me out when I refer to the greatness of his character, the fine manner in which he has addressed this House on several important and urgent military matters and the part which he has so actively taken in the deliberations of this House regarding military questions. He is not only a great soldier, but as you all know, he is a statesman and that is fully proved by his continuous and constant presence in this House and the interest which he has always taken in many important military questions. He is liked and admired also by the Indian soldiers a great deal. They love and respect him. His career is so well-known throughout India that very few more observations are necessary from me. I only hope that he will be spared long to enjoy this high Honour and that he will receive many more Honours in the future. I shall, therefore, express the gratification of this Council to His Excellency for this great distinction which has been conferred on him and I hope he will continue to take the same interest which he has hitherto taken in the past in the affairs of this Council. (Applause.)

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: I thank you very much Sir.

THE HONOURABLE Mr. THIRUMALA ROW (Madras: Non-Muhammadan): As a member of this House I do not think it is within the Act or the rules of procedure that this House should take upon itself to congratulate the recipients of Honours. I do not mean any personal disrespect or anything like that but this is not germane to the rules of the House——

THE HONOURABLE THE PRESIDENT: Will you please sit down? You are perhaps not aware of the constant practice which has been followed in this House for the last 40 years and as a new member you ought to have inquired about it before you rose to speak on this occasion——

THE HONOURABLE MR. THIRUMALA ROW: Apart from practice, Sir, we are committing the House to an act which does not come under its legitimate duty.

THE HONOURABLE THE PRESIDENT: I have not finished my address to the House yet and when the President is standing I may inform you that every Honourable Member is bound to sit down and hold his seat.

The next recipient of an Honour this year—the great Honour of K.C.I.E.—is our old friend, Sir Leonard Wilson, lately Chief Commissioner of Railways, who left us only a few months ago. Sir Leonard Wilson was a member of this House off and on, on three distinct occasions, and he did great service in railway matters to this country. In the speeches which he delivered in this House he threw considerable light on important railway questions and gave us considerable information. He is probably away from India but I shall communicate to him the gratification of this House on the Honour that has been conferred on him and I feel that all Honourable Members will agree with me that I should send him a message to that effect. (Applause.)

The title of C.I.E. has been conferred on Mr. D. D. Warren who was for a short time with us last session. He richly deserves the Honour. As a member of this House he spoke on some occasions during the last session and I was very well impressed with his ability.

GOVERNOR GENERAL'S ASSENT TO BILLS

SECRETARY OF THE COUNCIL: Sir, information has been received that His Excellency the Governor General has been pleased to grant his assent to the following Bills which were passed by the two Chambers of the Indian Legislature during the Autumn Session, 1944, namely:—

(1) The Indian Patents and Designs (Temporary Amendment) Act, 1944.

(2) The Coffee Market Expansion (Second Amendment) Act, 1944.

(3) The Delhi Joint Water and Sewage Board (Amendment) Act, 1944.

(4) The Public Debt (Central Government) Act, 1944.

BILL PASSED BY THE LEGISLATIVE ASSEMBLY LAID ON THE TABLE

SECRETARY OF THE COUNCIL: Sir, in pursuance of rule 25 of the Indian Legislative Rules I lay on the table a copy of the Bill further to amend the Indian Tea Control Act, 1938, which was passed by the Legislative Assembly at its meeting held on the 12th February, 1945.

PRESENTATION OF THE RAILWAY BUDGET, 1945-46

THE HONOURABLE SIE ARTHUR GRIFFIN (Chief Commissioner of Railways): Sir, I have the honour to present the statement of estimated revenue and expenditure in respect of Indian Railways for the coming year.

Accounts for 1943-44

2. When Sir Leonard Wilson presented the Railway Budget in this House this time last year, he estimated that 1943-44 would close with a surplus of 43·77 crores. Actually the traffic receipts were 6·93 crores above the estimate, while working expenses were only 11 lakhs more. Payments to worked lines were 16 lakhs more, and net miscellaneous receipts 8 lakhs more. There was a saving of 32 lakhs in interest charges, and the year closed with a surplus of 50·84 crores, out of which 37·64 crores were paid to general revenues and 13·2 crores transferred to railway reserve.

Revised Estimates for 1944-45

3. At that time the estimate of receipts for the current year was placed at 182: crores. Both our goods and coaching earnings have exceeded our estimate, the excess being particularly large, both relatively and absolutely, under "other coaching traffic", due to the growth in our parcels traffic, mainly as a result of restrictions in goods traffic, and to increase in the number of military specials. Passenger travel has continued to increase over this year and the problem created has been a perpetual source of anxiety to the Railway Administrations, which, with the limited resources at their disposal, can do little to reduce the inevitable overcrowding. An interesting point in connection with the great increase in passenger travel is that it is clear from statistics that there has been a shift from the Inter class to the Second class and from Second to First Class which appears to be an unmistakable sign of increased spending power in the country. Our present estimate of gross traffic receipts is 214 30 crores, but we expect a decrease of 4 lakhs in our net miscellaneous receipts, which we now estimate at 3.01 crores. On the expenditure side, we expect an increase over the budget of 33.25 crores in ordinary working expenses and of 7 lakhs in payments to worked lines, and a decrease of 11 lakhs in the appropriation to the depreciation fund, so that our revised estimate of total working expenses, including depreciation and payments to worked lines, is 147.49 crores against the original budget of 114 28 crores. Thus, our net revenue is 69 82 crores, and, after deducting therefrom interest charges amounting to 27.81 crores, which is 94 lakhs less than the original budget, we have a surplus of 42.01 crores, which is only 1 lakh less than the budget.

Estimate for 1945-46

4. Basing our estimate of revenue on this year's results and allowing for the effect of additions, which have occurred, and which are expected, to our rolling stock, and for the possible growth of road services due to the influx of Lease-Lend

vehicles, we place our estimate at 220 crores, which is 5.7 crores more than the gross traffic receipts expected this year. In addition we expect a net revenue of 3.77 crores from miscellaneous transactions.

Our estimate of ordinary working expenses in 1945-46 is 140.65 crores, which is 12.09 crores more than the revised estimate for the current year. The appropriation to the depreciation fund will be 11 lakhs more and payments to worked lines 18 lakhs more, while our interest charges will be 42 lakhs less. We expect the year's surplus to be 36.51 crores, $5\frac{1}{2}$ crores less than in the current year.

Explanatory Remarks

- 5. The working expenses, both for 1944-45 and 1945-46, however, contain some special items which should be excluded if there is to be a proper comparison between the two and with the budget estimate for 1944-45. The revised estimate of working expenses for 1944-45 includes special items aggregating 25 80 crores and the budget estimate for 1945-46 special items aggregating 32 56 crores. Of these, 24 crores in 1944-45 and 30 crores in 1945-46 are the result of a special procedure, which I shall describe later, in connection with charges which would normally be against Capital and Depreciation Fund. In addition, the 1944-45 figures include an adjustment of '1 32 crores on account of compensation paid to the Madras & Southern Mahratta, South Indian and Bengal Nagpur Railway Companies due to the premature termination of their contracts, and an adjustment of 48 lakhs for the write-off of the cost of abandoned assets. In 1945-46 there is an adjustment of 1 99 crores for the write-off of the cost of dismantled lines and abandoned assets, and 57 lakhs on account of the premium included in the purchase price of the Jacobabad-Kashmore, Podanur-Pollachi and Dibru Sadiya Railways.
- 6. If these special items are excluded, the working expenses will amount to 102.76 crores in 1944-45 (7.45 crores more than the budget) and 108.09 crores in 1945-46. In 1944-45 we have to make additional provision for dearness allowance, 2.15 crores, due to the revision of the dearness allowance scheme once from 1st March and again from 1st July; for additional staff, 1.76 crores; for repairs and maintenance and stores, 2.26 crores; for compensation for goods lost and damaged, 62 lakhs; and for freight on fuel, 76 lakhs. In addition, we have made a provision of 25 lakhs for wireless installations, in pursuance of the experimental scheme for linking up important railway centres by wireless, and a provision of 35 lakhs for road transport services. We expect a number of other minor increases, but they are more than off-set by a saving of 1.6 crores which we expect under grain shops.

The increase of 5½ crores in 1945-46 over the revised estimate of ordinary working expenses in 1944-45 is due to loss on grain shops, 1·39 crores; to coal, 1·35 crores; additional staff and allowances to staff including dearness allowance, 1·32 crores; additional road transport services, 47 lakhs; taking over of the Dibru Sadiya Railway, 33 lakhs; extra contribution to the Staff Benefit Fund, 26 lakhs; and oil tallow and other stores, 18 lakhs.

Past Year

7. The past year has been yet another of great strainon the railways, but essetial traffic has been moved and there has been a distinct improvement in dealing with the programmed movements worked out in conjunction with other Departments of Government and with the Provincial Governments. When presenting Railway Budgets in the past references have been made to the transportation difficulties and problems which have had to be faced. These difficulties have been present throughout the war and, as I have said, over the year under review they have shown no sign of diminishing. As a General Manager of a major Railway throughout the war period until last summer, I can speak with some knowledge of the difficulties and disappointments and of the success which has attended the efforts of so many. The efficiency of Railways, as a public service, may so frequently be judged by the experiences of the individual. Relatively small inconveniences, regrettable though they are, become the subject of complaints, and complaints as they increase soon turn to general criticism of the whole machine.

' [Sir Arthur Griffin.]

I suggest, however, that the Railways might be judged on a higher level. Let me very briefly state the background. The lack of materials, spares, spare parts and stores and the difficulties and uncertainties surrounding their supply is common knowledge and inevitable, but to maintain the Railway plant and assets under these conditions has called for a wealth of effort and ingenuity, and especially when it is remembered that the war hit the Railways at a time when they had probably less reserve to draw on than for many years before. But besides these, there are the general operating conditions to bear in mind. There has been over the war a radical change in the pattern or regime of traffic, at times a reversal of trend, which frequently causes light running and eneconomical wagon use and conflicts with operating arrangements designed for more normal traffic. Military operational moves require a high degree of priority and precedence and this may in the end militate against overall operating efficiency. The Priority organisation helpful and efficient as it is in achieving the objectives of Government, and concerning that I should like to pay a tribute to the efficiency with which the Chief Controller and Regional Controllers under the guidance of Sir Satyendra Nath Roy have conducted their work and to the help they have afforded the Railways—this Priority organisation must in the nature of things cause extra movement, and at times light movement. The distribution of available power resources—that is locomotives is difficult, and peak demands for military traffic prevent the ideal utilization. The last feature I need mention is the overriding importance of coal traffic, the transportation demands for which have, owing to lack of reserves at the collieries, risen and fallen in consonance with raisings, leading to considerable disturbance in the steady flow of wagons.

With this as a background what have the Railways achieved? Statistical figures would indicate that where executive work and administrative ability can directly affect results without the changed and changing conditions of operating frequently upsetting the balance, there has been notable progress and the improvement is being maintained. I will not burden Honourable Members of the House with many figures, but the following will reflect the measure of the work done. railways are now carrying about one million more tons of goods per month than in the year 1938-39. In so far as passengers are concerned, and excluding military personnel in military specials, they are dealing with over one million more passengers every day. Net ton mileage increased between 1938-39 and 1943-44 by 28 per cent; passenger miles having similarly increased by 74 per cent. Over the same period the overall broad gauge wagon utilization has been improved by an increase of 22 per cent in the average wagon load and this average load gives a percentage use of available capacity of 74 per cent, which I may say is higher than relative figures I have seen of certain American Railways. Net-ton-miles-per-day-per-engine on the line increased by 15 per cent. As a measure of efficiency the percentage of broad gauge locomotives out of service, under or awaiting repairs, has decreased from 19 per cent to about 16 per cent. The comparable figure for all American Railways is reported to be about 12 to 13 per cent though it will be appreciated that the conditions are hardly comparable, whilst in July last year it was 14.34 per cent for all British Railways.

In order to give Honourable Members and others some idea of the magnitude of the task that the Railways have been called upon to perform in meeting this heavy war time transport, what they have done and are trying to do to meet it, a Railway Exhibition will be field in New Delhi for about ten days early in March and we hope that Honourable Members will make a particular point of accepting our invitation to see what the Railways have to show.

Locomotives and Wagons

8. Last year my predecessor spoke of the efforts that were being made to procure additional locomotives and wagons, both broad gauge and metre gauge, and he gave details of the expected additions during the financial year 1944-45. The flow of metre gauge locomotives and wagons from overseas continued steadily throughout the past year and practically the full number ordered for India will shortly be in service. The receipt of these locomotives and wagons has made it

possible for the full military load on the Assam line of communication to be accepted and maintained to the satisfaction of the military authorities. The supply of broad gauge wagons manufactured in the country has not been so satisfactory and this has been largely due to a series of bottle-necks which have had to be removed, mainly in connection with component parts. The rate of indigenous production of wagons has, however, recently improved and we hope for a still further improvement over the next few months.

9. Early in 1944 a comprehensive review was conducted of the transportation facilities available, and an examination was made to determine the best method of ensuring that these facilities should be adequate to maintain India's internal economy and production capacity at some suitable level, in addition to meeting the anticipated increased military load. As a result of this examination it was decided that further broad gauge equipment in the way of locomotives and wagons was essential. It was hoped that this additional equipment would be available in the first half of 1945, but negotiations for supply have taken longer than was anticipated and the majority of the additional locomotives and wagons will not be in service until the second half of the year.

Taking into account the indigenous manufacture and the orders mentioned. above, we expect during this calendar year to receive and put into sevice 572 broad. gauge locomotives and 29,052 broad gauge general service wagons, and of these 7,242 wagons will be from indigenous sources. In addition considerable numbers of special type vehicles, such as tank wagons, will come into service. The large quantities of equipment in the way of new locomotives and wagons which have had to be manufactured in the country or imported from overseas over the last few years, and many of which, as I have stated, are still due, are all essential if the present anticipated military load is to be met and the internal economy of the country maintained. But at the same time there may be a natural apprehension as to the future and an impression that such large numbers of locomotives and wagons will prove superfluous after the war and result in the cessation for a number of years of orders for new equipment, most of which might be supplied from indigenous sources. This aspect of the problem has been carefully watched, and whilst clearly the primary duty was to ensure adequate resources to enable India to function as a base for military operations and at the same time sustain the civil life of the country, the effect on the future has not been overlooked. In so far asconcerns broad gauge locomotives, the total number to be received over the years of the war will not eliminate the arrears of renewals due, that is renewals on the normal age basis in total and not by particular types. On this renewal basis there will still be a considerable number of locomotives due replacement, and after the war many locomotives which will have exceeded their normal life and which are now only kept in service by uneconomical and at times lengthy repairs will be scrapped forthwith. In addition, there will be a considerable number of passenger type locomotives still to be dealt with as, though it was inevitable, the locomotives supplied over the war years have been mainly of a type used in goods. services. In respect of broad gauge wagons, the position might not be so clear in view of the great numbers which have had to be ordered to meet the major deiciency which, as is well known and appreciated, has been rolling stock. However, here also there appears to be no reason for a cessation of orders from indigenous sources for the manufacture of wagons after the present orders have been completed, and that will not be until towards the end of 1946 or early 1947. More wagons will be required after the war than in the pre-war years. There will be large numbers to be written off which, as in the case of locomotives, are being uneconomically maintained at present. And arrears of maintenance, which must be overtaken, will, I apprehend, result in a greater percentage of wagons being out of commission than at the present moment; and I might, in passing, say that the percentage of wagons out of service on the Railways in India today, despite all the manifold difficulties there are in the nature of materials and shortage of labour, compares very favourably with similar figures in Britain and in the United States of America.

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10. In respect of locomotive manufacture in India substantial progress has been made in laying the foundations for this industry in India. An agreement is about to be concluded for the sale of the Singhbhum Workshops of the East Indian Railway and for the manufacture therein of locomotive boilers, with the intention of subsequent development into complete locomotive manufacture once all the arrangements are complete and the necessary machinery and other equipment installed. This is not all Plants ands pecifications have now been received from the Consulting Engineers for the remodelling and conversion of the Kanchrapara Workshops into a locomotive building establishment. These specifications and plans are now under examination and some orders for machinery have already been placed. This examination will enable estimates for the work to be prepared and a final decision to be taken on what machinery will be necessary and what can be provided now from resources in the country.

Transportation Capacity

11. In order that full and efficient use can be made of the additional equipment to be mde available, careful attention had been given to ensure that line capacity and capacity of terminals and yards will be adequate. The programme to date involves the doubling of some 520 miles, out of which 400 miles have already been completed and these include such works as a fouth line on the East Indian Railway between Asansol and Khana and a double line on the Bengal Nagpur Railway between Bankura and Midnapur. Additional crossing stations and loops have been provided and a considerable number of large stations has been remodelled. It will be clear from what I have said that the capacity of the Railways for handling goods traffic will steadily increase over the coming months and whilst much of this capacity will be absorbed by the military load and traffic directly or indirectly connected with the war, yet I think one can hold out substantial hopes of an appreciable easing of the transport position generally, which will have such a beneficial effect on the general economy of the country. Only as regards passenger traffic can one see no prospect of improvement as the call on the available coaching -stock for military purposes is so heavy. Moreover new construction has had to be held in abeyance though efforts will be made to produce more stock even if it is of a temporary nature and not up to the standard we wish to see in use.

Coal.

12. The increased availability of locomotives and wagons and the increased capacity mean increased train mileage, and increased mileage results in greater coal consumption, which leads me to the next subject for review, and that is coal.

It will be remembered that at this time last year the coal stocks on the Railways had dropped to a dangerous level and certain passenger services had temporarily to be curtailed. As a result of the improvement in raisings after then, the stocks on the Railways were increased and they reached a more satisfactory level by last June. Unfortunately the improvement could not be maintained, and owing mainly to shortage of labour in the coalfields, despatches from the collieries to Railways could not be maintained even at consumption level, with the result that the position again deteriorated and the Railway stocks fell to a very low level just at the time when the seasonal drop in coal production occurs. Instead, therefore, of the Railways beginning the lean period with adequate stocks, they have had to live with depleted stocks and with the added anxiety of receiving a quality of coal which is unsuitable for railway use. Operating efficiency has been adversely affected and at times traffic has been dislocated on account of this. As an example of the dislocation that can be caused, one Railway experienced no less than 330 engine failures on this account in the month of December last. It is hoped that the introduction of more mechanical plant into the State Railway collieries and in selected areas in the coalfields will result in better raisings and that in the coming summer months Railway stocks will be adequately built up to meet the heavier demand which will occur in the latter part of the year.

Capital and Depreciation Fund

13. I turn now to the description of the special procedure I have already referred to concerning charges normally to Capital and Depreciation Eund and the

reasons for our adopting it. In order to be able to deal with the heavy traffic with which railways are faced, we have undertaken large works involving extensive remodelling and provision of additional lines of communication, some of which I have already mentioned, and this at a time when such works would not ordinarily have been undertaken. The large purchases of wagons and locomotives, some details of which I have given, are actually overdue or advance replacements of some of our existing equipment. These essential purchases have had to be made in war time when prices are very much higher than in more normal times. The question concerns not only equipment from abroad, but also wagons manufactured in India. So far as imported items are concerned, even when supplies are obtained on Lend-Lease, the Railways being a commercial concern have to pay full prices. In respect of works, in order to prevent overcapitalisation and undue depletion of the Depreciation Fund as a result of the present inflated prices, we propose to debit to working expenses 50 per cent of the expenditure incurred, after 1942-43, on all the important items of the works mentioned, other than those which have been executed at the instance of the War Department, purely to meet the needs of war time military traffic and which are charged to military estimates. As regards rolling stock, we have decided to modify the procedure of allocation for the duration of the war. Under our existing rules we have to compare the capacity and tractive effort of wagons and locomotives respectively with those of the old stock on an individual unit basis and part of the cost proportionate to increase in capacity is charged to . Capital and the balance to the Depreciation Fund. When, as is happening now, particularly in the case of locomotives, a certain number of new wagons or locomotives, due to their greater carrying capacity or tractive effort, replaces a larger number of corresponding stock, Capital receives credit for the original cost of the superfluous old units, and is debited with the cost of an equivalent capacity or tractive effort at new prices. Due to the wide disparity between the present and the original costs and the large scale of the present replacements, this procedure would involve a considerable increase in the Capital-at-charge without a corresponding increase in aggregate capacity or tractive effort. Again, on account of our rule that the depreciation fund should bear the full cost of replacement, although the contributions thereto are related to the original cost and began only in 1924-25 without any provision for arrears of depreciation, the drain on the depreciation fund would be such as to make it impossible for it to meet the demands for replacement and rehabilitation expenditure after the war. Taking all this into consideration, we propose that there should be no charge to Capital unless there is an increase in the aggregate capacity after making allowance for difference in the estimated lives of the old and the new stock, that the debits to the depreciation fund should be limited to the amount accumulated therein for the items replaced, that the difference between the accumulations in the Fund and the original cost be charged to the Railway Reserve in terms of the Convention resolution of the 20th September 1924 and that the balance be charged to Working Expenses.

14. It remains to deal with the question of the numerous military sidings, depots, etc., constructed for the use of the War Department. The cost of such works is shared between the Railways and the War Department, the Railways paying for the recoverable material and the War Department for the rest. Although these military sidings are temporary, the Railway share of the cost, which is estimated at about 3 crores, has been charged to Capital. It is now proposed to transfer this expenditure also to Working Expenses in accordance with the normal principles of allocation of temporary railway works.

15. The financial result of these proposals is that, whereas, under the ordinary procedure, out of the total expenditure of 94½ crores on locomotives and wagons, 16 would be debited to Capital and 78½ crores to the Depreciation Fund, under the revised procedure there will be a debit of about a crore to Capital, 22 crores to the Depreciation Fund, 10½ crores to the Railway Reserve and 61½ crores to Working Expenses. Of the debit of 61½ crores to revenue, 19½ crores will be accounted for in 1944-45, 30 crores in 1945-46 and 12 crores in 1946-47. In addition, there will be a debit in 1944-45, of 3 crores for military sidings and 1½ crores for works.

16. Another direction in which we propose to strengthen the position of the Railway finances against post-war demands is the provision for the arrears of

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Disposal of the Surplus

17. This time last year the estimate of the surplus for 1943-44 was, as I have already stated, 43·77 crores, out of which 32·27 crores were to go to General Revenues and 11·50 crores to Railway Reserve. Actually the year closed with a surplus of 50·84 crores, of which 37·64 crores went to General Revenues and 13·20 crores were transferred to Railway Reserve.

The budget estimate of the surplus for the current year was 42.02 crores, the share of the General Revenues being 31.18 crores. In spite of the fact that our revised estimate of receipts is 32.30 crores more, yet on account of the increase in our normal working expenses and the other adjustments I have referred to, our present estimate is a lakh less than the budget, out of which we have to set aside the 5 crores for arrears of maintenance.

However, as a reult of the favourable arrangement with the General Revenues whereby we are able to relieve Capital of the debit of about 15 crores and the Depreciation Reserve Fund of about 57 crores, it is proposed that the Railway contribution to General Revenues for the year should be 32 crores.

- 18. In 1945-46 again, although we expect our receipts, including those from miscellaneous transactions, to be about $6\frac{1}{2}$ crores more than this year, this will be absorbed, except for one crore by the increase in our normal working expenses. On account of the special adjustments I have already described, the estimate of the surplus is only 36.51 crores, and if we exclude 2 crores to be set aside for the arrears of maintenance, 34.51 crores. On the same considerations as in the current year, it is proposed next year also to contribute 32 crores to General Revenues.
- 19. The opening balance in the Railway Beserve this year was 22.55 crores. There will be an appropriation of 10.01 crores and a withdrawal of 2.17 crores, leaving a balance of 30.39 crores at the end of the year. In 1945-46 there will be an appropriation of 4.51 crores only against a withdrawal of 5.80 crores and the balance will be reduced to 29.10 crores.

Capital and Depreciation Fund, 1944-45

20. I now turn to our expenditure under Capital and from the Depreciation Fund. Our revised estimate for this year allows for an expenditure of 20.93 crores under Capital and 12.30 crores from the Depreciation Fund. The capital expenditure includes a sum of 4 crores on thep urchase of the Bengal Nappur Railway, 6.68 crores on the purchase of the Madras and Southern Mahratta Railway, 1.34 crores on the purchase of the South Indian Railway, and 67 lakhs on the purchase of the Guzerat and the Dhond-Baramati Railways. It also includes 6 lakhs for investment in road services and 1.25 crores on account of a portion of the purchase price of the Bengal and North Western Railway and the Rohilkhand and Kumaon Railway. Our suspense balances will also be increased by 4.65 crores, but there is a reduction in Capital of 5.03 crores, 47 lakhs because of the write-off of the capital cost of abandoned assets, 4.5 crores on account of the write back to Revenue of the railway portion of the cost of military sidings and of the inflationary element in expenditure on works, and 6 lakhs due to write-off, of the capital cost of dismantled lines.

Capital and Depreciation Fund, 1945-46

21. For the year 1945-46 we have provided for an expenditure of 11.66 crores under Capital and 27.48 crores from the Depreciation Fund. Under Capital, we have provided 2.26 crores for the purchase of the Podanur-Pollachi, Jacobabad Kashmore and Dibru Sadiya Railways. In addition to this they will be paid premia aggregating 57 lakhs which, however, will be charged to Working Expenses. For open line works, we have provided 21.97 crores for rolling stock; 6.82 crores for track renewals; 1.12 crores for bridges; 7.7 crores for structural works; 29 lakhs for collieries and 2.99 crores for increase in stores balances. Though the

total programme comes to $39\cdot14$ crores, we have made a lump sum cut of $7\cdot14$ crores to provide for throw-forwards and for the probability that railways may not be able to spend the full amount. We have, therefore, made a provision for only 32 crores, of which $22\frac{1}{2}$ crores will be charged to the Depreciation Fund, the balance of which at the end of the year will stand at $92\cdot71$ crores.

- Staff

22. In respect of the steps which have been taken to alleviate the economic strain under which all members of the community suffer, I would state that the grainshops organised to supply the necessaries of life to the lower paid worker have now grown in number from 520 to 689 and are benefiting an increasing number of our employees and their families. In addition to this, 29 grocery shops have been started to cater for the needs of the better paid subbrdinate staff. This increased relief in kind and the dearness allowance which has also been enhanced, is now costing the Railways something in the neighbourhood of Rs. 20 crores a year and, we believe goes a very long way to meet the needs of the staff in regard to the high cost of living. The matter, however, receives the constant attention of Government. Apart from this, the position of employees in particular grades and those working in particular places has received attention in the form either of an increase in the starting pay or a local allowance. The question of the health of the workers has also received attention and steps have been taken to counteract the incidence of epidemic diseases, such as malaria, which gave rise to considerable concern in 1943. With the increased supply of necessary drugs now being made available, it is hoped that any tendency for the present conditions to undermine the health of the staff will be arrested. The Railways can, I think rightly claim that they have had the well-being of their staff fully in mind.

Malpractices -

23. I should mention that the drive to control malpractices on Railways, for which the present conditions create increased opportunities, has been actively pursued and so far has resulted in 250 cases being taken up by the Special Staff. This has resulted in over 100 convictions, including, I am glad to say, a number of bribe-givers as well as bribe-takers. The former are equally culpable in putting temptation in the way of the staff and it is only, in fact, with the co-operation of the public—co-operation which has not so far been forthcoming to any marked degree—that these malpractices can be stamped out.

Road-Rail Co-ordination.

24. As a short term policy to relieve congested sections of the Railways and assist in the movement of high priority traffic, the Railways are, in collaboration with Provincial Governments, actively devising schemes for participating in the development of road transport services, some worked departmentally, others jointly with present road operators or by a system of "tied mileage units" whereby a private operator is guaranteed a fixed payment for running his vehicles on behalf of the Railway.

As a long term policy, the aim is for rationalization of transport generally with the object of ensuring co-ordination with all transport systems and mainly between the railway and the road interests, and of avoiding in the future the wild and uneconomic competition which existed before the war.

The Railways are working in the closest touch with the Provincial Governments and are prepared to associate themselves with suitable existing road transport concerns, or form new concerns where these are necessary and acceptable to the Provincial Governments.

Conclusion.

25. In conclusion, Sir, it is a privilege on these occasions to commend to Honourable Members of the House the loyal service and good work of the Railway staff. First I should like to record the real loss the Railway Board and the Railways of India will sustain when Sir Hugh Raper retires this month from the post of Member, Transportation. As regards the Railway staff the results achieved have been very satisfactory though no railwayman would accept that nothing more is possible

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and I know that the urge to give breater service and produce better results is present with most. Now that increased facilities are shortly to be available we may confidently look for still better results. What has been done is due largely to the whole-hearted and loyal co-operation of all grades, officers and men; but the struggle against economic difficulties, which beset most, and the continual pressure which has been applied for so long to do more and to improve efficiency to deal with the ever-increasing demands, may, perhaps, have induced in some a form of weariness. That this is not more wide-spread and that with the majority there has been such willing co-operation and useful endeavour, stands high to the credit of the officers and staff of the Indian Railways. (Applause.)

The Council then adjourned till Eleven of the Clock on Friday, the 16th February, 1945.