

**Shri Abid Ali:** On behalf of Shri Nanda I beg to move for leave to introduce a Bill to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for payment of maternity benefit to them.

**Mr. Speaker:** The question is:

"That leave be granted to introduce a Bill to regulate the employment of women in certain establishments for certain periods before and after child-birth and to provide for payment of maternity benefit to them."

*The motion was adopted.*

**Shri Abid Ali:** I introduce the Bill.

—

12:05 hrs.

RESOLUTION RE: REPORT OF  
RAILWAY CONVENTION  
COMMITTEE—contd.

**Mr. Speaker:** The House will now resume further discussion of the following motion moved by Shri Jagjivan Ram on the 5th December, namely:—

"That this House approves the recommendations contained in the Report of the Committee appointed to review the rate of dividend which is at present payable by the Railway Undertaking to General Revenues as well as other ancillary matters in connection with the Railway Finance vis-a-vis the General Finance which was presented to Parliament on 30th November, 1960."

Shri Naushir Bharucha may continue his speech. He has already taken 19 minutes. I will allow him one more minute.

**Shri Naushir Bharucha (East Khadesh):** Yesterday I was told that I can take half an hour, out of which I have taken only 19 minutes. So, I hope I can have 11 more minutes.

**Sardar Hukam Singh (Bhatinda):** Yesterday he had moved a substitute motion and because he wanted to cover many points I told him that he can have such time as he feels necessary.

**Mr. Speaker:** Well, I stand by what has been said by the Deputy-Speaker.

**Shri Braj Raj Singh (Ferozabad):** Shall we continue with this Resolution for the whole day?

**Mr. Speaker:** We have now got 4 hours and 20 minutes. We are now starting at 12 O'Clock. Well, we will continue it for the whole days. How long will the Minister take?

**The Deputy Minister of Railways (Shri Shahnawaz Khan):** About 40 minutes.

**Mr. Speaker:** Then I will call him at 4:20.

**An hon. Member:** What? 4:20?

**Shri Shahnawaz Khan:** Even half an hour will do for me.

**Mr. Speaker:** I will call him at 4:21. Or, to be on the safer side, I will call him at 4:30. May I now have an idea as to how many members want to participate? I find that there are 11 hon. Members. I will give them ten minutes each.

**Shri Naushir Bharucha:** I will try to conclude very much earlier.

**Mr. Speaker:** I leave it to him. I do not want to go behind what has been said by the Deputy-Speaker. I leave it to him entirely. He can have 11 minutes. But it will be better if he concludes earlier.

**The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur):** Are we to understand that the supplementary demands will still be taken up today?

**Mr. Speaker:** No, there is no chance. This Resolution will take up the whole

day and will be concluded today. Now Shri Bharucha.

**Shri Naushir Bharucha:** Yesterday, speaking on the aspect of depreciation I said that the amount of Rs. 70 crores reserves for the next five years was too low and that it did not take into consideration the additions to the assets during the course of the Third Plan. Also, it does not take into consideration the fact that the dollar loans have to be repatriated and that replacement of assets from these loans has to be thought of. According to my opinion, even by the rule of the thumb method the minimum amount to be set aside for depreciation should be Rs. 90 crores.

Coming to the question of rules regarding the allocation between capital expenditure, revenue expenditure, depreciation and the development fund, I am of the opinion that this rule should be re-examined by a committee with a view to seeing that the allocations take place on a more sound and scientific line.

Speaking about the development fund, the Convention Committee has recommended continuing the same practice as is obtaining today, that is, temporary loans should be received from general revenues and development fund should be financed accordingly. It would be seen that on 31st March 1961 the development fund will have Rs. 33 crores and the Auditor-General has objected to further loans being taken from general revenues for this purpose. I have not been able to understand the recommendations of the Committee with respect to development fund. One of the recommendations is that there should be an *ad hoc* adjustment from the development fund to the capital

12-09 hrs.

[SHRI JAGANATHA RAO in the Chair]

of the cost of new lines under construction as on 1st April 1955, which

were charged to the development fund and the balance should be repaid from the revenue reserve fund. Whatever the implication of this recommendation is, the fact remains that the development funds depends upon borrowing and to that extent it will have to repay loans. And how far it will improve the development activities remains to be seen.

Another point of importance recommended by the Convention Committee is setting aside Rs. 3 crores per annum for users' amenities. As it is, we always hear every year at the time of the Railway Budget as to how far passengers and other users of the railways benefit from these type of amenities. To put it mildly the amenities hardly exist. I should like to know exactly from the hon. Minister what he proposes to do with these Rs. 3 crores only and whether it is not possible to set aside a larger amount.

Coming to the question of merger of passenger tax with railway fares, I think the suggestion may be accepted. I fully agree with the recommendation of the Convention Committee that by imposing passenger tax on railway fares the margin for increasing the railway fares has been curtailed. To that extent the Railways are not in a position to raise their fare. Therefore it is but right and proper that some sort of adjustment should be effected and the passenger tax should be merged with railway fares. The amount of Rs. 12½ crores which the Railways say they would pay in lieu of passenger tax seems to me to be a reasonable *via media* and the States which share in the passenger tax ought to be satisfied with it.

But once the passenger tax is merged with the railway fares does the hon. Railway Minister give an assurance that at least for the next five years there will be no increase in passenger fares? Otherwise, does he want first to absorb the passenger tax in the railway fares and then come with proposals for increasing the fares? That aspect requires to be looked into.

[Shri Naushir Bharucha]

Incidentally the MPs will benefit by this proposal because their travelling allowance that they will get if the passenger tax is merged now would be increased by a few rupees.

Coming to the question of amortisation fund, I am afraid the purpose of the fund has been lost upon the Convention Committee. Amortisation fund as applied to depreciation accounting means a method of charging the capital cost of an asset to operating expenses after the service life of the asset has been exhausted. Resort to amortisation fund is usually had when the Railways or any public utility concern has not set aside adequate depreciation. Amortisation would be justified mainly in cases where depreciation of assets has not been foreseen as for instance due to obsolescence on account of scientific progress when suddenly certain assets become useless and the actual service life has not been run through. Therefore I do not understand how the Railway Convention Committee links up amortisation fund with repatriation of dollar loans. No doubt, the dollar loans have to be repatriated but there might be a separate fund set aside for it and we might call it a 'foreign debt service fund' or whatever you like. But merely because a dollar debt exists there is absolutely no ground for creating such a fund. The point is this. Since the Railways are not setting aside adequate depreciation some type of other fund requires to be set up for the purpose of accumulating sufficient funds for the repayment of dollar loans and interest thereon.

Coming to the question of deferred dividends on new lines, the 1954 Railway Convention Committee had recommended that dividend to the General Revenues on the capital-at-charge on new lines should be equal to the borrowing rate of Government departments. It also said that new lines should not pay contribution for five years. The Railway Convention Committee started interpreting what

this actually means and it says that the new lines are not to pay any dividend for five years but only after five years provided there is a surplus. I do not know where did they get this thing from. In other words, the Railway Convention Committee under the pretext of interpreting what the 1954 Committee said have extended the moratorium holiday and what they are actually doing is that they are interpreting a debtor's bond they themselves being debtors! In other words, the General Revenues expected that new lines would also pay the necessary contribution at the end of the five-year period. It is no use saying that they will pay if there is a surplus, which really means 'payable when able'. I do not think the General Revenues or the 1954 Committee intended that. The correct interpretation to my mind is that new lines must pay at the end of five years the necessary contribution to the General Revenues based on the capital-at-charge and they cannot afford to say that they had made no profit.

Today in the *Statesman* there has appeared an editorial with the heading 'Railways win'. At first I thought that there might have been some cricket match or something. Later on it turned out that that editorial was based on the Railway Convention Committee report. The editorial says that all along the line the Railways have won hands down and the General Revenues have suffered. This is an impression that is created in the minds of the public. The overall impression left, if I may say by way of conclusion, is that the Report indicates that the Committee is not prepared to face squarely the basic issues of Railway finance and there is no justification whatsoever for further delaying the settlement of these issues. For the next five years the Convention will deprive the General Revenues of its legitimate share of return on capital investment and it will create a bigger backlog of accrued depreciation. I do not know how this continued camouflage of the real

position of Railway finance is going to help either the Railways or the public or the General Revenues. Later on with the lapse of time it will make correction of this defective position extremely difficult. I have, therefore, moved my amendment and I do hope the Government will pay attention to it.

**Shri V. P. Nayar (Quilon):** Mr. Chairman, Sir, before I deal with some of the recommendations of this Committee I would like to make a few observations about the Committee itself and its functioning.

As you are aware, this Committee is the second of such committees appointed since Independence and I cannot for the life of me understand how the Committee has already developed a convention whereby hon. Members who function in the Committee are prevented from writing a minute of dissent. This Committee had been appointed by the House just because the House as a whole had not found it convenient to go into the details, to collect evidence if it was necessary or to sift the mass of material which might be placed before it. It was as a question of convenience that the House resolved that this matter would be decided upon by a Committee and in the Committee you find that all shades of opinion in the House had been represented. What is more and it is a welcome feature too for the first time, the Committee has chosen to place in the Library all the records which it had. With all this it is very strange how the Committee could develop a convention and say that hon. Members who wanted to express an opinion different from the opinion held by the majority could not do so. I contend that this takes away from the House the right to know what their views had been.

**Mr. Chairman:** It is an unanimous report.

**Shri V. P. Nayar:** I understand—I am subject to correction—that there

have been some differences of opinion inside the Committee. As you know, an hon. Member who functioned in the Committee cannot disclose.....

**Mr. Chairman:** I was a member of the Committee and I know what it was.

**Shri V. P. Nayar:** Another member of the Committee who is equally responsible has told me that it was not possible for him to write a minute of dissent as he was specifically told that the convention was that it was not open to him to do so. I cannot understand this.

**Mr. Chairman:** To my knowledge no such discussion took place in the meeting.

**Shri Narasimhan (Krishnagiri):** On a point of order, Sir. Is it desirable or consistent with the good functioning of the House to say something about a member of the Committee when the Committee has given a unanimous report that somebody said something without specifying the name? It is unfair to the Committee as a whole that after giving a unanimous report an hon. Member thought otherwise.

**Shri Tangamani (Madurai):** It is open to any hon. Member to append a note of dissent. That is the point.

**Shri V. P. Nayar:** I am sorry the Chairman of the Committee does not seem to be in the House. I would like to have a clarification from him because I was definitely told that a member had no right to append a minute of dissent. If that is so, it is very, very regrettable because we appoint certain hon. Members to function in the Committee in order that they may go into the questions in greater detail than would be possible for the House as a whole. I find also that even if it is a unanimous report of the Committee, it comes in for very severe criticism. As you have

[Shri V. P. Nayar]

assured me that it is not so, I do not propose to go into greater detail. I would like the Committee to lay down a rule hereafter at least that Members who are keen on appending a Minute of Dissent may do so in order that the House may have their views also.

Coming to the recommendations, I find that some of the recommendations have to be welcomed while others are not above criticism. I do not share the views of the hon. Member Shri Naushir Bharucha in some of his observations. I know that his views on scientific matters and scientific methods are deservedly entitled for respect in this House at least if not outside. But, I am sorry that he did not also give us the solution which I thought we could get from him. This report shows that several questions which they ought to have considered in great detail have not been considered by the Committee. I find from the report that the Committee started functioning by giving a sort of questionnaire to the Railway Board; on each question, the Railway Board addressed a memorandum and the memoranda have been considered in detail. I find that all the information that was available with the Railway Board has not been given to the Committee.

I am only giving one or two examples. I find from the review of Shri Jagannathan, Financial Commissioner for Railways that there was a controversy between the Railway Administration and the Comptroller and Auditor General. On page 63 of the memo, I find that a suggestion was made by the Comptroller and Auditor General, in this connection, namely that the expenditure from the Fund should be limited to the amounts available as a railway surplus without having recourse to loans from General Finance. I also find from the collection of memoranda that this question was raised. On going through the documents, I do not find any in which the Comptroller and Auditor General had expressed

his views. I would like to know what his specific views have been. I would very much like to have the text of the views as expressed by the Auditor General. I am not going into the question whether the Auditor General has been correct or the Committee has been correct. On a matter in which the Auditor General takes a different view and the Committee is not inclined to accept the view of the Auditor General, I think the House is entitled to know what exactly the view of the Auditor General has been. I do not find this from the records available before this House. There are other points on which I find that the information made available to the Committee was not complete. I am not going into that either.

Taking the recommendations, I find that in some matters, the Committee did not come to a conclusion in any positive manner. Take, for example, the recommendation about Amortisation fund. The recommendation which is printed in italics says:

*"While the Committee appreciate that the financial position of the Railways during the next quinquennium will not be favourable for the creation of an Amortisation Fund, they will nevertheless feel that this question should not be lost sight of inasmuch as in the context of the repatriation of all other dollar loans, it will assume importance."*

What is this recommendation? What we wanted to know is whether Amortisation Fund was necessary to be set up immediately or not. They say that it should not be lost sight of. I am not going into the merits of the Amortisation Fund or the demerits of that. I am only asking—I need not ask the Minister; he is not responsible for the Committee's report—I am only suggesting that the Committee has not made a specific recommendation as to whether an Amortisation Fund has to be immediately set up or not.

**Dr. M. S. Aney (Nagpur):** That is not to be set up now. The matter may be kept in view some time later. That is what it means.

**Shri V. P. Nayar:** Unfortunately, the para begins thus:

“The need for creating an Amortisation Fund and the extent to which the capital-at-charge of the Railways should be written down was considered by the Railway Convention Committee, 1954.”

It had been considered in 1954. They also did not make any specific recommendation. The point at which it has to be created was again considered by this Committee. Even then no recommendation had been made. I am only saying that there is no definiteness about this recommendation.

The recommendation as regards the Depreciation fund also requires detailed examination. I agree in this respect with Shri Naushir Bharucha. I say that it is because there was no proper accounting and no proper costing to the extent desirable or necessary that the Committee was forced to agree to the views of the Railway Board that it can be fixed at a pre-determined *ad hoc* figure. I cannot understand why in calculating depreciation, a pre-determined figure has been fixed on an *ad hoc* basis if the Railway Board had all the details on which depreciation has to be calculated. There is another difficulty. If we do not calculate depreciation in a manner in which it is necessary at present, the effect of calculating depreciation in a wrong way would be disastrous 15 or 20 years hence. On the one hand, if you calculate depreciation at a rate which is more than necessary, you would have diverted available funds unnecessarily from currently useful and urgent needs. On the other hand, if depreciation is calculated to a lesser extent than what is necessary, after 20 or 25 years, there will be paucity of

funds in future. Life of most of the Railway equipment will be very long and each will vary. I know, the depreciation on rolling stock would be different from the depreciation on communications equipment. The depreciation on buildings cannot be the depreciation on bridges. Taking into consideration all that, it was absolutely essential for the Railway Board and the Committee to find out how actually the depreciation could be calculated, having regard to the necessity of development in future. If it is a private company, you know very well that depreciation is calculated on a percentage. It is required for the purpose of Income-tax also. On the one hand, you say that contribution to the General reserve is calculated on a percentage basis. We have figures for capital-at-charge. We have figures for several other things. But, for the purpose of calculating depreciation on a percentage basis, we do not seem to have the necessary figures. I know that it is because the Railway Administration does not have at present detailed costing and detailed accounting in order to justify calculation on a percentage basis, in order to provide some figure; they have jumped to the calculation of Rs. 65, 67, 70 and 72 crores. I do not for a moment agree with Shri Naushir Bharucha when he said that depreciation should be calculated at Rs. 90 crores for the simple reason that that also is a pre-determined *ad hoc* figure for which he gives no basis. If he could have convinced us by quoting figures that instead of Rs. 70 crores which is fixed as the average for 5 years . . .

**Shri Naushir Bharucha:** May I point out that working it out on the basis of income-tax depreciation allowance, if you take not merely the capital-at-charge, but also other factors, it will work to something like that. That even is on the conservative side.

**Shri V. P. Nayar:** I do not want to be conservative at all in calculating depreciation. But, the point is, Shri Naushir Bharucha himself, who argued it in a very able manner, should

[Shri V. P. Nayar]

have given us an idea of how depreciation as calculated at Rs. 70 crores is wrong and why we should go in, instead of Rs. 70 crores, to Rs. 90 crores. I am not suggesting any figure for the simple reason that I do not have the details before me. I urge that every detail should be collected and depreciation should be calculated on the basis of a percentage. When contribution to the General reserves is based on a percentage, I cannot understand why it is impossible for depreciation to be calculated on a percentage basis. I feel that the depreciation which varies to the extent of Rs. 2 crores and 3 crores as we go from year to year in the Third Plan will not be justifiable for the simple reason that the development which is in view will not justify that.

In regard to the contribution to the general reserves, I cannot for a moment agree with the views of Shri Bharucha. He says because dollar loans will have to be repatriated, because we have incurred, for the specific purpose of the railways, loans to the extent of Rs. 140 crores at 4 to 5 per cent . . .

**Shri Naushir Bharucha:** Five and a half to 6 per cent.

**Shri V. P. Nayar:** I stand corrected. He says the railways must be compelled to pay at least that interest. He forgets the fact that the railways cannot be equated to a purely commercial undertaking. He asks: if the railways cannot contribute to the national economy, what is the purpose of the railways' existence. The railways exist not for that purpose, but for other purposes. The point is no undertaking of a character of the Indian railways can be compelled to pay the interest on the loans which the Government procures for it. If we stretch Shri Bharucha's argument a little further, every public undertaking, whether it is a utility undertaking or a commercial undertaking, would have to pay the interest fully

on the loans specifically procured for it, which is impossible in the present context, for in some of the industries we know for 20 years we will get no return and yet the State has to run the industry. If one keeps in view the fact that the railways function not merely as a commercial undertaking but also as a public utility concern, his argument falls to the ground.

We must also consider the fact that the railways contribute indirectly Rs. 30 to Rs. 35 crores, perhaps more. These are all rough calculations. This aspect should also be taken into account in fixing the rate of contribution.

I am not for raising the percentage from 4 to 4.25 as recommended, because no case has been made out for the increase. What is the justification for it? Again, I speak subject to correction because you have been in the Committee. I understand that in the committee itself there was a view that this need not be raised.

**Shri T. B. Vittal Rao (Khammam).** It is here in the report itself.

**Shri Narasimhan:** There are always two sides to any question.

**Shri V. P. Nayar:** But the Chairman just now said that there was no difference of opinion.

**Mr. Chairman:** There was a discussion, ultimately this was the unanimous report produced.

**Shri V. P. Nayar:** It is very clear, and I think the report also indicates that the opinion was not unanimous.

In making our calculations we forget the fact that the railways are not a purely commercial concern. We also forget its indirect contribution of about Rs. 35 crores. Besides, there are so many other advantages which accrue to the nation through the railways which are not perceptible in

terms of figures. Its utility aspect can never be calculated in terms of rupees, annas, pies. Further, the railways require more money for their development just now. This increase of 0.25 per cent to the general revenues is also not going to make a sizeable difference in the general budget.

There is also the aspect of the contribution which goes to the States. That contribution has now been fixed on an *ad hoc* basis. That, I think, is not justifiable because I do not think the States have been consulted in this matter. The States can command much less finances than the Centre. In devising their estimates for the Five Year Plans they would have taken into account whatever would accrue to them by the increase in traffic in their States. They would not have worked out on the basis of the average from 1950 to 1955. In some of the States, for example, there are new lines and there are chances of a higher revenue from this account. So, I do not think that it is proper that an *ad hoc* lump sum should be fixed without reference to the States who must have relied at least to some extent on the increased contribution from the railways consequent on increased traffic in the State. They will now get only the average of the past five years.

**Shri Naushir Bharucha:** The passenger tax was not in existence until two years ago.

**Shri V. P. Nayar:** Average of the last three years in that case.

We know in some of the States railway traffic will increase by a substantial percentage.

**Shri Rajendra Singh (Chhapra):** Especially in Kerala.

**Shri V. P. Nayar:** Yes, because we have a new line of 60 to 70 miles. It is not merely in Kerala, in Bihar also. The States will not get advantage on that. I submit that this recommendation should not have been incorporated in the report.

One more point about overcapitalisation. Here also I know the figure has been arrived at after some calculation. I do not say all the necessary calculations have been made, but the figure of Rs. 121 crores is not just a surmise as is sought to be made out by Shri Bharucha. There is some basis for it, though it may not be 100 per cent correct. In all our calculations we have to take into account this overcapitalisation, and I have a feeling that the estimate of Rs. 121 crores is on the correct side.

With these observations I commend the recommendations.

**Shri Achar (Mangalore):** The main purpose of the committee has been to settle this dividend—the others are more or less subsidiary points—and the result has been a recommendation to increase it by 0.25 per cent. I must say at the very outset that I am against this.

Before I make a few observations on this point of railway finances, I would like to lay emphasis on the question whether the railways should be used as a machinery of taxation. I can understand the principle that interest should be paid, and then you proceed to fix the rate of interest. Formerly it used to be 3.15, 3.18, 3.50 etc. But what do you find in this report? This is the main quarrel I have got. I will not go into the question whether it is a utilitarian or commercial service. Though I am of the view that it is more of a utilitarian service, and the Railway Minister also was once pleased to say that it was more of a utilitarian service, for the sake of argument let me concede that it is a commercial service. Here is a monopoly commercial concern run by Government, and it has been advanced certain amounts, which constitute the capital-at-charge. Unfortunately, that also has not been fully gone into. I wish that at least one of these committees had gone into this matter and found out exactly what the capital-at-charge is. Our railways are nearly a century old, or even a little more, because, the railway

[Shri Achar]

centenary was celebrated only a few years ago. Some amounts have been invested in the railway companies before, and the whole thing was taken over by Government later on, and it is now in their hands. For the investment made, if Government want, and rightly too, a dividend let them be paid that dividend. I have no objection. But what dividend should be paid is a point which has to be decided after deciding what the capital-at-charge is. Why do other considerations come in? I wish the report had stated this aspect clearly.

The report only says 'by way of interest and something else'. What is that 'something else'? Is it that you want to tax the railway-using public for getting funds for the Plan? Of course, we are all Plan-minded, and we want to contribute to the Plan, not that I am against the Plans. But is it that we should tax one section of the public only, namely the public using the railways either for passenger traffic or for goods traffic, and pay to the general revenues? I would say that that is against the basic principles of public finance. In public finance, you must tax....

**Shri Rajendra Singh:** Can the hon. Member cite any authority on it?

**Shri Achar:** I wish my hon. friend reads some books on public finance. I hope he has read. At least, that is my view.

The reason why I say so is this. If you are going to tax one section of the public for the benefit of another section, unless it be for the social purposes of equalising incomes or things of that kind, then, that is not in accordance with the general principles of public finance. But, here, by paying more interest than due, you are taxing the railway-using public, that is, the public using the railways either for travelling or for sending their goods, for the benefit of the general public, for the advancement of your Plans, and for the advancement of other purposes that you have in view.

**Shri Rajendra Singh:** May I know whether the hon. Member is suggesting that the public should not pay fares to the extent that they are receiving services from the railways?

**Shri Achar:** I am sorry my hon. friend has not understood my point. I never said that. There is no point in unnecessarily interrupting in this manner. All that I have been saying is that we must not utilise the railways as a machinery for taxation. If that is meant for a section of the public, namely, the persons who are utilising them for travelling or for sending their goods, then, they should not be taxed for the benefit of another section. Even on a commercial basis, for maintaining the railways for developing them and so on, you may do it, but there is no justification to pay more out of the surplus to the general revenues.

Of course, I find that at pages 8 and 9 of the report, the committee have discussed this point, but I have not found any specific reason why the dividend rate should not be 4 per cent. but 4.25 per cent. Why should it not be 4.30 per cent or 3.30 per cent. From the report, I find that there is no reason why the rate has been fixed like that. I would, in fact, go one step further. The previous speaker also referred to it, but he did not emphasise it.

When we look at it from the other aspect, there is the question that the railways are helping the Government Departments and others by unseen methods. I suppose the P. & T. Department is one such; then, the food services are there; there also, they may be doing a good service. I do not say that Government should not do it, if they want to help to reduce the prices of foodgrains; let there be a concession for foodgrains. I have no objection. Then, there is the case of industrial raw materials also. There is also the Defence Department. These Departments and services are given concession by the railways. I do not know what the value of these concessions will be. I have tried my best to find out the figures, but I have not

been able to find any. I tried to find them out even from the earlier reports, but I have not been able to find out how much exactly it comes to, by way of concessions to the P. & T. Department, the Defence services, food-grains, coal, industrial raw materials and so on. No doubt, the railways are doing a very good national service by giving concessions in the case of these items. I have no objection to that. But, we are saying that the railways are a commercial concern. I say, for the sake of argument, let us concede that it is a commercial concern. If it is a commercial concern, I cannot understand why the railways should be charitable only to these concerns or only in the case of these items. Why should the railways not charge at least in their books and then have a deduction made from the contribution that they have to make to the general revenues?

As I was saying, the percentage must be fixed in a proper way. I have no objection to paying a definite rate of interest. I have no objection to the capital being paid its proper share of interest. Here also, I would like to submit one or two things. We know that these railways were started more than a century ago. If we look into railway finance and see how much has been paid by our passengers and travellers and by the merchants for sending their goods in the earlier days, what do we find? In our parts and in Bombay also, on the original side, there is a law called *Dandupat*. I do not know whether it is prevalent in these parts. It is a very good and equitable principle. If interest is paid to the tune of more or less double the amount of principal, then, the principal must be wiped out. Supposing a man borrows Rs. 100, and he has paid back Rs. 200, then, the whole principal must be wiped out. This principle was also adopted by Rajaji in the Debt Relief Act which he promulgated in the Madras State. Please do not, however, think that I am adopting this argument or anything of that kind. In the case of railways, probably, not

only double, but even treble has been paid. That is a different aspect altogether. On equitable considerations, the principal itself has to be wiped out here also. But that is a different matter. I am not pressing it. After all, the railways are a public concern. But, as I said, our equitable law goes to that extent. Even if a *bania* lends money and he has been paid double the amount of his principal, then the principal must be wiped out.

I shall not adopt that principle here. But, at least, should we not have this principle that only some equitable rate of interest should be paid and nothing more than that? If we consider the question from this point of view, and take into account the concessions that are given, think the rate of interest that has to be paid, namely even this 4.25 per cent. will be too much.

Shri Naushir Bharucha was ably arguing and saying that there is the dollar loan, and on that, about 6 per cent or thereabouts has to be paid. Let us consider that also. Out of the Rs. 2,300 odd crores, which will be the capital-at-charge of the railways at the end of the Third Five Year Plan, the dollar loan will only be about Rs. 140 crores. I shall not grudge the railways paying a higher rate of interest at the rate of 5½ or 6 per cent. on that portion of the capital-at-charge, because there is nothing wrong about it. Interest can be paid at a higher rate on this portion of Rs. 140 crores. But why do you make that as a lever and charge a higher rate on the rest of the Rs. 2,300 crores also? In spite of what was said by Shri Naushir Bharucha who also referred to the leader in *The Statesman* and so on, namely that everything is carried away by the railways, I would say that everything is carried away by the Finance Minister, because he wants funds for the Plan. I say that he must find funds in a proper way.

From the report itself, I would submit that it has not been a very fair recommendation. What is the condition of railway finance today? The

[Shri Achar]

committee say that they themselves may go into the question of the creation of an amortisation fund later on.

At page 13, they say:

“While that Committee”—that is, the previous Convention Committee—

“agreed that amortisation would eventually be of benefit to the Railways, they were of the view that having regard to the tight financial position of the Railways, the time was not yet ripe for amortisation. They suggested that this question might be taken up at the time of the following revision of the Convention.”

This was referred to by one of the previous speakers. Last time, they left it there. They realised that the Railways are in a tight position and nothing could be done. Now, also it is sent to cold-storage.

“The financial forecast for the next five years shows that the position remains essentially the same.”

That means, it is in a very tight corner. The railway finances are not at all satisfactory. When that is the situation—of course, this may not be a big burden; I am not arguing against the present rate of 4.25 per cent.—when the railway finances are not in a proper condition, there being insufficient provision to meet the needs of the Development Fund and other things, payment of interest on the capital to general revenues must not depend on other things. If instead of the present position, the railways have a huge surplus next year, even then, I will not recommend an increase in the rate. The rate of dividend must depend on the right of the Government to get interest taking into account other factors, if any. I do not know if there are any; if there are any, that must also be charged. But just because the Railways have got a higher surplus, it should not *ipso facto* go into the treasury. There is no justification for doing so.

Look at the condition of our Railways. Persons who have gone to foreign countries say that ours is one of the worst railway systems.

**Mr. Chairman:** I do not agree with the hon. Member.

**Shri Achar:** I will give one or two instances. Take the speed of our trains. When I say ‘one of the worst railway systems’, I am not talking about its efficiency or anything of the kind. In that respect, it is all right. But take one simple instance—the speed of our trains. I am told in the Continent, the trains run at a speed of 120 miles. In America—we should not compare our system with that of Iran or Iraq; I am thinking of the more civilised and better developed countries—what is the speed of trains? I am told it is 125 miles an hour. I am not for a moment saying that that is possible here. But what should be our aim?

**Mr. Chairman:** Speed depends on several factors.

**Shri Achar:** Maybe. But should we permanently remain as we are?

**Shri Kalika Singh (Azamgarh):** That is on the special Trans-Continental Railway.

**Shri Achar:** I have also read about it. Have we a Trans-India Railway?

I am not saying that in one day we can change the condition. The tracks are not all right. We know what the conditions are. It is not that we do not redise the practical circumstances. But what should be our aim?

My main point, without going into details, is that the railway finances are not in a satisfactory condition. If there is any surplus with the railways, it must be utilised for the development of the railways. The Report makes it very clear that the railways are not able to have the necessary funds for development. They are not

able to think of amortisation. When that is the position, there is no justification for an increase of 0.25 per cent. or any increase.

**Shri Aurobindo Ghosal (Uluberia):** The Report of this Committee is so cryptic that it is impossible for us to know the grounds on which the Committee have come to their decisions. The issues framed by the Committee were sent to the Railway Board and the Financial Commissioner to give their opinion. After considering their opinion, as we see from the Report, the Committee came to certain specific conclusions embodied in the Report. In my opinion, the Committee has rather compromised the issue on the suggestion of the Railway Board and the Financial Commissioner without disclosing what are the specific grounds in detail in support of their decisions.

The fundamental principle on which the whole question should be viewed is whether the railways are a commercial undertaking or not. Shri V. P. Nayar said that the railways are not a completely commercial undertaking; they have got a public utility aspect also. The Railways themselves, whenever the question of any amenities or laying of new lines comes up, declare that they are always examining things from the commercial angle. There is no doubt that mainly, if not wholly—because there are also some lines which may be called strategic—the railway undertaking should be conducted on a commercial basis. Therefore, naturally financial issues should also be settled on commercial lines.

Regarding the rate of dividend which is being paid at present towards general revenues, the gross traffic receipts in 1955-56 were Rs. 316.29 crores which gradually increased to Rs. 422.33 crores in 1959-60. During this period, the rate of dividend paid is 4 per cent. The gross traffic receipts are expected to increase to Rs. 611.22 crores at the end of the Third Plan, that is, at the end of 1965-66. So the increase in gross traffic receipts by this time, in

five years, will be about double. But I do not understand why the Committee have increased the rate of dividend only by 0.25 per cent.?

**Shri Jagivan Ram:** What relation has it got to gross traffic receipts?

**Shri Aurobindo Ghosal:** The revenue will be increased from Rs. 50.34 crores in 1955-56 to Rs. 170.85 crores in 1965-66. One of the main pleas of the railways against an increase in the rate of dividend payable is that the railways are also contributing to general revenues in the way of concessions to P. & T. and Defence departments, as also giving concessions in the rate for carrying coal, industrial raw materials, foodgrains, etc. But these concessions are not new features. These concessions are being given since a long time. Moreover, by reducing the tariff rates, the Railways are also getting some advantage. All commercial transport shall have to do it in order to increase the volume of their traffic. Naturally, the Railway is also benefited by reducing the rates of tariff in the case of these commodities. On the other hand, by recommending that the annual loss on the working of the strategic lines should be borne by the general revenues, the increase of the dividend by 0.25 per cent. loses all value and it is being more than compensated. So, the General Revenues, in spite of the meagre increase will gain nothing; rather, the General Revenues will become starved.

13 hrs.

I understand that the whole of the North Eastern Railway has been relegated to the category of unproductive section. Of course, some portion of it might be unremunerative being of a strategic nature. But those sections may be cut off from this zone and may be considered separate. Why should the whole zone be relegated to the unproductive unit? Moreover, in the near future, within a year or two when the Assam link will be strengthened and the Brahmaputra bridge will be completed and also the through traffic

[Shri Aurobindo Ghosal]

passage agreement with Pakistan is finalised, the whole North Eastern Railway would be turned into a remunerative one.

The contribution to the Depreciation Reserve Fund was fixed at Rs. 30 crores by the 1934 Railway Convention Committee, which was again raised to Rs. 45 crores in 1955-56. Now, it has been raised to Rs. 70 crores per year from Rs. 45 crores. The Report has not given any argument for fixing it at this amount of Rs. 70 crores, as Depreciation Charges. I want to know what is the basis or method of working out these depreciation charges. This has been questioned by the previous speakers also. Depreciation should be based on the life of the assets and their replacement capacity, though, of course, not on a point to point basis. This cannot be deferred if the earning potentiality of the assets has to be maintained in future. If proper depreciation is not worked out, what will happen? There will be corrosion in the capital investment and it is also very dangerous for the undertaking in future.

As regards financing of the Development Fund by means of temporary loans from General Revenues, I would support the recommendation of the Auditor-General in this respect, who has advised them to cut their coat according to their cloth. Withdrawal from the funds exceeding its net accretion has been the regular feature since 1953-54. I understand and realise that the expenses are increasing for developmental works in the Railways. Still, the commercial and practical approach should be maintained in order to restrict the expenditure and the expenditure should be restricted within the amount that will be available for them, and also for the purposes for which the Fund was originally created.

Moreover, development should be interpreted literally and strict watch should be kept so that a portion of the Development Fund is not utilised for

any other purposes. We have seen that this loan has lost its colour and has turned into a grant again when we find that the Committee have recommended to write off the loan indirectly in order to enable the Railways to begin their Third Five Year Plan career with a clean slate. The Railways should also endeavour to see that these expenses which are incurred from Development Fund ultimately bring some remuneration in future. They cannot be relegated to unproductive units *ad infinitum*. This may also be considered.

In spite of giving concessions for development we find that the amount for users' amenities has not been increased. That has been fixed at Rs. 3 crores per annum for the next 5 years. For the last 5 years also the same amount was fixed—Rs. 3 crores per annum. If you analyse the categories and the character of these users' amenities, you will find that very many things have been allocated to this Fund. For example, even the expenses which are meant for the developmental purposes of the Railways which are of interest to the Railways have been included within the Amenities Fund. Construction of godowns or putting up of more counters for facilitating the work of the Railways, and sometimes even remodelling of stations, have been included in the amenities. Moneys are being taken from the Amenities Fund. The scope of the Amenities Fund has been so much widened that the real amenities for the users are not being given. Even then, the Amenities Fund has not been increased; and it is fixed at the same amount of Rs. 3 crores per annum.

The merging of the passengers' fare tax with the fares will deprive the States to some extent as they shall have to accept a fixed quantum on a presumptive basis and they will be deprived or they will not be able to get anything more if the income increases still in future. In order to avoid the process which is full of complexities, I would rather like to accept

the recommendation of the committee in the merging of railway fares.

Lastly, the Committee has not been able to give any radical argument for deferring the creation of a Amortisation Fund. The last Convention Committee has also said that certain amounts should be given. Nobody can deny the necessity of this Fund. It has been deferred on account of the tight financial position of the Railways. But, in my opinion, this Fund should have been started even with a small amount.

Lastly, regarding the moratorium of new lines. The interpretation of the moratorium as given by the Committee is really curious. If we refer to the recommendation of the Railway Convention Committee of 1954, we will find that recommendation 4 is like this:

"The dividend on the Capital-at-charge of new lines should be computed at a lesser rate, viz., the average borrowing rate charged to Commercial Departments and a moratorium should be granted in respect of the dividend payable on the Capital invested on the new lines during the period of construction and upto the end of the fifth year of their opening for traffic, the deferred amount being repaid from the sixth year onwards in addition to the current dividend out of the net income of the new lines."

In this recommendation, nowhere do we find any basis for the finding of this Committee for interpreting these recommendations in the light in which this Committee has decided.

"The Committee are of the view that the deferred dividend should be paid from the sixth year onwards only if the net income of the new lines leaves a surplus after the payment of the current dividend."

That was not the recommendation of the last Railway Convention Committee—of 1954.

Sir, with these words I say I am not happy with the Report of the Railway Convention Committee.

श्री सिंहासन सिंह : (गोरखपुर) : यह जो रिपोर्ट रेलवे कन्वेंशन कमेटी की है, इसमें मेरी थोड़ी सी असहमति है। प्रथम तो मैं चाहता था कि हमें बताया जाता कि युनाइटेड किंगडम में, बैल्जियम में, फ्रांस में जहां पर रेलवेज को नेशनलाइज किया गया है, कितनी घन राशि जनरल रेवेन्यूज को दी जाती है ताकि हमें पता चल सकता कि हम उनकी तुलना में कितनी देते हैं। उन मुल्कों में क्या दिया जाता है, मालूम होता है, उस पर हमारी कमेटी ने विचार नहीं किया है और यह पता नहीं लगाया है कि उनकी तुलना में हम कम दे रहे हैं या अधिक दे रहे हैं। हमेशा ही किसी चीज पर विचार करने का कोई आधार होता है लेकिन ऐसा मालूम होता है कि हमारी कमेटी ने किसी को भी आधार मान कर फैल नहीं किए हैं। वहां गाड़ियां तेज दौड़ती हैं या हमारे यहां तेज या धीमे दौड़ती हैं, इन बातों में न जाकर हमें देखना है कि हम किस आधार पर जनरल रेवेन्यूज को पैसा दें। जब हम पैसा देने की बात करते हैं तो हमें यह भी सोचने के लिए मजबूर होना पड़ता है कि रेलवे को यूटिलिटी कनसर्न माना जाए या इसे ब्यावसायिक आधार पर चलाया जाए। यू० के० इत्यादि में क्या जनरल रेवेन्यूज में दिया जाता है इसका पता लगाने के लिए मैं लाइब्रेरी में गया हूं लेकिन वहां भी मुझे इस बात का पता नहीं चल सका है। हमारे आचार साहब ने बड़े जोरों में कहा है कि रेलवे यूटिलिटी सर्विस हैं, इनको कमर्शियल कनसर्न हम नहीं कह सकते हैं। आज देखना यह है कि हम किस प्रकार की सोसाइटी की स्थापना करना चाहते हैं। हमने नारा लगाया है कि हम अपने यहां सोशललिस्टिक पैटर्न ग्राम सोसाइटी की स्थापना करेंगे और वही हमारे सामाजिक ढांचे का आधार होगा

## [श्री सिंहासन सिंह]

और इस ध्येय की पूर्ति के लिए हम शनैः शनैः धीरे धीरे कदम आगे बढ़ाते जायेंगे। हमने कहा है कि जितने भी व्यक्तिगत क्षेत्र के अन्तर्गत उद्योग आते हैं, उनको हम धीरे धीरे राष्ट्रीय क्षेत्र के अन्तर्गत लाते जायेंगे। आज जो कारोबार व्यक्तिगत क्षेत्र में होता है, उस से हम टैक्स लेते हैं और उस के बाद भी वह उद्योग जनरल कैपिटल को मुनाफा देता है और उस के साथ साथ अपने शेर होल्डर्स को डिविडेंड देता है। ये सभी बातें हैं जिनको हमें हमेशा ध्यान में रखना होगा जब हम इस विषय पर विचार करें।

हमारे आचार साहब ने एक बात दामदूपत की कही है। मुझे पता नहीं कि कहां कोई कर्जदार है और कहां कोई कर्ज को वसूल करने वाला है। आज तो कर्ज लेने वाली और कर्ज को अदा करने वाली सरकार ही है। इस वास्ते दामदूपत का जो कानून है, वह यहां लागू नहीं होता है। जो रुपया हम रेलों में लगाते हैं, उसका क्या रिटर्न हमको मिलता है और क्या नहीं मिलता है, इस पर हमें विचार करना है। १४ अरब या उसके करीब रुपया रेलों में लगा हुआ है। उसका आप केवल चार परसेंट सूद के तौर पर देते हैं जब कि अन्य जो प्राइवेट कम्पनियां हैं, उनकी बात दूसरी है। वे गवर्नमेंट को टैक्स देती हैं, बहुत शान से रहने के बाद भी डिविडेंड अपने शेरहोल्डर्स को देती हैं और अपने सारे खर्च निकालती हैं और उन के बाद भी नफा कमाती हैं। गवर्नमेंट आज भिन्न भिन्न चीजों को अपने अधिकार में ले रही है। हमारे सामने जैसा मैं ने कहा है ५० के० के आंकड़े नहीं हैं। लेकिन जो सोशललिस्ट स्टेट्स हैं, उनकी मिसालें हमारे सामने हैं। वहां जनता पर कोई टैक्स नहीं लगे हुए हैं। उनकी कुल आमदनी राज्य द्वारा जो व्यवसाय चलाये जाते हैं, उन से होती है, रेलवे से होती है, स्टील से होती

है, माईन्स में होती है, कोल से होती है। हम ने भी कोल के क्षेत्र में प्रवेश किया है, स्टील, माइल इत्यादि के क्षेत्र में भी हम धीरे धीरे बढ़ रहे हैं। लेकिन जहां भी हम देखते हैं हमें इन से घाटा ही होता दिखाई दे रहा है। अब इस कमेटी ने क्या कहा है? इस ने कहा है कि चार के बजाय सवा चार कर दो और इस सवा चार करने की कोई वजह बयान नहीं की है। जब रिपोर्ट को पढ़ते हैं तो पता चलता है कि जो कमेटी की जजमेंट होगी वह चार के भी खिलाफ जाएगी, चार से कम के लिए कमेटी कहेगी लेकिन आखिर में जा कर एक छोटा सा पैरा लिख दिया कि सवा चार कर दो। सवा चार इस आधार पर किया मालूम देता है कि रेलों को भी कुछ मुनाफा रह जाए और इस से ११ करोड़ का मुनाफा रेलों को रह जाएगा। कमेटी ने सोचा कि अगर साढ़े चार कर दिया तो रेलों को घाटा होगा इस वास्ते मुनाफे का ख्याल रखते हुए और यह देखते हुए कि घाटा भी न हो, उस ने सवा चार परसेंट रख दिया, बांच का रास्ता निकाला है।

अब हमें देखना है कि हमारे जो डिवेलपमेंट के प्रोग्राम है वे कैसे बन रहे हैं और कैसे वे चल रहे हैं। हम पांच साला प्लान बना रहे हैं। क्या उस प्लान को हम केवल कर्ज ले कर ही पूरा करना चाहते हैं या अपनी कमर कस कर और खर्च में कमी कर के भी उन को पूरा करना चाहते हैं। आज तो ऐसा देखने को मिलता है कि हम कर्ज ही वज्र लेते जा रहे हैं और खर्च करते जा रहे हैं। यह एक ऐसा विषय है जिस पर आपको गम्भीरता से विचार करना होगा।

हमारे नायर साहब ने कहा है कि इस कमेटी ने एक नई कन्वेंशन बना ली है कि कोई मेम्बर भी डाइसेंटिंग नोट नहीं देगा। अगर ऐसा बाकी सभी मामलों में भी हो सके तो यह प्रसन्नता की बात होगी, खुशी की बात होगी।

अगर मैजोरिटी से कोई चीज तय हो जाए और उसको मान लिया जाए तो यह भी एक प्रसन्नता की बात होगी। १८ मेम्बरों की यह कमेटी थी और इसमें सभी पार्टियों के लोग थे। उसमें से किसी भी आनरेबल मेम्बर की भिन्न राय न रही हो, सभी एक मत के हों, कैसे हो सकता है। काश कि यह बात हो सकती तो आज हम बहुत आगे बढ़ गये होते। लेकिन ऐसी बात नहीं हो सकती है। कनवेंशन की बात अलग है कि अलग राय होते हुए भी दूसरों की बात को मान लो और जो मैजोरिटी की राय है, उसे ही कर दो। लेकिन जस कनवेंशन कमेटी ने जो इस तरह की कनवेंशन बना दी है कि कोई भिन्न राय नहीं रखेगा और भिन्न राय नहीं देगा, यह जरा इमोक्रैटिक ढांचे के लिए बड़ी शोभनीय चीज मालूम नहीं देती है। यहां पर हर एक को अपने विचार रखने की स्वतन्त्रता है और उसको अपने विचारों को अभिव्यक्त करने की छूट है। अगर कोई मेम्बर यह राय रखता है कि यू० के० में इतना जनरल रेवेन्यूज को दिया जाता है, फ्रांस में इतना दिया जाता है और दूसरे मुल्कों में इतना दिया जाता है तो हमारे यहां भी इतना क्यों न दिया जाए तो जसमें कोई खराबी की बात नहीं है। लेकिन वह ऐसा कहने नहीं पाया प्रतीत होता है। मैं चाहता हूँ कि अगली बार जब इस विषय पर विचार किया जाए तो इसको अवश्य ध्यान में रखा जाए।

अब जो आडिटर जनरल ने एक सुझाव दिया है, उसकी मैं चर्चा करना चाहता हूँ। वह सुझाव अपनी जगह पर अच्छा था। लेकिन आपने कहा है कि उस सुझाव को हम नहीं मानेंगे। आडिटर जनरल ने क्या सुझाव दिया है। उन्होंने इतना ही तो कहा है कि जनरल रेवेन्यूज से आप डिबेलेप-मेंट फंड के लिए न लीजिए, अपनी ही आमदनी से, खुद ही बचा कर इस काम को आप करिये

खर्चों में बचत करने या आमदनी को बढ़ाने पर आपने विचार नहीं किया है। कहीं पर भी इस कमेटी ने कोई सुझाव नहीं दिया है कि अमुक अमुक विभागों में खर्चा कम करके अधिक रुपया बचाया जा सकता है। आज देखने में आता है कि शानदार बिल्डिंग बनाई जा रही है और रुपया फिजूल खर्च किया जा रहा है। मिनिस्टर साहब यहां पर मौजूद हैं और मैं उनका ध्यान इस की ओर खींचना चाहता हूँ। आप रेलवे प्लेटफार्मस की बात को ही ले लीजिये। हर तीसरे साल प्लेटफार्म को उखाड़ कर नया बनाया जाता है। इसके लिए रुपया चाहे कहीं से भी आता हो लेकिन खर्च कर दिया जाता है। इसमें सिमेंट भी लगता है, लोहा भी लगता है। यह रुपया का वेस्टेज है, जिस पर ध्यान नहीं गया है।

श्री राजेन्द्र सिंह : इस तरह की कृपा रेलवे की आपके यहां है, मेरे यहां नहीं है।

श्री सिंहासन सिंह : आपके यहां की बात का क्या कहना। आपके यहां तो गाड़ी पर कोई टिकट ले कर चलता ही नहीं है। वहां के लोग तो कहते हैं कि गाड़ी अपने घर की है, इसमें सफर करने के लिए टिकट क्या लेना।

श्री राजेन्द्र सिंह : बलिया बिहार की बात आप कर रहे हैं।

श्री सिंहासन सिंह : बलिया भी आपके पड़ोस में है। बिहार में मैं गया हूँ। वहां पर फस्ट क्लास तक में कोई टिकट नहीं लेता है। आपका कुछ असर हमारे बलिया में भी दृष्टिगोचर हो रहा है। जो रेलवे का विजिलेंस डिपार्टमेंट है वह बिहार में नहीं चलता है। टिकट चैकिंग भी बिहार में नहीं होता है।

पंडित भुनीश्वर दत्त उपाध्याय (प्रतापगढ़) : गोरखपुर में नहीं पहुंचता है ?

**श्री सिंहासन सिंह :** छपरा के किनारे हीतो गोरखपुर है। गाड़ी अगर वहां लूट ली जाती है तो दूसरी बात है। लेकिन बिहार की क्या हालत है यह मैं आपको बतलाना चाहता हूँ। मैं एक बारात में गया। वहां पर स्टेशन पर गाड़ी रुक गई और इस वास्ते रुक गई कि किसी ने चैन पुल कर दी थी। जब पता चलाया तो पता लगा कि वहां पर कोई भी गाड़ी ऐसी नहीं होती है जिसकी चैन न खींच ली जाए। सभी गाड़ियों में चैन पुलिंग होता है। अब चैन पुलिंग के लिए आपने कानून बना रखा है कि ढाई सौ रुपया जुर्माना होगा और तीन महीने की सजा होगी। लेकिन वहां पर इस कानून पर अमल नहीं होता है।

खैर, मैं आडिटर जनरल के सुझाव का जिक्र कर रहा था। उन्होंने कहा कि हम कमर कसे और अपनी आमदनी में से कुछ बचा कर डिप्लेपमेंट के कामों में खर्च करें। उस चीज को नहीं माना गया। आप हर साल तीन करोड़ रुपया यात्रियों की सुविधा के लिए खर्च करते हैं। मैं जो सुविधायें दी जाती हैं, उनकी ओर माननीय मंत्री जी और रेलवे बोर्ड के सदस्यों का ध्यान खींचना चाहता हूँ। जहां पर पहले कुछ सुविधायें यात्रियों को मिली हुई थीं वे भी अब खत्म कर दी गई हैं। फर्स्ट क्लास में कुछ महीने पहले यात्रियों के नहाने के लिए शावर लगे हुए थे, उनमें अब लकड़ी ठोक दी गई है। इसका नतीजा यह हुआ है कि शावर बाथ भी वहां नहीं है।

**श्री राजेन्द्र सिंह :** आपकी कृपा है।

**श्री सिंहासन सिंह :** किस की कृपा है और किस की नहीं है, इसको आप छोड़ दें। सभी की कृपा है।

हम लोगों को फर्स्ट क्लास के पास मिले हुये हैं। मिनिस्टर लोग सैलून में चलते हैं और उनको पता नहीं कि थर्ड क्लास की क्या

हालत है। मने देखा है कि थर्ड क्लास में पंखे तक हट गये हैं और उन पर सील लगा दी गई है। आप तीन करोड़ रुपया मंजूर करवाते हैं, क्या आपने कभी यह देखा है कि यह तीन करोड़ रुपया रेली तौर पर व्यय होता है या नहीं होता है या केवल कांगजों में ही व्यय हो जाता है। वह सही तरीके से व्यय हो और लोगों को सुविधा मिले। स्टेशनों पर पानी के घर बने हुये हैं, लेकिन अगर आप जाकर देखिये तो वहां पर पानी के घड़े नहीं हैं, वहां पर आदमी नहीं हैं। टैप के पानी के लिये पम्प लगे हुये हैं लेकिन उनके मुंह खुले हुये हैं। यों समझिये कि सिर्फ पम्प लगे हुये हैं, उनमें पानी नहीं है। लेकिन इसके बारे में कोई पूछने वाला नहीं है और ३ करोड़ २० हर साल हम व्यय करते हैं जनता की सुविधा के लिये। पानी की ओर जनता दौड़ती है। अगर जाड़े में पानी न मिले तो परवाह नहीं, लेकिन गर्मियों में भी पानी नहीं मिलता है। मैं कहना चाहता हूँ कि इस सुविधा की ओर भी ख्याल करना चाहिये।

सभी लोग चाहते थे कि गाड़ियां बढ़ाई जायें, वे नहीं बढ़ीं, भीड़ ज्यों की त्यों चली आती है। एक दफा रेलवे मिनिस्टर साहब ने कहा था कि शार्ट डिस्टेंस के लिये हम छोटी छोटी गाड़ियां चलावेंगे, लेकिन वे चली नहीं।

**श्री शाहनवाज खां :** काफी चल चुकी है।

**श्री सिंहासन सिंह :** कहां चली है ? मैं जानता हूँ कि एक गाड़ी चला करती थी आगरा से बरोनी तक। उसी को तोड़ कर आगरा से लखनऊ तक और लखनऊ से गोरखपुर तक कर दिया गया। तो आप देखें कि कागज पर ही गाड़ियां बढ़ी हो सकती हैं, लेकिन वास्तव में गाड़ियां बढ़ी नहीं हैं। अगर आप एक गाड़ी को ही तोड़ कर दो तीन गाड़ियां बना दें तो उससे कोई लाभ नहीं है और वह गाड़ियों का बढ़ना नहीं कहा जा सकता।

अब आप दूसरी तरफ देखिये । आप किराये पर अपने मकान देते हैं, लेकिन वह किराये कभी भी कीमत की पूर्ति नहीं करते । हम पालियामेंट के मेम्बरान को भी मकान गिजते हैं, लेकिन जो किराया उनसे लिया जाता है उस के अन्दर पांच या छः बरस के अन्दर सारे फर्निचर के दाम निकल आते हैं । इसी तरह से गवर्नमेंट के और विभाग भी हैं जो कि किराया लेते हैं और उससे काफी हद तक दाम निकल आते हैं । लेकिन रेलवे में, जो कि गवर्नमेंट का ही एक विभाग है, ऐसा नहीं किया जाता है । रेलवे मकान बनवाती है, लेकिन उनका किराया इतना नहीं है कि उनका दाम निकल सके । ऐसा सिलसिला होना चाहिये कि किराया इस तरह से रक्खा जाय कि उसकी कास्ट भी किसी हद तक निकल सके । और सरकारी महकमों में भी किराया लिया जाता है, शायद वह १० परसेंट है, और दिल्ली में शायद वह १५ परसेंट है । आखिर हम रेलवे एम्प्लायीज से भी क्यों नहीं उसी हिसाब से किराया लेते । जहां पर रेट ५० ६० का होता है वहां हम उनसे ८ १० लेते हैं, फिर कहते हैं कि रेवेन्यूज के लिये हम नहीं देंगे । मेरा विचार तो यह है कि रेलवे कमर्शल कंसर्न है । जब भी सवाल आता है कि रेलवे यूटिलिटी कंसर्न है या कमर्शल कंसर्न है, तो रेलवे कहती है कि हम कमर्शल प्वाइंट आफ व्यू से इसे देखते हैं और इसका ब्याल करते हैं कि फायदा होता है या नहीं । यहां पर आप ने ४ परसेंट से ४ १।४ परसेंट कर दिया, यह स्वागत हेतु बात है, लेकिन मैं रेलवे मंत्री से अनुरोध करूंगा । हम सोशलिस्ट पैटर्न के अनुसार सब चीजों को करीब करीब नैशनलाइज करेंगे । इस समय हमारी रेलवे की जो योजना है १४ या १५ अरब ६० की वह सन् १९६६ में २७ अरब होने जा रही है । लेकिन उस २७ अरब पर भी आपने कहा है कि मिलेगा ३ अरब ८६ करोड़ । हमको आज प्लैन्स के लिये रुपये की जरूरत है । रेलवे आज एक कमर्शल कंसर्न है, अगर वह आज प्लैन्स में हमारी मदद नहीं कर सकती तो

कम से कम अपनी तो करे । अगर अपने डेवेलपमेंट फंड के लिये रुपया वह जेनरल रेवेन्यू से लेती है तो वह कहां तक दिया जा सकेगा ?

ब्राडिटर जनरल की रिपोर्ट के ऊपर भी आपने कहा है कि जैसे आप करते थे वैसे ही करते रहेंगे और चलाते रहेंगे । मैं ब्राडिटर जनरल के संबंध में जो लिखा है उसे भी बतलाना चाहता हूँ :

“The Committee are averse to the curtailment or limiting of expenditure on works met out of the Development Fund . . .”

कोई एक्स्पेंडिचर कम करने नहीं जा रहे हैं । अब दूसरी ओर आप देखिये कि ज्यों ज्यों आपकी आमदनी बढ़ती जाती है, वैसे वैसे आप का खर्च भी बढ़ता जाता है । हम से एक फिटर कहा करता था कि काम करने वाला तो मैं अकेला हूँ लेकिन मुझ पर निगरानी करने वाले कितने हैं इसका ठिकाना नहीं है । हम लाइन फिट करने जाते हैं, लेकिन यह कोई कार्य न करके सिर्फ हम पर निगरानी करने जाते हैं । फिटर के ऊपर सुपरवाइजर, ऐसिस्टेंट, इंजीनियर, पी० डब्ल्यू० आई० सभी होते हैं । जब कि यह सब निगरानी करने वाले हैं, काम करने वाला सिर्फ मेट होता है । सुपरवाइजरों की संख्या कम कर के अगर मेटों की संख्या बढ़ाई जाती तो काम ज्यादा होता । हम खर्च को टाइट करते तो ठीक था, हम चाहते भी थे कि कंवेन्शन कमेटी इस पर विचार करती, लेकिन कुछ मालूम नहीं हो रहा है । एन० एफ० रेलवे के बारे में आप ने जरूर कहा कि यह स्ट्रैटजिक लाइन है इसलिये इस को चलना चाहिये । चले, मैं कंवेन्शन कमेटी के विरुद्ध कुछ नहीं कहूंगा । हां, रेलवे मिनिस्टर साहब से एक बात कहना चाहता हूँ कि वहां पर जो अफसर हैं वे एन० एफ० रेलवे में जाने से घबरा जाते हैं, इसलिये घबरा जाते हैं कि वहां का जलवायु खराब है, रहन सहन भी काफी

[श्री सिंहासन सिंह]

महंगा है, सिवा नारंगी के सब चीजें महंगी हैं। इसलिये अफसर घबरा जाते हैं और कहत हैं कि इस रेलवे में आ कर पता नहीं वे निकल पायेंगे या नहीं। इसलिये उनका उत्साह भंग हो जाता है। एक रेलवे अफसर आये और कहने लगे कि यह गवर्नमेंट की पालिसी है कि पश्चिम वालों को दक्षिण और दक्षिण वालों को पश्चिम भेजा जाय ताकि लोगों में एकता बढ़े। इसलिये हमें देखना है कि वहां पर कुछ समय के लिये ही लोग जाया करें, हमेशा के लिये वहां न रक्खा जाये।

रेलवे मंत्री ( श्री जगजीवन राम ) :  
तीन, चार वर्ष के लिये ही जाते हैं।

श्री सिंहासन सिंह : मंत्री महोदय कहते हैं कि तीन चार वर्ष के लिये जात हैं, लेकिन लोग समझते हैं कि हमेशा के लिये वे जायेंगे। बहरहाल यह अच्छी बात है और मैं उन लोगों को सहारा दूंगा।

इन शब्दों के साथ मैं एक बार पुनः रेलवे मंत्री से कहना चाहता हूँ कि यह कमर्शल डिपार्टमेंट है और देश का सब से बड़ा आमदनी का जरिया है, इसलिये जहां तक हो सके जेनरल रेवेन्यू से न ले कर उसको देने की बात होनी चाहिये ताकि और विभाग भी पा सक।

**Pandit Munishwar Dutt Upadhyay:**  
Sir, so far as the question that we are discussing is concerned, I think it depends on the angle from which we look at it. If we look at the railways from the viewpoint of commerce, of course, we have to see what profit is made out of it. In case we think that it is a utility service that we are providing to the people, we have to look at it from that point of view.

Regarding the items that are given here, there does not appear to be consistency so far as all of them are concerned. The first point raised by Shri

V. P. Nayar was, he said that if any member of the committee wanted to give a sort of dissenting note, he could not do so.

**Shri Braj Raj Singh:** The principle is any member who wants to give a note of dissent should be allowed to do so.

**Pandit Munishwar Dutt Upadhyay:** He must be allowed. But what I say is, nobody was particular about giving a note of dissent.

**Shri Braj Raj Singh:** No, no.

**Pandit Munishwar Dutt Upadhyay:** Otherwise, how can anybody be prevented from giving a dissenting note if he wanted to? I think he must have reconciled himself to it.

**Shri Rajendra Singh:** Some members told me that they were not allowed to give a note of dissent, because that was the prevailing practice. It is not that nobody wanted to give a note of dissent.

**Pandit Munishwar Dutt Upadhyay:** Maybe it is a convention. Coming to the points raised in this report, this increase of 0.25 per cent. in the dividend to be paid by the railways to the general revenues is almost immaterial, because, a number of concessions have been allowed after this increase. In spite of this increase, if certain other considerations were also given I think the purpose would have been served. About this it was stated that it is something very big or great and what should have been done has not been done. I do not think that is right. If you really go into this matter the determining factor is the rate of interest. When some capital is invested on that a certain amount of interest has to be paid, and the interest here ranges from 5.8 per cent. to 6 per cent. But the dividend that has been allowed here is only 4½ per cent. So, it does not cover even the amount of interest as was prevalent during those years.

As regards concessions you will find they are allowed on loss on strategic lines. For example, in the north east frontier railway some concession has been given. As a matter of fact, if the railways are to be looked upon from the utility point of view, these concessions should be allowed more and more. My hon. friend who was speaking before me was talking more of amenities to the passengers; he was talking of fares and other amenities to other people concerned with the railways. Of course, he was not talking of facilities to be given to the railway staff; he asked why rent is not charged here and so on. On this, his note was a little different.

If these amenities are to be taken into account then the railways must have sufficient funds. It is all a question of funds. Unless the railways have sufficient funds they could not provide all those amenities which we all demand. My friend just now made a number of complaints and they are correct to some extent; I have also noticed some of them. But they cannot be remedied unless the railways have enough funds. If the railways have to contribute a larger amount to the general revenues then their funds are sure to be decreased. There is no doubt that the railways used to earn a lot. And when they were earning a lot we could have demanded a bigger amount. Now, on account of the competition with the road traffic, the income of the railways has decreased considerably. So, they are not able to meet all the expenses, even what they have got to pay. On that ground they require some concession, and the Committee has allowed them that concession. I do not know what were the points raised in the committee; probably you, Sir, and other members are aware of them. It appears that the arguments that they have given are quite convincing. Under these circumstances, this concession should be given to them. Otherwise, the railway funds cannot bear the expenses and cannot come to the standard to which we want them to come.

As regards contribution to the depreciation reserve fund, they have considerably increased it. I think it requires to be increased considerably. There is no doubt that on account of expansion and increase in wages and prices of materials the amount so far allowed for depreciation would not be enough in any case. Therefore, the amount has been increased to Rs. 350 crores for the next five years. I think that is a reasonable amount.

I think the objection of the Auditor-General has some force and we cannot ignore that objection. They should have accepted it. They should not have allowed that increase of  $\frac{1}{4}$  per cent in the dividend. Instead of payment of dividend they might have considered the temporary loans that the railways have to take from the general revenues.

Another point that is very much striking is that the outstanding liability of the development fund to the general revenues has been liquidated in an *ad hoc* manner. That is objectionable and I think that should not be allowed. Although there are certain liabilities, you say that those liabilities should be liquidated in an *ad hoc* manner without following any rule, regulation or principle and the whole amount should be written off. I think that is not a proper procedure.

Coming to the merger of passenger tax with the railway fares, I think the State Governments are likely to take objection to it, because the State Governments would get this amount in proportion to the increased traffic by which they will get more as traffic increases. Now by fixing this amount on an *ad hoc* basis at Rs. 12.50 crores you are injuring the interests of the State Governments and they might have objection, and in my opinion a reasonable objection too, to it.

Then it is stated that the cost of labour welfare work etc. should include a minimum allocation of Rs. 3 crores per annum for users' amenities as hitherto. That amount appears to

[Pandit Munishwar Dutt Uyadhyay]

me to be too small. My hon. friend, when he was talking about amenities, said that even at present most of the amenities are not available. If this amount remains at Rs. 3 crores, they will be still reduced. Of course, they have said this is the minimum. I do not know how far the maximum can go beyond this minimum. If it goes much beyond it, it might be adequate, because Rs. 3 crores is too little for this purpose when we consider that railways are a utility service. We require more and more amenities from the railways.

Under these circumstances, the fixation of the rate of dividend to be paid at 4.25 per cent is not much. It could be raised a little more. As regards the other points, the committee have considered those points and from the material I have looked into I feel that it is a reasonable report on the whole. If the passengers are to be given more and more amenities, railways must have funds and for that these provisions are necessary.

**Shri Rajendra Singh:** Mr. Chairman, Sir, the Report of the Railway Convention Committee is not only depressing but also, to my mind, it is full of confusions. I have been very much disappointed by the manner in which some of the members have looked at this report. The contention often advanced on the floor of the House is whether the railway undertaking is a utility service or a commercial service. The Government takes the position as it suits it or as is convenient to it from time to time. If the railway is to be considered a commercial organisation, naturally whatever goes by commercial organisations have to be taken in without any grudge and without any fuss. As you know, in this country fares and freights are the two principal items of earnings of the railways.

These two items are always controlled by the Government on considerations other than commercial with the result that there is a control on earnings. If you want the Railways to pay

you the dividend and pay to the States in so many directions, what is this?

Though it is not said in this report but from certain papers which were given to hon. Members who were there in the Committee it is apparent that every year approximately the Railways are losing Rs. 100 crores, or rather more than that. That is the approximate figure that I have calculated which it is losing on low-freighted articles. What are those low-freighted articles? They are principally coal, iron ore and foodgrains.

It is said that coal has to be carried on a basis which will promote industries in this country and it can be supplied to the consumer at a price which he can afford to pay. When this principle is laid down the commercial considerations are not there. On the one hand you are asking the Railways to lose its due freight and on the other you want that at the same time the Railways should pay dividend to the General Revenues. This is talking with two tongues. Either the Railways shall be a commercial organisation or they shall be a utility organisation. It cannot be half-bird and half-horse.

**Mr. Chairman:** It can be both.

**Shri Rajendra Singh:** In this diluted socialism you can have as many things as you like in one jar. But it does not work that way. What happens is that today when we say that the working class who are engaged in the operations of the Railways should be given remuneration commensurate with the prices that are prevailing in the country or commensurate with their duties and responsibilities in the Railways, you say that you do not have funds. When they demonstrate you fall on them with a heavy hand.

13.43 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

The same Railways are required to carry your iron ore, coal and foodgrains at a rate which is not even

enough to cover the cost incurred. Even to the P. & T. Department and the Defence Department you are giving concessions. If it is a commercial organisation, I do not understand why it should be made to pay for the P. & T. or for the Defence Departments. Can I understand a situation in which the Defence Department can go to any private enterprise and say, "We are Defence Department. Serve us or pay us on a certain concessional basis?" I do not think even those capitalists who are paying for the existence of the Congress in this country would agree to it unless they get their due share of profit. They are neither going to give you the service nor will they give you the commodities which you require whether it is in the name of the P. & T. or in the name of Defence. But you are asking and you are doing it, you are rather forcing the Railways to give concessions which are not justified from a commercial angle. Yet, you want that the Railways should be a commercial organisation when it comes to paying some dividend to the General Revenues. At the same time, when you give concessions to the industry or to the consumer, to the P. & T. Department or to Defence Department and many other things, you say it is just a utility service.

It is claimed, many hon. Members have said that the rate of dividend payable to the General Revenues should have been higher. On the one hand, you are controlling the freight and fares and on the other you are giving concessions which are not required or which are not necessitated by commercial considerations and yet you say that the dividend that the Railways are paying or the contribution that is being made to the General Revenues is not enough. How can you have the cake and eat it too? Therefore I think that those hon. Members who feel that the Railways are not paying enough dividend are either misguided or are victims of confused thinking.

**Shri Braj Raj Singh:** Are you sure that your are not?

**Shri Rajendra Singh:** I am quite sure about my position and I want that you should also become honest to yourself. Some hon. Members have taken objection to the fact that there should not be a fixed amount payable to the States out of certain extra fares that the passengers have to pay. I do not understand how the States come into the picture. If the Railways are a commercial organisation or even if it is a utility organisation, where is the sense in paying any penny out of the proceeds of the Railways to the States?

**Shri Braj Raj Singh:** It is a constitutional provision.

**Shri Rajendra Singh:** I am talking of that. Even if there is a constitutional provision, to my mind it is against the very basic things that we are talking here in this House. If here is something wrong in the Constitution who is there to amend it or correct it? That has to be stated here. So I think that any farthing which is being allowed to go from the Railways to the States is not reasonable. In all humility I would submit to you that it would be wise if you want that the Railways should remain financially sound and an organisation capable of developing itself with the needs of the country, that all these fussy things are done away with.

Then there is a provision that on those new lines which have come up during the recent few years a moratorium may be put so that there may not be an immediate drain on the financial situation of those new lines. The provision is that after 5 or 6 years, if there is any surplus, they can pay back the dues. If the Railways could be considered a commercial organisation, any new lines the Railways have to put in, would be put in only on commercial considerations. But, in this country, during the last 10 years, each new line which has been put in has been put in on really considerations. Sometimes it is political consideration, sometimes it is strategic consideration, sometimes for economic considerations, for the development of industries and

[Shri Rajendra Singh]

like that. These are not commercial considerations from the Railway viewpoint. Naturally, when you have controlled freights and controlled fares, and at the same time, when you are sinking investments which are not from commercial considerations, whom do you want to pay for that? Naturally, the General finances have to pay and the Railways cannot be made to pay for that.

The question would arise whether I am opposed to the fact that the Railways should make any contribution to the General finances. So far as capital-at-charge is concerned, I concede that a reasonable interest is to be charged. It cannot be more than 3 per cent. To that extent, the Railways may be asked to contribute to the General finances, but, not more than that. Therefore, in my humble opinion, this 4 per cent or  $4\frac{1}{4}$  per cent that the Railways would be made to pay to General finances will have its ultimate effect in adversely affecting the working classes in the Railways.

There is a view that the Railways do not observe economy in their operation, and there are so many lapses on the part of the Railways which agument their working expenses. That may be true. I do not deny it. But, for that, some methods should have been devised. I would be happy if something is devised. A Committee consisting of Members of this House could have gone into the problem and suggested how far economy could be brought into the operation of the Railways so that the expenditure could be cut down to the minimum. It is no use telling the House that the Railway expenditure is rising enormously. All economies should be made. We do not know where economy is to be effected. Therefore, I think that any accusation in this matter should be followed by constructive suggestions.

One Member, Shri Sinhasan Singh said that the Railways are not getting enough of return from the houses that the Railways have put up for the

working classes and Class I officers. He has compared the situation with ourselves. We have to pay for the furniture also.

**Shri Sinhasan Singh:** I compared the other departments also.

**Shri Rajendra Singh:** Here, Railways are being discussed. If you are talking of something on this occasion, I am only talking about Railways.

**Mr. Deputy-Speaker:** Order, order. The hon. Member will continue to address the Chair.

**Shri Rajendra Singh:** Simply I was looking at him. In fact, I was addressing you, Sir. He says that Members of Parliament are made to pay for the furniture within 5 years and that the Railway workers have not been made to pay for the houses because the return from the houses is only up to 2 per cent or a little more than that. I do not know why my hon. friend Shri Sinhasan Singh is fighting with the poor railway workers. Rather he should have fought with these Ministers. The Ministers are getting Houses free, all furniture free, electricity free. He does not have the guts to fight with his own Ministers.

**Shri Sinhasan Singh:** I fight with them.

**Shri Rajendra Singh:** He has the temerity.....

**Mr. Deputy-Speaker:** Order, order. Why should that be said against an hon. Member? We are all equal here.

**Shri Narasimhan (Krishnagiri):** That is another kind of temerity.

**Shri Rajendra Singh:** Nobody is disrespecting here as long as he is here.

**Mr. Deputy-Speaker:** Words also should be such as indicated that there is no disrespect meant.

**Shri Rajendra Singh:** I have always been guided by you. Whatever is your

suggestion, I will carry out to the letter. If you want that I should not use that word, I will be happy not to use it. Any way, when a Member makes a point, he should see that he does not outrage the feelings of others.

Even in the Company days,—I am not talking of the present—when the Companies had been operating the Railways entirely on the profit motive or on that principle, they did not charge from the employees rent for the houses. These house investments were done in a manner so that the whole thing was lumped together. Today you say, for houses what return, for latrines what return, for urinals what return. This does not help.

**Mr. Deputy-Speaker:** We agree that urinals and latrines cannot have separate accounts.

**Shri Sinhasan Singh:** He has.

**Shri Rajendra Singh:** Much has been said about passenger amenities. I know that Members have their eye on their electorate. Everybody should have. There should not be any grudge. I do not grudge it. On the one hand, it says more money should be paid to the General revenues as though everybody has here become a Morarji Desai. In fact, I consider this report not as a report of the Parliament or your report—I am not making any reflection.....

**Mr. Deputy-Speaker:** He does not make it; but everything has to be diverted to me.

**Shri Rajendra Singh:** I am making no reflection against any Member who had been there.

**Mr. Deputy-Speaker:** Against their collective wisdom.

**Shri Rajendra Singh:** Against their collective wisdom. I had been submitting that this report is something more like to the dictation or wishes of

the Finance Minister himself. The cumulative effect of all these suggestions is that the working classes in the Railways shall not be able to get their due salaries and remuneration for which they had been crying so much, because there would not be enough earnings with the Railways to give them. Naturally, the Railways will deny, there will be cry, there will be restlessness, there will be bad blood and all these things. The stability and peace that we want in this country shall be always not easy to find.

My suggestion is that only the minimum should be charged on the capital-at-charge, which shall not be; according to my calculation more than 3 per cent. There should not be any penny given to the State. Rather the Railways should be responsible for managing their own finances.

14 hrs.

**Mr. Deputy-Speaker:** Penny there would not be; there might be naya paisa.

**Shri Rajendra Singh:** May be, Sir, but I am talking in English. There is no naya paisa in English.

**Shri Braj Raj Singh:** Naya paisa is in English only.

**Shri Rajendra Singh:** That is not in England, it is in India. I am talking in the English language.

**Shri Braj Raj Singh:** Are you talking in England?

**Shri Rajendra Singh:** I am talking in English.

**Mr. Deputy-Speaker:** That is all right. He might continue to talk as he likes.

**Shri Rajendra Singh:** Some times he is irrepressible, Sir.

**Mr. Deputy-Speaker:** I have similar complaints against other Members also.

**Shri Rajendra Singh:** As I have told you, in no country is the railway making any profit. In America, all the railways are managed by private companies, and there, because of the roads coming up, because of several modes of transport coming up, and because of many other factors, the railways, in spite of the best service that they are giving to their people, are not making enough of earnings even to cover the cost of their operations. But somehow or other the Government of that country is trying to make good the loss. Similar is the situation in England. It is no longer a private undertaking there. Now it is a public undertaking. So is the case in France and Belgium.

I do not have time, otherwise I can reply to the contention of Shri Sinhasan Singh who said that in Soviet Russia there were no direct taxes, and that all the earnings there were out of the services and the goods that were manufactured or given by the Government. But he does not know that even in Soviet Russia the freights and fares are higher than what we are charging in our own country. I do not know about Japan, possibly the situation might be a little different there, but compared to every other country our fares and freights are much lower; they have not kept pace with the rise in prices.

So, considered from all these angles, I find that the committee has made a mistake to the disadvantage of railway finance and much to the detriment of the working class, and to that extent I disapprove of it.

**श्री बजरत्न सिंह:** उपाध्यक्ष महोदय, अपने परम मित्र श्री राजेन्द्र सिंह के भाषण को सुनने के बाद मैं सोचता हूँ कि क्या कहा जाए। १९५४ की कमेटी ने अपनी रिपोर्ट के पैरा ३७ में एक रिकोमेंडेशन की थी, एक राय जाहिर की थी और उस राय को मैं

अपने मित्र श्री राजेन्द्र सिंह के लाभ के लिए पढ़ देता हूँ। उसने उसमें कहा था:—

"37. The Committee also considered the suggestion whether preparatory to the next quinquennial revision of the Convention, a general examination of the economic working of the Railways should be undertaken by an *ad hoc* Committee to be set up by the Railway Board or any other agency. The Committee were assured that a close watch over the trends of earnings and expenditure of the Railways was continuously kept and the appointment of a separate *ad hoc* Committee was not necessary."

मैं यह उद्धरण दे कर केवल यह जाहिर करना चाहता हूँ कि केवल यही कमेटी नहीं, सम्भवतः इस के पहले १९५४ की कमेटी ने भी यह राय जाहिर की थी कि रेलों का जो परिचालन का व्यय है, जो वॉकिंग एक्सपेंसिस हैं, उन से जो आय के साधन हैं, उन से क्या ठीक ठीक फायदा रेलवे उठा रही है, इस सब क धारो एग्जैमिनेशन होना चाहिये। पूरी तरह से इसकी जांच पड़ताल होनी चाहिये। इस पैरा का जो मैंने उद्धरण दिया है उस से पता चलता है कि रेलवे बोर्ड ने और रेलवे ने इस बात को रिजिस्ट किया है। वह नहीं चाहते हैं कि कोई इस तरह का एग्जैमिनेशन हो, कोई इस तरह का अध्ययन हो जिस से पता चले कि उनका क्या परिचालन व्यय है, क्या उनकी आय है। इसलिए उन्होंने कह दिया है कि इस बात की जांच पड़ताल होती रहती है। मुझे अफसोस है कि इस तरह का कोई अध्ययन रेलवे बोर्ड के अलावा इस सदन की किसी कमेटी को करने को नहीं मिला। इसलिए उन दलीलों का जवाब देने के लिए जो मेरे मित्र श्री राजेन्द्र सिंह ने अभी सदन के सामने रखी हैं, पहली बात तो मैं यह कहूंगा कि अब समय आ गया है जब

सन् १९५४ की रेलवे कनवेंशन कमेटी की रिपोर्ट के पैरा ३७ में जो सुझाव दिया गया है, उसका स्वागत किया जाए और रेलवे बोर्ड नहीं बल्कि यह सदन कोई इस तरह की कमेटी मुकर्रर करे जो यह देखे कि रेलों का व्यय क्या है, आय किस प्रकार हो रही है और क्या उस के परिचालन व्यय में कोई कमी की जा सकती है या नहीं की जा सकती है ।

उपाध्यक्ष महोदय, मैं यह बात बड़ी गम्भीरता के साथ कह रहा हूँ । मैं इस में नहीं जाना चाहता कि रेलवे युटिलिटी सर्विस है या कर्मशियल सर्विस है । हम आज जिस समय में से गुजर रहे हैं, उस में हम काफी लेट हो चुके हैं । मैं समझता हूँ कि इस तरह की बात को उठाना आज उचित नहीं है । हिन्दुस्तान में आज अधिकाधिक राष्ट्रीय उद्योग चल रहे हैं और वे उद्योग सरकार द्वारा चलाये जा रहे हैं, पब्लिक सैक्टर में चल रहे हैं और ऐसी सूरत में यह कहना कि रेलवे युटिलिटी कनसर्न है, मैं समझता हूँ ऐसी दलील है जिसका स्वागत करने के लिये कोई तैयार नहीं होगा । मैं समझता हूँ कि जो रेलों का परिचालन व्यय है, वकिंग एक्सपेंसिस हैं, आपरेशनल कास्ट्स हैं, उनकी आज आवश्यक जांच होनी चाहिये और अगर ऐसा किया गया तो मुझे विश्वास है कि सवा चार परसेंट के बजाय रेलों निश्चित रूप से साढ़े चार प्रतिशत या पांच प्रतिशत तक जनरल रेवेन्यूज को देने की स्थिति में होंगी । इस प्रकार की जांच रेलवे बोर्ड के प्रभाव से रहित एक समिति द्वारा की जानी चाहिये । मैं इस दलील को खत्म नहीं मानता हूँ कि रेलवे से जनरल रेवेन्यूज को डिविडंड नहीं मिलना चाहिये । अगर इस को माना जाए तो मुल्क की जो सरकार है वह कैसे चल सकती है ? आज पैसा कहां से आता है ? आज पैसा जनता से आता है और जनता के भी उस वर्ग से जो गरीब है, जिस के पास खाने पीने

के लिये कुछ नहीं है । उस से हम टैक्स वसूल करते हैं । जब इन टैक्सों की बात को हम सोचेंगे तो यह सवाल नहीं उठेगा कि रेलवे के फाइनेंसिस से जनरल रेवेन्यूज को कोई डिविडेंड नहीं दिया जाना चाहिये और इसका वे माननीय सदस्य जो विरोध करते हैं, विरोध नहीं करेंगे . .

**Shri Rajendra Singh:** What about the freights and fares? Are they to be controlled by you or left to the railways?

**Shri Braj Raj Singh:** Everything is to be controlled by us because it is our undertaking.

यहां पर फ्रेट एंड फेयर्स की बात कही गई है । जब हम इसकी बात करते हैं तो हमें यह भी देखना होगा कि रेलों की रक्षा के लिये जनरल फाइनेंसिस की ही तरफ से कमी कमी इस तरह के टैक्स लगाये जाते हैं जो रोड ट्रैफिक पर असर डालते हैं और रेलों की मदद करते हैं ।

यह दलील देना कि चूँकि पांच गुना कीमतें हो गई हैं या दो-गुना कीमतें हो गई हैं, इसलिये रेलवे फ्रेट और फेयर्स भी दुगने या पांच गुने हो जाने चाहियें, कतई उचित नहीं है । रेलवे नैशनलाइज्ड ग्रंडरटेकिंग है, ऐसा ग्रंडरटेकिंग है जिसको कि सरकार चला रही है, और उस संदर्भ में यह कहना कि फेयर्स कंट्रोल नहीं होने चाहियें, उनका किसी से कम्पीटीशन होना चाहिये, उचित नहीं है । कम्पीटीशन आप किन के साथ चाहते हैं ? यह एक मौनोपोली ट्रेड है, सरकार इसको कंट्रोल करती है और इस लिये कम्पीटीशन का सवाल ही पैदा नहीं होता है । इसलिये जो फेयर्स और फ्रेट रेट्स हैं, वे कंट्रोल्ड रहने चाहियें ।

तो पहली बात जो मैं कहना चाहता हूँ यह है कि जो परिचालन व्यय है, उसकी जांच होनी चाहिये । जो रेलवे कनवेंशन कमेटी

[श्री ब्रजराज सिंह]

बनी थी, संभवतः यह चीज उसके अधिकार-क्षेत्र में नहीं आती थी, शायद कमेटी के माननीय सदस्यों ने सोचा हो कि जो उनके टर्म्स आफ रेफ़रेंस हैं, उनके अन्तर्गत उनको अधिकार नहीं है कि वे इन चीजों की जांच कर सकें, इसलिये उन्होंने ऐसा नहीं किया है। अब मैं चाहता हूँ कि इस सदन की एक कमेटी मुकर्रर होनी चाहिये जो देखे कि जो रेलों का परिचालन व्यय है वह उचित है या नहीं है और कहीं ऐसा तो नहीं है कि चूँकि यह एक मोनो-पोली कनसन है, इस वास्ते इसमें जैसा चाहो, खर्च करते जाओ, वाली नीति चल रही है। जब से हम आजाद हुये हैं तब से दसियों बार यह कहते आ रहे हैं कि आज की पृष्ठभूमि में क्या यह जरूरी है कि रेलवे के जो अपसर हैं, वे सेलून्स में चर्लें और उनके लिये तीन तीन डिब्बों के बराबर की एक सैलून चलाई जाये। ऐसी बातों के होने पर भी कहा जाता है कि रेलवे का परिचालन व्यय बहुत कम है या उसकी जांच पड़ताल की कोई जरूरत नहीं है। यह सवाल नहीं है जांच पड़ताल में कोई विशेष खर्चा हो जायेगा या उसके फलस्वरूप कोई बहुत बड़ी बचत हो जायेगी और हो सकता है कि हो भी जाये लेकिन जिस तरह से रेलों को चलाया जा रहा है, वह तरीका ऐसा है जिसमें शायद रेलवे बोर्ड के लोग, रेलवे मिनिस्ट्री के लोग यह समझते हैं कि यह उनका क्लोज्ड प्रिजर्व है, उनकी मोनोपोली है इसलिये इसमें किसी को कोई अधिकार नहीं रहना चाहिये दखल देने का। मैं कहना चाहता हूँ कि इस तरीके को हमें बदलने की जरूरत है। हम जब इस मुल्क में डिमाक्रेसी चला रहे हैं और समाजवाद की बात कर रहे हैं, तब इस में रेलवे मिनिस्ट्री को कोई ऐतराज नहीं होना चाहिये, अगर इस सदन में यह भावना व्यक्त की जाती है कि एक कमेटी इसकी जांच पड़ताल करे, और उनको इस जांच पड़ताल के लिये रजामन्द होना चाहिये। मैं चाहूँगा कि रेलवे मंत्री महोदय इस पर विचार करें और अपने जवाब में अपनी प्रतिक्रिया बतायें कि

वे इस तरह की जांच पड़ताल के लिये तैयार हैं या नहीं। मैं जानता हूँ कि जब रेलवे बोर्ड से इस बात पर राय ली जायेगी तो वह कहेगा कि हम तो इस तरह की बात करते ही हैं। कमेटी ने इस प्रश्न को उठाया भी था कि इस तरह की जांच पड़ताल होनी चाहिये, लेकिन वह कहते हैं कि यह तो दिन प्रति दिन होता ही रहता है, इसलिये कोई बाहर का आदमी इसमें दखल न दे। मैं समझता हूँ कि समय आ गया है कि जब इस तरह का दखल दिया जाना चाहिये।

आपरेशनल कास्ट एंड बकिंग एक्सपेंडिचर की जब बात आयेंगी और कभी यह सुझाव दिया जायेगा कि रेलवे के बड़े बड़े आफिसर्स की तन्स्वाहें कुछ कम की जायें तो रेलवे मंत्री की तरफ से यह बात कह दी जायेगी कि हमारे समाजवाद का मंशा यह है कि नीचे के आदमी को ऊपर ले जाया जाय, ऊपर के आदमी को नीचे लाना ठीक नहीं है। मैं कहना चाहता हूँ कि जब तक हम ऊपर के आदमियों को थोड़ा सा नीचे लाने की कोशिश नहीं करेंगे तब तक हम देश में जिस समानता की बात कहते हैं, वह नहीं लाई जा सकेगी। आपरेशनल कास्ट के बारे में जो बड़ी बात है वह यह है कि यहां पर कितने ही स्टेशन हैं जिन पर कि रेलवे पार्टस की चोरी होती है, रेलवे फ्यूएल की चोरी होती है। एक एक स्टेशन से एक एक हजार मन कोयला रोज चोरी हो रहा है, लेकिन हमारा रेलवे मंत्रालय इसके लिये कुछ नहीं कर रहा है।

एक माननीय सदस्य : यू० पी० में होती है।

श्री ब्रजराज सिंह : यू० पी० में होती है, बिहार में होती है, हर जगह होती है, लेकिन मैं तो एक एबरेज बात बतलाना चाहता हूँ। जो कारखाने वाले आप के जरिये कोयला मंगवाते हैं, उन्हें कोयले की सुरक्षा का विश्वास नहीं है। उनको इस का इत्मीनान नहीं है कि

उनका पूरा कोयला पहुंच सकेगा या नहीं, हर एक डब्बे से बीस, बीस और पच्चीस पच्चीस मन कोयला चोरी होत है, लेकिन इसके लिये रेलवे मंत्रालय कुछ नहीं करता है। क्यों नहीं करता ? क्योंकि उसकी मोनोपोली है। मेरा विश्वास है कि यदि कोयले की चोरी रोकी जा सके तो रेलवे द्वारा कई करोड़ रु० हिन्दुस्तान में बचाया जा सकता है, और उससे जो ४ '1/4 परसेंट तक की बात कही गई है, और ४ परसेंट और ४ '1/4 परसेंट में सिर्फ १३ करोड़ रुपये का फर्क पड़ेगा पांच साल के दर्म्यान में, उसे आसानी से ४ '1/4 प्रतिशत किया जा सकता है या शायद ५ प्रतिशत तक किया जा सकता है, लेकिन आप इसके लिये तैयार नहीं हैं। रेलवे मंत्रालय इसके लिये तैयार नहीं है। एक स्टेशन है, जैसा कि मुझे मालूम हुआ, वहां पर एक रेलवे के अधिकारी पहुंचे जो कि नहीं चाहते थे कि चोरी हो। उन अधिकारी को सिर्फ एक महीने के अन्दर वहां से भेज दिया गया। इस तरह से लगातार चोरी होती है, और १,००० मन से कम कोयला चोरी नहीं होता है। मुझे दूसरी जगहों के बारे में भी मालूम है। लेकिन मैं पूछना चाहता हूं कि आखिर आप जनरल रेवेन्यूज में देने से क्यों इन्कार करते हैं ?

**श्री शाहनवाज खां :** जरा उस जगह का नाम बतला दीजिये ।

**श्री बजर्राज सिंह :** उस जगह का नाम टूंडला है। वहां का एक अधिकारी नहीं चाहता कि चोरी हो ।

**उपाध्यक्ष महोदय :** यह बात मुनासिब नहीं है। मेम्बर साहबान की तरफ से जो कुछ कहा जायेगा उस के मुताबिक अक्षर होगा। रेलवे मंत्रालय के किसी अफसर के पास उस के बखिलाफ कोई चीजें मौजूद हैं या नहीं, मुझे नहीं मालूम, लेकिन यह कह देना कि सिर्फ इस बात पर हटाया गया . . . . .

**श्री बजर्राज सिंह :** उस आदमी का नाम नहीं लिया जा रहा है, मैं स्टेशन का नाम भी नहीं लेना चाहता था लेकिन चूंकि माननीय मंत्री चाहते हैं, इसलिये नाम ले रहा हूं ।

**Mr. Deputy-Speaker:** No hon. Member should demonstrate that he is ir-repressible.

**Shri Rajendra Singh:** That is his special monopoly.

**श्री बजर्राज सिंह :** मैं तो कहना नहीं चाहता था, मैं तो केवल आपरेशनल कास्ट की बात कहते हुए उदाहरण दे रहा था। माननीय मंत्री जी चाहते हैं, इस लिये नाम देना पड़ा। मुझे मालूम है कि दूसरे स्टेशन हैं जहां पर इस तरह से होता है। मेरा विश्वास है कि अगर आप इसे रोक सकें तो आप की बहुत बचत हो सकती है, लेकिन आशा नहीं क्योंकि बिना जाने बूझे श्री शाहनवाज खां कह देंगे कि यह बिल्कुल गलत है। यह जो एटीट्यूड है कि जो बात कही जाती है उसे कह दिया जाता है कि वह गलत है, वह ठीक नहीं है। मैं कोई रेलवे का दुश्मन नहीं हूं, मैं चाहता हूं कि रेलें अच्छी तरह चलें। आप समझते हैं कि जो कुछ मैं कहता हूं वह गलत कहता हूं। लेकिन कम से कम इस की जांच पड़ताल तो कीजिये, आप, और अगर आप नहीं करना चाहते हैं तो जो सुझाव मैं दे रहा हूं उस को मान लिया जाय कि एक कमेटी मुकर्रर की जाय जो कि आपरेशनल कास्ट की जांच पड़ताल करे और अपनी रिपोर्ट दे कि बचत हो सकती है या नहीं। मेरा विश्वास है कि अगर ऐसा किया जाय तो ४'1/4 परसेंट ही नहीं, ४'1/4 परसेंट और ५ परसेंट तक दिया जा सकता है ।

अभी मेरे मित्र श्री राजेन्द्र सिंह ने कहा कि इंटेरेस्ट ३ परसेंट बढ़ाना चाहिये। मुझे अफसोस है कि उन्होंने न इस कमेटी की रिपोर्ट में जो जिक्र किया गया है कि न्याज का जो एरेज रेट है वह ३.५८ प्रतिशत है, शायद उसे नहीं देखा। जो एवरेज रेट है वह उस से भी कम ३ परसेंट देने जा रहे हैं। फिर इसी

[श्री अजराज सिंह]

दर्भ में जो १४० करोड़ रुपये के करीब रेलवे को हिन्दुस्तान सरकार के जरिये अमरीका से कर्ज मिला है उस के ऊपर हम जो ६५ १/२ परसेन्ट तक ब्याज रहे हैं, उस का सवाल नहीं उठाते। ६५ १/२ परसेन्ट तक जो इंटरैस्ट देना पड़ रहा है एक विदेशी सरकार को वहां इस का कोई प्रश्न नहीं उठता है, तो यह कहना कि ३ परसेन्ट की बात होनी चाहिए, यह उचित नहीं है।

इसी संदर्भ में मैं एक बात और निवेदन करूंगा। मेरे इस विरोध से कहीं यह न समझ लिया जाय कि हिन्दुस्तान की रेलों पर काम करने वाले जो वर्कर हैं, जो श्रम करने वाले लोग हैं, मैं किसी तरह से उन को सुविधायें देने के विरुद्ध हूँ। ऐसी बात नहीं है। मैं चाहता हूँ कि उन को सुविधायें दी जायें और मेरा विश्वास है कि जो सुविधायें देने की बात पे कमीशन ने कही है, उतनी सुविधायें दे कर भी अगर रेलवे के वर्किंग एक्सपेंसेज को कम किया जा सके, जैसा कि किया जा सकता है, है, तो इस में दिक्कत नहीं आयेगी। इस ढंग से इतना रुपया हम दे सकेंगे।

दूसरी बातें भी इस रिपोर्ट में कही गई हैं, मैं नहीं समझता कि मेरे पास इतना वक्त है कि मैं उन सबों में जा सकूंगा, लेकिन एक बात जरूर कहना चाहता हूँ कि हम कोयले या गल्ले या स्टील अथवा उद्योग के लिये जो चीजें ले जाते हैं, उन में गवर्नमेंट कंसेशनल रेट देती है, यह सारे मुल्क की भलाई के लिये है, इस में रेलवे के नुकसान या भलाई की बात नहीं है, इसलिये इस में कोई विरोध की बात नहीं हो सकती। मैं इस का स्वागत करता हूँ और इस में किसी परिवर्तन की आवश्यकता महसूस नहीं करता।

अन्त में एक बात कह कर मैं समाप्त कर दूंगा और वह है रेलवे पैसेन्जर फेअर टैक्स की। इस में कहा गया है कि साढ़े १२ करोड़ ६० प्रति वर्ष के हिसाब से एंड हाक दे दिया जायेगा जो पैसेन्जर फेअर आयेगा उस में से। लेकिन जो सन् १९५९ के ब्रांकडे इस कमेटी ने अपनी रिपोर्ट में दिये हैं, उन में कहा गया है कि १२.७७ करोड़ ६० इस टैक्स से उन्हें मिले और जो तीसरी पंच वर्षीय योजना के ब्रांकडे दिये गये हैं, उस से ज्यादा मिलने की उम्मीद है पैसेन्जर फेअर से। उस से यह मालूम होता है कि जो अन्दाजा रेलवे बोर्ड ने दिया है ७० करोड़ रुपये रेलवे पैसेन्जर फेअर से मिलेगा, उस से कहीं ज्यादा मिलेगा। मेरा अपना अन्दाजा है कि यह रकम ७५ से ८० करोड़ रुपये के बीच होनी चाहिये। मैं समझता हूँ कि यह सदन और रेलवे मंत्रालय इस बात को मान ले और सदन सिफारिश करे कि साढ़े १२ करोड़ ६० के बजाय यह रकम १५ करोड़ ६० की होनी चाहिये। तभी राज्यों के साथ कुछ ग्याय हो सकेगा। मैं इस दलील में कोई ताकत नहीं समझता जिस में यह कहा जाता है कि इस प्रकार का कोई विधान नहीं है कि रेलवे पैसेन्जर फेअर पर कोई टैक्स लगा कर राज्यों को दिया जा सकता है। यह बिल्कुल एक्साइज की तरह है। जैसे दूसरी चीजों पर कर लगता है वैसे ही यह भी एक एक्साइज है और विभिन्न राज्य सही तरीके से यह उम्मीद कर सकते हैं कि इस प्रकार का जो टैक्स लगे उसपर उन का हिस्सा मिले। जकिन मुझे लगता है कि इस में भी रेलवे मंत्रालय ने कमेटी को इस बात के लिये राजी कर के केवल १२ १/२ करोड़ रुपये प्रति वर्ष के हिसाब से दे कर रुपया बचाने की कोशिश की है। उस ने बचाने की कोशिश की हो या नहीं मैं नहीं कहता कि रेलवे मंत्रालय हिन्दुस्तान की सरकार से कोई अलग चीज है, लेकिन मैं यह बात इस लिये बह रहा हूँ कि रेलवे मंत्रालय सिर्फ अपने प्रिजर्व में से, अपनी चीज के द्वारा हमें अधिक से अधिक सुविधायें दे कर अगर यह जाहिर

करता है कि इस समय हम बहुत ही डबलप्ले स्ट्रेज में लोगों की भनाई की बात करना चाहते तो मैं कह सकता हूँ कि सारे देश के जो दूसरे क्षेत्र हैं उन की ओर कोई ध्यान नहीं दिया जा रहा है। इसलिये उस सम्बन्ध में मैं निवेदन करूँगा कि साढ़े १२ करोड़ के बजाय १५ करोड़ की बात चर्चनी चाहिये। हो सकता है कि रेलवे मंत्री जी यह जवाब दें कि जो कुछ आप कह रहे हैं वह हम नहीं कर सकते क्योंकि जो आंकड़े हमारे सामने तीसरी पंचवर्षीय योजना के हैं उन के अनुसार इतना रुपया देने के बाद हम डेफिसिट में आ जायेंगे और हमें कर्जा लेना पड़ेगा। लेकिन जो बात मैंने पहले कही है उस को मैं फिर दुहराना चाहता हूँ कि यदि आप कमेटी बनाने के लिये तैयार हों और निष्पक्ष रूप से रेलवे की आमदनी और खर्च की समीक्षा करा लें तो आपको इतना रुपया मिल जायेगा कि आप उस से इसे भी पूरा कर सकते हैं और साढ़े चार परसेंट डिबीडेंड भी दे सकते हैं और फिर भी आप को डिफिसिट नहीं होगा।

**Shri D. C. Sharma (Gurdaspur):** I am one of those persons whose signatures are appended to the Railway Convention Committee's Report. I am also one of those who had the honour to work under your leadership when the deliberations connected with this Committee were held. After listening to the debate on the Report of this Committee on the floor of the House, I have asked myself: 'Am I sorry that I did not append a Minute of Dissent to this Report? Do I want to make any change here and there? Have I been remiss in my duty in not amending this part of the Report or that part of it?' After asking myself these questions, I can give one answer with a very clear conscience and with as much emphasis as I am capable of, taking into account the good of my country and that of the railways, that this Railway Convention Committee Report (1960) is one of the best documents produced.

**Shri Rajendra Singh:** Is it the Congress conscience speaking?

**Mr. Deputy-Speaker:** Order, order. I find Shri Naushir Bharucha withdrawing from the House on these observations being made.

**Shri D. C. Sharma:** I as a Member of the Committee am proud that I have been one of the signatories to the Report. If anybody finds fault with it here and there, I can understand why he does so. He does so because he looks at the problem not from that comprehensive angle from which the Railway Convention Committee has looked at it.

To understand railway finances, one has to see that it is a very complicated structure. It is an intricate network of checks and balances. It is like a jig-saw puzzle.

**Shri Harish Chandra Mathur (Pali):** You got into that puzzle.

**Shri D. C. Sharma:** I got out of that puzzle. You get into puzzles from which you cannot get out.

**Mr. Deputy-Speaker:** I do not know whether the record would show that this was addressed to Shri Harish Chandra Mathur or it might appear that this puzzle was addressed to me.

**Shri D. C. Sharma:** I was submitting very respectfully that one has to look at railway finances as a whole as one undivided whole in order to understand the recommendations which have been made by the Committee.

Our railways are a historical factor. They are as much a part of our history as anything else. And when we deal with history, I think we cannot deal with it in a light-hearted manner. There are some persons who say that the railways should be a commercial concern; there are others who are of the view that the railways should be a concern of some other kind. I believe that it is very difficult to change the character of the

[Shri D. C. Sharma]

railways as they exist today. If you do so, you do so at your own peril and at great loss not only to railways but also to the good of the country.

There are some persons who have asked: what is happening in UK, in France and in Belgium? Let me tell them that in the UK, the railways are showing recurring losses. In France, they are showing net deficits. In Belgium also, they are depending upon Government money for keeping themselves going. If these countries which have had greater experience in running the railways have not been able to make their railways going concerns, I think India should feel proud that our railways are not running at a loss but are able to pay some dividend to the general revenues. I think that is something of which we should all be proud. It should also be understood that they are going to pay a dividend of 4.25 per cent after giving concessional rates to the P & T, Defence and other departments. They are going to pay the dividend fixed after carrying some of the essential things for our industrial development at concessional rates. They are able to do so after paying Rs. 12 crores a year to the State Governments by way of passenger fare tax.

I think when one takes into account all these things, one feels that our railways, in spite of their faults, in spite of the drawbacks that they may have, are in very good health and that instead of being a drain on the national exchequer they are bringing something to the general revenues. I do not say that our railways are going to be the goose that lays the golden eggs. I do not say that our railways are like that, but still I say that our railways are able to do something in this matter.

People talk of the railways in terms of profits. You can get profit from any concern. There is a simple rule for it. You get more than you spend, make the consumer pay much more than you have invested in the supply

of the consumer goods. Then you get as much profit as you can. After getting that, you can try to do whatever you like. But I would say, taking into account the economics of our country, the per capita income of our country, and the general economic climate in our country, the railways do not charge as heavy fares and freight as are done by railways in other countries. If they do that, surely they will make money, they will get more profits and perhaps you will get a dividend of 5 per cent or 5½ per cent. But that will dislocate the whole economic life of our country. Therefore, I would say that the economic life of our country demands that the railways should go on in the way in which they are going. Why? Because, the railways represent cautious and sound finance. I believe, Sir, that it is much better that we should have this kind of caution when we deal with the finances of the railways of our country than to have reformist tendencies operating in this field. Reform is sometimes very good. Last time we were getting only 4 per cent; this time we are getting 4.25 per cent. But if reforms are carried out at break-neck speed. I think the railways may have some kind of financial disaster.

As I said, the Railway Convention Committee had a very difficult task. The difficulty was this. In the first place it had to pay some money to the general finance; in the second place it had to think of the depreciation fund; in the third place it had to think of the development fund; in the fourth place it had to think in terms of fares and freights. All these things had to be adjusted in such a way so as not to create dislocation anywhere. I believe that in this kind of adjustment of the various factors, the Railway Convention Committee has succeeded admirably.

Of course, I would make one suggestion. It is not by way of criticism. My suggestion is this that the amortisation fund should be taken in hand. In the year 1954 it was left in this

very state of indecision and this time also we have not been able to decide it. But I feel that something should be done to get this going. Otherwise, I think our loans will cause us a great deal of trouble in the days to come.

I do not want to make any suggestions so far as the working of the railways are concerned, because this is not the time to do that. I think the operational efficiency of the railways is always under scrutiny by the Railway Board and by the Railway Minister. I do not want to say anything so far as ticketless travelling is concerned, because ticketless travelling is not only an economic problem but also a social problem and I think the Railway Ministry is well seized of this problem. I do not want to speak about pilfering that goes on and all that kind of thing. We put questions on the floor of the House and the Minister gives very candid replies. He has never kept these things secret from us. While I do not want any ticketless travelling, while I do not want any pilfering of goods, while I do not want any other kind of anti-social activities, I believe that these are problems with which the Railway Convention Committee was not concerned. These problems are not problems within the purview of the Railway Convention Committee. Therefore, within the terms of reference, within the framework which was given to the Railway Convention Committee, it has solved a very, very difficult problem. I believe that this problem was not only a financial problem, but a development problem, a social problem and so many kinds of problems put together.

I again pay my tribute to the Chairman of this Committee—I am sorry he is in the House—for producing a report which will do good to the railways, do good to the general revenues, do good to the developmental needs of the railways as also provide some money for passenger amenities.

**Shri Narasimhan:** Mr. Deputy-Speaker, Mr. Bharucha who initiated the debate representing the opposite point of view said that from a reading of the Convention Committee's report, it struck him as if the railways had all along been winning. Another hon. Member said that it was the general finance that was having the best of it and that the Railways should have taken a firmer stand.

**Mr. Deputy-Speaker:** Rather he said it was the result of dictation of finance.

**Shri Narasimhan:** He went to that extent. I wanted to put his case somewhat mildly, so that he may not say that I have over-stated the case.

So, two different views were taken: one view was that the railways had the best of it; the other view was that the general finances had the most of it. I for my part would say that since both the views were well represented in the committee by very eminent spokesmen of the respective views there was fair play and the better side won. Whatever report has come, whether it may be judged as the winning of this side or that side, we may as well say that the better side won and we should not have any grouse about it.

For the two Convention periods the interest payable on capital-at-charge remained at 4 per cent. About the railways themselves there are two views held. One view holds that they should be treated as a utilitarian concern; another view says that they should be treated as a commercial enterprise. Just as there are two sides to a question, for each view there are two sides. Even if you take them as a wholly utilitarian service, we have to give the necessary debit for the opposite view within that framework. If they are expected to function as a commercial undertaking, you can not altogether ignore the utilitarian service rendered by it. So, it is very difficult to arrive at a compromise. Naturally with all the facts made

[Shri Narasimhan]

available to them, I presume the Convention Committee went into all aspects of the question and arrived at a compromise. As is the case with all compromises, it does not please all parties concerned. But compromises are there and they have come to stay. That is the way we have to get on in the work-a-day world.

Sir, the view is held that the railways should be treated as a public utility concern and that it ought to give a fair return. It should also be remembered that the general finance borrows at about 4 per cent of late and there is every fear in commercial circles that this rate is likely to increase. So we must conclude that the general finance by allowing an increase of only a quarter per cent has been fairly generous in spite of fears in the commercial world of their borrowing power becoming somewhat difficult. The view that the railway is a public utility concern and helps the public by giving amenities and that is a kind of return for its obligation to the State may be correct to a certain extent, but it must be remembered that though the railway is a public utility concern, the users are not all the public. There are, we must realise, vast areas which are not well covered by the railways. The population there are not fully benefited by the railways. Therefore, to pass on the obligations and expenditure which the railways incur on to the other public will lead to a certain amount of unfairness.

**Shri T. B. Vittal Aao:** Therefore the Salem-Bangalore line should be constructed.

**Shri Narasimhan:** I will come in the end to that in a different context.

Therefore, this kind of equation of the service as a service to the entire public has a certain amount of fallacy. We must also emphasise in this context—though it is not strictly relevant—that it is the duty of the Railways to run the service efficiently. If the calculation is based

on the Railways being one of utility, the assessment and other things are likely to vary from what the Railway Convention Committee has arrived at. You cannot gainsay the fact that there is any amount of scope for the improvement of the Railways. Unfortunately, on account of the peculiar psychology of the country, public property is treated as nobody's property while, really, it is everybody's property. The way individuals of the public behave shows that it is treated as nobody's property.

Take for instance the case of a bulb being fused in a compartment when we travel. We find that the bulb is fused and we get hold of the conductor and have it replaced. Probably, the conductor gets hold of a bulb from the general compartment and fits in the lavatory; or probably he gets one issued from the stores. We do not know whether it is properly accounted for. There is some kind of loophole; there is scope for exercising caution. We find that there is deterioration everywhere. The Railways must not shirk their responsibility of seeing that the whole undertaking works in a better way.

What the Convention has allowed for depreciation is quite adequate. Probably, it has increased. I stand subject to correction. Moreover under the increased tempo of the 3rd Plan there may be more returns.

Now, I come to the dismantled lines. I can explain it more satisfactorily than what Shri Vittal Rao may think I can do. It is said generally that the General Revenues help the Railways. But there are occasions when the Railways come to the rescue of the entire country. That is why I come to the question of dismantled lines. When there was a war the General Administration mercilessly removed the lines—800 miles were removed during the last war. It is not a question of mere dismantling only. The potential or

the capacity to earn and to make profit was reduced to nothing. Eight hundred miles of lines were taken away and in all these years only 400 miles have been restored. Still 400 miles remain as a kind of dead capital. I urge upon the Administration to look into this. Here is capital worth Rs. 400 crores about which they have not made up their mind. They are neither committed to total destruction of it; nor are they committed to its revival. They are simply there in a kind of vacuum. It is very unsound financial policy notwithstanding the existence and functioning of so many financial experts in the Administration. How can they tolerate this vast amount of dead capital to continue as dead capital? They say that they are short of funds for development; but they have not fully exploited their resources. That is why, to the annoyance of the Railway Minister, I have often raised the question of dismantled lines—their restoration.

For instance, there are 100 miles in my district. The station buildings are there. Why allow them to remain there? They are not given to any use. They are still there being utilised illicitly. That is a standing relic of the incompetency of the Railway Administration to put the existing resources to better use. Therefore, I would like this to be looked into. I referred only to 100 miles in my district. But, there are another 300 miles still awaiting solution in other parts of the country. So, it is true that the Railways also come to the rescue of General Revenues. This fact has also got to be appreciated. When there was danger of war our railway lines were utilised; and they are likely to be used in a similar manner when such a danger comes. So, we have to take note of the fact that the Railways are there to help the General Revenues on occasions.

There is also another complaint that we are investing lots of money on Railways and they are not as good as

the general transport; that general transport is quicker and is making more profits. It is said that the Railways are running in a careless manner and that general transport has done many things. By general transport is meant the buses. They have to depend for their fuel on foreign exchange. Petrol comes out of foreign exchange. There is a continuous drain on our foreign exchange. So, that is also a hidden advantage in favour of the Railways. They use indigenous fuel and coal. This also has to be appreciated.

Considering all these things I am of the view that the Convention Committee has made a fair report. Some say that the dividend should be reduced to 3 per cent and some say that it should be increased to 5 per cent. The decision that it should be 4½ per cent is a very reasonable compromise which we will do well to accept.

Lastly, I am very happy that the Convention Committee has also recommended the abolition of the passenger fare tax in its present form. It is a kind of State within a State; one department levying a kind of taxation on another department. It is not good. I happened to see the rules made under the law. It is said that if so and so refuses to do such and such a thing he will be fined in such and such a manner and all that. It is just one department threatening another department, by law, as if one department is talking to the other department as if it is a criminal. I am glad there is a recommendation to abolish this state of affairs and there would not be this anomaly of a State existing within a State.

I have nothing more to say.

**Shri Harish Chandra Ma'hur** (Pali): Mr. Deputy-Speaker, Sir, there is no gainsaying the fact that the Railways are our most prized and largest public enterprise and they have to play a really very vital part in national life. This portfolio has always been in charge

[Shri Harish Chandra Mathur]

of a very senior Cabinet Minister and that is indicative of the great importance which we attach to our Railways. It is really sound that we have adopted this healthy practice of appointing this Convention Committee to look into the matter, to take stock of the situation and to make recommendations to this House regarding the financial arrangements so far as the Railways are concerned.

Now, I feel that the Convention Committee, situated in the circumstances as it was, could not have made any other recommendations, the recommendations that are before the House. Possibly, if I were a member of the Committee, I might have appended my signature with certain provisos. But I say that these recommendations are there simply because the Committee had to work under a certain set of circumstances. They had certain data and certain facts available to them and they could not go beyond it. Therefore, the report of the Committee is of almost a routine nature. We had expected this. We did not expect anything beyond this from this Committee. ...

I accept that the main recommendation regarding separate finances of the Railways is basically sound. As a matter of fact, this House has all the time been wanting a similar procedure and practice to be adopted in respect of the P & T Department also. There is no dispute over that. Now it is almost well settled in our minds that this practice is healthy and sound, and I fully support this basic recommendation of the Convention Committee.

Well, Sir, as I said earlier, in the circumstances in which we are placed, looking at the finances available, looking at the resources available, the Committee has taken a balanced view as to how these resources and how these assets are to be distributed. But my feeling, and a very strong feeling, is that we must examine the

operational efficiency of the Railways and we must come to a definite conclusion whether the Railways can give a better account of themselves or not. If we cannot bring about some very substantial economy in the running of the Railways I feel, Sir, we will have to think twice as to how our assets are going to be utilised in the development of the transport in the future scheme of things.

My hon. friend just now mentioned—he was a member of this Committee—that railways all over the world, the railways in the continent are running at losses. He mentioned about Belgium, Switzerland and all that, and wanted to justify that our Railways had shown a better efficiency or our Railways were working on sounder lines. I thought, Sir, he was comparing two absolutely incomparables. The railways in this country are running under a very different set of circumstances. If we are making profits here it is because this is a very large country and we have long distances to be covered. What is Belgium? He possibly forgets the phenomenal development of the road transport which has taken place in those countries. I do not know what is the contribution which our Railways receive out of the over-crowding. There is such a tremendous over-crowding that we will have to run a number of additional trains which will cost our Railways very considerably. As a matter of fact, people crowd like anything in the third class compartments and pay the full rates of fare. I do not know what is going to be the impact when we improve upon and run our trains on really sound lines.

When I say this, Sir, I have in my mind a certain survey which was taken regarding the road transport and I would like to give this House a few facts about it. The National Council of Applied Economic Research

undertook a research in this matter. They have come to certain conclusions. They have submitted a report. Their report concludes like this, and very salient facts have been brought out there:

"The gross contribution from road transport works out at Rs. 133.55 crores for 1957-58. The overall net contribution for the same year is placed at Rs. 95.55 crores excluding the cost of road construction from the annual offsets and at Rs. 43.26 crores on an alternative basis including the capital cost. The principal conclusion, based on these estimates for which data in some respects have been incomplete or are lacking, is too striking to be invalidated by these shortcomings, namely, that the financial contribution of the road transport industry as compared with the Railways exceeds by a large margin both in absolute terms and in terms of return on capital invested."

**The Deputy Minister of Railways (Shri S. V. Ramaswamy):** The data is wrong and the conclusion is wrong.

**Shri Harish Chandra Mathur:** This is not my report, and these are not my conclusions. I am quoting from a report submitted by an institute which is considered to be an authority and which is supposed to enlighten us.

**Shri Tangamani (Madurai):** The Railways have contradicted it.

**Shri Harish Chandra Mathur:** I am prepared to be convinced by what the Railway Board has got to say about this. I know that the Railway Board has issued a small communique. I do not know what are the facts and what facts are to be contradicted. After all, this report has been placed before us by certain people to whom we give all the credit for applied research, and it is an institution for which we are paying out of the Consolidated Funds of this country.

They further say:

"The net contribution works out at 16.59 per cent on the capital invested in roads, considering the operational payments only, and at 19.1 per cent considering all payments. The net contribution to the public exchequer works out at 21.7 per cent on all capital invested in the road transport industry in India in terms of the operational payments only and in terms of all payments at 25 per cent not taking into account the net profits of the operators. Relating the net contribution to the overall national capital invested in roads and road transport, the rate of return works out at 9.5 per cent in respect of the operational payments and 10.8 per cent in terms of all payments by the industry. The study, however, emphasises the fact that in referring to the railways and road transport, it does not pit one service against another in what should be regarded as a national transport system with many related and inter-dependent services."

I myself have no intention, as a matter of fact, of pitting the road transport against the railways. The railways belong no less to this Government and to this country than the road transport. As a matter of fact, we are interested in the country's economic development. I wish, Sir, and I suggest—it is nothing and it should be acceptable to the Railways—that before another Convention Committee is set up—or much earlier than that, preferably even now—we must set up a team force under the chairmanship of a prominent non-official who has sound administrative and business experience to go into the working of the railways and to examine the structure of the finances and say that, well, the railways are working absolutely on sound lines and nothing better could be done. As a matter of fact, my feeling is that the railways are

[Shri Harish Chandra Mathur]

working under certain handicaps. I know of certain awards like the Rajadhyaksha Award where the Railways have been bound hand and foot to accept that Award and to make certain arrangements. I know of certain recommendations in this Award. They may be academically very sound but in the practical field they have no value, no meaning. They have imposed much unnecessary financial burden on the Railways. I do not think the Railway Board will have that much courage—they will not be permitted even by the country—to come out and say: "Let us brush aside these recommendations though we have accepted them." It is therefore that I very respectfully submit that we must examine the whole thing and we must know whether the Railways can give a much better account of themselves or not.

Let me very frankly submit, Sir, that I am not satisfied with the return which we are getting from the railways. I am happy that it has increased. I do hope that something will be done and that it will be increased. But we are not satisfied with the accounts which have been given to us. I do not know whether the Railways can do better or not.

15 hrs.

Therefore, I suggest there should be a thorough examination and when that complete data is available before the convention committee, it will be in a position to tell us what can be done and what cannot be. It is very necessary, therefore, that such a thorough examination is made. It is not the road transport which is saying to us that they are giving this percentage of return; it is an independent body which is saying it. The railways may contradict or refute it. But we will have to examine the case put up by the railways independently. We do not have all the facts before us and so, the country's mind does get prejudiced. Therefore,

we should know whether we are getting sound return from the railways, how we should proceed in the matter in the third Plan, etc. We should, therefore, examine this matter thoroughly.

I have not got any data before me, but I wish that we get at least Rs. 75 crores to Rs. 100 crores per annum from the railways for the general revenues. I do not know whether that will be possible, because while I am demanding this much, it is also my feeling that the railways should retain much more than they have retained as a result of the recommendations of the convention committee. I think they have strained their utmost to spare whatever they possibly can, even at the cost to a certain extent of the development of railways on sound lines and increasing passenger amenities. Rs. 3 crores is a fairly good sum, but certainly everyone in this House would have wished for a larger amount. Of course, the railways have done considerable amount of work in this direction and if one travels from place to place, one finds that so many passenger amenities have been given. Still, they have to cover such a long distance that we would like to place in their hands a larger amount.

We find they have strained their resources, their development fund and their depreciation fund. They have not been able to provide for their amortisation fund, which is very essential. Everyone working on this convention committee and also on the 1954 committee very strongly advocated this amortisation fund. This committee also would have recommended that, but they found themselves physically hedged by certain difficulties. So, the railways want more finances. We want railways to contribute a larger amount, which has not been possible. We would like a really sound and detailed picture to be placed before us regarding railway fares and freights.

I very much welcome almost all the recommendations. I strongly support every recommendation that has been made by the convention committee. They could not have made any other recommendations. That is also my view, but I wish that a thorough examination is made and we are enlightened on this subject.

I do not say that the railways have not worked very efficiently. After partition, when a great vacuum was created when the Britishers went away, there was a genuine apprehension even among the Britishers that with their exit, there was going to be a breakdown. When after a year or so, some of them came back for certain discussions from Pakistan, they really showed their amazement that the railway personnel had been able to pull through. We bear all that in mind and while we pay a compliment for the service, which are being rendered, I still feel that there is utter necessity for a thorough examination and a report to be placed before this House and the country, to satisfy the country on this question.

**Shri N. R. Muniswamy (Vellore):** Mr. Deputy-Speaker, Sir, at the outset I may be permitted to convey my sense of appreciation of the efficient job done by the committee. I do not wish to place you in an embarrassing position, because you happened to be the Chairman of that committee. Some of the Members have been obsessed with some observations made in the report. While reserving my own observation with regard to one or two items, taking the picture as a whole, I feel the committee could not have done better than what they have done. The committee have been faced with genuine difficulties, because considering the report given by the Railway Board and the Financial Commissioner's report, analysing them and tabulating them would have cast a great deal of strain

on the Members to come to this conclusion. There have been observations made both for and against certain items, but ultimately, the recommendations are of a laudable nature, unless they are revised in the next convention committee.

The three observations I would like to make are with regard to development fund, merger of tax on passenger fares and the amortisation fund. At the outset, I do not know whether railways should be regarded as a utility service or a commercial concern. It cannot be regarded altogether as a utility concern. Viewing it as a utility concern, arguments could be advanced that with a view to giving better facilities, it should get better help from the general revenues. But we cannot forget for a moment that it is also a commercial concern. What portion of it is for utility purposes and what portion for commercial purposes is a thing which we are not in a position to tell and allocate in that way.

Considering the history of the railways, years back when the Britishers came, the railway was intended only for defence purposes and incidentally passengers were allowed to travel. That was an incidental advantage people were having. Thereafter as the railways developed from corner to corner, the general revenue had to pay if there was any deficiency with regard to the administration of the railways. It was found year after year that general revenue had to make good the loss incurred by the railways. So, it was thought fit to separate it and provide a separate budget for the railways different from the general budget. I find that what was originally intended to be one of favoured treatment is supposed to be continuing even after the separation of the budget. Otherwise, I cannot find any reason why the development fund and the loans taken by the railways from general revenue to the development fund have to be liquidated. It looks as though the history behind it justifies that they should always depend upon general revenue.

[Shri N. R. Muniswamy]

We cannot forget for a moment that after independence, we have developed the railways and so many strategic lines have come into operation. But at the same we cannot also forget that this is also a commercial concern where we have to use some of the commercial principles and commercial financial and fiscal practices.

In the Nepa paper industry, for example, the loss is taken as one of capitalisation. The loss incurred in the running of the business is capitalised. Likewise here also if there is not enough development fund and if expenditure has been over and above the income, it has to be capitalised. My only submission is we cannot go at this rate every time seeking the fostering of the father. I should say, the Railway Board is something like a child and the general revenue is the father. How long can this fostering go on? I wish the railways improve their position and not depend on general revenue on any account.

I accept one thing. The railway administration are not only going in for development of the lines and construction of new strategic lines and other amenities, but they also look to other concessions. Some concession is given even to general revenue by reduced tariff rate for P. & T. and Defence. They also give some concessional reduced tariff rate to general economy in transshipment of food-grains, goods and industrial materials etc. So, in that sense certainly they have incurred some loss, but it could not be compensated by wholesale liquidation of the amount they have taken from the general revenue and say that for another five years more they must be given some assistance. Therefore, I would say that in spite of the advice given by the Auditor-General that they should always look to their own development fund for improvement works etc. instead of seeking assistance from the general revenues, the Committee could have come to some other conclusion

other than the one they have arrived at. It pains me to find that the Committee has used the word "averse" when they say "the Committee are averse to the curtailment or limiting" of the funds given to the development fund as, in their opinion, that fund is as important as additions financed from the capital etc. They cannot say that they are "averse" to making any suggestion. I do not think there is any justification on the part of the Committee to say that. They can say that they are in disagreement with the other view or this is inescapable.

Mr. Deputy-Speaker: The hon. Member should not be so averse to the use of the word "averse".

Shri N. R. Muniswamy: Very well, Sir. Anyway, it looks like that. I shall not dilate on that point now. I only wish to say that this being a commercial concern, accidentally or otherwise, they should not look to the general revenues for finance. This is my first observation.

Then I come to the merger of passenger tax with railway fares. I find from the 1919 Act and the 1935 Act that the tax on passenger fares was not included in those lists. Our Constitution was framed on the basis of 1919 and 1935 Acts, as far as lists are concerned. This aspect of levying tax on passenger fares was not there in either of those Acts. But since this was there in the Constitution the previous Finance Minister wanted to lay his fingers on that and thought "Why not I cast my eyes on that?". He thought that they will get Rs. 20 crores by way of additional revenue in 1957-58 and because it is coming from all over the country he wanted to give a share to the States. Because of that now every State is having its eye on that. Whenever they are asked to raise some funds or assess the resources they calculate additional revenue from this source also. Actually, it is a windfall to the State. I do not mind it. They must get more. But

because it is included in this list they have taken advantage of it. They will never give it up unless it is abolished altogether.

Another suggestion given by the Finance Commissioner is that they shall not take it away. Out of that amount they shall set apart Rs. 12½ crores every year for the States. It looks as though they will only make Rs. 7½ crores by way of revenue. It may give them some money, but Rs. 7½ crores is not such a big sum. Also, why should they give the share of the States to them through the general revenues instead of their doing it direct? I do not understand the implication of giving back to the States through general revenues. If the entire amount is given to the general revenues, from that they might take Rs. 62·50 crores and the balance might be credited or debited. I do not know what it is. It looks as if the Finance Commissioner had an eye on this, because he expects a lot of income by this; so he wanted to pakdo this. That is why he has done this.

Every year the officers and the Ministry, every wing of the Government, is looking to this concern, which is the only nationalised concern with covetous eyes. The Board has also been very careful to avoid all these things and not to show the trump card when the play is going on. They have never shown their trump card. We should at least find out what is really behind this recommendation. We do not have enough records, except the report to find it out. Of course, some data has been supplied either by the Research Branch or the Committee Branch. We are at a loss to know what all these things mean. What we speak is based only on cursory reading of reports and the scant data in our possession. Therefore, I would say that this amount, which is now Rs. 70 crores, will have to be shared in a proper way.

Then I want the Railway Minister to throw some light on how these

Rs. 7·50 crores is to be given. What is the method? Is it on the method of giving dividend to the general revenues? There is nothing mentioned about it except a bald statement that Rs. 12·50 crores will go to the States annually from the revenue.

Then I come to the creation of the amortisation fund. The previous speakers as well as the previous Convention have referred to the amortisation fund. Excepting it is a very academic proposition I do not find any practicality in it, because in the context of a developing economy and in the context of all members asking for fresh lines, new lines and double lines—certain types of lines also they want; for instance, in my own area they want some new lines—how can the railways satisfy everyone? It is not possible. Apart from that, they have sought assistance of a huge loan from America and from other countries for their developmental activities. They have to repay those loans. Having in view the repatriation of the dollar loan which we have to pay back and having in view the huge commitments of the railways in the discharge of their functions in the development of railways, it is not possible to have an amortisation fund. With great respect to the previous speakers I would submit that I disagree with the suggestion to create an amortisation fund, as has been recommended by the Convention in 1954. Because, I am a practical man who has understood something about this. In my own budget I am not able to save a single pie. At least the Government of India have and can get large amounts by way of loans, because their expenditure is not dependent upon their income. Their expenditure depends more on their capacity to get loans. They can always expand their income, but not a concern. So, in my opinion it is not possible to have an amortisation fund.

Then I want to say that in the Railway Board there is a great deal of expenditure. So far as fuel charges are concerned, though I may be confronted

(Shri N. R. Muniswamy)

with facts and figures, from what I read from newspapers and other data, the expenditure on fuel is four times now; or it may be three times. If this is due to the addition of new lines or increase in rolling stock that could have been justified. Even then, it could not be four times the previous figure. It is colossal expenditure and it indicates that the administration is not tightening up their machinery to see why so much expenditure is incurred.

One thing that I now find is that in those days the trains used to arrive right in time. Every driver was anxious to see that the train reaches each station in time. Now it is better for every driver to see that the train does not arrive in time, because then he can get some extra money as overtime allowance. I have tabled a question and the answer given by the hon. Minister was that about Rs. 14 lakhs or so was being paid in every zone by way of overtime. I do not know how overtime came into existence in railways. Unless the administration is strict in its affairs this sort of things will continue for ever. I would suggest that any driver who brings the train late for any reason within his control must be given some punishment; of course, there are reasons like floods and others, in which case nothing can be done. But if there is no justifiable reason, they should not only not be given any money but, as a matter of fact, we must reduce their salaries or stop their increments. Some such thing must happen; otherwise, it looks as though a sort of incentive is given to them to come late. They come late because it gives them extra money at the end of the month.

**Mr. Deputy-Speaker:** Does the hon. Member suggest in-time overpayment?

**Shri N. R. Muniswamy:** I am quite willing if they are given some incentive to reach in time without detriment to the passengers travelling in the train. Let them not trample over

anything else and come very fast. Let them keep up their timing, keep to the speed and all that. If they come right in time, certainly we can give them Padma Vibhushan or something like that but not money. Money cannot go. I do not know the gradings of these titles that are being given by the Government of India, but whatever it is let them be given some certificate or let their children be educated free. Something like that can be done. That will work very well instead of giving them Rs. 15 lakhs or Rs. 17 lakhs every month. It looks amazing. It reflects on the administration. I am not saying about the hon. Minister. He does his job very well. But unfortunately it is not being carried out by others. So what else could he do?

**Shri Harish Chandra Mathur:** Who else would do?

**Shri N. R. Muniswamy:** If a court passes a decree, who is to recover the money? It is the *amin* or the bailiff who has to go and execute and get the money back. If the bailiff does not do that, the decree will be a nullity. It will only be a paper decree. Likewise the hon. Minister passes orders expecting that the staff would do the job. There is a hierarchy of officers and ultimately the *chaprassi* has to do the job. If he does not take the file, it gets stuck up somewhere. In that way, I say that some streamlining of the whole administration is required. They should set an example for the other ministries. The Railway Board has got a history of its own. It has not just come into existence very recently. It has been there for a century or more. The Directors and Board Members must give some thought to it and see that they streamline the entire administration, the trains reach in time and they also get bouquets and encomiums from hon. Members.

सेऽ अबल सिंह (आगरा) : उपाध्यक्ष महोदय, पिछले कई वर्षों से मैं रेलवे बजट को देखता आ रहा हूँ और मेरी समझ में नहीं आता था कि किस तरीके से इनकम होती है और खर्चा होता है। आज हमारी रेलवेज पब्लिक इंटरप्राइज है और यह भारत का सब से बड़ा उद्योग है। इस व्यवसाय में स्टेट का करीब १३००-१४०० करोड़ रुपया इन-वेस्टेड है। मैं ने देखा कि सेन्ट्रल गवर्नमेंट को क्या भिजता है। डेप्रीसिएशन फंड क्या होता है और रिजर्व फंड क्या होता है? जो पिछले बजट हुए उस में मैं ने देखा कि डेप्रीसिएशन फंड रिजर्व फंड और रेट आफ इंटेरेस्ट बहुत कम रखा जाता था। इन को देख कर मैं थोड़ा परेशानी में पड़ जाता था क्योंकि हम ने देखा है कि प्री इंडिपेंडेंस डेज में रेलवेज को प्राइवेट कम्पनियों ठेके पर चलाया करती थी उस समय रेलवेज राज की तरह पब्लिक इंटरप्राइज नहीं थी। २०, २० और २५, २५ साल के मुआहिदे पर वे कम्पनियां साी रेलवेज को चलाती थी नये सिरे से जमीन की और उन्होंने ने उसमें कर डों रुपये इनवे ट किये और हम जानते हैं कि इन कम्पनिबों ने इस व्यवसाय में करोड़ों रुपये का मुनाफा कमाया। अब चूँकि रेलवेज हमारी पब्लिक इंटरप्राइज हो गयी है तो क्या वजह है कि हम अपनी रेलवेज को उसी बिजनेस स्प्रिट के आधार पर न चला सकें और लाभ न कमायें जैसे कि वे कम्पनियां कमाया करती थी।

हमारा रेलवेज में करीब १३०० या १४०० करोड़ रुपया लगा हुआ है और मुझे यह कहते हुए बड़ी खुशी है कि जो हमारे पिछले बजटों में डेप्रीसिएशन फंड, रिजर्व फंड और रेट आफ इंटेरेस्ट बहुत कम रखा जाता था तो इन खामियों की धार हमारी इस रेलवे कनवेंशन कमेटी का ध्यान गया है और उस वे अपनी रिपोर्ट

25-24 hrs.

[SHRI MULCHAND DUBEI in the Chair]

में इन बातों पर उचित ध्यान दिया है और

उन सब के वास्ते माकूल प्राविजन किया है और इसलिए मैं रेलवे कनवेंशन कमेटी को इस रिपोर्ट का स्वागत करता हूँ। रेलवे कनवेंशन कमेटी ने उन सब खामियों को पूरा किया है और बतलाया है कि आने वाली पंचवर्षीय योजना में किस तरीके से हम को फंड्स बनाने चाहियें। मुझे बहुत खुशी है और विश्वास है कि जो कनवेंशन कमेटी ने रिपोर्ट दी है उसको हमारी गवर्नमेंट मंजूर करेगी और हमारी रेलवेज का काम बिजनेस स्प्रिट से चलेगा और इस सबसे बड़ी पब्लिक इंटरप्राइज से हमारी सेंट्रल गवर्नमेंट को फायदा होगा।

Shri Tangamani: Mr. Chairman, Sir, before I deal with the many points, I would like to refer to the reply given by the Railway Board to the research that was conducted by the National Council of Applied Economic Research at the request of the Ministry of Transport and then develop the point to the effect that there is no justification for increasing the dividend from 4 per cent to 4.25 per cent. On the other hand there is a justification for reducing it even further.

In the studies that they conducted they came to two conclusions namely, that road transport provides means of livelihood to far more people than the Railways and, secondly, the financial contribution from road transport to the national exchequer is greater than that from the Railways in absolute terms and in terms of return on the capital invested. These were broadly the findings of this National Council and to a question which was asked in this House on the 23rd November, 1960, a statement was laid on the Table of the House. The question number is Starred Question No. 386. This is what the Railway Board says.

The Railway Board contests both these findings. I shall only refer to that portion which deals with the contribution to General Revenues.

[Shri Tangamani]

They speak about what is known as indirect payments. I am quoting:

"...in doing so, have completely ignored the colossal 'indirect payments' made by the railways to the nation. Taking only coal and foodgrains, the railways can quote competitive rates on a basis slightly lower than the minimum rates that can possibly be quoted by road carriers; but then the nation's freight bill on account of these two items alone would go up by over Rs. 100 crores per year. The Council should reasonably have shown all this and other similar enormous amounts as the 'indirect contributions to the exchequer' made by the railways, since, so far as financial benefit to the nation is concerned, it makes no difference whatsoever whether the railways charge lower rates in public interest, or charge higher rates and then make larger direct contributions to the public exchequer."

They continue:

"Several other important aspects of the railways, which have a bearing on the contribution of the railways to the public exchequer, direct and indirect, have also not been touched upon in the Council's report. To illustrate, the railways are utilised as an instrument of Government policy as ideal employers; in the regional development of the country with dispersal of economic activity by adjustment of freight rates; in the promotion of exports etc. There are also a number of public service obligations placed on the railways leading to uneconomic operation; opening of new lines and continuance of branch lines for opening up the country. even though there may be no economic justification, large and varied concessions for travel; very low passenger fares (suburban traffic

in the Bombay region is charged at one Naye Paisa per mile on season tickets) etc."

They have categorically put on record that they are now contributing indirectly Rs. 100 crores on two items alone, namely, transport of foodgrains and coal. When such a contribution is being made to the General Revenues is it fair, I ask, in all sincerity that we should go to the General Revenues with a beggar's bowl? We have not only contributed Rs. 100 crores but each year we are going to contribute more. There is a justification and there is a strong case for not contributing even that 4 per cent.

**Shri Naushir Bharucha:** May I know whether Shri Tangamani is aware of the fact that in America private railways also contribute similarly not merely Rs. 100 crores but a great deal more and yet they pay not only interest but dividends to their shareholders?

**Shri Tangamani:** If this Rs. 100 crores is also taken into account, it may go up to even 12 per cent. Naturally, I do not suppose the hon. Member would really want 12 per cent.

**Shri Harish Chandra Mathur:** You cannot take out only these two items. You have got to take the entire freight structure.

**Shri Tangamani:** If you take all the items, it may go up to more than Rs. 100 crores. They have mentioned not only Rs. 100 crores but have also mentioned the other things, namely, carrying out the national policy etc. They also say that they have to run uneconomic lines and they are extending concessions. I remember on so many occasions questions were asked and the hon. Minister was pleased to reply that for transporting certain articles inside the country, like handloom, there has been a concession. We

have been demanding that there should be concessions for articles like matches, more and more concessions. We would certainly fight with the Ministry and get it.

Now, having contributed so much directly and indirectly, is it fair to ask the Railways to contribute more to the General revenues and then go with a special request that they must allow us to do certain things. That is my main point. If we take the figures for the past 10 years, you will find that the 1949 Convention fixed the dividend at 4 per cent. From 1950-51 to 1954-55, the amount that has been paid by way of dividend is, Rs. 32.51 crores in the first year, then Rs. 33.41 crores, 33.99 crores, 34.36 crores and Rs. 34.96 crores in the last year. That shows that in the fifth year, they were getting Rs. 2.45 crores more, that is 7.54 per cent. That was the effect of the 1949 Convention. I am coming to the next Convention. If we take the 1954 Convention, in the five years which were sought to be covered in this Convention, from 1955-56, the amount paid is Rs. 36.12 crores in the first year, then 38.16 crores, 44.40 crores, 50.03 crores and 54.43 crores in 1959-60. That shows, compared with the first year, the money that is being paid in excess is Rs. 18.31 crores, that is 50.7 per cent more than what was being paid in the first year when that Convention came into existence. The year 1960-61 is also covered by the 1954 Convention by virtue of the Special Resolution which was passed in this House on 28-4-59 and endorsed by the Rajya Sabha on 8-5-59, for extending this period up to 31-3-61. As the House is aware, the hon. Minister last year, when presenting the Budget, on 18-2-59, stated that the new freight structure has been brought into effect from 1-10-58, that on the expenditure side, the Pay Commission's report is awaited and that it is necessary that the Committee should make proposals synchronising with the Plan period. For these three reasons, we extended the period by one year. In this year

1960-61 also, the dividend that is going to be paid is on the increase, that is Rs. 57.27 crores. That is on the 4 per cent basis. On the basis of the report that has been submitted by the Railway Board to the Convention Committee, we find that for the 5 years from 1961-62, at the rate of 4 per cent on the capital-at-charge, it would be Rs. 60.83 crores in the first year—I am not going to give the figures for the other years—and in the final year, it would be Rs. 84.73 crores, that is Rs. 27.46 crores above what has been paid in the last year of the previous Convention, or 47.92 per cent. That, I consider is on the high side. Why should we now increase it to 4.25 per cent which will bring in the final year Rs. 90.03 crores and Rs. 64.63 crores in the first year. That means, from Rs. 57 crores, which is going to be paid in the year 1960-61, in the last year of the Second Plan, in the last year of the Third Plan, we will pay Rs 90 crores. I would certainly like the hon. Minister to apply his mind to this because the House will probably accept this Resolution. If in the same way as the hon. Minister came before this House in February 1959 for extending the period of the 1954 Convention for a further period of one year, I humbly submit that this matter may be further gone into. Actually, there is a case for reducing it because the hon. Minister himself when he introduced this Resolution said that the average rate of interest is now standing at 3.58. I will put it as simple arithmetic. We pay at 4 per cent. They get a 4 per cent benefit. If that money is going to be given for interest, it is going to be 3.58 per cent. There is a case for reduction. I believe I have said enough on this particular point.

I must also congratulate this Convention Committee for touching upon certain important points which the previous Convention Committees, the 1949 and 1954 Convention Committees did not go into. I am referring to the recommendations 3 and 4. The annual loss on account of strategic lines will be borne by the Central

[Shri Tangamani]

Government. While the dividend in respect of the capital at charge of the North East Frontier Railway other than the clearly strategic portion thereof, will be at the average borrowing rate of the Central Government; in computing the capital at charge, necessary adjustments will also be made for over-capitalisation for new lines as recommended by the Railway Convention Committee of 1954. I certainly welcome this provision. I need not say much on this particular point.

Enough has been said about depreciation also. That is also an issue to which the Government should give pointed attention. I am inclined to agree with Shri Naushir Bharucha, not for the reasons advanced by him, but because I can imagine the position, unless we scientifically work out on the basis of costing. Costing may not have developed to such an extent. But, still in every industry that is being attempted. We get somewhere nearer. In the same way, we should not shelve this issue. An attempt must be made. Instead of Rs. 70 crores, let it be Rs. 140 crores, I do not mind. Let us know how much will be the cost of replacement and renewals and for modernisation of the Railways. Otherwise I find in certain areas, old rails which ought to have been removed long ago are still there. If we provide here Rs. 100 crores, which has got to be provided each year, and if some replacement is not made, I can come before the House and ask the Government why it has not been done. If every year Rs. 140 crores are required, and we are not able to provide the full depreciation, but provide only Rs. 70 crores, then we can at least ask them to show us 50 per cent results. There will be some basis. The time for *ad hoc* basis has gone. I would like to know on what basis we have arrived at this figure of Rs. 70 crores. The Railway Board makes some kind of a calculation and they come and say, for the next five years, depreciation will be Rs. 350 crores.

That amount divided by five gives Rs. 70 crores. We have been paying Rs. 45 crores. For the next five years, it will be Rs. 70 crores. To my mind, that would be arbitrary and *ad hoc*. Even if it is Rs. 200 crores, I do not mind. It must be placed on a scientific basis. Let us not postpone the issue for the beginning of the fourth plan period. This is also an issue to which pointed attention should be given by the Ministry even after Resolution is adopted.

On my next point, many Members have already spoken. That is the question of merging the passenger tax with the fares. From the 1st of April 1961, these are going to be merged. Here, my humble submission is this, we have now provided contribution to the various State Governments. The figures which I have got from Report show that year after year this is on the increase, from Rs. 12.24 crores to Rs. 12.77 crores. It may go up. Even now, I say, let it be on record that at the end of the Third Plan as a result of the merger of the new tax with the fares, collection will not be Rs. 70 crores, but it will be much more. Why should that Rs. 10 crores or 15 crores or 20 crores, which is in excess of Rs. 70 crores go to the General revenues?

We find that every State Government comes before the Planning Commission with a certain plan; it states that it has worked it out and the State legislature has gone into it in much greater detail than the Planning Commission; that it has not forgotten the overall picture of the country. And if a reduction is made in their plan allocation, they fight against it.

We also find that most of the newspapers have written editorials on this. *The Hindu* has put it that more than Rs. 12.5 crores going to the central revenues; but it does not go to the extent of saying that the whole of it should go to the State revenue. So this kind of arbitrary fixing of only Rs. 12.5 crores to the State is also not

based on scientific method. There should be a provision for giving more to the States, in whatever form possible.

The next point is about amenities. I can anticipate the reply of the hon. Minister. He will say that the committee has only recommended a minimum of Rs. 3 crores for passenger amenities. At least, let us have some kind of consolation that any amount over and above this Rs. 12.5 crores collected as tax will form part of the amenities fund. Passenger amenities should get top priority, particularly third class passengers. Now third class bogies are being rapidly replaced, more rapidly than the first class bogies; and I welcome it because it is proper. In fact, let all the rickety third class bogies be replaced first before the first class bogies are replaced.

**Shri Jaipal Singh (Ranchi West—Reserved—Sch. Tribes):** No, no.

**Shri Tangamani:** If this is accepted, it will be agreed that the sum of Rs. 3 crores is very paltry and should be increased.

Then I would like to make one or two general remarks. I find that the return on the quarters is only 2.5 per cent. This is essential for the railways, but I would recall what the Estimates Committee has said regarding the construction of bungalows at Chanakyapuri for officers where we do not get a return of even 0.5 per cent.

I also find that during the last five years there has been a fall in the high-rated traffic of the railways and an increase in the low-rated traffic like iron ore and coal. The high-rated traffic obviously is being diverted to road transport.

I am glad the Railway Board is watching carefully attempts made by other agencies to paint a picture of the railways without taking all the

facts into consideration. It is very welcome.

The passenger tax is like any other tax in the sense that whenever a tax is imposed, no question of withdrawing it ever arises. So, here it is being merged with the fare itself. I would like to know from the hon. Minister whether during the Third Plan there will be no increase in railway fares. I am asking this in all sincerity on the basis of certain pronouncements about the Third Plan. They say they are going to hold the price line. If that is so, let us also hold this line.

**Shri Jaipal Singh:** How can he say that? He may not be in office by then.

**Shri Tangamani:** If he gives an assurance.....

**Shri Jaipal Singh:** His assurance has no meaning.

**Shri Tangamani:** ....he or his successors and we or our successors will be able to see that it is carried out to the letter.

In conclusion I would like to say that this merger of the tax in the passenger fare, although it may bring some benefit to Members of Parliament, will not bring any benefit to the users. I would have certainly welcomed at least some rebate being given to these users.

I would request the hon. Minister to give his pointed attention to the three or four points raised by me, and I will be happy to hear his reply.

**श्री ए.बे. लाल बगस (उज्जैन) :**  
सभपति महोदय, इस कमेटी ने एक नोट मांगा था रेलवे से और फर्नेशल कमिश्नर से कि विदेशों में और खस तौर से यूरोप में, यू० के०, बेल्जियम और फ्रांस वगैरह में रेलवे की छाय से जनरल रेवेन्यू को देने का क्या तरीका है और मैं समझता हूँ कि वह नोट उस कमेटी के सामने बरूर प्रस्तुत कर दिया गया होगा। लेकिन इस कमेटी की रिपोर्ट में...

श्री जगजीवन राम : मैमोरेण्डम में बोजूद है ।

श्री राधे लाल व्यास : इस बारे में नहीं है कि विदेशों में देने का क्या तरीका है, प्राय का क्या भाग ....

श्री जगजीवन राम : है ।

श्री राधे लाल व्यास : लेकिन कमेटी ने उस पर अपनी कोई राय जाहिर नहीं की है ।

श्री जगजीवन राम : राय क्या जाहिर करती ?

श्री राधे लाल व्यास : उसको बताना चाहिये था कि हमारे यहां की परिस्थितियों को देखते हुये, इसको देखते हुए कि हमारे यहां रेलों में काफी काम होना है, उनका काफी विकास होना है, बहुत कुछ पुरानी जो लाईस हैं, पुराने जो डिब्बे हैं, पुराना जो सामान है, उस सब का नवीनीकरण होता है, और उस सब के लिये काफी पैसे की जरूरत है, क्या जनरल रेवेन्यू से रेलवे को मदद मिल सकती है है या गवर्नमेंट आफ इंडिया बाहर के मुल्कों से जो कर्ज ले रही है, उसके द्वारा रेलों की मदद कर सकती है ? इन परिस्थितियों के रहते हुये, कमेटी ने जो यह सुझाव दिया है कि अभी का जो तरीका है, रेलों की प्राय से जनरल रेवेन्यूज को देने का जो तरीका है, वह कायम रखा जाए, बिल्कुल ठीक है ।

जहां तक डिविडेंड का सम्बन्ध है, हम देखते हैं कि पिछले कुछ सालों से बड़े बराबर बढ़ता जा रहा है । अभी तक वह चार परसेंट था, अब सवा चार परसेंट कर देने की सिफारिश की गई है । मैं समझता हूँ कि जहां रेलों की प्राय बढ़ती जा रही है, वहां कैपिटल एंट चार्ज भी बढ़ता जा

रहा है और इस हिसाब से अगर वह चार परसेंट भी होता तब भी डिविडेंड की रकम तो ज्यादा होती ही । लेकिन फिर भी जब कि ब्याज की दर ज्यादा हो गई है, और छः प्रतिशत तक का ब्याज देना पड़ रहा है उन कर्जों पर जो कि हमें विदेशों से मिल रहे हैं, यह सिफारिश बिल्कुल उपयुक्त मालूम देती है कि दर को सवा चार प्रतिशत कर दिया जाए ।

रिजर्व फंड तथा डिप्रिश्यिएशन फंड की जो रकम रखी गई है, वह भी बिल्कुल उपयुक्त है । अभी जो रकम ४५ करोड़ की है, उसमें जो खराबी है, उसको दूर किया जाना चाहिये और अच्छी हालत पैदा करने की चेष्टा होनी चाहिये । लेकिन उसको दूर करना बिल्कुल असम्भव प्रतीत होता है । काफी रुपये की उसके लिये आवश्यकता होगी । हम देखते हैं कि कई जगह पर यार्ड्स में तरक्की हुई है, वे काफी चौड़े किए गए हैं, डबलिंग भी हुआ है कई जगहों पर लाइनों का, इंटर-सॉकिंग बगैरह भी हुआ है, लेकिन इन सब सुधारों के बावजूद भी हम देखते हैं कि रेलों की जो एफिशेंसी है, उसमें कोई फर्क नहीं पड़ा है । इतना कुछ होने के बावजूद भी जहां गाड़ी की रफ्तार तेज होनी चाहिये थी, नहीं हुई है । इतने अधिक सुधार होने के बावजूद भी और इतना पैसा खर्च करने के बावजूद भी जो परिणाम निकलने की आशा की जाती है, अगर वे नहीं निकलते हैं, तो दुःख होता है । रेलवे बोर्ड को देखना चाहिये कि जहां इतनी बड़ी बड़ी रकमें खर्च हों, वहां परिणाम भी अच्छे निकलने चाहिये और साथ ही साथ एफिशेंसी भी घानी चाहिये । जहां तक पैसा खर्च करने का सवाल है, उसके बारे में कोई आपत्ति नहीं हो सकती है ।

फाइनेंशियल कमिश्नर ने यह सुझाव रखा था कि जनरल रेवेन्यूज से रेलों को कर्ज

लेती हैं, इस प्रथा को बन्द कर दिया जाए और जो उसका डिवलपमेंट फंड है, उसमें से ही खर्च करना चाहिये। यह ठीक नहीं था और कमेटी ने उससे सहमत न हो कर जो सुझाव दिया है वह बिल्कुल उपयुक्त है।

श्री तब पिछले सालों में जो विकास के काम हुये हैं, वे काफी हैं लेकिन फिर भी देश की परिस्थिति को देखते हुए उन से ही संतोष नहीं माना जा सकता है। यदि फाइनेन्शियल कमिश्नर की राय के अनुसार यह नीति बरती जाय तो काम और भी ज्यादा पिछड़ा जायेगा। यह पैसेन्जर फेअर टैक्स जो लगा हुआ है उसके अब किराये में मिला देने का सवाल है। इसके जरिये कुछ राज्यों को आय पर जरूर भार पड़ने वाला है क्योंकि किराये की आमदनी तो हम देखते हैं कि प्रतिवर्ष थोड़ी बहुत बढ़ती जा रही है और जिस तरह से किराये की आमदनी बढ़ेगी उसी लिहाज से पैसेन्जर फेअर टैक्स भी बढ़ने वाला है और उसी हिसाब से राज्यों को मिलने वाला है। लेकिन पिछले पांच सालों का औसत निकाल कर जो रकम दी गई है राज्यों को उससे सम्भव है राज्यों को कुछ कम मिले। लेकिन ऐंकार्टिंग वगैरह को देखते हुये उन्होंने जो चीज रखी है वह ठीक है। लेकिन मेरा खयाल है कि पिछली आय के अनुसार जो औसत निकाला गया है वह ठीक नहीं है। पिछले पांच सालों में किस हिसाब से प्रति वर्ष बढ़ती होती रही उस के हिसाब से अगले पांच सालों की आमदनी का औसत लगा कर यह रकम निश्चित की जाती और राज्यों को दी जाती तो ज्यादा उपयुक्त होता और वह न्याय-संगत भी होता। मैं समझता हूँ कि रेलवे बोर्ड इस पर पुनर्विचार करेगा। थोड़ी सी रकम होगी, ज्यादा नहीं, और जो हक राज्यों को दिया गया है वह राज्यों को भी मिलना चाहिये। मुमकिन है कि इस

तरह से कुछ खर्च बढ़ जाये लेकिन फिर भी इसे किया जाना चाहिये।

इन शब्दों के साथ मैं इस कमेटी की रिपोर्ट का स्वागत करता हूँ और इस का समर्थन करता हूँ।

**Shri Jagjivan Ram:** It is really very encouraging to find an abundance of goodwill to the railways, in this House, and I am grateful to the Members for all the kind words that have been said about the railways. Some issues which were not quite germane to the discussion of the subject-matter before the House have been brought in, and I propose to take notice of some of them first.

Shri Harish Chandra Mathur started by saying that the condition of the railways in European countries was such that any comparison between them and the Indian Railways was not quite proper, and to quote his own words, he said that this is a comparison between incomparables. Having said so, he lapsed himself in'o the same mistake, when he tried to compare the Indian Railways with road transport. To quote his own words, I would say that he was trying to compare the incomparables. I do not propose to go in'o the details.

Shri Tangamani has quoted some statistics from a reply given by the Railway Minister in this House in this regard.

When I say that it is a comparison between incomparables, I shall simply draw Shri Harish Chandra Mathur's attention to the working condition on the railways and in road transport. Again, I would say that it is a comparison between incomparables. This great organisation in their research in economic affairs perhaps forget that a major portion of this income is derived from road transport in big cities like Delhi, Calcutta and Bombay etc. where the railways do not function at all. But these are some of the obvious facts which do not require any high attainment of economic acumen, but even a layman with a

[Shri Jagjivan Ram]

modicum of commonsense will agree that it is a comparison between incomparables.

**Shri Harish Chandra Mathur:** That modicum of commonsense was lacking in that organisation?

**Shri Jagjivan Ram:** Of course, it might be; it does not mean that a man who has been termed as an economist necessarily possesses commonsense.

These are obvious facts, without going into details and statistics. When one ventures to compare incomparables, such fallacies are likely to arise. Not only are they likely to arise, but they are bound to arise. For instance, there is difference in the working condition of the railway employees and the working condition of the employees engaged in private road transport. It is one factor which requires very minute investigation by an organisation which may carry out that investigation with objectivity and not with a set purpose of supporting one party or the other. I have always said that I am one of those who do not believe that there is any apprehension of any real competition between the railways and road transport. In our country, there is ample scope for the development of the two. They can function very successfully as complementary or supplementary to each other. I have never felt that there is any scope for any cut-throat competition between the two. Any comparison between the two is a comparison between incomparables. Therefore, I attach that much importance to the Report quoted by Shri Mathur that it deserves, and nothing more.

The whole question has been referred to a very eminent person. Perhaps the House is aware of it, that the question of coordination between railways and road transport has been referred to Shri K. C. Neogy who heads a high-power Committee which is examining every aspect of it. I repeat in this country there is scope for the development of both.

Certain points have been raised as regards the recommendations of the Convention Committee. Some have arisen out of misapprehension, for which there is not much justification. Some issues have been raised; in respect of these, perhaps the Members have not cared to read the material available in the Library of the House or the material that was supplied by the railways to the Committee. Whenever Shri Naushir Bharucha speaks on any subject, he brings to bear upon it some informed opinion. This time he lacked that. Perhaps he had no time to go into the material available in the Library of the House.

**Shri Naushir Bharucha:** He left precious little time for anybody to get at the material.

**Shri Jagjivan Ram:** One thing that he made capital of was in regard to the structure of the capital at-charge on the railways. The 1949 Convention Committee—I presume that he has looked into their Report—on whose recommendation the principle of paying dividend at a percentage of the capital at charge was first adopted, went into great detail in regard to the capital structure. Detailed information in regard to this is also given in the annual published block accounts of the Indian Government Railways which are submitted to Parliament with the Appropriation Accounts. So if Shri Naushir Bharucha will refer to these two documents, he will find that what he has expressed here was not quite justified.

16 hrs.

Shri Nayar has already clarified a point raised by Shri Bharucha that the element of over-capitalisation has not been precisely determined. Detailed information on this point which was made available to the committee indicated how this matter was examined in consultation with the Comptroller and Auditor-General and the Ministry of Finance.

Shri Bharucha and some other hon. Members pointed out that the average rate of interest would be higher than 3.58 per cent. if allowance is made for the higher rate of interest which is charged by the World Bank on loans obtained for Railway purposes. Actually, such loans constitute only a very small proportion of the total capital-at-charge. And, even allowing for such higher rates in respect of them, the average rate at present would come to only about 3.7 per cent so that the rate of 4.25 per cent recommended by the Committee would still allow an element of contribution over and above interest.

There is not merely this element of contribution which contributes towards the general welfare of the country but there are also other indirect contributions of a sizeable nature made by the Railways. Some of them have been alluded to by some hon. Members in this House.

At this stage, I would like to make one thing clear. The way in which I look at the general finance and railway finance is not as if they are contradictory to each other. I look at them as complementary to each other. The General Finances can hardly afford to ignore the soundness of the Railway Finances and the Railway Finances can hardly afford to ignore the interests of the General Finances. So, the two wings have to function in a way that the interests of both the finances are looked after properly. And, as I have said, there is nothing which militates against each other. Looked at from this aspect, it is quite proper that the Railways should make some contribution to the General Revenues for the general welfare of the community as a whole.

Another thing that was raised in this connection was whether the Railways are a purely commercial concern or a utility service. As I said in my opening remarks, I have always looked upon the Railways as a commercial-

cum-utility service. It is not a purely commercial undertaking and it is not a purely utility service. An element of both have to be coordinated in it and, therefore, it should be regarded as a commercial-cum-utility service.

When our objective is to establish a socialist economy in the country, more and more enterprises will be started or undertaken or taken over by Government. And, ultimately, Government will have to depend more and more upon the revenues from these nationalised undertakings for the development of the country and for the welfare of the community. And, if these two basic requirements of the country have to be met, the nationalised undertakings will have to make a contribution for the development of the country as well as for the social service that may be required for the community. And, the Railways, as an important nationalised undertaking, will have to set an example in this direction as well.

Therefore, when the question of dividend to the General Revenues came and some friends felt that it should be 4 per cent and some friends felt that it should be less than 4 per cent, I agreed that it should be 4.25 per cent.

My justification for that is this, that if we want to encourage socialist economy in the country we will have more and more to depend on our own finances and these nationalised undertakings will have to make a contribution for developmental works as well as for unproductive works. Therefore, the Railways will have to make this contribution. There are indirect contributions also—I do not propose to go into the details of that—because the Railways as a utility service and not as a purely commercial undertaking will have to undertake certain obligations for serving the community. We are doing that in the nature of concessional rates, concessional freights and other things. That again is one factor where the comparison between

[Shri Jagjivan Ram]  
the road transport and the Railways is a comparison between two incomparables.

**Shri Harish Chandra Mathur:** You have a lot of nationalised road transport now.

**Shri Jagjivan Ram:** The hon. Member forgets that nationalised road transport is only passenger transport.

**Shri Harish Chandra Mathur:** In Bombay they have got both.

**Shri Jagjivan Ram:** They have not got.

**Shri Harish Chandra Mathur:** They have got it in Himachal Pradesh and Kashmir.

**Shri Jagjivan Ram:** The goods transport is hardly nationalised, except, may be, in Himachal Pradesh and Kashmir, and the day goods transport is nationalised I think all these arguments that are being urged will disappear.

**Shri Harish Chandra Mathur:** They are making good profits in U.P.

**Shri Jagjivan Ram:** In Bombay they have given it up.

A question was raised as to on what basis allotment to the depreciation reserve fund is made. I would like briefly to clarify the position with regard to the basis on which the Committee has recommended a contribution of 70 crores per annum on the average in the Third Plan period to the Depreciation Reserve Fund. Detailed figures of expenditure on capital assets are fully available, and the Committee took note of the fact that an annual average provision of 70 crores would be 3.8 per cent of the average capital at charge. Locomotives and wagons are assumed to have about 40 years of life and carriages about 30 years life, while track, buildings and bridges have much longer lives. The provision at 3.8 per cent

would thus not only cover provision on a straight line basis, with reference to an overall average of 40 years life, but will also allow, in addition, for provision to meet a part of increased costs at which replacements have to be done. The information given to the Committee indicated the actual renewals that are anticipated to be done in the five year period 1961-66. Even over a sufficiently long period, from 1939-40 onwards, the Railway Depreciation Fund has met all the demands on it in regard to replacements, in that the balance at the end of 1939-40 was Rs. 31 crores as against which a balance of Rs. 21 crores is anticipated at the end of 1960-61. In other words, the Fund has met all the obligations arising out of renewals deferred during the war and post-war years, as well as those inherited from Railways taken over by the Central Government in this period, and at the same time has met the effect of increased cost of replacement. This long-range picture will indicate how the contribution has not been on any "rule of thumb" basis. It will also be conceded that the problem, in the case of Railways, who have innumerable assets created at different dates with different costs, is not as simple as the case of a single plant taken as example by Shri Bharucha for which depreciation provision on a simple basis is readily possible. I am not sure if Shri Bharucha was serious in suggesting an increase of the annual appropriation to depreciation fund by another Rs. 20 crores over what the committee has recommended. This cannot but limit the scope for payment of dividend to general revenue, which Shri Bharucha himself has pleaded should be higher than the 4.25 per cent recommended by the committee. I cannot also believe that Shri Bharucha was serious when he referred to the deficiencies in passenger coaches. There are certain deficiencies and efforts are being made to remove them. But the problems with which the railways are faced are known to Shri Bharucha also; the

problem of pilferage and vandalism even in the new coaches, in the electric coaches near about Bombay, for example. I do not mean that it is restricted to Bombay, but it is a great problem where the co-operation of everybody is necessary if the railways are to face it.

I do agree that some coaches are old. I do not want to keep anything from the House. Our programme in the first phase was to concentrate more on the replacement of third class coaches rather than first and second class coaches. In the coming year, we have a programme to manufacture first class coaches also and then we will be in a position to replace them. But that was not due to any paucity of funds in depreciation reserve. That was due to the policy of Government and I think that was a policy which was welcomed by the House itself.

Naturally the House has felt that the allotment of Rs. 3 crores for passenger amenities is not an adequate allotment. As is clear from the recommendation of the committee, this amount is the minimum and as I told the House while proposing this resolution, every effort will be made to increase this allotment in order to meet the minimum requirements and basic amenities. As the House is aware, we have made fairly good progress in providing minimum amenities either at the stations or on the trains. It is constantly our endeavour to provide more and more amenities both at the stations and on the trains.

Some hon. Members referred in particular to the suggestion of the Comptroller and Auditor General for altering the scope of the development fund so as to limit the expenditure from the fund to what is actually available as railway surplus. The committee went into this question and considered that this will mean either postponement of works which are essential, but which are not directly remunerative, or charging of such works to capital, neither of which the House will agree is desirable.

A *verbatim* copy of the note of the discussions of the Railway Board officials with the Controller and Auditor-General was furnished to the Committee with all the relevant information in this connection. Shri Nayar, perhaps, said that whatever the recommendation of the Comptroller and Auditor-General was, that was not available to the Convention Committee. Perhaps he had no time to look into the memorandum which has been made available to the members of the House in the library of Parliament.

Then some hon. Members referred to the deferred payment of dividend in respect of certain unremunerative lines. It is never the intention either of the Convention Committee or the Railways that these deferred payments will not be paid to the general finances. As and when these lines start earning and there is a surplus over and above the dividend for the year concerned, the arrears of the deferred dividend will be paid to the general revenues.

Then Shri Mathur raised the question about the efficiency and sound functioning of railways. I have never claimed that we have attained optimum efficiency and, perhaps, I will never claim that. Because, in any dynamic organisation which is charged with serving a very important field for the development of the country, any attitude of complacency will not be desirable. Therefore it is always our effort to increase the efficiency of the railways and also to see that the railways are functioning on sound lines. People from other countries with critical eyes for complaint, not as tourists or sight-seers but as those who had to study the functioning of the railways have paid compliments to the railwaymen and to the railway officers who are managing the affairs of the railways so efficiently and on a sound basis.

**Shri Harish Chandra Mathur:** In this connection I referred to certain recommendations that have been forced upon the railways; I particularly re-

[Shri Harish Chandra Mathur]

ferred to the recommendations of the Rajadhyaksha Committee, which meant a lot of financial burden and which are of very little practical value. You cannot do without them. I wish these are examined and our expenditure reduced.

**Shri Narasimhan:** He was speaking in favour of the railways.

**Shri Harish Chandra Mathur:** I was speaking realistically, neither in favour nor against. I paid compliments when they are due.

**Shri Jagjivan Ram:** I am grateful for this clarification, as it is a compliment to the railways. When a high-powered committee examines and recommends certain amendments and modification to the award of Rajadhyaksha, I as a practical man will have to consider whether it will be possible to implement those recommendations. Once certain concessions have been given to the working class it is very difficult to withdraw them. It is not only difficult but I am one of those who believe....

**Shri Harish Chandra Mathur:** At least I for one thought that you are a strong Minister.

**Shri Jagjivan Ram:** Even if I am a strong Minister and of course, I am a strong man too. I will request my friends to remember that our objective is the establishment of a socialist society. What does it mean?

**Shri Harish Chandra Mathur:** At a wayside station there is hardly one hour's work and still you must have all the staff. That is what Rajadhyaksha Committee has recommended.

**Shri Jagjivan Ram:** We will now have to change the conscience of the nation about work; that will have to undergo a very radical change. In other countries the same man can function as station master, pointsman, waterman and even as a porter. That will take some time before we can

envisage a stage where a man will perform all the tasks in our country.

**Shri Harish Chandra Mathur:** I want much less than that.

**Shri Jagjivan Ram:** It is not only hard work or simple work but it is also the social prestige conception which stands in the way. I was reading with interest that in many places abroad, on a wayside station there is station. He gives you the tickets and when the train is to come he sets the points. If some passenger wants a glass of water he gives that to him.

**Shri Narasimhan:** Rings the bell also.

**Shri Jagjivan Ram:** He rings the bell and also cleans his own room. But the minimum that we require if we have to start a station, the first necessary thing will be a station master, of course, but a sweeper as well, even if there is nothing to sweep. But for that we are not to blame Mr. Justice Rajadhyaksha. We have to blame our social set-up. Therefore I say that even if we are to set up a committee and that committee recommends modifications of the recommendations of the Rajadhyaksha Committee, will we be in a position to implement that recommendation? As a practical man I think that if I can have an idea in advance of the possible recommendations and it appears that I am not likely to implement them, it is better not to set up that committee.

Then I said that when we are going to have a socialist society those who have been employees and workers they also look up to a stage where their standard of living will go up, working conditions will improve and the distinction between officers and staff, so far as working conditions and various other facilities are concerned, will gradually disappear. Perhaps certain recommendations of Mr. Justice Rajadhyaksha which have been implemented are a welcome feature and

I will be the last person to get them modified, even if it means some expenditure to the Railways.

As I have said, there is a fundamental difference between the private road transport and the Railways. We have to function as a nationalised undertaking, functioning as a public utility service and even as a commercial undertaking to see that we set an example how an employer treats his employees who are common partners in a nationalised undertaking. Therefore I feel that there is no necessity for setting up such a committee.

Shri Braj Raj Singh has said something about pilferage of coal at certain stations. I will not claim that on the Railways there is no pilferage of coal at all. A few days back Shri Braj Raj Singh mentioned this to me and I welcome the fact that he offered some suggestions by which this pilferage of coal could be detected and those who are engaging in it could be punished. I am going to take certain action on that. I shall be grateful to hon. Members if they will bring any such incidents to my notice. As I have said, I do not deny that there is a certain amount of pilferage of coal on the Railways. Coal is a commodity in which there is a chance of pilferage in the way it is transported. There is pilferage of other things also. Whenever we detect this, we try to take precautionary measures and when people who are guilty of such lapses are detected, I take very serious notice of them. I give the maximum punishment that I can give whether he is an officer or a member of the staff; whether he is Class I, II or III it does not make any difference so far as I am concerned. I will be thankful to Shri Braj Raj Singh if he will bring, apart from this, other instances, so that I and the Railway Board may take action in such matters.

I have nothing much to say. Let us hope that the soundness of the Rail-

way finances will continue and the Railways will be able to serve the nation and in addition go in with its programme of development with renewed energy, efficiency and devotion. I am again thankful to the House for the good and encouraging words that they have said about the Railways.

**Mr. Chairman:** I will now put the substitute motion of Shri Naushir Bharucha to the vote of the House.

**Shri Jagjivan Ram:** He is withdrawing it.

**Shri Naushir Bharucha:** No, no.

*The substitute motion was put and negatived.*

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

"That this House approves the recommendations contained in the Report of the Committee appointed to review the rate of dividend which is at present payable by the Railway Undertaking to General Revenues as well as other ancillary matters in connection with the Railway Finance *vis-a-vis* the General Finance which was presented to Parliament on 30th November, 1960."

*The Resolution was adopted.*

**Shri Naushir Bharucha:** The Railways have won against the General Revenues.

16.27 hrs.

\*DEMANDS FOR SUPPLEMENTARY GRANTS (GENERAL), 1960-61

**Mr. Chairman:** The hon. Minister.

**The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha):** Now, the other Members will speak. I do not have to move the Demands.