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THE
CONSTITUENT ASSEMBLY OF INDIA
(LEGISLATIVE) DEBATES

Official Report

VOLUME I, 1948

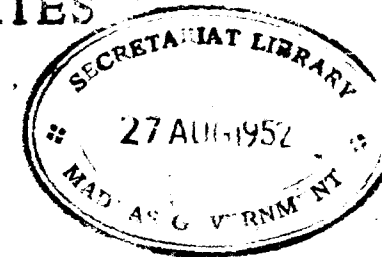
(28th January to 16th February, 1948)

SECOND SESSION

of the

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

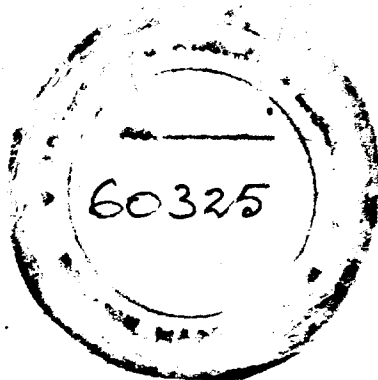
1948



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DOMINION LEGISLATURE
CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

The Speaker

The Honourable Mr. G. V. MAVALANKAR.

Panel of Chairmen

Mr. HOSSAIN IMAM, M.C.A.

Pandit THAKUR DAS BHARGAVA, M.C.A.

Shri K. SANTHANAM, M.C.A.

Shrimati AMMU SWAMINADHAN, M.C.A.

Secretary

Mr. M. N. KAUL, Barrister-at-Law.

Assistants of the Secretary

Mr. A. J. M. ATKINSON.

Mr. N. C. NANDI.

Mr. C. V. NARAYANA RAO.

Committee on Petitions

Mr. HOSSAIN IMAM, M.C.A.

Shri K. SANTHANAM, M.C.A.

Mr. R. K. SIDHVA, M.C.A.

Shrimati DAKSHAYANI VELAYUDHAN, M.C.A.

Shri B. Das, M.C.A.

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THE
CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)
OFFICIAL REPORT OF THE SECOND SESSION OF THE CONSTITUENT ASSEMBLY (LEGISLATIVE)

VOLUME I - 1948

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Wednesday, the 28th January, 1948

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

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS.

ARRANGEMENTS FOR EVACUATION OF NON-MUSLIMS LEFT IN BAHAWALPUR STATE

1. ***Mr. R. K. Sidhva:** Will the Honourable Minister of Relief and Rehabilitation please state:

- (a) the number of non-Muslims still staying in Bahawalpur State;
- (b) whether it is a fact that they are desirous of being evacuated but no arrangement has so far been made therefor; and
- (c) whether Government intend to make any arrangements for their evacuation?

The Honourable Shri K. C. Neogy: (a) The exact number is not available, but is estimated to be about 70,000 in addition to a considerable number of persons forcibly converted during the disturbances in September and October 1947.

(b) All information available to the Government of India goes to show that a large number of Non-Muslims in Bahawalpur State are desirous of coming to India. The Bahawalpur State authorities have not so far been agreeable to the provision of facilities for the purpose.

(c) Government will certainly do all they can to arrange such facilities once agreement is reached with the Pakistan authorities.

Mr. R. K. Sidhva: What is the difficulty in coming to a settlement with the Pakistan Government in evacuating the Non-Muslim population?

The Honourable Shri K. C. Neogy: I do not know what difficulty there may be on the part of the Pakistan authorities, but the fact remains that in spite of our best efforts we have not succeeded in getting them to agree to make arrangements for mass evacuation.

Mr. R. K. Sidhva: What were the efforts made, Sir, may I know?

The Honourable Shri K. C. Neogy: It is a very prolonged negotiation to which I may have to refer, but if the Honourable Member wants to know more about the negotiations I shall place a statement on the table.

Pandit Balkrishna Sharma: Is it a fact that the Pakistan authorities are bringing in excuses that the men remaining at a particular spot are not prepared to go and that they are willing to live in that territory and on that plea they are not making arrangements for their evacuation?

The Honourable Shri K. C. Neogy: This excuse was put forward at one stage, but we are satisfied that there is no truth in this statement.

Seth Govinddas: Is it a fact that when certain Muslims from India go to Pakistan, though the Pakistan authorities are ready to evacuate Hindus from Pakistan to India they are not ready to take Muslims going from India to Pakistan?

The Honourable Shri K. C. Neogy: I am afraid that does not arise out of this question.

Shri Raj Krishna Bose: May I know how many Non-Muslims have been forcibly converted to Islam in Bahawalpur State?

The Honourable Shri K. C. Neogy: We have no definite information about this.

Mr. R. K. Sidhva: Is it a fact that Mahatma Gandhi's personal representative has been asked to see the representatives of the Pakistan Refugee Ministry? If so what is the result of that special representative's efforts?

The Honourable Shri K. C. Neogy: I have seen a statement to that effect, but I have no definite information. We are hoping that some good will result from these informal negotiations.

Shri M. Ananthasayanam Ayyangar: May I know what the total Non-Muslim population of Bahawalpur State was and how many have gone out of the State already?

The Honourable Shri K. C. Neogy: The number is not definitely ascertainable. I have been given different numbers at different times of the Non-Muslims who have come out to India. Unless a registration of these refugees is completed all over the country where they have gone, it will be difficult to give a number. I have been told the number of Non-Muslims who have come out to India from Bahawalpur State is about 80 thousand or a lakh, and the figure that I have given of the remaining people who are anxious to come is 70,000. In addition to this it is believed that there is about a lakh more which may be accounted for by the killings and conversions.

Shri M. Ananthasayanam Ayyangar: Is there any representative of ours in Bahawalpur State now to look after these persons?

The Honourable Shri K. C. Neogy: No.

Mr. R. K. Sidhva: May I ask whether our nationals there are sufficiently protected?

The Honourable Shri K. C. Neogy: That depends upon the Bahawalpur State authorities.

Mr. R. K. Sidhva: May I ask whether any efforts have been made in this direction?

The Honourable Shri K. C. Neogy: We have made necessary representations in the matter, but we have to leave it to them ultimately.

Diwan Chaman Lall: Has any attempt been made to get into personal contact with the Bahawalpur State authorities?

The Honourable Shri K. C. Neogy: A representative of the States Ministry at one time was in close contact with the Bahawalpur State, on our behalf.

Shri K. Santhanam: May I know whether a Deputy High Commissioner cannot be appointed for Bahawalpur State?

The Honourable Shri K. C. Neogy: I do not know; perhaps the Prime Minister may be able to throw some light on this point.

The Honourable Pandit Jawaharlal Nehru: The question of appointing Deputy High Commissioners has been confined to two or three major areas of Pakistan, and it is a matter to be considered with the States Ministry whether

some such officer in Bahawalpur State would be helpful. As a matter of fact, people have been going there on our behalf regularly. There has been considerable contact at the present moment. There is in Bahawalpur a kind of a small deputation or delegation consisting of Dr. Sushilla Nayyar and a representative of the International Red Cross, Mr. Cross. They have gone there specially to help in this matter. It is an informal visit and not on behalf of the Government of India. Nevertheless, they are interested in this evacuation of refugees from there. I do not think the appointment of a large number of Deputy High Commissioners and others will necessarily be very helpful. Where it is necessary, naturally we will make the appointment, subject of course to the other party consenting.

Dr. B. Pattabhi Sitaramayya: Is it generally true that the Pakistan authorities are taken on retaining *dhobis* and *bhangis* and people of particular classes the services rendered by whom are not available to them from members of their own community?

The Honourable Shri K. C. Neogy: That is generally true with reference to Pakistan.

Seth Govinddas: Are Government taking any steps to see that *dhobis* and *bhangis* and people like that are evacuated in spite of the pressure put by Pakistan?

The Honourable Shri K. C. Neogy: We are making our best efforts in this matter.

Mr. R. K. Sidhva: Is it not a fact that most of these *bhangis* and *weepers* do not belong to Pakistan but are nationals of India? Will Government therefore take immediate steps for their evacuation?

The Honourable Shri K. C. Neogy: I should not like to express an opinion as regards nationality, which is rather an intricate matter.

EVACUATION OF NON-MUSLIMS LEFT IN NORTH WEST FRONTIER PROVINCE

2. **Mr. R. K. Sidhva:** Will the Honourable Minister of Relief and Rehabilitation please state:

(a) the number of non-Muslims still residing in North West Frontier Province;

(b) whether it is a fact that most of them are desirous of being evacuated; and

(c) whether Government have made any arrangements for their evacuation and if none, the reasons therefor?

The Honourable Shri K. C. Neogy: (a) About 25,000.

(b) Yes.

(c) Evacuation of non-Muslims from North-West Frontier Province is not carried out by the Military Evacuation Organisation (India) as in West Punjab but by the Government of the Province. They have taken the view that a considerable number of non-Muslims in Dera Ismail Khan and in the tribal areas have expressed their unwillingness to be evacuated, a view which this Government has not been able to accept. Repeated requests have been made to the Pakistan authorities to agree to evacuate these people. After the recent deplorable attack on non-Muslims in Parachinar the Pakistan authorities have agreed to evacuate people of that area as well as those of Dera Ismail Khan. Evacuation by train from Bannu has been temporarily held up after the Gujrat tragedy. Small numbers of non-Muslims are still left at Peshawar and Marlan and also in different pockets in the tribal areas.

Mr. R. K. Sidhva: May I ask when arrangements will be made to remove these refugees from Bannu area and what private arrangement has been made by the Government to bring them safe to this territory?

The Honourable Shri K. C. Neogy: As I have already stated, the arrangements have primarily to be made by the Pakistan Authorities. They have to lay on the trains, and for the time being, due to the Gujarat tragedy, movement of trains has been suspended.

Shri H. V. Kamath: Arising out of answer to part (a), will the Honourable Minister please give the figures of Hindus, Sikhs and other communities, if any?

The Honourable Shri K. C. Neogy: I am afraid I have not got the figures community-wise.

Shri M. Ananthasayanam Ayyangar: Are any special steps being taken to preserve the life and property of these unfortunates who are still living there, in view of the fact that many have been killed?

The Honourable Shri K. C. Neogy: We are in the hands of the Pakistan Authorities; we have made the strongest possible representations to them more than once on this subject.

Pandit Balkrishna Sharma: Sir, is it a fact that the train which was bringing refugees and which was attacked at Gujarat, was diverted through that route instead of being brought by the other route?

The Honourable Shri K. C. Neogy: That is our information.

Shri Deshbandhu Gupta: May I know if the Government have demanded any explanation for this tragedy from the Pakistan Government?

The Honourable Shri K. C. Neogy: Oh, yes. Strongly worded messages have been sent already.

Shri Deshbandhu Gupta: Has any explanation been received?

The Honourable Shri K. C. Neogy: Not any final report.

Mr. R. K. Sidhva: In view of the urgency of the matter, may I put a question with your permission, Sir? In view of the disturbances in Karachi, may I know whether the Honourable Minister has made arrangements to evacuate people from Sind, and if so what are those arrangements?

The Honourable Shri K. C. Neogy: The Honourable Member himself knows that the Government have been taking all possible steps in this matter.

REPRESENTATION BY ALL INDIA CANTONMENTS ASSOCIATION *re* REHABILITATION OF NON-MUSLIMS FROM PAKISTAN CANTONMENTS

3. ***Mr. R. K. Sidhva:** (a) Will the Honourable Minister of Relief and Rehabilitation please state whether any steps have been taken to provide land for rehabilitation of non-muslim residents of Pakistan Cantonments, who have lost their hearths and homes?

(b) How many of such refugees have been evacuated from Pakistan into India?

(c) Is it a fact that the All India Cantonments Association approached the Ministers concerned on the subject in September last?

(d) If the answer to part (c) above is in the affirmative, what action has been taken on those representations, and what steps Government propose to take now?

The Honourable Shri K. C. Neogy: (a) No.

(b) Information is not available.

(c) Yes.

(d) A copy of the Ministry of Defence letter No. 9204/C&L/48, dated the 5th January 1948 to the All-India Cantonments Association is placed on the table of the House. This explains the reasons why it has not been possible to set apart land in the cantonments in the Indian Union for the benefit of those residents of Pakistan cantonments who have come as refugees.

To

The Secretary,

The All India Cantonments Association,

Y.M.C.A. Jai Singh Road, New Delhi.

Resettlement of refugees coming from the Cantonments of Pakistan in the Cantonments of Indian Dominion.

Sir,

I am directed to refer to your letter dated 19th September 1947, addressed to the Hon'ble Minister for Relief and Rehabilitation and to say that Government have very carefully considered the suggestions made by you. While appreciating the plight of the refugees from the Western Punjab Cantonments, the Government is of the view that as Cantonments are primarily meant for housing and training of troops, all available land therein must be reserved for their future use, at least until the post war location of the army has been determined. For this reason, it is not feasible to relax the procedure laid down in the C. L. A. Rules for leasing out lands in Cantonments to civilians.

2. As regards the resettlement of the refugees in abandoned Cantonments like Ranikhet, Roorkee, Subathu and Dagshai and many others, I am to say that these Cantonments are still functioning and there is no intention, in the near future, of abandoning them.

3. There are, however, certain stations like Sitapur, Solon and Dharamsala which were given up as Cantonments years ago. Most of the lands in Sitapur have already been sold out and what remain are held on leases. At Solon and Dharamsala, small enclaves are still retained as Military estates.

4. In view of the circumstances explained above, the Government of India regret their inability to accede to the request made in your letter quoted in para. 1 above.

I am, Sir,

Your most obedient servant,

(Sd.) RACHPAL SINGH,

Director, Military Lands and Cantonments.

Copy forwarded to the Ministry of Relief and Rehabilitation for information with reference to their U/O No. 42(8)R&R, dated the 3rd October, 1947.

(Sd.) RACHPAL SINGH,

Director, Military Lands and Cantonments.

Mr. R. K. Sidhva: Sir, as the paper is not available now, may I know what the reasons are, in short?

The Honourable Shri K. C. Neogy: If the Honourable Member is very anxious to know the principal reasons, I may just indicate them, but I advise my Honourable Friend to study the letter which is somewhat long.

Mr. R. K. Sidhva: I will study it later on when I get it, it is not handy now.

The Honourable Shri K. C. Neogy: Well, it says that the land available in the Cantonments is not sufficient for purposes of being leased out to civilians who have come out of Pakistan, and that the information on the basis of which the representation was made as regards the number of cantonments that have been discontinued and where land is available, is not correct.

Seth Govinddas: Is it not a fact, Sir, that in certain Cantonments like Jubbulpore there are huge lands which were used by the Military authorities as playing-grounds, and can that land not be used for this purpose?

The Honourable Shri K. C. Neogy: I would advise my Honourable Friend, if I may, to put that question to the Honourable the Minister for Defence.

Diwan Chaman Lal: Is there no possibility of extending the existing Cantonments and thereby making land available to these refugees?

The Honourable Shri K. C. Neogy: That again is a question which does not directly concern me and might well be addressed to the Honourable the Minister for Defence.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) [28TH JAN. 1948]

GEOLOGICAL SURVEYS FOR PETROLEUM AND KEROSENE OIL

4. ***Mr. R. K. Sidhva:** Will the Honourable Minister of Works, Mines and Power please state:

(a) whether any geological survey has been made in any part of India, in connection with petroleum (kerosene oil and petrol);

(b) if so, the place where prospective licence has been given for this purpose and the names of licensees and the surveys so far carried out;

(c) if the reply to part (a) above be in the negative, whether Government intend to survey now in view of the importance of this commodity;

(d) whether Government propose to depute a special geologist for this purpose;

(e) whether there is any place in India where petroleum and kerosene oil are available; and

(f) if so, the names of such places and the quantities obtained therefrom?

The Honourable Shri N. V. Gadgil: (a) Yes; Geological Survey for petroleum forms an important part of the activities of the Geological Survey of India; and the results are published by the Geological Survey of India, in various publications from time to time.

(b) Prospecting licenses are granted for Government lands, by the Chief Commissioners in Centrally administered areas, by Provincial Governments on Government lands in the respective Provinces, and by States within their own territories. Upto-date information in respect of prospecting licenses is not available. But generally speaking petroleum is known to occur in Assam, where prospecting licenses have been given by the Assam Government to the Assam Oil Company, in the Tiru Hills area, in Golai, Manchik and Kharjan in the Lakhmipur area, and in Namphuk, Manbhumi and Shonking in the Sadiya Frontier Tract; and to the Burmah Oil Co. (India Concessions) Ltd., in the Patharia Area. Besides prospecting licenses, the Assam Oil Company are understood to have been given an exploratory permit in the Brahmaputra Valley and mining leases in the Lakhmipur Area, in Assam. These oil companies undertake survey, on their respective areas, by geological and geophysical methods and by test drilling.

(c) This does not arise; but more intensive survey by geological and geophysical methods, is now under contemplation.

(d) A Petroleum Geologist has been recently recruited from the United Kingdom for this purpose.

(e) Yes, as already stated, petroleum and Kerosene are available in Assam.

(f) Kerosene oil is obtained as a bye-product in the process of refining crude petroleum at Digboi in Assam. The quantities produced during the years 1944-46 are given below.

	1944 (in galls.)	1945 (in galls.)	1946 (in galls.)
Kerosene	82,296,025	69,736,542	64,877,535
	16,448,604	10,427,418	13,983,912

Mr. R. K. Sidhva: May I know what is the total production of petroleum in the world and in India,—and how much is in the Pakistan area and how much in the Indian Union?

The Honourable Shri N. V. Gadgil: Pre-war the world's annual consumption of oil was about 267 million tons. The present annual consumption is approximately 400 million tons. The rationed consumption in India is about 3 million tons a year as compared with the unrationed 2 million tons a year before the war; if rationing were abolished the annual consumption would probably rise to 4 million tons.

Before the war, 35 per cent of India's requirements came from Burma, 4 per cent from Pakistan and 9 per cent from India. India is now producing about 7 per cent of her present rationed consumption.

Shri H. V. Kamath: Arising out of answer to part (b) of the question, may I know who are the promoters and directors of the Assam Oil Company?

The Honourable Shri N. V. Gadgil: I require notice of that question.

Shri Rohini Kumar Chaudhuri: May I know if any prospecting licence for petrol has been granted in recent years, after it was granted to Assam Oil Company, to any other concern than the Assam Oil Company?

The Honourable Shri N. V. Gadgil: For that also I require notice.

Shri Deshbandhu Gupta: May I know, Sir, if any geological survey has been carried out in Bikaner and Jodhpur also, and if so, what is the result?

The Honourable Shri N. V. Gadgil: Some survey is under way in the State of Jodhpur.

Shri M. Ananthasayanam Ayyangar: May I know from the Honourable Member whether any policy has been laid down for granting prospecting licences in future at least so that no non-nationals are given such licences and that if they are, they are given on particular terms and conditions and for a particular period?

The Honourable Shri N. V. Gadgil: That is being considered, but it may interest the Honourable Member to know that prospecting of petroleum requires a huge amount of capital and considerable technical personnel; if applications from Indian nationals come in, they are bound to be considered with as much sympathy as possible.

Mr. R. K. Sidhva: What are the conditions under which the prospecting licence has been granted to the B.O.C.?

The Honourable Shri N. V. Gadgil: I will make that information available to the Honourable Member after the House adjourns, because I will have to produce the terms of the contract and other matters.

Prof. N. G. Ranga: In view of the fact that only seven per cent of this strategically very important commodity is being produced in India, will Government consider the advisability of themselves taking up the responsibility of prospecting, especially in the Rajasthan Desert?

The Honourable Shri N. V. Gadgil: That is an attractive proposition, but the Honourable Member must know that there must be some prospects of having oil somewhere, in some area, in this great country.

Shri Raj Krishna Bose: Have the Government the necessary staff to carry on geological and geophysical survey in regard to kerosene oil?

The Honourable Shri N. V. Gadgil: Not adequate, but the Government have some staff for this purpose.

Dr. B. Pattabhi Sitaramayya: May I know whether any geological reports have been submitted to the Secretary of State in the past, but copies of which are not available in the archives of the Government of India?

The Honourable Shri N. V. Gadgil: I cannot reply immediately but I will make enquiries into this allegation.

Dr. B. Pattabhi Sitaramayya: Will the Government be pleased to call for it? (No reply).

Mr. R. K. Sidhva: May I know, Sir, whether the import of petroleum is only from the Persian Gulf or also from Burma?

The Honourable Shri N. V. Gadgil: The Companies which have formed into a Combine import oil on their behalf and it is practically a monopoly of distribution.

CAUSES FOR DELAY IN IMPOSITION OF NEW RATES AFTER ENACTMENT OF NEW TARIFF ACT

5. *Diwan Chaman Lall: Will the Honourable Minister of Commerce be pleased to state:

(a) what period of time has elapsed between the passing of the new Tariff Act in the last session of the Constituent Assembly of India (Legislative) and the imposition of the new rates prescribed therein; and

(b) what was the delay, if any, due to?

The Honourable Mr. C. H. Bhabha: (a) About a month.

(b) The delay was I understand largely due to the time taken to print the assent copy of the Bill at the Government Press, New Delhi, where there was very heavy congestion at the time.

RISE IN PRICE OF SUGAR AND FURTHER PROTECTION TO FRUIT PRESERVATION FACTORIES

6. *Diwan Chaman Lall: Will the Honourable Minister of Commerce be pleased to state:

(a) whether it is a fact that before the recent rise in the price of sugar, it was being delivered to Fruit Preservation Factories at about Rs. 25 per Bengal maund;

(b) whether Government are aware that the price now is 60 per cent. higher, namely, about Rs. 40 a maund;

(c) whether Government are aware that sugar accounts for about 30 per cent. of the total cost in the making of jams etc.; and

(d) if so, whether Government have any intention of granting further protection to the extent of 20 per cent. in view of the extra cost borne by the fruit preservation factories for their products?

The Honourable Mr. C. H. Bhabha: (a), (b) and (c). Yes.

(d) The question of the grant of further protection does not arise at present in view of the total ban that has been imposed on the import of all preserved fruits including jams, jellies, fruit juices, squashes, etc.

TARIFF BOARD RECOMMENDATIONS re EXEMPTION FROM OR REFUND OF EXCISE DUTY ON SUGAR

7. *Diwan Chaman Lall: Will the Honourable Minister of Commerce be pleased to state:

(a) why Government did not accept the Tariff Board's recommendations regarding the exemption from or the refund of excise duty on sugar, thereby reducing the extent of protection recommended by the Tariff Board; and

(b) whether the duties of 40 per cent. 60 per cent. and 80 per cent. as recommended by the Tariff Board, were arrived at on the assumption of granting such a refund or concession?

The Honourable Mr. C. H. Bhabha: (a) Government did not accept this recommendation of the Tariff Board as they did not consider it sound policy to remit the excise duty on sugar used in the preservation of fruits, etc., when the final product was not subject to excise duty. There was also the danger of sugar so exempted being diverted to purposes other than the preservation of fruits, etc.

(b) Yes. The question however is of no practical significance at this stage in view of the complete ban that has been imposed on imports of preserved fruits.

GRANT OF SUBSIDY IN RATES AND RESERVATION OUT OF FROZEN STOCKS OF SUGAR FOR FRUIT PRESERVATION ASSOCIATION

8. *Diwan Chaman Lall: Will the Honourable Minister of Commerce be pleased to state:

(a) whether it is a fact that the quantity of sugar frozen was 90,000 tons in all;

(b) whether it is a fact that the frozen price was Rs. 16/8/- per maund;

(c) whether this sugar was available ex-factory at about Rs. 21 per maund;

(d) whether Government propose to set aside 10,000 maunds for the benefit of the Fruit Preservation Association; and

(e) whether Government have decided to give a subsidy to the Association of at least Re. -/3/6 per pound on sugar used for the purpose of jams, canned fruits, Squashes, etc., applicable to factories producing more than 600 tons per year?

The Honourable Mr. C. H. Bhabha: The question should have been addressed to the Honourable Minister of Food. It has accordingly been transferred to the list of questions for 6th February 1948, when the Honourable Minister of Food will answer it.

STATEMENTS LAID ON THE TABLE

(INFORMATION PROMISED IN REPLY TO CERTAIN QUESTIONS DURING THE PREVIOUS SESSIONS OF THE LEGISLATIVE ASSEMBLY AND COUNCIL OF STATE—LAID ON THE TABLE OF THE HOUSE—TODAY)

Supplementary to Mr. Sasanka Sekhar Sanyal's Starred Question No. 226 of 6th November, 1946.

No sugar factory either in the present West Bengal or in the previous undivided Bengal, owned and managed by Indians, was refused permission to manufacture power alcohol.

MANUFACTURE OF POWER ALCOHOL IN BENGAL

Flight-Lieutenant the Honourable Rup Chand's Question No. 17 of 20th February, 1947, in the Council of State

REPLACEMENT OF NON-INDIAN EXPERTS BY INDIANS

Statement showing the names, etc. of non-Indian "Experts" employed under the Central Government on 20th February, 1947

S.No.	Name of Department	Designation of post, etc.	Name of person employed	Salary and allowances
1	Agriculture Department	Irrigation Adviser	Sir William Stamp	Rs. 3,250 p.m. (minus pension).
2	Do.	Officer for Tractor Workshop	Major Connors	Rs. 2,800 p.m.
3	Do.	Superintendent Engineer-in-charge Deep Seas Fishing Scheme, Bombay.	Major R. J. Raine	Rs. 1,500 p.m. (including allowances).
4	Do.	Officer for the Indian Agricultural Research Institute.	Major D. T. Brown	Rs. 1,500 p.m.
5	Do.	Offices for the Central Ground water Section.	Capt. F. H. C. Oram	Rs. 1,25 p.m.
6	Do.	Do.	Capt. S. S. Fleming	Rs. 750 p.m.
7	Do.	Do.	Mr. Sparks	£1,000 per annum
8	Do.	Director, Indian Veterinary Research Institute	Dr. Minnet.	Rs. 2,100 p.m.
9	Do.	Do.	Dr. Shirlaw.	Rs. 1,080 p.m. (including allowances).
10	Do.	Animal Husbandry Commissioner, Indian Council of Agricultural Research.	Major Williamson	Rs. 2,750 p.m. plus overseas allowances.
11	Communications Department —Civil Aviation Directorate	Director General of Civil Aviation	Sir Frederick Tymins	Rs. 3,500 p.m.
12	Do.	Deputy Director General of Civil Aviation	Mr. W. H. Watt	Rs. 2,250 p. m. plus O. S. P. £13-68
13	Do.	Do.	Air Vice Marshal Sir F. A. B. Rice	Rs. 2,250 p.m.
14	Do.	Director of Training and licensing.	A/Cdr. E. I. Bussel	Rs. 1,800 p.m.
15	Do.	Director of Air Routes & Aerodromes	W/Cdr. W. Dougall	Rs. 2,000 p.m.
16	Do.	Aircraft Inspector	W. T. Reid.	Rs. 1,300 p.m.

STATEMENTS LAID ON THE TABLE

18	Do.	Aircraft Inspector.	S/Ldr. H. G. Hudson.	Rs. 1,400 p.m.
19	Do.	Assistant Director of Air Routes and Aerodromes (Equipment).	W/Cdr. J. B. Fris.	Rs. 1,125 p.m.
20	Do.	Chief Instructor, Aerodrome School, Civil Aviation Training Centre (India).	W/Cdr. Adam T. Smith.	Rs. 1,650 p.m.
21	Do.	Director of Air Transport	Mr. E. M. Rossiter.	Rs. 1,500 p.m. plus £30 O. S. P.
22	Do.	Director of Aeronautical Inspection.	Mr. P. H. Davy.	Rs. 1,500 p.m. plus £30 O. S. P.
23	Do.	Aeronautical Inspector.	Mr. G. M. Randall.	Rs. 1,150 p.m. plus £30 O. S. P.
24	Do.	Do.	Mr. F. H. Rowan.	Do.
25	Do.	Do.	Mr. E. W. Densham.	Do.
26	Do.	Do.	Mr. A. W. Francis.	Rs. 1,000 p.m. plus £30 O. S. P.
27	Do.	Aircraft Inspector	Mr. D. M. Longford	Rs. 975 p.m. plus £30 O. S. P.
28	Do.	Director of Communications.	Mr. J. P. Jeffcock.	Rs. 2,000 p.m.
29	Do.	Dy. Director of Communications.	Sq/Ldr. R. G. Stuart	Rs. 1,500 p.m.
30	Do.	Controller of Communications.	Sq/Ldr. J. Macdonald.	Rs. 1,550 p.m.
31	Do.	Chief Instructor.	Sq/Ldr. F. C. Lowe.	Pay as admissible to a Sq/Ldr.
32	Do.	Deputy Controller	Sq/Ldr. R. Travers.	Rs. 1,250 p.m.
33	Do.	Dy. Director of Communications.	Mr. A. H. Leamon.	Rs. 1,000 p.m. plus £30 O. S. P.
34	Do.	Controller of Communications	Mr. F. S. Shellek.	Rs. 850 p.m. plus £30 O. S. P.
	Do.	Do.	Mr. A. Lury.	Do.

All the officers under the Civil Aviation Directorate, except Sir Frederick Tymins are entitled to cost of living allowance)

35	Communications Department, Civil Aviation Directorate—(contd.)	Priority Officer.	Mrs. D. Swash	Rs. 700 p. m.
36	Communications Department, Posts and Telegraphs Dept.	Automatic Exchange Planning Engineer.	Mr. H. E. Francis.	Rs. 2,000 p. m. plus war allowance.
37	Do.	Dy. Superintendent, Workshops.	Mr. E. J. Mathieson.	Rs. 1,100 p. m. plus £ 25, O. S. P.
38	Do.	Teleprinter Engineer.	Mr. W. Gartside.	Rs. 9,00—50—1,000 plus £ 25, O.S.P
39	Do.	Special Officer, Carrier Maintenance.	Mr. W. Prickett.	Rs. 1,500 p. m. plus war allowance.
40	Do.	Telephone Engineer.	Mr. V. E. C. Newbolt.	Rs. 600 p. m. plus additional pay Rs. 250 p. m. plus war allowance plus free quarters or allowance in lieu thereof.
41	Do.	Do.	Mr. L. J. Walmsley.	Rs. 590 p. m. plus additional pay Rs. 250 p. m. plus war allowance plus free quarter or allowance in lieu thereof.
42	Do.	Do.	Mr. L. C. Moat.	Rs. 550 p. m.
43	Do.	Do.	Mr. E. O. Collet.	Rs. 550 p. m. plus Rs. 250 p. m. addl. pay plus war allowance plus free quarters or allowance in lieu thereof.
44	Do.	Do.	Mr. P. S. Humphreys.	Rs. 520 p. m. plus Rs. 250 p. m. addl. pay plus war allowance plus free quarters or allowance in lieu thereof.
45	Do.	Do.	Mr. G. S. Wylie.	Rs. 480 p. m. plus additional pay and allowances as above.
46	Do.	Special Officer, Engineering.	Major A. S. Keeling.	Rs. 1,400—50—1,500.
47	Communications Department— Posts & Telegraphs Department.	Special Officer.	Mr. J. A. Annable.	Rs. 2,880 p. m.
48	Education Department.	Educational Adviser to the Govern- ment of India.	Sir John Sargent, C.I.E., M.A., D. Litt. Lit.	Rs. 4,000 p. m.
49	Do.	Principal, Delhi Polytechnic.	Mr. R. G. P. S. Fairbairn, B.Sc. (Glas.), A.R.T.G., A.M.I. (Mech). E.	Rs. 2,000 p. m. (in the scale Rs. 2,000—100—2,200)
50	Do.	Director General of Archaeology in India.	Dr. R. E. Mortimer Wheeler, M.C., D. Litt., F.S.A.	Rs. 2,250 p. m. plus £13-6-8 as O.S.P.
51	Do.	Dy. Director, Anthropological Survey of India.	Dr. Verrier Elwin, M.A., D. Sc.,	Rs. 1,500 (in the scale of Rs. 1,500 —50—1,600) plus war allowance.
52	External Affairs Department.	Forest Adviser, N.E. Agency, Assam.	Frontier Mr. Meikelejohn, C.I.E., I.F.S. (Retd.).	Rs. 2,150 p. m. less pension of 750 p. m.
53	Do.	Agricultural Officer, Assam.	N.E.F. Mr. C. R. Stonor.	Rs. 800—40—920 plus £25 O.S.P.
54	Finance Department	Officer on Special Duty	Dr. L. Nemenyi	Rs. 2,000 p. m. plus war allowance.
55	Finance Dept. (Revenue Division).	Excess Profits Tax Adviser	Mr. C. W. Ayers, C.I.E., C.B.E.	Rs. 3,500 p. m.
56	Do.	Dy. Excess Profits Tax Adviser.	Mr. T. M. Airey.	Rs. 2,600 p. m. in the scale of Rs. 2,500—100—2,700.
57	Do.	Senior Adviser, Customs and Central Excise.	Mr. B. R. Hardaker	Rs. 2,800 p. m. in the scale of 2,500—100—2,900.
58	Do.	Junior Adviser, Customs and Central Excise.	Mr. E. B. Mc Guire	Rs. 2,300 p. m. in the scale of 2,000—100—2,400.
59	Do.	Chief Officer, Statistics & Intelli- gence, Central Excise.	Mr. A. J. Hunnisett	Rs. 1,725 plus war allowance (Scale 1,650—75—1,800).
60	Food Department	Rationing Adviser to the Govern- ment of India.	Mr. W. H. Kirby	Rs. 2,850 plus O.S.P.
61	Do.	Commercial Adviser to the Govern- ment of India.	Hon'ble Somerset Butler, C.I.E.	Rs. 3,000 p. m.
62	Health Department	Consulting Architect (Medical Institutions).	Mr. W. S. Newman, L.R.I.B.A.	Rs. 2,500—100—2,700 plus motor car allowance of Rs. 165 p. m. less 12½.

63	Home Department	Government Examiner of Question Papers	Mr. V. O. J. Hotte	Rs. 1,800 p.m. in the scale of Rs. 900-30 plus 1,700-100-2,000 plus O.S.P. and cost of living allowance.
64	Do	Adviser in Psychiatry	Dr. D. J. Watterson.	Rs. 3,000 p.m.
65	Do	Psychiatrist.	Dr. C. Kenton.	Rs. 2,300 p.m.
66	Do	Psychological Officer.	Mr. K. A. G. Murray.	Rs. 1,500 p.m. plus war allowance Rs. 263 p.m.
67	Industries & Supplies Department.	Development Officer (Leather).	Mr. D. A. Randall	Rs. 1,800 p.m.
68	Labour Department.	Chief Adviser, Factories	Sir Wilfred Garret.	Rs. 3,000 p.m.
69	Do	Dy. Chief Adviser, Factories (Factory Construction, etc).	Mr. A. B. Crawford	Rs. 1,700 p.m. plus Rs. 30, O.S.P. plus war allowance.
70	Do	Dy. Chief Adviser, Factories (Inspection).	Mr. R. C. R. Abock.	Rs. 1,500 (in the scale of Rs. 900-50-1,700 plus Rs. 30, O.S.P. plus war allowance).
71	Do	Principal Medical Officer, Office of the Dy. Director, Labour Supply (Coal) Bharua	Dr. P. N. Little.	Rs. 1,000 p.m. plus 250 p.m. addl. pay for Acting as Medical Adviser to the Coal Mines Labour Welfare Fund.
72	Do	Chief Inspector of Mines in India	Mr. N. Basarbhoy	Rs. 2,000 p.m. in the scale of 2,000-100-2,500 plus usual allowance.
73	Labour Department—Directorate General of Resettlement and Employment.	Director of Employment Exchanges	Mr. K. D. Jones.	Rs. 1,750 (in the scale of 1,750-20-2,000) plus war allowance.
74	Do	Dy. Director of Employment Exchanges (Inspection)	Mr. A. G. Read.	Rs. 1,200 (in the scale of 1,000-50-1,250) plus war allowance.
75	Do	Dy. Director of Employment Exchanges (Training)	Mr. E. I. M. Jones.	Rs. 1,150 (in the scale of 1,000-50-1,250) plus war allowance.

76	Do.	Chief Rehabilitation Officer	Dr. W. E. Stein	Rs. 1,750 (in the scale of 1,750-50-1,850) plus war allowance.
77	Military Finance Deptt.	Additional Financial Adviser	Mr. W. C. Wallis	Rs. 3,000 p.m. plus £ 12. 6. 8., O. S. P.
78	Do.	Addl. Dy. Financial Adviser	Mr. B. B. Weekes	Rs. 1,700 p.m.
79	Do.	Assistant Financial Adviser	Mr. W. H. Perkins	Rs. 1,650 p.m.
80	Railway Department.	Tele-communication Engineer B.A. By.	Mr. E. Roesner	Rs. 1,500 p.m.
81	Do.	Road Transport Manager.	Mr. E. V. Rowland	Rs. 2,000 p.m.
82	Do.	Tele-communication Engineer, G. I. P. & B. B. & C. I. Rlys).	Mr. R. F. Goodchild	Rs. 1,742 p.m.
83	Works, Mines & Power Department.	Deputy Petroleum Officer, Petroleum Division.	Mr. M. O. By Daly.	Rs. 1,600 p.m. plus war allowance.
84	Do.	Inspector of Explosives, North Circle, Lahore.	Mr. P. W. Alloway	Rs. 800 p.m. plus war allowance.
85	Do.	Geophysicist, Geological Survey of India.	Dr. G. Deesan.	Rs. 1,200 p.m. plus Rs. 30, O.S.P.
86	Do.	Chief Architect, C. P. W. D.	Mr. H. A. N. Medd	Rs. 2,150 p.m. plus £13. 6. 8., O. S. P.
87	Do.	Senior Architect, C. P. W. D.	Mr. R. G. Will	Rs. 1,400 p.m. each plus O.S.P. of £ 30.
88	Do.	Do.	Mr. E. C. Nicks	
89	Do.	Electrical Commissioner with the Government of India and Chairman, Central Technical Power Board.	Mr. H. M. Mathews	Rs. 4,500 p.m. plus £18/15 O.S.P.
90	Do.	Member, Central Technical Power Board.	Mr. W. L. Voorduin	§ 1,291.66P. M. (Rs. 4,314)

1	2	3	4	5
91	Works, Mines & Power Depart. ment—(contd).	Project Officers, 'A' Grade C. T. P. B.	Mr. R. M. de C. Legate	Rs. 3,000 p.m.
92	Do	Do	Mr. R. I. Mattson	Rs. 3,000 p.m.
93	Do	Commercial Officer, Office of the Electrical Commissioner with the Government of India.	Mr. K. G. Bell	Rs. 1,600-200-2,000 p.m.
94	Do	Director of Navigation	Lt. Col. T. M. Oag	Rs. 2,300 p.m. in the scale of 2,000-100-3,000.
95	Do	Adviser to the Central Waterways Irrigation Navigation Commis- sion on Construction and designing of Mahanadi and Kosi Dams.	Mr. J. L. Savage	100 dollars plus 10 dollars as sub- sistence allowance per day, free of Indian Income tax.
96	Do	Drill Foreman	Mr. P. H. Coulter	600 dollars plus Rs. 585 as sub- sistence allowance p.m.
97	Do	Do	Mr. Pelte	Do
98	Do	Adviser to CWINC on the geology of the areas to be covered by Mahanadi and Kosi Dams.	Dr. F. A. Nickell	50 dollars per day free of income tax plus all expenses in India to be paid by Government or alter. natively 250 dollars per month.
99	Do	Snow Surveyor, Himalayas	Dr. J. E. Church	Honorarium at 600 dollars per month plus actual hotel expenses during his stay on duty under the Government of India.

Lala Deshbandhu Gupta's Starred Question No. 874 of 12th March, 1947.

APPLICATION OF BOMBAY CHILDREN ACT TO DELHI PROVINCE.

Statement giving the information relating to the application of the Bombay Children Act to the Delhi Province.

(a) The Bombay Children Act, 1924, with the exception of the following sections was extended to Delhi on the 1st February, 1941 :—

1(2), 3(b) and (d), 4, 15(6), 23, 24(2), 27(1)(d) and 27(3), 29, 30, 32 to 34, 47(1)(4) and (5), 52(a) to (i).

(b) Yes. From the date of the enforcement of the Act.

(c) A statement is attached.

(d) Under note 7 of the rules published with the C. C.'s notification of the 31st March 1943, the Government is required to make a social enquiry before passing sentence. This procedure, however, is not being consistently observed at present, but the attention of the Government concerned is once again being directed to the provision of the rule.

(e) The required information is contained in the statement referred to in (c) above.

(f) The children's Home run by the children's Aid Society is recognized as a "fit person" as referred to in the Act. There are at present no certified schools in Delhi.

(g) At the request of the children's Aid Society, the question of opening a certified school is receiving attention of the Local Administration.

(h) The amount of Annual Grant to the children Aid Society was Rs. 3,000 per annum but has now been increased to Rs. 5,000 during 1946-47. The question of taking over the children's Home is also under consideration.

[Mr. Speaker]

to ordinary law and if he has done anything which deserves his arrest or necessitates it, I do not think that, in view of the fact of his being a member of this Assembly we can make him free from all laws of the country and give him full licence. That is the only thing I can say now. So far as the privileges are concerned, we must know the circumstances in which the Honourable member concerned was arrested, who arrested him, what is alleged against him and all that. If the Honourable Member communicates with me and gives all the details, I shall look into the matter.

AUTHENTICATED SCHEDULE OF EXPENDITURE ON RAILWAYS [15TH AUGUST 1947 TO 31ST MARCH, 1948]

The Honourable Dr. John Matthai (Minister for Railways and Transport): Sir, in pursuance of the provisions of sub-section (2) of Section 35 of the Government of India Act, as adapted, I lay on the table of the House the authenticated Schedule of the Expenditure from the revenues of the Dominion in respect of the Indian Government Railways for the period 15th August 1947 to 31st March 1948.

In pursuance of the provisions of sub-section (1) of Section 35 of the Government of India Act, 1935, as adapted by the India (Provisional Constitution) Order, 1947, I, Louis Francis Albert Victor Nicholas Earl Mountbatten of Burma, Governor-General of India, do hereby authenticate by my signature the following schedule of expenditure from the revenues of the Dominion in respect of the Indian Government Railways for the period from the 15th August, 1947, to the 31st March, 1948, namely:—

SCHEDULE.

Name of Demand.	Amount (in thousands of rupees)		
	Voted.	Charged.	Total.
1. Railway Board—Revenue	20.80	..	20.80
2. Audit—Revenue.	12.02	..	12.02
3. Miscellaneous expenditure—Revenue.	44.33	..	44.33
4. Working expenses—Administration—Revenue.	13,60.93	..	13,60.93
5. Working expenses—Repairs and Maintenance—Revenue.	29,48.81	..	29,48.81
6. Working expenses—Operating Staff—Revenue.	18,06.07	..	18,06.07
7. Working expenses—Operation (Fuel)—Revenue.	13,61.34	..	13,61.34
8. Working expenses—Operation other than Staff and Fuel—Revenue.	4,44.95	..	4,44.95
9. Working expenses—Miscellaneous expenses—Revenue.	19,90.32	..	19,90.32
10. Payments to Indian States and Companies—Revenue.	81.57	..	81.57
11. Working expenses—Appropriation to Depreciation Fund—Revenue.	6,81.51	..	6,81.51
14. A. Withdrawal from Reserve.	3,29.08	..	3,29.08
15. Construction of New Lines.—Capital and Depreciation Fund.	1,23.73	..	1,23.73
16. Open Line Works—Additions—Capital and Betterment Fund.	14,00.00	..	14,00.00
17. Open Line Works—Replacements Capital, Betterment Fund and Depreciation Fund.	16,00.00	..	16,00.00
18. Capital Outlay on Vizagapatam Port. *	14.15	..	14.15
Interest Charges.	..	13,44.61	13,44.61

NEW DELHI:

The 11th December, 1947.

MOUNTBATTEN OF BURMA

Governor General of India.

ELECTRICITY (SUPPLY) BILL

EXTENSION OF TIME FOR PRESENTATION OF REPORT OF SELECT COMMITTEE

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): Sir, I beg to move:

"That the time appointed for the presentation of the Report of the Select Committee on the Bill to provide for the rationalisation of the production and supply of electricity, and generally for taking measures conducive to the electrical development of the Provinces of India, be extended up to Monday, the 23rd February, 1949."

Mr. Speaker: The question is:

"That the time appointed for the presentation of the Report of the Select Committee on the Bill to provide for the rationalisation of the production and supply of electricity, and generally for taking measures conducive to the electrical development of the Provinces of India, be extended up to Monday, the 23rd February, 1949."

The motion was adopted.

DAMODAR VALLEY CORPORATION BILL

PRESENTATION OF REPORT OF SELECT COMMITTEE

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): Sir, I present the Report of the Select Committee on the Bill to provide for the establishment and regulation of a Corporation for the development of the Damodar Valley in the Provinces of Bihar and West Bengal.

MINIMUM WAGES BILL

PRESENTATION OF REPORT OF SELECT COMMITTEE

The Honourable Shri Jagjivan Ram (Minister for Labour): Sir, I present the Report of the Select Committee on the Bill to provide for fixing minimum wages in certain employments.

WORKMEN'S STATE INSURANCE BILL

EXTENSION OF TIME FOR PRESENTATION OF REPORT OF SELECT COMMITTEE

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

"That the time appointed for the presentation of the Report of the Select Committee on the Bill to provide for certain benefits to workmen employed in or in connection with work of factories in case of sickness, maternity and accident and to make provision for certain other matters in relation thereto, be extended upto Wednesday, the 11th February, 1949."

Mr. Speaker: The question is:

"That the time appointed for the presentation of the Report of the Select Committee on the Bill to provide for certain benefits to workmen employed in or in connection with work of factories in case of sickness, maternity and accident and to make provision for certain other matters in relation thereto, be extended upto Wednesday, the 11th February, 1949."

The motion was adopted.

DOCK WORKERS (REGULATION OF EMPLOYMENT) BILL

PRESENTATION OF REPORT OF SELECT COMMITTEE

The Honourable Shri Jagjivan Ram (Minister for Labour): Sir, I present the Report of the Select Committee on the Bill to provide for regulating the employment of dock workers.

INDUSTRIAL FINANCE CORPORATION BILL

PRESENTATION OF REPORT OF SELECT COMMITTEE

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): Sir, I present the Report of the Select Committee on the Bill to establish the Industrial Finance Corporation of India.

INDIAN ARMY AND INDIAN AIR FORCE (AMENDMENT) BILL

PRESENTATION OF REPORT OF SELECT COMMITTEE

The Honourable Pandit Jawaharlal Nehru (Prime Minister and Leader of the House): Sir, with your permission, I present the Report of the Select Committee on the Bill further to amend the Indian Army Act, 1911, and the Indian Air Force Act, 1932, for certain purposes and to make certain consequential amendments to the Administrator General's Act, 1913.

DENTISTS BILL

PRESENTATION OF REPORT OF SELECT COMMITTEE

The Honourable Rajkumari Amrit Kaur (Minister for Health): Sir, I present the Report of the Select Committee on the Bill to regulate the profession of dentistry.

PHARMACY BILL

PRESENTATION OF REPORT OF SELECT COMMITTEE

The Honourable Rajkumari Amrit Kaur (Minister for Health): Sir, I present the Report of the Select Committee on the Bill to regulate the profession of pharmacy.

CODE OF CIVIL PROCEDURE (AMENDMENT) BILL

The Honourable Dr. John Matthai (Minister for Railways and Transport): Sir, I beg to move for leave to introduce a Bill further to amend the Code of Civil Procedure, 1908.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Code of Civil Procedure, 1908."

The motion was adopted.

The Honourable Dr. John Matthai: Sir, I introduce the Bill.

DELHI AND AJMER-MERWARA LAND DEVELOPMENT BILL

The Honourable Pandit Jawaharlal Nehru: (Prime Minister and Leader of the House): Sir, I beg to move:

"That the Bill to provide for the preparation and execution of land development schemes, the reclamation of waste-land and the control of private forests and grass-land, in the Provinces of Delhi and Ajmer-Merwara, be referred to a Select Committee consisting of the Honourable Dr. B. R. Ambedkar, the Honourable Shri Jairamdas Doulatram, Shri Deshbandhu Gupta, Pandit Mukut Bihari Lal Bhargava, Dr. B. Pattabhi Sitaramayya, Prof. N. G. Ranga, Pandit Thakur Das Bhargava, Shri Ramnarayan Singh, Ch. Ranbir Singh, Prof. Yashwantrao Bai, Dr. B. V. Keskar, Shri Jainarajan Vyas, and Mr. Tajamul Husain, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

(24)

DELHI AND AJMER-MERWARA LAND DEVELOPMENT BILL

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Mr. Speaker: Motion moved:

"That the Bill to provide for the preparation and execution of land development schemes, the reclamation of waste-land and the control of private forests and grass-land, in the Provinces of Delhi and Ajmer-Merwara, be referred to a Select Committee consisting of the Honourable Dr. B. R. Ambedkar, the Honourable Shri Jairamdas Doulatram, Shri Deshbandhu Gupta, Pandit Mukut Bihari Lal Bhargava, Dr. B. Pattabhi Sitaramayya, Prof. N. G. Ranga, Pandit Thakur Das Bhargava, Shri Ramnarayan Singh, Ch. Ranbir Singh, Prof. Yashwantrao Bai, Dr. B. V. Keskar, Shri Jainarajan Vyas, and Mr. Tajamul Husain, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Shri Deshbandhu Gupta (Delhi): Sir, I rise to support the motion. I hope the Government have an open mind on this subject. There can be no quarrel so far as the principle of the Bill is concerned. Therefore, I do not propose to take any time of the House at this stage. I hope the Bill will be thrashed out in the Select Committee and the Government will accept its recommendations.

Mr. Speaker: I might just point out to the Honourable Member, what I stated once before. Of course, I can understand the peculiarity of the circumstances of this case in that the motion is coming in the absence of the Honourable Minister responsible for it. But, personally, I do not propose—generally speaking—that members who are already on the Select Committee should take the time of the House. It is for other Members to put forward their view which may be taken into consideration by the Select Committees.

The Honourable Minister is here. If he has to say anything in support of the Bill, I call upon him to do so.

The Honourable Shri Jairamdas Doulatram (Minister for Food and Agriculture): Sir I beg to apologise for my absence for a few minutes.

Sir, this is a measure which was considered by the Standing Committee for Agriculture on the 17th. December, 1946, and the matter has been discussed with the representatives of Delhi and Ajmer-Merwara. The suggestions made by them have been incorporated in this Bill. The principle of the Bill have been discussed threadbare, the idea being that areas which need reclamation and intensive methods of cultivation should be taken up first by the centre, if possible, in the areas which they directly govern; and later on the results achieved should be introduced in other provinces.

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, I expect this to be a model Bill for the provinces to copy. It is not only in the centre and Ajmer-Merwara and these other places that land requires development; it is necessary in other places too. So steps have to be taken for the reclamation of waste land and preservation of forest land, etc. as envisaged in clause 4 of this Bill.

Sir, in my province particularly I was representing five districts in the previous Assembly where famines are very frequent. It is for that reason that I have tabled a Resolution, which will come up later, for the appointment of a permanent Famine Commission to develop those areas and prevent famines there as well as in other areas. But this must be an adjunct to any Famine Commission in the whole of India, with branches in the provinces and with sufficient help from the centre. The provinces as they are constituted at present are not able to develop these less developed areas, and therefore famine is a regular visitor every second year. My part of the country requires such a land development scheme and land development board. Unfortunately the provincial Government have not been taking any steps in this direction. The Central Government must not only make this a model one but also extend its operations by giving benefits to the various provinces for development of lands also for preservation of forests. In particular they have a central scheme here and also an agency to tap sub-soil water. That agency has not been seen. Out of 900 odd wells that were proposed to be sunk during the past two years and for which provision was made only 29 were sunk. So that although

[Shri M. Ananthasayanam Ayyangar.]

We may pass plans here steps are not taken to implement them. Under this Bill power has been given to the Chief Commissioner of Delhi to bring into existence a board for the purpose of reclaiming waste land and preventing soil erosion, etc. I want that this should not merely remain on paper like other schemes but should be implemented as early as possible, and from the centre sufficient drive and force should be given so that other provinces may copy it.

Sir, at this stage I do not propose to keep the House any longer. I welcome this Bill which has been long overdue.

सेठ गोविन्द दास : सभापति जी, मैं भी यहां पर जो प्रस्ताव रखा गया है, उसका समर्थन करता हूं और खासतौर पर उन्ही कारणों से जिन कारणों से श्रीयुत आंगर साहब ने इसका समर्थन किया।

हमारे यहां अधिक अन्न उपजाने का प्रयत्न कई वर्षों से चल रहा है और हमने देखा कि इतना अधिक आन्दोलन होने पर भी हम उन्नी अधिक उपज नहीं कर सके जितनी कि हमको आशा थी। इसका कारण यह है कि अभी तक हमने इस संबन्ध में जो कुछ किया, वह केवल आन्दोलन के रूप में किया है। अभी तक हम अन्य प्रान्तों के सामने ऐसी योजना नहीं रख सके जिस योजना को प्रान्त कार्यरूप में परिणत होते हुए देख सकें।

जहां तक दिल्ली में इस कार्य का सम्बन्ध है मैं यह कहना चाहता हूं कि यह कार्य एक ऐसे आदर्श के रूप में होना चाहिये कि जिस आदर्श का अनुसरण हमारे दूसरे प्रान्त भी कर सकें।

जहां तक अधिक अन्न उपजाने का प्रश्न है, वहां तक कई प्रान्त ऐसे हैं कि जिन प्रान्तों में इसके लिये बहुत बड़ी गुंजाइश है। मैं अपने मध्य प्रान्त का ही दृष्टान्त देता हूं। हमारे यहां भी बहुत सी धरती ऐसी है कि जिसको उपयोग में लाया जा सकता है। मध्य प्रान्त में अभी चौदह छत्तीसगढ़ की रियासतें शामिल हुई हैं। उन रियासतों में इतनी अधिक भूमि है कि यदि उसका उपयोग ठीक तरह से किया जा सके तो उस प्रान्त की उपज कई गुनी बढ़ सकती है। जो स्थिति मेरे प्रान्त की है, मेरा यह मत है कि वही स्थिति कई अन्य प्रान्तों की भी होगी। इसलिये यह मसविदा जो यहां पर माननीय जयरामदास दौलतराम पेश कर रहे हैं, वह केवल दिल्ली और अजमेर-मेरवाड़ा तक ही सीमित न रहे। जिस तरह से आदर्श गांव बनाने पर उसका अनुसरण दूसरे स्थान भी कर सकते हैं, उसी प्रकार यहां पर भी एक आदर्श योजना हो और उस योजना का अनुसरण केवल दिल्ली और अजमेर-मेरवाड़ा प्रान्तों में ही न हो बरन सार भारत में हो; विशेषकर ऐसे प्रान्तों में जैसा कि हमारा मध्य प्रान्त है, जहां पर बहुत अधिक भूमि मौजूद है और जहां पर उसका बहुत अच्छा उपयोग किया जा सकता है।

मैं इस प्रस्ताव का समर्थन करता हूं और समर्थन करते हुए यह आशा करता हूं कि इस योजना में इस बात का प्रयत्न किया जायगा कि यह योजना आदर्श योजना हो सके।

(English translation of the above speech)

Seth Govinddas (C. P. and Berar: General): Mr. Speaker, Sir, I also rise to support the motion which has been moved here and particularly with the same arguments and reasons which have been put forth by Mr. Ayyangar.

We have been endeavouring to grow more food for the last so many years and we found that inspite of a good deal of agitation we have not been able to secure more production as we had anticipated. The reason for this is that whatever efforts we had upto now made in this direction, were merely in the form of an agitation. We have not as yet been able to place before other Provinces any such plan which has already been proved practicable.

So far as this plan concerns Delhi, I would like to say that this should be executed in such an ideal manner which should be imitated by other Provinces as well. So far as the question of 'Grow More Food' is concerned, there are many such Provinces which have a very wide scope for development. I quote the example of my Province, viz., Central Provinces. There also we have a large area of culturable land that can be utilized. Till recently fourteen Chhattisgarh States have merged in the Central Provinces. These states have got such a vast area of land which if rightly utilized, is likely to increase the production of this Province to a very large extent. I am of the conviction that the conditions which exist in my Province must also be prevalent in many other Provinces. Therefore, this Bill which is being moved here by Honourable Shri Jairamdas Doulatram should not be confined to Delhi and Ajmer-Merwara only. Just as other places can also emulate the building of Model Villages, similarly there should be a model plan here which should not be executed in Delhi and Ajmer-Merwara only, but should also be carried out throughout the whole of India, particularly in the Provinces like Central Provinces where exists a vast area of land that can be utilized in a better way. I support this motion and while doing so, I hope that in the course of execution of this plan, efforts will be made to make this an ideal one.

Prof. N. G. Ranga (Madras: General): Sir, my Honourable friends have spoken on the various aspects of this Bill and I wish to make one or two observations on it. There does not seem to be any definite provision here for this Board to secure funds except demanding from those who are to be benefited by this board's activities certain levies or fees. In the Statement of Objects and Reasons it is clearly stated that it is necessary to adopt scientific measures for soil and water conservation, irrigation, drainage, etc., on a large scale, which is beyond the capacity of ordinary cultivators. That is just the thing. Therefore wherefrom is this board to get its funds? There must be some provision for the Central Government to place funds at the disposal of this Board; otherwise it cannot work or it can only work subject to the limitation of the meagre funds that can be got out of the so-called beneficiaries, i.e., the poverty-ridden peasants themselves.

Secondly, Sir, I am afraid too much power is being given to the Chief Commissioner. I do not think it is quite correct. These officials have not yet come under popular control, and therefore the powers sought to be given to them should be taken by the Central Government itself. Generally speaking, this is a move in the right direction. On these lines very good work has been done in England to reclaim and develop many of their own backward areas and to bring under cultivation an increasing extent of land. As my Honourable friend Seth Govinddas said, I hope that when this Bill finally emerges from the Select Committee, it will have reached such a form as to commend itself to the rest of the provinces; and we trust that with the good offices of the Central Government the Provincial Governments also will adopt this method for the development of their lands.

Mr. Tajamul Husain (Bihar: Muslim): May I know if the Honourable Mr. Ranga is a member of the Select Committee?

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CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) [28TH JAN. 1948]

Mr. Speaker: I am trying to have a healthy convention to be set up by Members. In this case, the motion came in in exceptional circumstances and as there is enough time for the House, I thought he might be permitted to say something. Otherwise, generally I will not call upon Members on the Select Committee to speak. I hope Members will not misunderstand me.

Mr. R. K. Sidhva (C. P. and Berar: General): This Bill has been brought before this House. Land is a provincial subject, but Ajmer-Merwara being in this province, it was desirable that such a Bill should have been brought before this House for the waste culturable land ought to have been improved long long ago. But the previous Government did not think it desirable to do so. Therefore I congratulate the present Government for having taken the pains for removing this defect in the land system in this province. The Delhi Province is a deficit province where we do not get sufficient food, and I fail to understand why this subject matter was lost sight of by the previous Government. However, the provisions made in this Bill are really commendable and while we know that in some provinces the culturable land question is being discussed in all its aspects, there are still many defects in the land revenue codes and the Irrigation Acts in the various provinces with the result that the water, where it is very abundant, is allowed to flow into the river or into the sea without being harnessed. Similarly no efforts have been made in provinces to conserve or utilise the water for the purpose of improving the culturable land and getting the foodstuff which is needed in this country. It is therefore really essential that this Bill which is going to be a Bill for a very small province and for a very small area, has been provided with many clauses which certainly require to be thoroughly considered by the Select Committee. Some of the provisions are made for the purpose of grazing land and also for the protection of forests considerably neglected by the various provinces. At present they do not attach much importance to forest value and they allow the forest to be cut for the purpose of fuel. Notwithstanding several provisions in the Forests Act in the provinces, some provisions in this Bill would require certain changes, so that the Provincial Governments may hereafter find it necessary to imitate the Act which would be a model Act.

I therefore desire that this Bill should give fullest consideration as far as the grazing problem is concerned, and the cutting of forest trees for the purpose of fuel should be certainly prevented.

With these words, I support this Bill which has been brought before this House and I congratulate the Government for having done so even at this stage.

श्री राजकृष्ण बोस : सभापति जी, मैं इस बिल के बारे में खास तौर से यह कहना चाहता हूँ कि अभी तक लैंड रिक्लेमेशन (land reclamation) की जो पालिसी (policy) है, गवर्नमेण्ट की यह पालिसी कोई लॉन्ग रेंज पालिसी (long range policy) नहीं है और जैसी हमारे यहां लोगों को खाने की तकलीफ हुई है, गवर्नमेण्ट को यह करना चाहिये था कि हमारा जो वेस्ट लैंड (waste land) है, उसका ठीक तरह से एक सेंसस (Census) ले लेना चाहिये था ताकि यह मालूम हो कि कुल कितना वेस्ट लैंड (waste land) है और उसको किस तरह से डिवेलप (develop) किया जाय। लड़ाई जब से शुरू हुई प्रान्तों को सेंट्रल गवर्नमेण्ट (Central Government) की तरफ से कुछ लोन (loan) और सब्सिडी (subsidy) दी जाती है। इसमें ज्यादातर जिम्मेवारी जो है वह किसानों के ऊपर पड़ती है। नतीजा यह हुआ कि खर्चा तो ज्यादा होता है लेकिन ज्यादा गल्ला पैदा करने के लिये गवर्नमेण्ट जो कोशिश करती

है वह नहीं हो पाता। क्योंकि गवर्नमेण्ट की जिम्मेवारी उस समय खत्म हो जाती है जबकि किसानों को रुपया दे देते हैं। हमारे जो मिनिस्टर इनचार्ज (Minister-in-charge) हैं वह इसके बारे में बहुत दिलचस्पी लेते हैं, और वह इस विषय में बहुत सफलता हासिल करेंगे मैं ऐसी आशा करता हूँ। वेस्ट लैंड (waste land) का सेंसस (Census) हिन्दुस्तान का ले लेना चाहिये जिसमें हमें मालूम हो सके कि डिवेलप (develop) करने के लिये कितना वेस्ट लैंड (waste land) है; और हम तब ही हिसाब लगा सकेंगे कि हम डिवेलपमेण्ट (development) के लिये कितना पैसा खर्च करेंगे उसे डिवेलप (develop) करने के लिये किस सूबे में कितना हो, किस तरह से डिवेलप (develop) किया जाय। यह काम गवर्नमेण्ट आफ इण्डिया (Government of India) की जिम्मेदारी पर होना चाहिये। यह इण्डिविजुअल प्राविन्सेज (individual provinces) पर नहीं छोड़ना चाहिये क्योंकि कितने प्रांत ऐसे हैं जिनके पास स्टाफ (staff) नहीं है। यह एक ऐसा मामला है जिसमें हमारे देश के करोड़ों लोगों के खाने का सवाल है और इसलिये इसपर गवर्नमेण्ट आफ इण्डिया (Government of India) की जिम्मेदारी होनी चाहिये। होना यह चाहिये कि हर सूबे में फारेस्ट (forest) के बारे में एक तरह की यूनीफार्म पालिसी (uniform policy) होनी चाहिये इससे हमारी फारेस्ट प्रॉपर्टी (forest property) बहुत बढ़ जायगी। मैं यह भी कहना चाहता हूँ कि यह जो बोर्ड है जिसमें दिल्ली अजमेर-मेरवाड़ा में लैंड रिक्लेमेशन (land reclamation) फारेस्ट डिवेलपमेण्ट (forest development) के लिये व्यवस्था होती है इसका काम ऐसा हो जैसे सबों के लिये यह एक आदर्श हो। लैंड रिक्लेमेशन (land reclamation) का काम ठीक तरह से सारे हिन्दुस्तान में कैसे हो सकेगा माननीय मंत्री जी आयन्दा बजट सेशन (Budget Session) में उसकी सूचना देंगे। अजमेर-मेरवाड़ा के लिये जो बिल की सूचना दी है आशा करता हूँ कि इसका काम बहुत ही अच्छी तरह से होगा।

(English translation of the above Speech)

Shri Raj Krishna Bose (Orissa: General): Mr. Speaker, Sir, in connexion with this Bill I like particularly point out that the present policy of the Government regarding reclamation of land is not a 'long range policy'. People have been put to great difficulty on account of shortage of food. In fact, what Government ought to have done is that it should have taken a census of the entire land to find out how much waste land actually exists and how it can be developed. Since the beginning of war, the Central Government have been granting loans and subsidies to all the provinces for the production of more food. A great part of this responsibility rests on the shoulders of the peasantry. The result is that we incur great expenses, but, inspite of our best endeavours to accelerate production of food, we find our provinces little improved. This is because the responsibility of the Government ceases to exist after it has handed over the money to the peasants. Our Honourable Minister for Food takes a great deal of interest in this matter and, I hope, he will achieve considerable success. We should take a census so that we may know how much waste land there is to develop. Only then we can determine how much money we can afford for development. How much

[Shri Raj Kishna Bose]

waste land a province contains and in what way it should be developed and how much will it cost to develop it, these and other matters should be taken up by the Government of India and should not be left to individual provinces because there are many provinces which are not equipped with adequate staff. This is a question which involves the food problem of the teeming millions of this subcontinent. None, therefore, but the Government of India should be entrusted with this work. What we desire is that all provinces should have a uniform policy about forests. This will increase our 'forest property'. The Board, as constituted under this Bill, has powers for 'land reclamation' and 'forest development' in the provinces of only Delhi and Ajmer-Merwara. It should so function as to set an example to the whole of India to follow. Will the Honourable Minister inform the House in the next Budget Session how the Government propose to carry out this work. This Bill regarding Ajmer Merwara, I hope, will prove a great success.

The Honourable Shri Jairamdas Doulatram: Sir, I have welcomed this discussion partly of the provisions of the Bill and partly of the larger issues relating to the food question which are before the country. Personally I was not prepared for a discussion of the larger issues but I welcome that also. Whatever suggestions have been made with regard to the provisions of the Bill will be considered with a thoroughly open mind in the Select Committee and I can assure the Honourable Members that each one of their suggestions will be sympathetically considered and whatever general agreement is reached with regard to those suggestions will be incorporated in the Bill before it comes up again.

With regard to the larger issues raised, all that I can say at the present moment, having taken charge of this very difficult portfolio only about a fortnight ago, is that Government are determined to deal with the food situation satisfactorily and to see that no major crisis overtakes the country. The efforts of the Government will be in two directions. Firstly they want to maintain adequate stocks of foodstuffs to meet any emergency and, secondly, Government are anxious to push forward with as great a speed as possible all practical and well considered proposals for increased food production. I have welcomed the suggestions of some of the Honourable Members in regard to that particular point and, apart from any official discussions that may be necessary between the Central Government and the Provincial Governments, I do propose to take advantage of this Session and have informal discussions with members who represent each of the provinces and try and understand how far so far as each province is concerned any particular schemes for pushing forward the production of food can be implemented. I believe that India can be self-sufficient with regard to food and the very small deficit which we have can be met, if the Central and the Provinces fully co-operate and we respond to the emergency of the situation and act speedily and unitedly. After the discussions that I have with the members from the various provinces Government would be, in a better position to deal with the official discussions that I propose to start with the Provincial Governments. And if we are able to deal with the two coming harvests of 1948 properly I have no doubt that at the end of the year there would be far greater feeling of self-confidence with regard to the food situation. In this matter I would need the co-operation of both the Provincial Governments and of the Honourable Members of this Assembly from various Provinces and I am sure that that co-operation would be forthcoming.

Mr. Speaker: I find that the motion does not mention the date by which the report of the Select Committee is to be submitted. May I know the date?

The Honourable Shri Jairamdas Doulatram: 1st of March 1948.

Mr. Speaker: I shall add that when the motion is put to the House.

The question is:

"That the Bill to provide for the preparation and execution of land development schemes, the reclamation of waste-land and the control of private forests and grass-land, in the Provinces of Delhi and Ajmer-Merwara, be referred to a Select Committee consisting of the Honourable Dr. B. R. Ambedkar, the Honourable Shri Jairamdas Doulatram, Shri Deshbandhu Gupta, Pandit Makut Bihari Lal Bhargava, Dr. B. Pattabhi Sitaramayya, Prof. N. G. Ranga, Pandit Thakur Das Bhargava, Shri Ramnarayan Singh, Ch. Ranbir Singh, Prof. Yashwant Rai, Dr. B. V. Keskar, Shri Jainarain Vyas, and Mr. Tajamul Husain with instructions to report on or before the 1st March, 1948, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was adopted.

CANCELLATION OF THE MEETING FOR THE 29TH JANUARY, 1948 AND DECISION RE STARRED QUESTIONS FOR THE DAY

Mr. Speaker: I understand that the next motion is not going to be moved by the Honourable Member Shri Jagjivan Ram. This means that the business for the day is over. I also understand that Government have no business for tomorrow. I am inviting the attention of the Chief Whip to the statement, I have just made.

Shri Satyanarayan Sinha (Bihar: General): There is no business for tomorrow, Sir.

Mr. Speaker: As to the date to which we should adjourn, I find only one difficulty which I would leave to the House. If we do not sit tomorrow the questions for that day will go in as unstarred questions. I hope Honourable Members are agreeable to this suggestion. But if these questions were to be taken on the following day, the difficulty would be

Mr. R. K. Sidhva (C. P. and Berar: General): As regards the questions for tomorrow after all we are not adjourning for want of time and therefore I would suggest that we should sit tomorrow for the questions only. Why should we have a holiday? Why should these questions which really bring out very important information go as unstarred questions. I do not know if Honourable Members are anxious to have a holiday after attending the Assembly only for hardly an hour and a half today. It is very unfair that these questions should be treated as unstarred questions, when we have to sit for two months. The questions for tomorrow can be put on the list for the day after tomorrow and we can discuss both lists on that day.

Mr. Speaker: I realised the difficulty about the question hour and that is why I referred to the matter. I called for the question list for tomorrow and for the day after. The number of questions for tomorrow is 17 and for the day after, it is 16. In all there are 33 questions. Looking at the average number of questions which we ordinarily cover every day, I am afraid some of the questions from the question list of the 30th are bound to go in as unstarred questions for want of time. We can dispose of between 20 to 22 questions at the most, if the speed is very satisfactory; otherwise the average would be about 18 questions. If I were to transfer the questions for tomorrow to the list for the day after, the questions for the day after tomorrow will have to go in practically as unstarred. It is for the Honourable Members to consider which choice they would prefer. I presume there is unanimity that the question list for tomorrow should be transferred to day after tomorrow.

Shri Rohini Kumar Chaudhuri (Assam: General): Sir, I will be the greatest sufferer in that respect. I would submit that we should have the question hour tomorrow.

Seth Govinddas (C. P. and Berar: General): I would suggest that the questions for the day after tomorrow should be taken first and if there is any time left, the question list for tomorrow might be taken up.

Mr. Speaker: It makes little difference whether the questions of one day or another day are left out and treated as unstarred questions. One of the lists is bound to suffer. There are two courses open. Either they must sit tomorrow for the question hour or if they are anxious to save that much time, both the lists should be taken on the following day.

Begum Aizaz Rasul (U. P.; Muslim): As Government has very unexpectedly given a holiday tomorrow, I think it should be utilised to the full and therefore, we should not sit tomorrow for the Question Hour, but as has been suggested, the questions for both the days may be taken together the day after tomorrow.

Mr. R. K. Sidhva: We should be sitting for tomorrow unless there is some engagement . . .

Mr. Speaker: There will be no end to that argument. It is a question of comparative convenience of the Members of this House. All these considerations are there, but whatever it may be . . .

Shri K. Santhanam (Madras: General): Is not the House entitled to an explanation as to why the business has broken down like this? Government should explain why a proper agenda was not put and why the time was not utilized?

Shri H. V. Kamath (C. P. & Berar: General): Why not take up tomorrow's questions today?

Mr. Speaker: I am allowing this discussion as we have ample time. The simple reason is that some of the Members who have put in questions may be absent. But whatever it be, the better course and the consensus seems to be that tomorrow should be entirely a holiday. So the House will not be sitting tomorrow and as regards the questions, it seems to me equitable that the questions of day after tomorrow should be taken up first and if any time is left the questions for the 29th may be put in. That may be done and I hope Members will co-operate by putting in smaller number of supplementaries, so that no injustice may be done to our Honourable friend Shri Rohini Kumar Chaudhuri.

The Assembly then adjourned till Eleven of the Clock on Friday the 30th January, 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Friday, 30th January, 1948

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

DECLARATION BY MEMBERS

The following member made the declaration under Rule 2C:

Mr. Z. H. Lari (U.P.; Muslim).

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

†9.*—25.*

RUNNING OF A MAIL OR EXPRESS TRAIN BETWEEN RAIPUR AND WALT AIR STATION ON BENGAL NAGPUR RAILWAY

26. *R. B. Lala Raj Kanwar: (a) Will the Honourable Minister of Railways be pleased to state whether there is any Mail or Express train running between Raipur and Waltair Stations of the Raipur-Waltair section of the Bengal Nagpur Railway?

(b) If none, do Government propose to consider the advisability of running such a train on this line?

The Honourable Dr. John Matthai: (a) No.

(b) The proposal for running an Express train over the Raipur-Vizianagram line has been considered but owing to the shortage of coaching stock and locomotives, it cannot be accepted at present.

DELAY IN BOTH-WAY TRAFFIC BY GRAND TRUNK EXPRESS BETWEEN DELHI AND MADRAS

27. *R. B. Lala Raj Kanwar: Will the Honourable Minister of Railways be pleased to state:

(a) whether Government are aware that the Grand Trunk Express which runs between Madras and Delhi reaches its destination both on its outward and return journeys generally with considerable delay;

(b) if so, what are the reasons therefor and what steps Government propose to take to remove this complaint; and

(c) whether Government propose to consider the advisability of running a mail train with accelerated speed between Delhi and Madras for the convenience of long distance passengers?

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

(b) The main reasons for late arrival of this train and late departures from Delhi are as follows:

(i) late handing over of the train by the Nizam's State Railway to the G. I. P. Railway at Balharshah;

†For these questions and answers, see pages 52-70 of these debates.

(c) Government have not received any complaints regarding the quantity of sugar supplied by the mills to the industry. Government will gladly inquire into any specific complaint which is received. The difficulty is not about supply but the price and is under negotiations between the two industries and Government.

CONTRACT FOR PURCHASE OF FOODSTUFFS FROM ABROAD FOR 1948

29. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Food please state the names of firms etc. to whom contracts for purchase of all kinds of foodstuffs have been given for 1948?

(b) For what products and quantities have these contracts been given?

(c) What was the price of commodities prevailing in the market at the time of making the contract?

(d) Was any advantage derived in the matter of prices by sending representatives abroad to make purchases in various countries in 1947?

(e) If not, do Government still propose to send representatives from India to make such purchases?

(f) Is it not possible to make purchases either direct or through Government or private agencies in other countries?

The Honourable Shri Jairamdas Doulatram: (a), (b) and (c). The Honourable Member is presumably referring to the method of purchase of imported foodgrains. Most exporting countries maintain a rigid control on the export of foodgrains and these are sold by the Government of the exporting country at a price fixed by them. The question of purchasing these foodgrains through the trade does not arise as the sales have to be on a Government to Government basis. We do however sometimes make contracts with individual firms in respect of coarse grains and flour purchased by our Supply Mission in U.S.A. and Canada and small quantities of coarse foodgrains purchased from Ethiopia and Aden. The Honourable Member is presumably referring to these last purchases. During 1947, we bought 2,600 tons of jowari. The prices paid were not higher than the market prices.

(d) and (e). We have sent representatives abroad to make contracts in Australia, Argentina and in the Middle East. The Honourable Member is presumably not referring to our deals with Argentina and Australia which were on a Government to Government basis, and where the deal obviously had to be on the basis of fixed prices. He is presumably referring to our negotiations in the Middle East where we sent a representative to investigate the purchase of grains. In these countries the market prices were very high; indeed too high for our means. We had to put a limit on the prices which our representative could go up to. There is advantage in sending representatives to these countries irrespective of the fact that the market prices may be beyond the limits prescribed by us, for it may be possible by negotiation to bring prices down, by offering inducements in the shape of textiles and the like.

(f) Government do entertain offers direct or through Government or private agencies, according to circumstances. If the Honourable Member has any specific complaint, Government will go into the matter.

Mr. R. K. Sidhva: May I know, Sir, whether a firm offered a lower price than the one that was accepted by Government and that was not considered?

The Honourable Shri Jairamdas Doulatram: I shall require notice. If the Honourable Member makes any specific complaint, I will go into the matter.

Mr. R. K. Sidhva: What was the price fixed for the jowari transaction?

The Honourable Shri Jairamdas Doulatram: I would like to have notice of this question.

Mr. R. K. Sidhva: My question is what is the price?

Mr. Speaker: Does the Honourable Member refer to (c) of his question. Clause (c) of the question is specific. He wants to know prices of commodities prevailing in the market at the time of making the contract.

The Honourable Shri Jairamdas Doulatram: I would require specific transactions for which prices are wanted.

Mr. R. K. Sidhva: I have already stated what is the price of commodities prevailing in the market at the time of making the contract.

The Honourable Shri Jairamdas Doulatram: The price at which we purchased from Ethiopia was Rs. 236 per metric ton plus export quota for 343 yards of cloth per metric ton and the price at which we purchased from Aden was Rs. 125 per long ton plus export quota for 300 yards of cloth per long ton.

Mr. R. K. Sidhva: This information is not sufficient.

Mr. Speaker: What is the next question I should like to know.

Mr. R. K. Sidhva: These were not the items that I have asked for. I wanted about the price of commodities in the market at the time of making the contract.

The Honourable Shri Jairamdas Doulatram: I will supply those particulars.

Shri Deshbandhu Gupta: May I know, Sir, if Government have considered the desirability of introducing barter system between Middle East Countries and India and exchange textiles with cereals?

The Honourable Shri Jairamdas Doulatram: Government have not considered that question in a general way, but occasions have arisen when we have negotiated on the basis of barter just as in these two cases. We either give an export quota or we may actually barter with goods.

Shri Deshbandhu Gupta: Is the Honourable Minister in charge aware that in textile exports some of the exporters here and importers in the Middle East are making 300 to 400 per cent. profit and that profit would easily go to the coffers of the country if barter is introduced?

The Honourable Shri Jairamdas Doulatram: I will consider that question.

Prof. N. G. Ranga: Have any results been achieved from the representations made by the Government of India to the F.A.O. to prevent international profiteering in the supply of foodgrains sold to India by various other countries?

The Honourable Shri Jairamdas Doulatram: There are occasions when we enter into certain contracts with other exporting countries. It is impossible to prevent profiteering at Governmental level. We come to certain terms with them and it may be that they charge us more than they need just as we may charge them more than we need.

STEAMER COMPANIES CARRYING INDIA'S INLAND AND FOREIGN MAILS

30. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Communications please state the name of the steamer company which carries inland mails and foreign mails by steamers?

(b) What are the rates paid to them for carrying mail?

(c) What was the total amount paid to each company, separately for this purpose, during the year 1947?

(d) Is there any contract period for carrying this mail?

(e) Do Government propose to consider the grant of contracts to Indian Companies?

(f) If not, why not?

The Honourable Mr. Rafi Ahmed Kidwai: (a) There are several Steamer Companies which carry mails, inland and foreign, by steamers. I lay on the table of the House a statement (I) giving the names of these Companies and the routes over which they carry mails.

(b), (c) and (d). I lay on the table a statement (II) giving the information asked for.

(e) It will be seen from the statement which I have laid on the table in reply to part (a) of the question, that some of the Companies which hold contracts are Indian Companies.

(f) Does not arise.

STATEMENT I

Showing the name of Steamer Companies which carry mails and the routes over which they carry the mails

(1) The Bombay Steam Navigation Coy. Ltd., The Indian Co-operative Navigation and Trading Coy. Ltd., The Ratnagar Steam Navigation Co. Ltd., (Between Bombay and Goa).

(2) The Rivers Steam Navigation Coy.

The Indian General Navigation and Railway Coy., Ltd. (Between Amingaon and Gamari Ghat).

(3) The British India Steam Navigation Coy., Ltd. :—

Line No. 5.—Weekly communication between Bombay and Karachi.

Line No. 6.—Weekly communication between Karachi and Basrah via Persian Gulf Ports.

Line No. 7.—Fortnightly communication between Bombay and Durban.

(4) The P. and O. Steam Navigation Coy. between India and the United Kingdom and Australia, and other countries touched by the steamers of this Coy.

(5) Non-Contract Steamers of other Companies which are also utilised for the despatch of Mails from India to Foreign Countries.

STATEMENT II

Part (b).—The remuneration payable for the carriage of mails to the different companies mentioned is :—

- | | |
|---|---|
| (1) The B. S. N. Coy., Ltd.
The I. C. N. & T. Co., Ltd.
The R. S. N. Coy., Ltd. | } Rs. 6,000 per month. |
| (2) The Rivers S. N. Co., Ltd.
The I. G. N. & R. Co., Ltd. | } Rs. 851-4-0 per month. |
| (3) The B. I. S. N. Co., Ltd. | Rs. 46,875 per month for sailing on lines No. 5, 6 & 7. The No. of sailings on these lines is generally less than that prescribed in the contract on account of shortage of steamers and proportionate rebate is recoverable for each short sailing. |
| (4) The P. & O. S. N. Co. | According to an arrangement made by the British Post Office with the Peninsular and Oriental Steam Navigation Co. payment is made to the Co. at rates per voyage based on the average commercial value per voyage out and home respectively of the mails conveyed. The total amount thus paid to the Co. is shared between Great Britain, India, Aden and Burma according to the weight of mails sent by each country by the P. & O. S. N. service. |

(5) Payment to Non-contract Steamers is made at the rates prescribed in Rule 215 the I. P. O. Rules, viz :—

Letters and Postcards	Rs. 1 3 0 per lb
Packets	0 2 0 per lb
Parcels	0 1 0 per lb

Part (c).—Total amount paid to each Company during 1947 was :—

- | | |
|--|--|
| (1) The B. S. N. Co., Ltd.
The I. C. N. & T. Coy., Ltd.
The R. S. N. Co., Ltd. | } Rs. 48,000 (for 8 months only as the contract is for fair season). |
| (2) The Rivers S. N. Co., Ltd.
The I. G. N. & R. Co., Ltd. | } Rs. 10,215. |
| (3) The B. I. S. N. Co., Ltd. | Rs. 5,62,500. |
| (4) P. & O. S. N. Co.—Accounts for the year 1947 have not yet been settled by the British Post Office and communicated to the P. & T. Department. Therefore no amount has yet been paid to the British Post Office for 1947, in respect of the P. & O. Co. | |

(5) Non-contract Steamers.—The amounts paid to non-contract Steamers during 1947 are not readily available.

Part (d).—The periods of the contract with the various Steamer Companies are as follows:—

- | | |
|---|---|
| (1) The B. S. N. Coy. Ltd.
The I. C. N. & T. Co., Ltd.
The R. S. N. Coy. Ltd. | } from 15-11-45 to 30-5-48. |
| (2) The Rivers S. N. Co., Ltd.
The I. G. N. & R. Coy., Ltd. | } from 1-4-31 to 31-3-34. The agreement still continues in force as on notice of its termination has been given to them. The agreement can be determined by giving 6 calendar months' notice previously in writing. |
| (3) The B. I. S. N. Co., Ltd. | from 1-10-38 to 30-9-48. |
| (4) The P. & O. S. N. Co., Ltd. | The contract is with the British Government |

Mr. R. K. Sidhva: May I know, Sir, how many of these companies are foreign and how many Indian who would get the benefit of these mails? All these particulars are laid on the table. At least I must know all these.

The Honourable Mr. Rafi Ahmed Kidwai: That is already in the statement.

Mr. R. K. Sidhva: The statement is not available.

Mr. Speaker: What the Honourable Member wants is not the names of these Companies but the number.

The Honourable Mr. Rafi Ahmed Kidwai: The company that carries the mail to foreign countries is the P. & O. which is a foreign company and also the steamer that carries the mail in the Eastern Bengal and Assam are foreign companies.

Mr. R. K. Sidhva: How many Indian Companies?

The Honourable Mr. Rafi Ahmed Kidwai: Five of them are Indian Companies.

Mr. R. K. Sidhva: Are there Indian companies in the same lines where the foreign companies are running their systems?

The Honourable Mr. Rafi Ahmed Kidwai: No.

CAUSES FOR TATA AIR LINE PLANE CRASH AT KARACHI RESULTING IN LOSS OF ALL PASSENGERS AND CREW

31. ***Mr. R. K. Sidhva:** (a) Will the Honourable Minister of Communications please state the causes for Tata Air Line Plane crash on the 27th December, 1947 at Karachi at 7-45 P.M. few minutes after taking off from the Drigh Road Aerodrome which resulted in the death of all passengers and crew totalling 22?

(b) Was an airworthy certificate given at Bombay declaring the engines in sound condition for 24 hours service as required by the rules?

(c) Did the Government official at the Karachi (Drigh Road) Aerodrome inspect the plane and did he give an airworthy certificate before the commencement of flight as required by the regulations?

(d) Were any enquiries instituted by the Government of India? If so, with what result?

(e) Do Government propose to consider the adoption of stringent safety measures in view of the increased patronisation of commercial aviation by people?

The Honourable Mr. Rafi Ahmed Kidwai: (a) and (d). An investigation into the causes of the accident is being carried out jointly by the technical officers of the Government of India and the Pakistan Government but has not yet been completed.

(b) Yes, Sir.

(c) No inspection was required at Karachi under the regulations.

(e) Stringent safety measures are already in force under the Regulations.

Shri H. V. Kamath: Was any sabotage suspected, as was reported in certain papers?

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

Mr. R. K. Sidhva: Why is there this delay in the inquiry? It is now more than five weeks that it took place.

The Honourable Mr. Rafi Ahmed Kidwai: The Honourable Member will realise that there is no survivor of that accident and therefore the inquiry is naturally made more difficult.

Prof. N. G. Ranga: Is it a fact that the pilot of any aeroplane is not expected to know anything about the condition of the engine and has to depend on the certificate given by the ground engineers?

The Honourable Mr. Rafi Ahmed Kidwai: That is true, Sir.

Prof. N. G. Ranga: What is the guarantee that these certificates are accurate and that the engines are sound so that the lives of the pilot and the passengers are safe?

The Honourable Mr. Rafi Ahmed Kidwai: If the Honourable Member will compare the number of accidents in this country with those in other countries, he will realise that we are more stringent in our measures than others.

Mr. R. K. Sidhva: Was an airworthy certificate given at Karachi before the plane took off?

The Honourable Mr. Rafi Ahmed Kidwai: That was not necessary because a safety certificate is issued for 24 hours and this certificate had been issued at Bombay.

Seth Govinddas: In addition to that certificate, will Government consider the advisability of having a certificate from the pilot after inspection of the engine before he starts the plane?

The Honourable Mr. Rafi Ahmed Kidwai: Pilots for their own safety have to make sure that the engine is in working order.

Mr. R. K. Sidhva: Is it a fact that the following rule prevails in regard to all aircraft operated by Tata's, that it is inspected under Government regulations and a certificate of airworthiness is given at the commencement of every flight? May I know why this certificate was not taken at Karachi?

The Honourable Mr. Rafi Ahmed Kidwai: I said that it was not necessary because a 24 hours' certificate was issued at Bombay and the accident happened on the return flight.

Mr. R. K. Sidhva: Then what is the meaning of "every flight"?

The Honourable Mr. Rafi Ahmed Kidwai: That question should be addressed to Tata's.

ACTION BY GOVERNMENT OF INDIA ON AN ACCIDENT TO AN I. N. A. PLANE AT DRIGH ROAD AERODROME, KARACHI.

32. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Communications please state whether it is a fact that the President of the Federation of Passengers Association for India made a reference to the Director, Civil Aviation, Government of India on the 20th April, 1947 drawing his attention to an accident to an I.N.A. Plane at Karachi (Drigh Road) on the 15th April, 1947 immediately after she was taking off?

(b) Is it a fact that while taking off she dashed against the railing on the ground due to the brake not working?

(c) Is it a fact that passengers were made to alight from the said plane and were boarded in a plane which arrived from Delhi after six hours?

(d) What was the cause of this accident and was an airworthy certificate given by the officials concerned at the Aerodrome at Drigh Road?

(e) Were all parts of the engines including the brake thoroughly examined and inspected before the plane took off? If so, by whom and at what time?

(f) Is it a fact that notwithstanding a reminder from the President of the Federation of Passengers Association for India, the Director, Civil Aviation did not reply to his letter? If so, why?

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

(c) Another plane was despatched immediately from Delhi to pick up the passengers.

(d) and (e). The accident was attributed to defective manufacture in the braking system. The daily certificate of safety prescribed in the Aircraft Rules was issued after proper inspection of the aircraft by two competent engineers, before it departed from Delhi. As this certificate had validity for 24 hours, the aircraft was not re-inspected prior to its departure from Karachi on the return journey.

(f) I understand that the letters of the President of the Federation of Passengers Association for India were duly replied to by the Director General of Civil Aviation in India.

Mr. R. K. Sidhva: As President of that Association I know it was not replied to. Will the Honourable Minister make further inquiries?

The Honourable Mr. Rafi Ahmed Kidwai: I understood from the Director General of Civil Aviation that it was answered. If the Honourable Member wants I can confront him with that officer.

Mr. R. K. Sidhva: Is it a fact that a reminder was sent by the President

The Honourable Mr. Rafi Ahmed Kidwai: That is true, Sir.

PRICES FIXED BY PROVINCES AND BASIC IMPORT AND EXPORT QUOTAS OF PADDY, RICE, ATTA, ETC., FOR DEFICIT UNITS DURING 1948.

33. *Shri Basanta Kumar Das: Will the Honourable Minister of Food be pleased to state:

(a) what prices have been fixed by different Provincial Governments for paddy, rice, atta, flour, jowar and bajra;

(b) what basic export quotas and ceiling import quotas have been fixed for different surplus and deficit units respectively for the year 1948; and

(c) which Provincial Governments have decided to put barley and gram under control?

The Honourable Shri Jairamdas Doulatram: (a) and (b). Statements containing the information are laid on the table of the House.

(c) A statement showing the position is laid on the table of the House.

STATEMENT I

Showing the prices fixed by Provincial Governments for Rice, Paddy, Atta, Flour, Jowar and Bajra

(Prices in Rupees per Maund)

Provinces	Rice	Paddy	Atta	Four	Bajra	Jowar	Remarks
East Punjab	7-8-0 to 22-0-0*	6-8-0 to 10-0-0*	Price of Wheat Atta is fixed by the District Magistrate at Rs. 12 As. 1/4 over the price of wheat in the particular dis- trict.	No price fixed**	Decontrolled	Decontrolled	*According to dif- ferent varieties in different areas. ** Wheat is not milled in East Pun- jab for the manu- facture of flour.

United Provinces
Bihar No control on prices of foodgrains in the United Provinces
13-8-0 (Coarse)† 8-0-0†
14-8-0 (Medium)†

†Ceiling procure-
ment price. No
statutory price has
been fixed.

Bombay 11 to 25-2-0*** 6-14-0 to 17-0***

9-0-0 to
11-0-0***

*** Govt. purchase
prices according to
different varieties
in different areas.
No statutory price
fixed.

Central Provinces

Madras 9-0-0 to
16-12-0†
11-9-3 to
13-6-0
(1 sort)§
10-15-0 to
12-11-6
11 11-6-0
(Common)
12-2-6 (Fine),
13-14-0
(Superfine)

• Paddy, atta, flour and bajra not procured and no prices fixed.
7-13-9 to
9-4-6
(1 sort)§
7-7-0 to
8-12-6
11 6-8-0
(Common)
7-0-0 (Fine)
7-12-0
(Superfine)

†Ceiling procure-
ment price.
§Wholesale selling
price.

Orissa Atta and flour being imported
commodities, prices depend on
landed cost.

11 Producers price.

West Bengal

Assam 11-4-0
(Coarse)
12-3-0 to 12-12-0
(Medium)
15-0-0 to 16-8-0
(Very fine)
Aus & boro
6-12-0††
Others 8-0-0 ††

¶¶Government
purchase prices.

††Price for sale by
producers.

Ajmer-Merwara 26-10-8 (I grade)§§ Not procured &
19-6-3 (II grade) no price fixed.
12-12-9 (III grade)

Coorg 11-7-0 (Selling
price Common
Biliya quality)

Decontrolled

§§In Ajmer City only.

Delhi 14-12-0 to
23-9-0††

7-8-0

††Price according to
quality.

STARRED QUESTIONS AND ANSWERS

STATEMENT II

Showing the basic export and ceiling import quotas for 1948 :—
(in '000 tons)

	Basic Export quota	Ceiling import Quota
Assam	50	Madras 200
C. P.	150	Bombay 475
Orissa	110	U. P. 125
Eastern States	60	West Bengal 200
Punjab States	25	Bihar 102
		East Punjab 120
		Travancore 260
		Cochin 95
		Mysore 75

STATEMENT III

Showing the position regarding control over prices and movement of gram and Barley

Provinces	Gram		Barley	
	Prices	Movement	Prices	Movement
1. East Punjab	Controlled	Controlled	No control	Controlled.
2. U. P.	No. Control	Do.	Do.	Do.
3. Bihar	Do.	Do.	Do.	Do.
4. Bombay	Do.	Do.	No control except in rationed areas of Bombay, Poona, Ahmedabad and Sholapur.	Do.
5. C. P.	Do.	Do.	No Control	No control.
6. Madras	Do.	No control	Do.	Do.
7. Orissa	Controlled	Controlled	Do.	Do.
8. West Bengal	Control to be removed shortly.	Do.	Do.	Controlled.
9. Assam	Controlled	Controlled	Do.	No control.
10. Ajmer	Do.	Controlled but contemplate removing control.	Controlled	Controlled.
11. Coorg	No control	Controlled	No control	No control.
12. Delhi	Do.	No control	Controlled	Controlled.

YEAR BY PRODUCTION FOR LAST TEN YEARS IN TITAGARH PAPER MILLS AND INDIA PAPER PULP COMPANIES

34. *Shri Lakshminarayan Sahu: Will the Honourable Minister of Industry and Supply be pleased to state the productions from year to year for the last ten years in (i) the Titagarh Paper Mills Company Limited and (ii) the India Paper Pulp Company Limited?

The Honourable Dr. Syama Prasad Mookerjee: Production figures are available only from 1943 and are as follows:

	Titagarh Paper Mills Co., Ltd. Tons	India Paper Pulp Co., Ltd. Tons
1943	32,177	8,451
1944	31,012	8,494
1945	33,237	8,235
1946	32,729	6,717
1947 (only up to November)	22,208	3,880

Seth Govinddas: Is it a fact that the production of Titagarh Mills would have been much more but for continuous strikes?

The Honourable Dr. Syama Prasad Mookerjee: That is one of the reasons.

Prof. N. G. Ranga: What are the other reasons for this drastic fall in production?

The Honourable Dr. Syama Prasad Mookerjee: Shortage of raw materials and chemicals and transport difficulties.

Prof. N. G. Ranga: Are Government doing anything to help it to increase production?

The Honourable Dr. Syama Prasad Mookerjee: We are doing what we can.

Shri Rohini Kumar Chaudhuri: Why has the production of this India Paper Pulp Company been decreasing in the last few years?

The Honourable Dr. Syama Prasad Mookerjee: The same reasons,—shortage of raw materials and chemicals, labour shortage, and in some cases shortage of transport.

Diwan Chaman Lall: What steps have been taken to remedy the shortage of raw materials?

The Honourable Dr. Syama Prasad Mookerjee: We are trying to supply as far as possible.

COMMODITIES DE-CONTROLLED AND THEIR PRICES BEFORE AND ON 10TH JANUARY, 1948.

35. *Diwan Chaman Lall: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) the commodities over which control has been lifted; and

(b) what the control prices of those commodities were before decontrol and what their prices were on the 10th January, 1948?

The Honourable Dr. Syama Prasad Mookerjee: (a) A statement showing the commodities with which the Ministry of Industry and Supply is concerned and over which control has been lifted is placed on the table of the House.

(b) The information is being collected and will be laid on the table of the House as soon as possible.

STATEMENT

1. Commodities over which controls were withdrawn prior to 30th September 1946 or which lapsed on that date.

Machine tools, Ferro-Alloys, Cinematograph films, Imported Engineer Stores, Non-Ferrous Metals, Brass and Copper Utensils, Aluminium Utensils, Drugs and Pharmaceuticals, Bleaching Powder and Chloride, Rubber, Cement, Wattle Bark and Wattle Extract, Timber, Cycle tyres and tubes, Motor car and Motor cycle tyres and tubes, Giant tyres and tubes, Essential stores for Jute Industry, Starch, Misc. articles for Textiles Industry, Dyes and Chemicals for Cotton Textiles, Hydro-Sulphite of Soda, Wireless Sets, Cotton (Foreign and Indian), Matches, Sulphuric Acid, Sulphate of Alumina, Coconut Oil and Copra and various Consumer Goods.

2. Commodities over which controls were withdrawn after 30th September 1946.

(a) Control over consumption of Newsprint for printing newspapers and periodicals which are published at regular intervals of not more than one month, was lifted from 3rd April 1947.

(b) Control over Cotton cloth and yarn was lifted from 20th January 1948.

Seth Govinddas: Is it a fact that after decontrol there has been a fall in the price of every commodity? Will Government therefore lift controls on other materials?

The Honourable Dr. Syama Prasad Mookerjee: Control now continues only in respect of four or five items,—paper, iron and steel and coal (so far as my Ministry is concerned); petrol, kerosene and mica (so far as the Ministry of Works, Mines and Power is concerned); and spare parts of vehicles (so far as the Ministry of Transport is concerned).

Seth Govinddas: Is there any possibility of controls being removed in the near future over articles with which the Honourable Minister is concerned?

The Honourable Dr. Syama Prasad Mookerjee: I am considering about paper: I have already taken that up.

Shri Raj Krishna Bose: What are the difficulties that the Ministry anticipates, if iron and steel are decontrolled?

The Honourable Dr. Syama Prasad Mookerjee: The main difficulty is shortage of production.

Diwan Chaman Lall: May I ask, Sir, whether it is correct that decontrol has resulted in the dropping of prices of sugar?

The Honourable Dr. Syama Prasad Mookerjee: It is a debatable proposition.

Seth Govinddas: Is it not a fact, Sir, that the prices of all articles have fallen considerably after decontrol; if the present prices are compared with the prices prevailing before decontrol in black market?

The Honourable Dr. Syama Prasad Mookerjee: The Honourable Member's question shows that it is a debatable point.

Shri Deshbandhu Gupta: When do Government propose to remove control on white printing paper?

The Honourable Dr. Syama Prasad Mookerjee: I cannot disclose the date; I do not want to encourage speculation.

SELECTION AND DECISION *re* NATIONALISATION OF INDUSTRIES.

36. *Diwan Chaman Lall: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) whether any decisions have been taken to implement the policy of the nationalisation of certain industries; and

(b) whether any particular industries have been selected for nationalisation within the next five years, and if so, what?

The Honourable Dr. Syama Prasad Mookerjee: (a) and (b). The question of nationalisation of industries was discussed at the Industries Conference held in December, 1947, and a copy of the Resolution adopted by that Conference is laid on the table of the House. The recommendation made by the Conference is under consideration and Government hope to make an announcement on the subject shortly.

RESOLUTION.

This Conference recommends to Government that while enunciating their national policy of industrial development, the following aspects among others, should be kept in view:—

(1) The need for an equitable distribution of the country's wealth and production leading to rapid improvement of the standard of living and comfort of the masses of the Indian people, based on social justice.

(2) The need for the fullest utilisation of the country's resources without allowing wealth to accumulate in the hands of a section of the people.

(3) The need for central planning, co-ordination and direction so as to obtain maximum efficiency and output; a fair and reasonable distribution of the industries throughout the country in relation to the potentialities of each area, and also to determine a fair basis of wages and profit.

(4) The division of industries into three broad categories:—

(a) Industries which should be under State ownership and management.

(b) Industries which may be jointly owned and managed by the State and private enterprise.

(c) Industries owned and managed by private enterprise.

In selecting the industries as aforesaid, which will be reviewed from time to time, the paramount considerations will be the country's basis economic and defence requirements on the one hand and the possibility of quick and efficient production on the other.

DECISION *re* NATIONALISATION OF MATCH AND TOBACCO MANUFACTURING INDUSTRIES

37. *Diwan Chaman Lall: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) whether any decision has been taken to take over the ownership and effect nationalisation of the match manufacturing industry and the tobacco manufacturing industry, which are generally foreign-owned industries; and

(b) the sum that will be required for the purpose of such acquisition?

The Honourable Dr. Syama Prasad Mookerjee: (a) No, Sir.

(b) Does not arise.

Diwan Chaman Lall: May I ask, Sir, why the policy of nationalisation of certain industries, which are foreign-owned and which if taken over would result in the liquidation of large foreign concerns, has not yet been considered by Government?

The Honourable Dr. Syama Prasad Mookerjee: So far as the match industry is concerned, it is not all foreign-owned. There are a number of small factories which are Indian-owned.

Diwan Chaman Lall: May I know whether it is a fact that a major portion of the industry is controlled by the Western India Match Company?

The Honourable Dr. Syama Prasad Mookerjee: The Western India Match Company has five factories in India. Till about the end of 1946 it used to produce about 75 to 80 per cent. of the total production of matches in the country; but since 1947 onwards it accounts for only about 50 to 55 per cent. of the total production and Indian factories have been set up which are producing nearly 45 per cent.

Diwan Chaman Lall: May I ask whether the Honourable Minister is aware that even Indian companies which are producing matches have to depend upon the Western India Match Company's principals for any machinery or spare parts that they want and whether there is any close liaison between these Indian companies and Western India Match Company?

The Honourable Dr. Syama Prasad Mookerjee: They have to depend upon the Western India Match Company to a certain extent, but we are quite prepared to help them.

Diwan Chaman Lall: Is it not a fact, Sir, that the supply of machinery is a complete monopoly of the Western India Match Company's principals?

The Honourable Dr. Syama Prasad Mookerjee: I cannot say definitely.

Diwan Chaman Lall: With regard to tobacco, is it not a fact that the major portion of the industry is foreign-owned?

The Honourable Dr. Syama Prasad Mookerjee: That too I do not know, Sir.

Diwan Chaman Lall: May I ask whether it is a fact, Sir, that a very large amount of revenue would accrue to the Government if these two industries were taken over by Government?

The Honourable Dr. Syama Prasad Mookerjee: If the Honourable Member gives me details, of which he is apparently fully aware, I shall certainly consider them.

Shri H. V. Kamath: Sir, what are the total number of match making, I mean, match manufacturing factories in India?

The Honourable Dr. Syama Prasad Mookerjee: There are five factories under the Western India Match Company and there are about 160 small factories which are mostly controlled by Indians.

CAUSES FOR LATE ARRIVAL AT CALCUTTA OF DOWN ASSAM MAIL FROM AMINGAON, EAST PAKISTAN

38. *Shri Rohini Kumar Chaudhuri: (a) Will the Honourable Minister of Railways be pleased to state whether it is a fact that the Down Assam Mail which left Amingaon on the evening of the 8th January 1948, reached Calcutta on the night of the 10th January 1948, i.e. 32 hours after the scheduled time of arrival? If so, why?

(b) Is it a fact that the said Mail Train was not allowed to proceed to Calcutta and was taken back to Parbatipur from Chumdanga Station, by the Pakistan Railway Authorities on the 9th January 1948?

(c) Is it a fact that most of the passengers in this train were people of the Indian Dominion and that they were not allowed to cross the Pakistan Boundary because of quarrels between the employees of the Indian and Pakistan Railways in Pakistan Area?

(d) What are the circumstances under which the delay in the movement of the aforesaid train was caused and what steps were taken by Government to ensure the safety of the passengers?

(e) For how many days was booking from Assam to Calcutta and *vice versa* by the Assam Mail stopped in the 2nd week of January 1948?

The Honourable Dr. John Matthai: (a) The Down Assam Mail which left Amingaon on the evening of the 8th January, 1948 did not reach East Indian Railway as it was terminated by the Eastern Bengal Railway within their jurisdiction. Probably passengers of this train availed themselves of the Assam Mail next day which reached Calcutta six hours four minutes late.

(b) and (c). Government have no information.

(d) As already stated the train was not received by the East Indian Railway. The reason was that the train staff of Eastern Bengal Railway refused to work the train into the Indian Dominion on that day. A police force as well as Railway Protection Police were immediately sent out who have been escorting all trains between Ranaghat and Sealdah since then.

(e) Booking from Calcutta to Assam and *vice versa* was not stopped at any time.

Shri Rohini Kumar Chaudhuri: Has the Government called for any information with regard to (b) and (c)?

The Honourable Dr. John Matthai: We have tried to get information, but we have not been able to get information of a sufficiently definite or detailed character.

Shri Rohini Kumar Chaudhuri: In view of the fact that through tickets are issued by East Indian Railway for journey by Eastern Bengal Railway and *vice versa*, do Government propose to take any steps to ensure the safety of the passengers?

The Honourable Dr. John Matthai: Well, so far as we are concerned, within our jurisdiction, as I have already said, we have arranged for all trains between Frontier stations and Sealdah to be escorted.

Shri Rohini Kumar Chaudhuri: Do I understand that it is not the concern of the Government as to what happens to the passengers belonging to the Dominion of India but have to pass through the Pakistan area?

The Honourable Dr. John Matthai: It is very much our concern and we are doing all that we can. But you have got to make allowance for the fact that within Pakistan area our right to intervene is limited.

Shri Rohini Kumar Chaudhuri: The Honourable Minister said that he is doing what he can; what steps has the Government actually taken?

The Honourable Dr. John Matthai: Well, as a matter of fact, ever since this unfortunate incident took place on the 9th January, there has been no interruption of service at all and we have been running these trains through. So, I think, the position to that extent is satisfactory.

Shri Rohini Kumar Chaudhuri: Has the Government of India stationed any officer either in Parbatipur or anywhere near the frontier to look after the safety of the Dominion passengers?

The Honourable Dr. John Matthai: That is a suggestion which I am prepared to consider.

CONSTRUCTION OF PROPOSED RAILWAY LINE LINKING BIHAR WITH ASSAM.

39. *Shri Upendra Nath Barman: (a) Will the Honourable Minister of Railways be pleased to state when Government propose to start the actual construction of the proposed Railway line linking Bihar with Assam?

(b) What is the estimated time by which regular traffic can be expected to commence by the said link?

(c) Have Government taken into account the heavy transit of goods over this link and also the strategic nature of this link?

(d) If so, do Government propose to make a statement regarding the same?

The Honourable Dr. John Matthai: (a) The construction work on the proposed railway line linking Bihar and Assam has already commenced.

(b) Regular traffic by the said link is expected to commence in about 2 years time.

(c) Yes.

(d) The principal commodities which will be carried by this link are jute, tea, hides and skins from Assam, and salt, iron, steel, manures, cotton piece-goods and general goods in the reverse direction. Moderately large movements of grains and pulses, jagree, sugar, wheat and wheat products are also expected. The construction of the link cannot, however, be justified on purely financial grounds but it is an absolute necessity both strategically and administratively.

Shri Upendra Nath Barman: Will the Honourable Minister kindly say by what date the conversion of the narrow gauge into meter gauge from Kishanganj to Siliguri be completed and the track made fit for traffic?

The Honourable Dr. John Matthai: The whole scheme is expected to be completed in about two years' time; the conversion portion will take probably a year.

Shri Upendra Nath Barman: May I know Sir, when the construction of bridges over Tista and Torsa will be completed?

The Honourable Dr. John Matthai: That of course is the most difficult part of the work. But, as I said, the whole of the scheme, including the conversion of the line from Kishanganj to Siliguri will be completed in two years.

Shri Upendra Nath Barman: Will Government kindly consider the desirability of constructing two major bridges over Tista and Torsa so that in future broad gauge line may be laid?

The Honourable Dr. John Matthai: That is a matter which I would have to discuss with my expert advisers. It is likely to affect the financial commitments involved.

Shri Upendra Nath Barman: May I know that during these two years—that is before the line is fit for proper communication and for traffic—what arrangements Government will make for the transport of material from the Dooars and from Assam so that they may be led to other parts of the Indian Union?

The Honourable Dr. John Matthai: Pending the construction of this line, the present arrangements will have to stand.

Shri Upendra Nath Barman: I mean what arrangements have been made by Government for goods traffic?

The Honourable Dr. John Matthai: It is not possible to make any arrangements until the new line is completed.

Shri Rohini Kumar Chaudhuri: What is the difference in the hours of travel by this route?

The Honourable Dr. John Matthai: I cannot give the exact time. It will be a longer route.

CONSTRUCTION OF ADDITIONAL STATIONS ON B. N. RAILWAY IN CUTTACK DISTRICT.

40. *Shri Lakshminarayan Sahu: (a) Will the Honourable Minister of Railways be pleased to state whether Government propose to open several new stations on the Bengal Nagpur Railway in the Cuttack district in view of the rapid industrialisation of that district and the starting of new business concerns there?

(b) Do Government propose to open stations or sub-stations on either side of every railway bridge?

(c) Do Government propose to make a survey of the Bengal Nagpur Railway in the Cuttack district and see where such stations may be immediately opened?

(d) Do Government propose to open such stations on both sides of the rivers the Brahmani, the Baitarni and the Bisuga?

The Honourable Dr. John Matthai: (a) to (d). Government have no such proposals under examination. The matter will however be referred to the Railway Administration for investigation.

COMPULSORY KNOWLEDGE OF DEVANAGARI AND URDU SCRIPTS FOR POSTAL EMPLOYEES IN VIEW OF PUBLIC INTERESTS.

51. *Shri Gokulbhai Daulatram Bhatt: Will the Honourable Minister of Communications be pleased to state:

(a) whether Delhi Post Office clerks are duty bound to decipher Devanagari script;

(b) if the answer to part (a) above be in the affirmative, why the Sub-Postmaster, Mori Gate Post Office (Delhi) stated that his office had no clerk knowing Hindi i.e. for deciphering Devanagari script, (*vide* correspondence between the Secretary Bharat Publication Limited and the Sub-Postmaster published in the *Hindustan* of Delhi, dated the 23rd December, 1947) and why he further stated that Hindi was not declared the language of the State (Rashtra Bhasha); and

(c) if the reply to part (a) above be in the negative, whether Government propose to enjoin on the postal clerks of Delhi in particular and upper India in general to learn both the scripts—Devanagari and Urdu?

The Honourable Mr. Rafi Ahmed Kidwai: (a) No, unless they are conversant with Devanagari script.

(b) Does not arise.

(c) Rules of the P. and T. Department require that a Post Office clerk should have working knowledge of one local Indian language, for Delhi, Urdu script is the only recognised official script. There are, however, some clerks in post offices in Delhi who know Hindi, and steps have been taken to include at least one Hindi-knowing official among the staff of every post office in Delhi. Government trust that the public will not be inconvenienced in future.

Seth Govinddas: May I know who has recognised the Urdu script as the only recognised official script for Delhi?

The Honourable Mr. Rafi Ahmed Kidwai: I do not know, unless it is the Civil Authorities!

Shri Deshbandhu Gupta: Is the Honourable Minister aware of the fact that the Advisory Council to the Chief Commissioner, Delhi, had passed a resolution more than two months back recommending that Hindi should be the additional official language for the province?

The Honourable Mr. Rafi Ahmed Kidwai: I can inform the House that the case arose out of the presentation of a registered letter addressed in Hindi, and it was not accepted by a certain clerk. That case was brought to the notice of the Postmaster-General in Delhi on the 10th December and within three days that clerk was removed and a Hindi-knowing clerk was placed at every post office and instructions were issued that all the clerks should be taught Hindi as well.

Shri Deshbandhu Gupta: May I ask the Honourable Minister that in view of the fact that a resolution was passed by the Chief Commissioner's Advisory Council recognising Hindi as an additional official language, whether he will circularise all the post offices to make arrangements and see that all clerks dealing with mails must know both Urdu and Hindi?

The Honourable Mr. Rafi Ahmed Kidwai: If the Honourable Member sends me a copy of that resolution I will do it. But steps have already been taken and no circular is necessary.

Shri Deshbandhu Gupta: Will the Honourable Minister refer to the Home Ministry for getting a copy of the resolution?

Mr. Speaker: Order, order.

Shri H. V. Kamath: The Honourable Minister has stated that Urdu is the only script for the post office clerks in Delhi?

The Honourable Mr. Rafi Ahmed Kidwai: I did not say that.

Shri H. V. Kamath: Is the post office clerk to be familiar only with his own script?

Mr. Speaker: Will the Honourable Member resume his seat?

श्री गोकुलभाई भट्ट: अभी आपने जवाब दिया है कि हर एक पोस्ट-ऑफिस में एक क्लर्क ऐसा रखा जायेगा जो हिन्दी जानिगा। क्या यह बात है कि हिन्दी की जो देवनागरी लिपि है उसे जानने वाला सिर्फ एक ही क्लर्क एक पोस्ट-ऑफिस में रहेगा?

Shri Gokulbhai Daniatram Bhatt: You have just informed us that every post office will have a Hindi-knowing clerk. Is it meant that there will be only one clerk knowing Hindi in Devanagari script in each post office?

انریہل مسٹر رفیع احمد قدوائی: میں نے ابھی عرض کر دی ہے کہ جتنے کلرک پوسٹ آفسوں میں ہونگے وہ سب ہندی بھی جانتھگے۔

The Honourable Mr. Rafi Ahmed Kidwai: I have just mentioned that all clerks in post offices will also be Hindi-knowing.

TRANSFERRED STARRED QUESTIONS AND ANSWERS†.

(a) ORAL ANSWERS

Mr. Speaker: The House will now proceed with the previous day's questions.

PERIOD OF VACATIONS FOR FEDERAL COURT OF INDIA AND CENTRALLY ADMINISTERED AND STATE AIDED COLLEGES.

9. ***R. B. Lala Raj Kanwar:** Will the Honourable Minister of Home Affairs be pleased to state:

(a) for what length of period the following institutions are generally closed for the annual long vacation (i) Federal Court of India, (ii) Colleges under the administrative and financial control of the Central Government; and

(b) whether Government propose to reduce the period of long vacation in the public interest?

The Honourable Sardar Vallabhbhai Patel: (a) (i) Four months.

(ii) About two months. Delhi Polytechnic School is the only institution of this description.

(b) The Honourable the Chief Justice is prepared to consider the question of revising the period of vacation of the Federal Court when the volume of work justifies such revision. The vacation in the Delhi Polytechnic is not longer than that in other similar institutions.

APPOINTMENTS CARRYING SALARIES OF RUPEES THREE THOUSAND OR MORE PER Mensem UNDER CENTRAL GOVERNMENT.

10. ***R. B. Lala Raj Kanwar:** Will the Honourable Minister of Home Affairs be pleased to state the appointments under the Central Government which carry a salary of Rs. 3,000 and over per mensem mentioning the salary fixed in each case?

The Honourable Sardar Vallabhbhai Patel: A statement† containing the required information is laid on the table of the House.

Seth Govinddas: As the Pay Commission has recommended that the highest pay suitable for India should not be more than Rs. 3,000, will the Honourable the Home Minister see that notices are given to those officials who are getting more than Rs. 3,000? That if they do not accept less pay, their services should be terminated.

The Honourable Sardar Vallabhbhai Patel: It cannot be done because most of them are guaranteed and protected services in regard to whom we have given guarantees to the Secretary of State. Until this list of guaranteed officers is exhausted, we will have to pay them these salaries.

Seth Govinddas: Will the Government see that in future no officer is appointed who is getting more than Rs. 3,000 pay?

†The meeting of the Assembly fixed for the 29th January, 1948, having been cancelled, the Starred Questions for that day were taken up to-day after the questions put down for the day were disposed of.

The Honourable Sardar Vallabhbhai Patel: In future, no new recruit will be appointed on more than Rs. 3,000. But if the old officers were getting Rs. 3,000 and new ones would be entitled to get Rs. 3,000 according to their scale under the guarantee, they are bound to be given that pay.

Shri B. Das: Has any official drawing Rs. 3,000 and above in the I.C.S. volunteered to surrender any portion of his pay after 15th August 1947?

The Honourable Sardar Vallabhbhai Patel: If he voluntarily surrenders, then his surrender will be accepted.

Shri B. Das: Has any official of the I.C.S. drawing above Rs. 3,000 surrendered that portion of his salary?

The Honourable Sardar Vallabhbhai Patel: Well, so far no one has reported to us any such instance. If the Honourable Member has any such information, we will be willing to accept it.

Dr. B. Pattabhi Sitaramayya: Will the Home Ministry be pleased to use its influence in persuading officers drawing over Rs. 3,000 to make this voluntary sacrifice in view of the great rise in the scales of pay of the lower officers?

The Honourable Sardar Vallabhbhai Patel: After giving the guarantee it is not possible for the Home Minister to exercise any good offices over the people to whom a guarantee has been given. It is left to the officer himself.

Dr. B. Pattabhi Sitaramayya: I am not suggesting an infraction of duty.

Mr. Speaker: It is all right.

NUMBER OF OFFICERS AND SOLDIERS OPTED TO INDIA LEFT IN PAKISTAN.

11. ***Mr. R. K. Sidhva:** Will the Honourable Minister of Defence please state:

(a) whether the troops, who opted from Pakistan to India, have now all come over to India;

(b) if not, how many soldiers and officers have actually arrived in India and how many still remain behind;

(c) the number of soldiers and officers who opted out to India; and

(d) the reasons for the delay in their transfer to the Dominion of India?

The Honourable Sardar Baldev Singh: (a) No, Sir, as there are still a few in transit and some on duty in connection with the evacuation of refugees.

(b) and (c). Separate statistics are not readily available showing the total number of military personnel who were stationed in Pakistan at the time they opted for service in India. Figures of Indian military personnel still in Pakistan are being collected and will be laid on the table of the House shortly.

(d) The transfer of personnel has been continuous and its pace has been determined mainly by the transport facilities available.

Mr. R. K. Sidhva: May I know what is the meaning of "few" which the Honourable Minister has said in reply to (a)?

The Honourable Sardar Baldev Singh: I think there is a small number of military personnel in Pakistan. According to the information available, I think the number of regular troops is approximately six companies, that is 1½ battalions.

MONETARY GRANTS TO DELHI BRANCH OF HINDUSTAN SCOUT ASSOCIATION.

12. ***Mr. R. K. Sidhva:** (a) Will the Honourable Minister of Education please state whether it is a fact that in reply to a supplementary question raised on starred question No. 557 asked on 3rd December, 1947, it was stated that the application of the Delhi Branch of the Hindustan Scout Association for a grant was receiving attention?

(b) If so, has the application been considered and the grant passed?

- (c) If so, what is the amount of the grant?
- (d) Do the Government of India pay annual grant to the All India Hindustan Scout Association (Allahabad)?
- (e) If so, what amount?
- (f) If not, have Government at any time received application from them for such a grant?
- (g) What is the amount of grant given to the Boy Scout Association in Delhi and its all India organization?
- (h) Is it a fact that the Hindustan Scout Association was started by Indian leaders and the Boy Scout Association by foreigners?

آنریبل مولانا ابوالکلام آزاد : (a), (b) اور (c) : مجب میں نے یہ بات کہی تھی کہ ہندوستان سکاؤٹ ایسوسی ایشن کے گرانٹ ان ایڈ دینے کے معاملہ پر سوچ بچار کیا جا رہا ہے تو میرا اس سے مطلب سنکر آرگنائزیشن کی درخواست سے تھا۔ دہلی برانچ اس ایسوسی ایشن کی لوکل گورنمنٹ سے تعلق رکھتی ہے۔ اور اُسے چار سو روپیہ دہلی ایڈمنسٹریشن سے مل رہا ہے۔

(d), (e) اور (f) : ہندوستان سکاؤٹ ایسوسی ایشن کے سنٹرل آرگنائزیشن کی درخواست پر غور کیا گیا ہے۔ اور اس کے لئے ۱۹۳۸-۳۹ کی بجٹ میں ۱۵۰۰۰ روپیہ ابع منظوری اس اسبلی کے رکھا گیا ہے۔

(g) : بوائے سکاؤٹ ایسوسی ایشن کی دہلی برانچ کو لوکل ایڈمنسٹریشن سے ۱۷۰۰ روپیہ بطور گرانٹ مل رہا ہے۔ اور بوائے سکاؤٹ ایسوسی ایشن کے سنٹرل آرگنائزیشن کو حکومت ہند سے ۱۵۰۰۰ روپیہ بطور گرانٹ ملتا ہے۔

(h) : جواب ہاں میں ہے۔ لیکن اونچے درجے کے ہندوستانی بھی بوائے سکاؤٹس ایسوسی ایشن میں ہیں۔

بہر حال بدلے ہوئے حالات میں میرا خیال ہے کہ اگر یہ دونوں آرگنائزیشن اکٹھے ہو جائیں تو بہتر ہوگا اور مجھے اُمید ہے کہ متعلقہ افسران اس پر غور کریں گے۔

The Honourable Maulana Abul Kalam Azad: (a), (b) and (c) When I said, Sir, that the question of a grant-in-aid to the Hindustan Scout Association was under consideration I meant the application of the central organisation of the Association.

The Delhi Branch of the Association comes within the purview of the Local Administration and is in receipt of a grant of Rs. 400 from the Delhi Administration.

(d), (e) and (f) The application of the Central organisation of the Hindustan Scout Association for a grant has been considered and subject to the vote of the Assembly a sum of Rs. 15,000 has been provided in the budget for 1948-49.

(g) The Delhi Branch of the Boy Scouts Association is in receipt of a grant of Rs. 2,700 from the Local Administration. The Central organisation of the Boy Scouts Association receives a grant of Rs. 15,000 from the Government of India.

(h) The answer is in the affirmative, but eminent Indians are also associated with the latter.

In view of the changed circumstances however, I think that it would be better if both these organisations were to amalgamate. I hope the office bearers concerned will consider this suggestion.

مسٹر آر۔ کے۔ سدھوا : آپ نے فرمایا ہے کہ ہندوستان سکاؤٹ ایسوسی ایشن کی دہلی برانچ کو لوکل ایڈمنسٹریشن سے ۲۰۰۰ روپیہ گرانٹ دیا۔ بوائے سکاؤٹس کو ۱۷۰۰ روپیہ میں سنبھالنا چاہتا ہوں کہ ہندوستان سکاؤٹ ایسوسی ایشن کو کیوں اتنی کم رقم دی گئی ہے۔

Mr. R. K. Sidhva: You have stated that the Delhi Branch of the Hindustan Scouts Association is in receipt of a grant of Rs. 400 from the Local Administration. The Boy Scouts Association has been granted Rs. 2,700. I would like to know why the Hindustan Scouts Association has been given a relatively lesser amount?

آنریبل مولانا ابوالکلام آزاد : یہ سوال آپ دہلی کی گورنمنٹ سے کریں۔ ایسوسی ایشن کی دہلی برانچ کو جو گرانٹ دیا گیا ہے۔ وہ لوکل ایڈمنسٹریشن نے دیا ہے۔ گورنمنٹ آف انڈیا کا اس سے کوئی تعلق نہیں ہے۔ اس میں شک نہیں کہ جو گرانٹ ان ایڈ ان ایسوسی ایشنوں کو دیئے گئے ہیں۔ ان میں فرق ضرور ہے۔

The Honourable Maulana Abul Kalam Azad: You may put this question to the Delhi Administration. The grant which the Delhi Branch of the Association receives has been sanctioned by the Local Administration. The Government of India is not concerned in the matter. There is no doubt that there is difference between the amounts of the grants-in-aid that have been allotted to these Associations.

شری دیش بندو گپتا : کیا آنریبل منسٹر دہلی کی گورنمنٹ کو ہدایت جاری کریں گے۔ کہ اتنی بھی گرانٹ ۲۷۰۰ روپیہ دی جائے۔

Shri Deshbandu Gupta: Will the Honourable Minister please issue necessary instructions to the Delhi Administration that the amount of grant to the Delhi Association may be raised to Rs. 2,700?

آنریبل مولانا ابوالکلام آزاد : اس پر غور کیا جا رہا ہے۔

The Honourable Maulana Abul Kalam Azad: This is being considered.

श्री एच० वी० कामत : क्या वजीर साहब यह बता सकते हैं कि ब्वाय स्काउट्स एसोसिएशन में गर्ल गाइड्स शामिल हैं ?

Shri H. V. Kamath: Will the Honourable Minister please state if the Girl Guides also form part of the Boy Scouts Association?

آنریبل مولانا ابوالکلام آزاد : میں یہ نہیں بتا سکتا ہوں۔

The Honourable Maulana Abul Kalam Azad: I cannot say this.

مسٹر آر۔ کے۔ سدھوا : کیا یہ صحیح ہے۔ کہ بوائے سکاؤٹس ایسوسی ایشن کی allegiance king کے ساتھ ہے۔ اور ہندوستان سکاؤٹس ایسوسی ایشن کی country کے ساتھ ہے۔

Mr. R. K. Sidhva: Is it a fact that the Boy Scouts Association owe their allegiance to the King and the Hindustan Scouts Association to the country?

آنریبل مولانا ابوالکلام آزاد : بہر حال جہاں تک king کی allegiance کا تعلق ہے وہ ان دونوں تنظیموں کی اپنی ہی ہے۔

The Honourable Maulana Abul Kalam Azad: Any way, so far as the allegiance to the King is concerned, that also still applies to the Indian Dominion.

مسٹر آر - کے سدھوا : کیا یہ صحیح نہیں ہے - کہ اب تک بھی بوائے سکاؤٹس ایسوسی ایشن کی allegiance کنگ کے ساتھ ہے - اور ہندوستان سکاؤٹس ایسوسی ایشن کی ملک کے ساتھ ہے -

Mr. R. K. Sidhva: Is it not a fact that even up till now the Boy Scouts Association owe their allegiance to the King and the Hindustan Scouts Association to the country?

آنریبل مولانا ابوالکلام آزاد : میں نے بتا دیا ہے - کہ پچھلے حالات میں یہ دونوں ن گئے ہیں - اور اب ہمیں یہ کوشش کرنی چاہئے ان دونوں کو ایک بنا دیا جائے -

The Honourable Maulana Abul Kalam Azad: I have just stated that these organisations were started under the circumstances existing in the past and we should now endeavour that both these should be amalgamated.

سےٹ گوویندداس : کیا ماننیہیہ سدسہیہ اس بات کو جانتے ہیں کہ جہاں تک دہلی سکاؤٹس کا سمبندھ ہے وہاں تک دہلی سکاؤٹس سے سمبندھ رکھنے والے جیتنے والے جیتنے والے ہیں اس سے اس سے پتہ چلتا ہے اور ان کے جواب دہ کی ذمہ داری اس سے سمبندھ کے منسٹروں پر ہے ۔

Seth Govinddas: Is the Honourable Minister aware of the fact that so far as the Delhi Administration is concerned, all questions relating thereto are asked in the floor of this House and the responsibility for answering them devolves on the Ministers in this Assembly?

آنریبل مولانا ابوالکلام آزاد : میرا مقصد یہ ہے - کہ لوکل گورنمنٹ نے جن حالات میں چار سو روپیہ دہلی برانچ کو دیا ہے ان حالات کی تفصیل میرے پاس نہیں ہے - لیکن اس بات پر فور ہو رہا ہے کہ انکو کہیں کم رقم دی گئی ہے -

The Honourable Maulana Abul Kalam Azad: What I mean to say is that I am not aware of the circumstances under which the Local Government sanctioned the grant of Rs. 400 to the Delhi Branch. Moreover I do not know the details which led to this decision. But the question as to why a lesser amount was granted to them is already receiving attention.

مسٹر آر - کے - سدھوا : کیا یہ صحیح بات نہیں ہے - کہ حکومت کی طرف سے کوشش کی گئی تھی - دونوں کو ملانے کے لئے - مگر وہ king کی allegiance نہیں چھوڑنا چاہتے تھے - ایسی حالت میں Government of India کیا کرنا چاہتی ہے - انکی گرانٹ کو بند کرنا چاہتی ہے - اور انکو کہنا چاہتی ہے کہ تمہیں king کی allegiance چھوڑنی پڑیگی -

Mr. R. K. Sidhva: Is it not a fact that efforts were made by the Government previously that both these should be amalgamated? But the Members of the Boy Scouts Association do not want to abjure their allegiance to the King. What steps do the Government of India propose to take under these circumstances? Do the Government intend to suspend payment of the grant and insist on their renouncing allegiance to the King?

آنریبل مولانا ابوالکلام آزاد : ہمیں یہ کوشش کرنی چاہیئے - کہ یہ دونوں ایک ہو جائیں -

The Honourable Maulana Abul Kalam Azad: We should try that both these should be amalgamated.

شری دیش بندھو گپتا : کیا یہ ٹھیک ہے - کہ دہلی سکاؤٹس ایسوسی ایشن کی طرف سے یہ درخواست کی گئی تھی کہ جسقدر گرانٹ بوائے سکاؤٹس ایسوسی ایشن کو دیا گیا ہے - اسی قدر انکو ہی دیا جائے -

Shri Deshbandhu Gupta: Is it a fact that the Delhi Scouts Association submitted a representation to the effect that they should also be granted the same amount as was given to the Boy Scouts Association?

آنریبل مولانا ابوالکلام آزاد : میں اس کے متعلق جواب نہیں دے سکتا - مجھے معلوم نہیں -

The Honourable Maulana Abul Kalam Azad: I cannot give any reply to this. I do not know.

POLICY re-ADOPTION OF ONE INDIAN LANGUAGE IN PLACE OF ENGLISH AS OFFICIAL LANGUAGE IN CENTRE AND PROVINCES.

13. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Education please state whether it is a fact that he stated at the last convocation address of the Patna University that a limit of 5 years' time be fixed for continuing the English language along with an Indian language and that at the sixth year only one Indian language be used as the official language in Central and Provincial Governments?

(b) Is that the decision of the Government of India?

(c) If so, has any province discarded the English language altogether for official business and adopted only one Indian language?

(d) If so, which are those provinces and do Government propose to issue instructions to those provinces to continue English language along with an Indian language for official purposes for 5 years?

آنریبل مولانا ابوالکلام آزاد : (a) ہاں

(b) نہیں - یہ میری ذاتی رائے ہے - اور مجھے اُمید ہے کہ وقت آنے پر گورنمنٹ اس پر مناسب سوچ بچار کریگی -

(c) جہاں تک حکومت کو علم ہے کسی صوبہ نے ایسا نہیں کیا ہے -

(d) یہ سوال پیدا نہیں ہوتا -

The Honourable Maulana Abul Kalam Azad: (a) Yes.

(b) No. This is my personal opinion, and I hope that when the time comes, Government will pay the necessary attention to this point of view.

(c) As far as Government is aware, no Province has done so up till now.

(d) Does not arise.

سےٹ گوویندداس : کیا ماننیہیہ سدسہیہ اس بات کو ماننے کے لئے کہ ہندوستان کے भाषा-विज्ञ लोग इस बात को मानते हैं कि हिन्दुस्तान में पांच वर्ष तक अंग्रेजी भाषा की शिक्षा रहने की बिल्कुल आवश्यकता नहीं है ?

Seth Govinddas: Is the Honourable Minister aware of the fact that the linguists in India believe that there is obviously no necessity to continue teaching in the English language in the country for five years?

آنریبل مولانا ابوالکلام آزاد: یہ رائے کا سوال ہے۔

The Honourable Maulana Abul Kalam Azad: This is a matter of opinion.

مولانا حسرت موہانی: جہاں تک یو۔ پی کا تعلق ہے۔ میں معزز وزیر صاحب سے بتانا چاہتا ہوں۔ کہ انہوں نے پہلے دن سے ہی انگریزی کو بالکل مٹا دیا ہے۔ اب یو۔ پی میں کوئی کارروائی بغیر ہندی کے کسی اور زبان میں نہیں ہوتی ہے۔ گورنمنٹ گزٹ بھی ہندی میں چھپتا ہے اور سارے circulars اسی ایک زبان میں جاری ہوتے ہیں۔ انہوں نے انگریزی کو بالکل خارج کر دیا ہے۔

Maulana Hasrat Mohani: So far as the U.P. Government is concerned, I would like to tell the Honourable Minister that they finished with the English language from the very start. At present no business is conducted in U.P. in any other language except Hindi. The Government Gazette is also printed in Hindi. And moreover all the circulars are issued in this very language. They have discarded English for all purposes.

Mr. Speaker: The Honourable Member will see that it is for the Minister to give information and he should put a question.

Maulana Hasrat Mohani: This is with reference to part (c) of the question.

کیا معزز وزیر صاحب کو یہ معلوم ہے۔ کہ یو۔ پی گورنمنٹ نے انگریزی قطعی طور پر ہٹا دی ہے۔ اور صرف ہندی زبان جاری کر دی ہے۔ تاکہ جو لوگ صرف اردو جانتے ہیں۔ وہ کچھ بھی نہ سمجھ سکیں۔

Is the Honourable Minister aware of the fact that U.P. Government have altogether done away with the English language and introduced the Hindi language so that the people who know Urdu only may not be able to understand anything?

آنریبل مولانا ابوالکلام آزاد: گورنمنٹ آف انڈیا کے علم میں یہ ہے۔ کہ یو۔ پی میں گورنمنٹ گزٹ انگریزی میں بھی نکلتا ہے۔

The Honourable Maulana Abul Kalam Azad: It is within the knowledge of the Government of India that in U.P. the Government Gazette is published in English also.

Mr. Frank R. Anthony: Is the Honourable Minister aware of the undue hardship which is being caused to the non-Hindi-knowing people by the precipitate language policy of certain provinces like the Central and United Provinces?

Mr. Frank R. Anthony: Is the Honourable Minister aware of the undue answer.

STUDENTS TRAINED AS MIDWIVES, NURSES AND HEALTH VISITORS IN GOVERNMENT INSTITUTIONS IN DELHI EVERY YEAR.

14. *Mr. R. K. Sidhs: (a) Will the Honourable Minister of Health please state the names of Institutions maintained by Government and those which receive Government grants for training midwives, nurses and Health visitors in Delhi?

(b) What is the full capacity for admission of students of these three categories?

(c) Is it a fact that a larger number of students than the total strength of Institutions apply every year for admission?

(d) If so, how many approximately are refused admission?

(e) Do Government propose to consider the question of increasing the total number of students in these categories in view of the scarcity of midwives and nurses?

The Honourable Rajkumari Amrit Kaur: (a) The institutions are (i) The College of Nursing, (ii) The Irwin Hospital, (iii) The Lady Hardinge Medical College Hospital, (iv) The Lady Reading Health School, (v) The St. Stephen's Hospital and (vi) The Victoria Zangana Hospital.

Of these the first two are maintained by Government and the rest are aided.

(b) The present maximum capacity of the institutions to admit students is as follows:

15 for training as midwives.

221 for training as Nurses.

28 for training as Health Visitors.

(c) Yes.

(d) The number of refusals varies between 50 and 60 approximately per annum.

(e) The question is receiving the attention of Government.

REPRESENTATION BY BIHAR GOVERNMENT re-MERGER OF KHARSAWAN AND OTHER STATES WITH ORISSA.

15. *Shri Brajeshwar Prasad: (a) Will the Honourable Minister of States be pleased to state whether Government have received any representation from the Government of Bihar regarding the handing over of Kharsawan and other adjoining States to the administration of the Government of Orissa?

(b) Have Government taken or propose to take up this matter with the Government of Bihar?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). A representation was received from the Government of Bihar in regard to the transfer of the administration of Kharsawan and Sareikella States to the Government of Orissa. The Government of Bihar was informed that the transfer of the States was a purely interim measure necessitated by the complete breakdown of law and order in the States and that a final decision regarding the Province with which the States should be integrated would be taken after considering all the relevant factors. An Enquiry Commission is being set up to report on the issue.

Shri B. Das: May I know whether the attention of the Honourable Minister has been drawn to the strong misrepresentation in the Bihar press against the Orissa Government and the people of Orissa in this matter and has the Honourable Minister taken any action against such misrepresentation in the Bihar press?

The Honourable Sardar Vallabhbhai Patel: This is not a question concerning what appears in the Bihar press. The Honourable Member's question does not arise out of the question under reply.

Shri H. V. Kamath: What is going to be the composition of the Enquiry Commission that is being set up?

The Honourable Sardar Vallabhbhai Patel: A judge of the High Court of Bombay.

Shri Yudhisthir Misra: May I know whether it is a fact that the Rulers of Kharsawan and Sareikella States have agreed by their agreement on the 14th or 15th of December, 1947, to merge their States with the Province of Orissa permanently?

The Honourable Sardar Vallabhbhai Patel: It is true that they have signed the Covenant.

Shri Mihir Lal Chattopadhyay: May I ask whether any representation has been received from the Government of West Bengal regarding the incorporation of Sareikella with West Bengal?

The Honourable Sardar Vallabhbhai Patel: All representations that have been received and that will be received from other Governments will be forwarded to the Commission that has been appointed.

Pandit Balkrishna Sharma: In view of the inter-provincial rivalry between West Bengal, Bihar and Orissa about these States, will the Government take into consideration the suggestion that they might all be transferred to the United Provinces?

The Honourable Sardar Vallabhbhai Patel: If the United Provinces put in their claim it will also be referred to the Commission.

(b) WRITTEN ANSWERS

RETRENCHMENT OF V. C. Os, MILITARY ASSISTANT STORE KEEPERS AND NEW RECRUITMENT IN CADRE OF ORDENANCE OFFICERS CIVILIANS.

16. *Diwan Chaman Lall: (a) Will the Honourable Minister of Defence be pleased to state how and in what circumstances the posts of V. C. Os., M.A. S.K. in the I.A.O.C. and O. Os. C. (Ordnance Officers Civilians) were created and what is their future?

(b) What are the basic educational and other qualifications for direct recruitment as V. C. O., Military Assistant Store Keeper in I.A.O.C. and O.Os. C. and what are the scales of pay for them?

(c) Is it a fact that 1,500 out of about 1,800 V. C. Os., M.A.S.K. in the I.A.O.C. have been declared surplus and are shortly being released, while new recruitment is being made to the cadre of the O. Os. C.?

(d) What is the reason for such treatment being meted to the V. C. Os. in comparison with the treatment meted out to the O. Os. C.?

(e) Is it a fact that if all the vacancies caused by the departure of B. O. Rs. are filled up by the V. C. Os., all the V. C. Os. in the Indian Army will be absorbed?

(f) If the answer to part (e) above be in the affirmative, why are all such vacancies not being filled up by the V. C. Os.?

The Honourable Sardar Baldev Singh: (a) The cadre of V.C.Os., M.A.S.K., was created in 1942 with a view to combatizing the I.A.O.C. to meet demands for Field Units. Permanent serving civilians were allowed to elect combatant terms or status for the duration of the emergency or for such period as their services were required.

A serving V.C.O. is entitled—

- (i) to apply for a Short Service or a Regular Commission if eligible;
- (ii) to remain as V.C.O. in the post-war cadre depending on his suitability for retention in the post-war army;
- (iii) to revert to his substantive civilian appointment if he holds a lien; or
- (iv) to revert to the rank of Havildar if he so desires and provided a vacancy exists.

The cadre of Ordnance Officers (Civilians) was created as a war measure to meet the deficiency in the strength of military officers.

The retention of the cadre of Ordnance Officers (Civilians) in the post-war army is at present under consideration. It is also being considered whether they should be allowed to apply for Short Service or Regular Commissions. They can, of course, revert to their substantive appointments if they hold a lien.

(b) I lay a statement on the table of the House.

(c) No.

(d) Does not arise in view of (c) above.

(e) No.

(f) Does not arise in view of the answer to part (e).

Statement

The basic educational qualification for direct recruitment of a V. C. O., Military Assistant Store Keeper in the I. A. O. C. was a degree of a recognised University. The scales of pay are as follows:—

(i) Old Rates :

Pay	Grade Pay	War Service Increment
Jemadar 80—5—105	60 p. m.	10.
Subedar—140—10—180	60 p. m.	13.
Subedar Major—200—15—260 + Rs. 50 p. m. personal allowance		

(ii) New Rates :
Pay

Pay	Dearness Allowance
Jemadar—122/8—5—137—8	20
Subedar—162/8—10—192/8	22/8
Subedar Major—265	30

The educational qualification for Ordnance Officers (Civilians) recruited direct in the I. A. O. C. was a degree of a recognised University. The scale of pay is:—

(i) Old Rates:—Rs. 340—20—600

(ii) New Rates:—Rs. 275—25—500 Efficiency bar—30—650

FIRING IN A COTTON MILL OF DELHI TO SUPPRESS LABOUR AGITATION.

17. *Diwan Chaman Lall: Will the Honourable Minister of Home Affairs be pleased to state:—

(a) the circumstances under which firing which resulted in death and injury to people, was resorted to, in connection with the strike in a Cotton Mill in Delhi in the month of December, 1947;

(b) whether the orders to fire were given by a competent authority;

(c) whether instructions have been given to avoid the use of fire-arms, in order to suppress agitation among the working classes in connection with industrial disputes; and

(d) whether an enquiry was held into this specific case of firing and if so, whether the results of the enquiry are available?

The Honourable Sardar Vallabhbhai Patel: (a) On the 8th December 1947 an urgent call was received at the Subzimid Police Station that a mob of workers had gathered outside the Manager's Office and had become riotous. Four armed foot constables were sent to the mill. On arrival they were man-handled, and brickbats were thrown at them. An attempt was also made

forcibly to take away their rifles whereupon they fired in self-defence. One person was injured and died later.

(b) Fire was opened in self-defence.

(c) Existing instructions permit the use of fire-arms, when unavoidable, only for dealing with unlawful assemblies or in self-defence. No further instructions are therefore necessary.

(d) An enquiry was held by a magistrate. The report justifies the firing and the finding is that the casualty was incidental rather than intentional.

POSITION re-MERGER OF STATES WITH INDIAN UNION AND RELATIONS WITH

EX-RULERS

18. *Diwan Chaman Lall: Will the Honourable Minister of States be pleased to state:

(a) the present position regarding the merger of several Indian States with the Indian Union?

(b) what liabilities have been undertaken by the Indian Union in respect of the rulers of such States;

(c) whether any documents have been executed between the Rulers and the Government of India regarding the terms of the merger and the obligations towards the ex-rulers of the merging States; and

(d) how many States still remain outside the various schemes of merger?

The Honourable Sardar Vallabhbhai Patel: (a) to (d) The Rulers of 25 Orissa States and 14 Chhattisgarh States have signed an agreement under which the administration of the former will be integrated with the Orissa Province and of the latter with the Central Provinces and Berar. The Ruler of Makrai situated in the Hoshangabad District of the Central Provinces has also signed an agreement for the integration of his State with that Province. A copy of the standard form of these agreements is placed on the Table of the House. The Rulers of 30 Kathiawar States have signed a Covenant for the integration of the States and the Talukas in Kathiawar in a United Kathiawar State. A copy of the Covenant is placed on the Table of the House. Under these agreements the Rulers concerned have been guaranteed a privy purse, and their existing personal rights and privileges. Rulers of 3 Deccan States namely Jath, Jamkhadi and Akalkot have also agreed to merge their States with the Province of Bombay.

Standard Form of Agreements.

AGREEMENT made this fourteenth day of December 1947 between the Governor-General of India and the Raja of.....

WHEREAS in the immediate interests of the State and its people, the Raja of..... is desirous that the administration of the State should be integrated as early as possible with that of the Province of Orissa in such manner as the Government of the Dominion of India may think fit;

C.P.

It is hereby agreed as follows:—

Article 1.

The Raja of..... hereby cedes to the Dominion Government full and exclusive authority, jurisdiction and powers for and in relation to the governance of the State and agrees to transfer the administration of the State to the Dominion Government on the 1st day of January 1948 (hereinafter referred to as "the said day").

As from the said day the Dominion Government will be competent to exercise the said powers, authority and jurisdiction in such manner and through such agency as it may think fit.

Article 2.

The Raja shall with effect from the said day be entitled to receive from the revenues of the State annually for his privy purse the sum of..... rupees free of taxes. This amount is intended to cover all the expenses of the Ruler and his family, including expenses on account of his personal staff, maintenance of his residences, marriages and other ceremonies, etc., and will neither be increased nor reduced for any reason whatsoever.

The said sum may be drawn by the Raja in four equal instalments in advance at the beginning of each quarter by presenting bills at the State Treasury or at such other Treasury as may be specified by the Dominion Government.

Article 3.

The Raja shall be entitled to the full ownership, use and enjoyment of all private properties (as distinct from State properties) belonging to him on the date of this agreement.

The Raja will furnish to the Dominion Government before the 1st day of January 1948 an inventory of all the immovable property, securities and cash balances held by him as such private property.

If any dispute arises as to whether any item of property is the private property of the Raja or State property, it shall be referred to such officer with judicial experience as the Dominion Government may nominate and the decision of that officer shall be final and binding on both parties.

Article 4.

The Raja, the Rani, the Rajmata, the Yuvraja and the Yuvrani shall be entitled to all personal privileges enjoyed by them whether within or outside the territories of the State, immediately before the 15th day of August 1947.

Article 5.

The Dominion Government guarantees the succession, according to law and custom, to the gadi of the State and to the Raja's personal rights, privileges, dignities and titles.

In confirmation whereof Mr. Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, has appended his signature on behalf and with the authority of the Governor-General of India and..... Raja of..... has appended his signature on behalf of himself, his heirs and successors.

Cuttack,

Dated December 14th 1947.

Raja of.....

Secy. to the Govt. of India
Ministry of States.

The Covenant entered into by the Rulers of Kathiawar States for the formation of the United State of Kathiawar.

WE, the Rulers of certain States in Kathiawar,

BEING CONVINCED that the welfare of the people of this region can best be secured by the establishment of a state comprising the territories of the numerous States, Estates and Talukas in Kathiawar with a common Executive, Legislature and Judiciary,

AND HAVING resolved to entrust to a Constituent Assembly consisting of elected representatives of the people the drawing up of a democratic Constitution for that State within the frame-work of the Constitution of India to which we have already acceded, and of this Covenant,

DO HEREBY, with the concurrence and guarantee of the Government of India, enter into the following COVENANT—

ARTICLE I

In this Covenant,—

(a) "Covenanting State" means any of the States mentioned in Schedule I the Ruler of which has, whether by himself or by a duly authorised representative, signed this Covenant;

(b) "Covenanting Salute State" means any Covenanting State which is mentioned in Part A of Schedule I;

- (c) "Covenanting Non-Salute State" means any Covenanting State which is mentioned in Part B of Schedule I; and
- (d) unless there is anything repugnant in the subject or context, references to the Ruler of a State, or the Talukdar of a Taluka, include any person or persons for the time being exercising the powers of the Ruler or Talukdar whether by reason of his minority or for any other reason.

ARTICLE II

- (1) The Covenanting States agree—
- (a) to unite and integrate their territories in one State, with a common executive, legislature and judiciary, by the name of "THE UNITED STATE OF KATHIAWAR"; and
- (b) to include in the United State so established, any other State, Taluka or Estate the Ruler or Talukdar of which agrees, with the approval of the Government of India, to the merger of that State, Taluka or Estate in the United State of Kathiawar.
- (2) The terms of all the agreements of merger referred to in clause (b) of paragraph (1) of this Article shall be binding on the United State and shall be deemed to be part of this Covenant.

ARTICLE III

- (1) There shall be a Council of the Rulers of the Covenanting Salute States.
- (2) There shall be a Presidium consisting of five members, each of whom shall be the Ruler of a Covenanting State and shall be not less than 21 years of age.
- (3) Subject to the condition mentioned in paragraph (2) of this Article, the Rulers of Nawanagar and Bhavnagar shall be permanent members of the Presidium, one member shall be elected from among themselves by the Rulers of the Covenanting Non-Salute States; and the other members shall be elected from among themselves by the members of the Council of Rulers other than Nawanagar and Bhavnagar.
- (4) The Council of Rulers shall elect one member of the Presidium to be the President, and another to be the Vice-President of the Presidium, and the President so elected shall be the RAJ PRAMUKH of the United State.
- (5) A Ruler elected as a member of the Presidium in pursuance of paragraph (3), or as the President or the Vice-President of the Presidium in pursuance of paragraph (4), of this Article shall be entitled to hold office as such member, President or Vice-President, as the case may be, for a term of five years from the date on which he enters upon the duties of that office.
- (6) Notwithstanding anything to the contrary contained in the preceding paragraphs of this Article—
- (a) the present Rulers of Nawanagar and Bhavnagar, having been elected President and Vice-President, respectively, of the Presidium by the Rulers concerned on the 17th January, 1948, shall be the first President and Vice-President, respectively, of the Presidium;
- (b) the present Rulers of Dharangadhra, Palitana and Kotda-Sangani, having been elected members of the Presidium by the Rulers concerned on the 17th and 21st January, 1948, shall be the first elected members of the Presidium; and
- (c) the said President, Vice-President and members of the Presidium shall, for the purposes of paragraph (5) of this Article, be deemed to have entered upon the duties of their respective offices on the 1st February, 1948.

ARTICLE IV

- (1) The Raj Pramukh shall be entitled to the same salary, allowances, and other amenities enabling him to discharge conveniently and with dignity the duties of his office, as the Governor of Bombay is entitled to on the 20th January, 1948.
- (2) If the Raj Pramukh is by reason of absence or illness, or for any other reason, unable to perform the duties of his office, those duties shall, until he has resumed them, be performed by the Vice-President of the Presidium. During such period the Vice-President shall be entitled to the same salary, allowances and other amenities as the Raj Pramukh.

ARTICLE V

- (1) There shall be a Council of Ministers to aid and advise the Raj Pramukh in the exercise of his functions except those under paragraph (2) of Article VII.
- (2) The Ministers shall be chosen by, and shall hold office during the pleasure of, the Raj Pramukh.

- (3) For the purpose of choosing the first Council of Ministers the Raj Pramukh shall convene, not later than the 20th February, 1948, a meeting of the members of the Electoral College of Kathiawar (formed for electing representatives to the Constituent Assembly of India) but excluding the members from the States of Cutch, Idar and Radhanpur.

ARTICLE VI

- (1) The Ruler of each Covenanting State shall, as soon as may be practicable, and in any event not later than the 15th April, 1948, make over the administration of his State to the Raj Pramukh; and thereupon—
- (a) all rights, authority and jurisdiction belonging to the Ruler which appertain, or are incidental, to the government of the Covenanting State shall vest in the United State of Kathiawar, and shall thereafter be exercisable only as provided by this Covenant or by the Constitution to be framed thereunder;
- (b) all duties and obligations of the Ruler pertaining or incidental to the government of the Covenanting State shall devolve on the United State of Kathiawar and shall be discharged by it; and
- (c) all the assets and liabilities of the Covenanting State shall be the assets and liabilities of the United State of Kathiawar.
- (2) When in pursuance of any such agreement of merger as is referred to in clause (b) of paragraph (1) of Article II the administration of any other State, Taluka or Estate is handed over to the Raj Pramukh, the provisions of clauses (a) and (b) of paragraph (1) of this Article, and in the case of a State, the provisions also of clause (c) thereof, shall apply in relation to such State, Taluka or Estate as they apply in relation to a Covenanting State, with the modification that in relation to a Taluka or Estate, the references in the said clauses to the Ruler shall be construed as references to the Talukdar.

ARTICLE VII

- (1) The military forces, if any, of each Covenanting State shall, as from the date on which the administration of such State is made over to the Raj Pramukh, become the military forces of the United State of Kathiawar.
- (2) Subject to any directions or instructions that may from time to time be given by the Government of India in this behalf, the authority to raise, maintain and administer the military forces of the United State shall vest exclusively in the Raj Pramukh.
- Provided that nothing in this Article shall be deemed to prevent the Raj Pramukh from consulting the Presidium or the Council of Ministers in regard to any of the said matters.

ARTICLE VIII

Subject to the provisions of this Covenant and of the Constitution to be framed thereunder, the executive authority of the United State shall be exercised by the Raj Pramukh either directly or through officers subordinate to him; but anything in this Article shall prevent any competent legislature of the United State from conferring functions upon subordinate authorities, or be deemed to transfer to the Raj Pramukh any functions conferred by any existing law on any court, judge, officer or local authority in a Covenanting State.

ARTICLE IX

- (1) There shall be formed, as soon as may be practicable, a Kathiawar Constituent Assembly in the manner indicated in Schedule II.
- (2) It shall be the duty of the said Assembly to frame a Constitution for the United State (whether of a unitary or federal type) within the framework of this Covenant and the Constitution of India, and providing for a government responsible to the legislature.
- (3) Until a Constitution so framed comes into operation after receiving the assent of the Raj Pramukh, the legislative authority of the United State shall vest in the Raj Pramukh, who may make and promulgate Ordinances for the peace and good government of the State or any part thereof, and any Ordinance so made shall have the like force of law as an Act passed by the legislature of the State.

ARTICLE X

- (1) The Ruler of each Covenanting State shall be entitled to receive annually from the revenues of the United State for his privy purse, the amount specified against that Covenanting State in Schedule I.
- (2) The said amount is intended to cover all the expenses of the Ruler and his family including expenses on account of his personal staff, maintenance of his residences, marriages and other ceremonies, etc., and shall neither be increased nor reduced for any reason whatsoever.

(3) The Raj Pramukh shall cause the said amount to be paid to the Ruler in four equal instalments at the beginning of each quarter in advance.

(4) The said amount shall be free of all taxes, whether imposed by the Government of the United State of Kathiawar or by the Government of India.

ARTICLE XI

(1) The Ruler of each Covenantee State shall be entitled to the full ownership, use and enjoyment of all private properties (as distinct from State properties) belonging to him on the date of his making over the administration of that State to the Raj Pramukh.

(2) He shall furnish to the Raj Pramukh within one month of the said date an inventory of all the immoveable properties, securities and cash balances held by him as such private property.

(3) If any dispute arises as to whether any item of property is the private property of the Ruler or State property, it shall be referred to such person as the Government of India may nominate, and the decision of that person shall be final and binding on all parties concerned.

ARTICLE XII

The Ruler of each Covenantee State, as also the members, of his family shall be entitled to all the personal privileges, dignities and titles enjoyed by them, whether within or outside the territories of the State, immediately before the 15th day of August, 1947.

ARTICLE XIII

(1) The succession, according to law and custom, to the *gaddi* of each Covenantee State, and to the personal rights, privileges, dignities and titles of the Ruler thereof, is hereby guaranteed.

(2) Every question of disputed succession in regard to a Covenantee Salute State shall be decided by the Council of Rulers after referring it to the High Court of Kathiawar and in accordance with the opinion given by that High Court.

ARTICLE XIV

No enquiry shall be made by or under the authority of the State of Kathiawar, and no proceedings shall lie in any court in that State, against the Ruler of any Covenantee State, whether in a personal capacity or otherwise, in respect of anything done or omitted to be done by him or under his authority during the period of his administration of that State.

ARTICLE XV

The Government of Kathiawar shall, in consultation with the Government of India and the Government of Bombay, take all steps necessary to set up a Joint Advisory Council, consisting of Ministers of Kathiawar and Ministers of the Province of Bombay, for investigating and discussing subjects of common concern and making recommendations thereon, and in particular recommendations for the better co-ordination of policy and action with respect to any such subject.

ARTICLE XVI

(1) The United State of Kathiawar hereby guarantees *either* the continuance in service of the permanent members of the public services of each of the Covenantee States on conditions which will be not less advantageous than those on which they were serving before the date on which the administration of that State is made over to the Raj Pramukh *or* the payment of reasonable compensation.

(2) The United State of Kathiawar further guarantees the continuance of pensions and leave salaries sanctioned by competent authorities in any of the Covenantee States to members of the public services of that State who have retired, or proceeded on leave preparatory to retirement, before the date referred to in paragraph (1) of this article.

(3) The provisions of paragraphs (1) and (2) of this Article shall apply also in relation to the public services of any other State in Kathiawar merging in the United State of Kathiawar; and the provisions of paragraph (1) shall apply also in relation to any staff of the Regional Commissioner, Western India and Gujarat States, which may be transferred to the service of the United State of Kathiawar.

ARTICLE XVII

Except with the previous sanction of the Raj Pramukh, no proceedings, civil or criminal, shall be instituted against any person in respect of any act done or purporting to be done in the execution of his duty as a servant of any Covenantee State before the date on which the administration thereof is made over to the Raj Pramukh.

ARTICLE XVIII

Nothing in this Covenant shall be deemed to prevent the Government of Kathiawar from negotiating a Union of Kathiawar with other Gujarati Speaking areas on such terms and conditions as may be agreed to by the Council of Rulers, as well as the Council of Ministers, of Kathiawar.

SCHEDULE I

Covenantee States and Privy Purse Amounts.

PART A. SALUTE STATES.

	Rs.
1. Nawanagar	10,00,000
2. Bhavnagar	
3. Porbandar	3,80,000
4. Dhrangadhra	3,80,000
5. Morvi	8,00,000
6. Gondal	8,00,000
7. Jafrabad	16,000
8. Wankaner	1,80,000
9. Palitana	1,80,000
10. Dhrol	1,10,000
11. Limbdi	1,95,000
12. Rajkot	2,85,000
13. Wadhwan	1,42,000

PART B. NON-SALUTE STATES

	Rs.
1. Lakhtar	91,000
2. Sayla	62,500
3. Chuda	51,250
4. Vala	88,750
5. Jasdan	1,50,000
6. Amarnagar Thana-Devli	1,00,000
7. Vadia	78,250
8. Lathi	77,500
9. Muli	
10. Bajana	65,500
11. Virpur	44,500
12. Maliya	47,500
13. Kotda-Sangani	67,000
14. Jetpur	1,00,000
15. Bilkha	1,00,000
16. Patdi	20,000
17. Khirasra	30,000

SCHEDULE II

Provisions relating to the Kathiawar Constituent Assembly.

1. The Assembly shall consist of not more than forty-five elected representatives of the people of the United State of Kathiawar on the basis of one representative for approximately one lakh of the population:

Provided that the people of each Covenantee Salute State shall, irrespective of their number, be entitled to elect at least one representative.

2. The United State of Kathiawar shall be divided into territorial constituencies and the total number of seats shall be distributed among them by assigning to each constituency one or two seats as may be convenient. As far as possible the constituencies shall be so delimited as not to cut across the boundaries of any compact part of a Covenantee State.

3. The qualifications for membership of the Assembly and for being included in the electoral rolls shall be similar to those prescribed in relation to the Provincial Legislative Assembly of Bombay, subject to necessary modifications:

Provided that no person shall be disqualified either from being chosen as, or from being, a member of the Assembly or from being included in the electoral roll of a constituency, merely because he is the Ruler of a Covenanting or other State, or the Talukdar of a Taluka or Estate.

4. An order shall in due course be made and proclaimed by the Raj Pramukh providing, consistently with the foregoing provisions of this Schedule, for—

- (a) the delimitation of constituencies;
- (b) the preparation of electoral rolls;
- (c) the qualifications for membership of the Assembly;
- (d) the qualifications entitling persons to vote in the elections;
- (e) conduct of the elections, including bye-elections for the filling of casual vacancies;
- (f) corrupt practices at or in connection with such elections; and
- (g) the decision of doubts and disputes arising out of or in connection with such elections.

In confirmation of the above Covenant we append our signatures, on behalf of ourselves, our heirs and successors.

The Government of India hereby concur in the above Covenant and guarantee all its provisions. In confirmation whereof Mr. Vapal Pangunni Menon, Secretary to the Government of India in the Ministry of States, appends his signature on behalf and with the authority of the Government of India.

*Secretary to the Government of India,
Ministry of States.*

GOVERNMENT FAILURE TO SET AN ADEQUATE NUMBER OF TROOPS AGAINST RAIDERS CONCENTRATION IN JHANGER AREA.

19. *Diwan Chaman Lall: Will the Honourable Minister of Defence be pleased to state:

(a) whether it is a fact that previous information was available to the authorities of concentrations of raiders, amounting to nearly 6,000, round-about Jhanger area before the attack actually developed;

(b) whether it is a fact that, in spite of this previous information being available to the authorities, no steps were taken to increase the strength of our troops in the Jhanger area; and

(c) whether steps have now been taken to make an enquiry into the case?

The Honourable Sardar Baldev Singh: (a) to (c) It is not in the public interest to answer this question at present. It will be appreciated that speculation on such matters based on rumours is strongly to be deprecated.

GOVERNMENT OF INDIA SCHEDULED CASTE SCHOLARSHIPS TO STUDENTS FROM EAST PAKISTAN.

20. *Shri Upendra Nath Barman: (a) Will the Honourable Minister of Education be pleased to state whether it is a fact that there are several students receiving Government of India Scheduled Caste Scholarships, whose home districts have now fallen in East Bengal and who are continuing their studies in West Bengal Colleges and Institutions?

(b) Is it a fact that the Government of India have referred these students to correspond with the Government of Pakistan at Karachi as regards the continuance of their Scholarships?

(c) Are Government aware that most of the students will have to discontinue their studies if the Scholarships are stopped?

(d) What course of action Government propose to take so that the career of these students may not be hampered?

The Honourable Maulana Abul Kalam Azad: (a) The Government of India Scheduled Caste Scholarships are intended for the nationals of the Dominion of India only, and as such scholarships to students whose home districts have fallen in the East Bengal will not be granted by this Government, even if they happen to continue their studies in West Bengal colleges or institutions.

(b) Yes, Sir. Previous papers of all such candidates, who are nationals of Pakistan, were transferred to that Government and the students were asked to correspond with the Government of Pakistan in regard to their scholarships.

(c) Government have no reason to believe that the Government of Pakistan will discontinue the scholarships of students who belong to Pakistan.

(d) The Government of India are always prepared to consider cases of students who belong to Pakistan but have permanently migrated to this Dominion provided a certificate from the local authority is produced by the student to that effect.

ACCESSION OF INDORE STATE TO INDIAN UNION.

21. *Pandit Mukut Bihari Lal Bhargava: Will the Honourable Minister of States be pleased to state whether it is a fact that the Government of India had accepted the accession of the Indore State to the Indian Union only on the Maharaja's undertaking to accept a nominee of the Government of India to act as the Prime Minister of the State for a period of three years?

The Honourable Sardar Vallabhbhai Patel: No.

SYED KASIM RAZVI'S STATEMENT re HYDERABAD'S ACCESSION TO INDIAN UNION AFTER TERMINATION OF STANDSTILL AGREEMENT.

22. *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable Minister of States be pleased to state, whether the attention of the Government of India has been drawn to the statement made by Syed Kasim Razvi, President of the Majlis Ittehadul-Muslemin, and published in the *Hindustan Times*, dated the 5th January 1948, to the effect that "those at the helm of affairs in India who thought Hyderabad would accede to the Union after the termination of the Standstill Agreement were deluding themselves", and that "the monarchical Government of the Hyderabad State is far better than the so called democracy of India"?

(b) Have the Government of India taken any step to ascertain the views of the Nizam's Government on the aforesaid statement? If so, with what result?

The Honourable Sardar Vallabhbhai Patel: (a) I have seen a press report to this effect.

(b) The answer to the first part of the question is in the negative. The second part does not arise.

BAN BY NIZAM'S GOVERNMENT ON USE OF INDIAN RUPEES AND EXPORT OF PRECIOUS METALS.

23. *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable Minister of States be pleased to state whether it is a fact that the Nizam's Government in Hyderabad has promulgated an order banning the export from the State of

gold, silver, copper, zinc, nickel and any other precious metal whether as ornaments or in any other form or quantity?

(b) Are Government aware that the Nizam's Government have promulgated an ordinance prohibiting the use of the Indian rupee within the State for cash transactions?

(c) Are Government aware that the Nizam's Government propose to promulgate a Foreign Exchange Regulation Ordinance?

(d) Do the above constitute a breach by the Nizam of the Standstill Agreement or of the spirit underlying the same? What steps, if any, have the Government of India taken so far in the matter and with what result?

The Honourable Sardar Vallabhbhai Patel: (a) Yes.

(b) Yes.

(c) Yes.

(d) Yes. These matters will be the subject of discussion with the Prime Minister of Hyderabad when he visits Delhi tomorrow.

SWAMI RAMANAND TIRTHA'S STATEMENT re BARBAROUS SUPPRESSION OF PEOPLE IN HYDERABAD STATE AND NIZAM'S BAN ON *Hindustan Times*

24. *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable Minister of States be pleased to state whether the attention of the Government of India has been drawn to the statement of Swami Ramanand Tirtha, Leader of the Hyderabad State Congress, to the effect that, "The suppression of the people in Hyderabad State is so barbarous that I appeal to the conscience of the Indian nation to take serious cognizance of it before it is too late", and also to the fact that the Nizam's Government, has banned the circulation of the *Hindustan Times* within the State?

(b) Do the Government of India propose to make any representation on the subject to the Nizam's Government?

The Honourable Sardar Vallabhbhai Patel: (a) Yes.

(b) No.

NEWS re GRANT OF A LOAN BY NIZAM TO PAKISTAN GOVERNMENT.

25. *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable Minister of States be pleased to state, whether the attention of the Government of India has been drawn to the news published in the Indian Newspapers that the Government of Pakistan have asked for and the Nizam has agreed to grant a loan of Rs. 25 crores to Pakistan?

(b) Have the Government ascertained the authenticity of this news from the Nizam's Government? If so, with what result?

(c) In case the news be correct, what steps have the Government of India so far taken or contemplate to take to prevent this act on the part of the Nizam's Government?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). The amount involved is Rs. 20 crores and Hyderabad Government have represented that the transaction is an exchange of securities of the Government of India with the securities of the Government of Pakistan.

(c) The transaction had already been effected before the Government of India came to know about it. The question of preventive measures did not, therefore, arise. The whole matter, however, is the subject of discussion between the Government of India and the Nizam's Government.

BANKING COMPANIES BILL.

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): Sir, I move for leave to withdraw the Bill to consolidate and amend the law relating to banking companies.

In making this motion, Mr. Speaker, I would like to say just a word by way of explanation as to why I am making this motion. Honourable Members might remember that in the last session of this Assembly I made a motion that this Bill which was pending in the old Assembly might be continued, and my motion was then accepted by this House. It was my intention when making that motion that this Bill as amended by the Select Committee of the old Legislative Assembly might be taken up for consideration during this Session. On a close scrutiny of the Report of the Select Committee and the Bill as amended by the Select Committee I found that it became necessary for moving a number of amendments consequent on the constitutional changes. It was also necessary to move a number of drafting amendments. I thought that if the Bill was taken in the form in which it was amended by the Select Committee and if all these innumerable amendments were taken into consideration in this House it might cause a great deal of confusion, especially by reason of the fact that many of the Honourable Members in this House are unfamiliar with the background of this Bill. Purely, therefore, from the point of view of convenience in procedure I have now decided to withdraw the old Bill and it is my intention to introduce a new Bill very shortly, incorporating all these amendments. I think such a procedure will facilitate work in this House and will also enable Honourable Members to get a better appreciation of the provisions of this Bill. As I said, it is my intention to introduce the new Bill very shortly, refer it to a Select Committee and, if possible, take it for consideration and final passing in the current session itself. Sir, I move

Mr. Speaker: Motion moved:

"That leave be granted to withdraw the Bill to consolidate and amend the law relating to banking companies."

Shri Rohini Kumar Chaudhuri (Assam: General): Sir, I would like to know whether the restrictions regarding the opening of new branches of a bank, which form part of the Bill which is being withdrawn, will now continue in the form of an Ordinance issued for the purpose or whether these restrictions will not exist.

The Honourable Shri R. K. Shanmukham Chetty: Sir, it is not my intention to continue by way of Ordinance any of the provisions of the Bill which is being withdrawn.

Shri B. Das (Orissa: General): Sir, I welcome the speech of the Honourable the Finance Minister and I do hope that other Ministers in the Cabinet will follow the salutary precedent which the Honourable the Finance Minister has introduced. Many such Bills have been introduced in the defunct Legislature which a free India Legislature and a more free India Government cannot countenance. It is better everything starts anew and I hope the other Ministers will follow this practice. The Bill as was introduced was based on a policy that was dictated by the Bank of England and I am very glad that the measure is now being withdrawn and that a fresh measure would be brought before the House.

Mr. Speaker: The question is:

"That leave be granted to withdraw the Bill to consolidate and amend the law relating to banking companies."

The motion was adopted.

The Honourable Mr. C. H. Bhabha (Minister for Commerce): Sir, I beg to move for leave to withdraw the Bill further to amend the Insurance Act, 1938.

Sir, I do not desire to say very much on this occasion except to draw the attention of the House to the fact that insurers have represented that on account of the partition of the country, mass migration and other disturbances, insurance companies have been faced with newer problems which they will take considerable time to solve. The other grounds which my Honourable colleague, the Finance Minister, has adduced for the withdrawal of the Banking Bill also apply to this Bill. All these representations are being considered by Government and it is the intention of Government, after taking the various interests concerned into confidence, to bring forward a new amended Bill which will be on the lines of the Bill in respect of which I have made the motion to withdraw. Sir, I move.

Mr. Speaker: Motion moved:

That leave be granted to withdraw the Bill further to amend the Insurance Act, 1938."

सेठ गोविन्द दाम : सभापति जी, जहाँ तक बीमे के मामले का सम्बन्ध है, वहाँ तक मैं समझता हूँ कि माननीय सदस्य इस बात को जानते हैं कि इस देश में ज्यादातर लोग इस पक्ष के हैं कि बीमे का हम राष्ट्रीयकरण कर लेना चाहिये।

अभी माननीय सदस्य ने यह कहा कि वे इस सम्बन्ध में एक नया बिल लाने वाले हैं। मैं उनको यह कहना चाहता हूँ कि जहाँ तक इस बिल का सम्बन्ध है, वहाँ तक बीमे कम्पनी वाले इस बात का अभी से प्रयत्न कर रहे थे कि जितनी धाराएँ इस बिल में हैं, उनसे वे किसी न किसी प्रकार बच जायें और पहले ही से इस बात का प्रवन्ध कर लें कि जिससे उन धाराओं का कोई असर उनकी कम्पनियों की कार्यवाही पर न पड़ सके।

मैं माननीय सदस्यों से यह कहना चाहता हूँ कि बीमे कम्पनी के संचालक इतने पटु हो गये हैं कि चाहे माननीय मंत्री किसी प्रकार का भी बिल लाने का प्रयत्न करें, उस बिल के कानून बन जाने के पहले ही वे ऐसी योजना कर लेंगे कि उसकी धाराओं का इन कम्पनियों पर कोई असर न पड़ेगा। ऐसी हालत में मैं यह उचित समझता हूँ कि सरकार को सुधार के लिये नया बिल लाने की अपेक्षा बीमे का रोजगार ही अपने हाथ में ले लेना चाहिये। फिर यह एक ऐसा कार्य भी है जिसके सम्बन्ध में कोई बहुत बड़ी जोखिम उठाने की भी आवश्यकता नहीं पड़ेगी। बीमा कम्पनियों को इस समय जो प्रीमियम मिलता है, वह प्रीमियम भी इतना अधिक है कि यदि सरकार इस कार्य का राष्ट्रीयकरण करले, तो सरकार के पास काफी आमदनी प्रति वर्ष की हो जायगी। इस आमदनी को सरकार राष्ट्रीय कार्यों में खर्च सकेगी।

मेरा माननीय सदस्य से यह निवेदन है कि वे केवल सुधार के लिये कोई नया बिल बीमे के सम्बन्ध में न लायें, बल्कि एक बिल ऐसा लायें जिससे बीमे के सारे

कार्य का राष्ट्रीयकरण हो जाय और उसका सारा कार्य सरकार के हाथों में आ जाय।

मैं सिर्फ इतना ही निवेदन करना चाहता हूँ। और विश्वास करता हूँ कि बीमे के सम्बन्ध में नया बिल लाने के समय माननीय श्री इस बात पर विचार करेंगे कि नया बिल वर्तमान प्रणाली को ही सुधारने के लिये लाना उचित होगा, या नया बिल बीमे के कार्य को राष्ट्रीयकरण करने के लिये लाना ठीक होगा।

(English translation of the above speech.)

Seth Govinddas (C. P. and Berar: General): Mr. Speaker, Sir, so far as the subject relating to Insurance is concerned, I take it that the Honourable Members are aware of the fact that the consensus of the majority of the people in this country is that we should nationalize Insurance.

The Honourable Minister has just now stated that he is likely to bring forward a new Bill in this connection. I should like to tell him that so far as this Bill is concerned, the Insurers are already trying to evade the provisions of almost all the clauses contained in this Bill, and resort to such devices at the very outset so that it may not affect the working of their concerns.

I should like to tell the Honourable Members that the Directors of the Insurance Companies have become so clever that whatever sort of a Bill the Honourable Minister introduces, they would have contrived devices which would render the provisions of the Bill quite ineffective before it is enacted. Under these circumstances, I consider it advisable that the Government should take over the Insurance business in their own hands instead of introducing a new amended Bill. Moreover this is an undertaking which will not involve any appreciable amount of risk. The amount of premium which the Insurance Companies at present receive is so large that if this business be nationalized, it would fetch a handsome annual income to the Government. The Government will be able to utilize this income in connection with nationalization schemes.

I would, therefore, request the Honourable Minister not to introduce an amended Bill to regulate the Insurance business. But on the contrary he may put forth such a legislation as would tend to nationalize the entire Insurance business and its control may ultimately come into the hands of the Government.

I simply want to say this and hope that while framing the new Bill in respect of Insurance, the Honourable Minister will consider over, whether it would be expedient to introduce a fresh Bill to amend the existing law or introduce a new Bill to nationalize the Insurance business.

Shri Rohini Kumar Chaudhuri (Assam: General): Mr. Speaker, Sir, I was one of the members of the Select Committee on this Bill and we spent very long hours over it, but I do not sigh over those long hours. I sincerely welcome the move which has been made by the Honourable Minister. All that I desire to emphasize is that in framing the new Bill he would be pleased to remember to make provision by which Provincial Governments, whenever they desire, can nationalize insurance in this country.

The Honourable Mr. C. H. Bhabha: Sir, as far as I have followed my Honourable friend Seth Govinddas—to be very frank, I have followed very little of it—I understand his suggestion is that measures should be taken to nationalize the whole of insurance in this country. Of course Government will

[Mr. C. H. Bhabha]

consider that question in all its aspects, and that can only arise after Government has given due attention to it and after Government has ascertained the views of this House, and my Honourable friend can bring forward his suggestion by way of a resolution subsequently. As things stand, I have explained the reasons for withdrawing this Bill at the moment. When we introduce the new legislation, we shall consider the point that has been made in this matter.

Mr. Speaker: The question is:

"That leave be granted to withdraw the Bill further to amend the Insurance Act, 1938."

The motion was adopted.

REHABILITATION FINANCE ADMINISTRATION BILL

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): Sir, I move for leave to introduce a Bill to establish the Rehabilitation Finance Administration.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to establish the Rehabilitation Finance Administration."

The motion was adopted.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I introduce the Bill.

FACTORIES BILL

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

"That the Bill to consolidate and amend the law regulating labour in factories be referred to a Select Committee consisting of Shri Khandubhai K. Desai, Shri B. Shiva Rao, Prof. N. G. Ranga, Shrimati Renuka Ray, Shri Gokulbhai Daulatram Bhatt, Shri Sundar Lall, Shri Nandkishore Das, Shri T. A. Ramalingam Chettiyar, Shri Harihar Nath Shastri, Mr. Naziruddin Ahmad, Shri H. V. Kamath, Shri K. Santhanam, Shri Arun Chandra Guha, Pandit Balkrishna Sharma, and the Mover with instructions to report on the opening day of the next session and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

This Bill was introduced at the last session. It has been circulated by executive order for eliciting opinion. We hope to receive the opinions before the end of April. The Select Committee can meet sometime in May or June, as may be convenient, and submit its report to the House in the next Session.

The object of the Bill is not only to consolidate the law relating to working conditions in factories, but also to introduce certain important new features. With your permission, Sir, I shall briefly explain the important changes that have been proposed in the Bill.

The existing law applies only to industrial establishments where manufacturing process is carried on with the aid of power and where 20 or more persons are working. There is an enabling provision authorising Provincial Governments to extend the provisions of the Act to establishments using power and employing ten or more workers. But this enabling provision has been made use of only to a very limited extent. With the result that Factories Act may be said to apply only to industrial establishments using power and employing 20 or more persons. A few Provinces have enacted legislation to regulate factories where power is not used. But even such legislation is applicable only to establishments where 50 or more workers are employed.

It is now proposed that the law relating to factories should be made applicable to all industrial establishments employing ten or more workers where power is used and 20 or more workers in all other cases. As a result of this

change the number of establishments subject to control is likely to be trebled. The number of workers to whom the protection of the Factories Act will extend will increase immediately from 25 to 35 lakhs. The country is now setting upon an era of industrial expansion. We are all agreed that, as far as possible, this industrial expansion should not take the form of a limited number of big factories, but rather of a large number of small industrial establishments dotted all over the country. It, therefore, becomes necessary that our law relating to factories should be made applicable to the smaller establishments also. It is with this view that the definition has been widened.

The present Act makes a distinction between seasonal and perennial factories. Because the seasonal factories work for only a part of the year, there is a tendency to be somewhat lenient in the enforcement of standards relating to safety and health. This is not a satisfactory state of affairs. Whether a factory works for a part of the year or for the whole year, provisions relating to safety, health and welfare should be equally applicable. We have, therefore, done away with the distinction between perennial and seasonal factories.

Even with these changes, the new definition will not cover all workers. I feel, and I am sure the Honourable Members will agree with me that regulations relating to cleanliness, ventilation, lighting, supply of drinking water, the provision of sanitary conveniences, fencing of machinery, hours of work, weekly day of rest, prohibition of the employment of children, reduced hours of work for adolescents should be applied to all work places, irrespective of the number of people employed. The difficulty in extending these essential provisions is mainly an administrative one. As I have said, the new definition of factories will treble the number of establishments subject to control. The Inspectorate will need considerable strengthening. Provincial Governments should be given sometime to organise a bigger inspection service. As soon as satisfactory arrangements are made to secure a proper enforcement of the Act to establishments covered by it, Provincial Governments will be in a position to extend the essential provisions relating to health, safety, welfare, hours of work and age of entry into employment to other work places. To enable them to do so, a provision (Section 86) has been added giving power to Provincial Governments to apply these provisions to any premises where a manufacturing process is carried on, with or without the aid of power, except where the work is done by the worker solely with the aid of his family.

The elaboration of the provisions relating to health, safety and welfare deserve attention. The existing Act leaves far too many things to be covered by rules or to be done at the discretion of the Inspector. The rules are not always uniform, and the discretion cannot be exercised in an uniform way, with the result that there are considerable variations in the standards applied to different factories and in different parts of the country. Another serious defect in the existing legislation is that it leaves many matters to be attended to only at the instance of the Inspector. There is no obligation on the factory owner installing new machines not specifically covered by the rules or notified by the Inspector as dangerous to take any measures for the safety of their workers. With the rapid technological advancements that are taking place, installation of new types of machinery and the introduction of new processes will be of frequent occurrence. The adoption of safety measures cannot be postponed till provision is made for them in the rules. The only satisfactory method is to lay on the factory owner a clear and definite responsibility for taking all measures necessary to secure the safety of workers in his factory. If we are to lay this responsibility on the owner, the precautions to be taken and the standard to be observed in regard to health and safety measures should be clearly prescribed in the Act itself. This is precisely what has been attempted in the Bill. An additional and no less important advantage of this procedure will be the enforcement of a definite and uniform standard in all industrial

[Shri Jagjivan Ram]

establishments and throughout the country. Sections relating to the casing of new machinery, hoists and lifts, cranes and other lifting machinery, pressure plant, precautions to be taken against dangerous fumes, explosive or inflammable gases, are all new. The obligation relating to the casing of new machinery, has been imposed not only on the factory owner, but on the manufacturer of the machinery or his selling agents as well. In the Chapter dealing with the disposal of wastes and effluents, the specific provisions relating to ventilation and temperature are new. Similarly, the sections relating to the provision of cool drinking water during hot weather, the employment of cleaners to keep the water closets clean, the obligation to provide sanitary water closets in all establishments are new provisions. In the chapter relating to welfare, we have made provision that in every factory where workers are obliged to work in a standing position, suitable arrangements for seating should be provided, so that they may rest whenever they get an opportunity. Where a worker can work efficiently in a sitting position, then seating arrangements should be provided for him. The sections relating to facilities for storing and drying clothing is also new one. If the arrangements for the welfare of workers are to be successfully managed, it is essential that workers must realise their responsibilities in the matter and should be actively associated in their management. Section 50 of the Bill provides for such association. An enabling provision has also been made under which the owner of any factory, employing 500 or more workers may be required to appoint a suitable Welfare Officer, whose specific duty it will be to look after the welfare of the workers. To ensure that the right type of people are appointed and to give them a measure of security and independence Provincial Governments have been given power to prescribe the duties, qualifications and conditions of service of these officers. Honourable Members will appreciate that this is an important provision.

Another important provision, to which I would like to invite attention of the House, Sir, is the one embodied in Section 7 providing for the scrutiny of the plans and specifications of factory buildings and their layout by the Factories Inspectorate. In quite a number of buildings, walls and roofs have not been so constructed as to keep the temperature, which in our country, shoots up to 110 or 120 degrees in summer, as low as possible. Again, even such an elementary thing as proper flooring is not done according to the requirements of the processes carried. Then again, rest sheds, washing and bathing places, water closets have all to be located at convenient places. The layout should be such as will promote, to the maximum extent, the safety and health of the workers in the factory. Where the manufacturing process is such as will throw out considerable quantities of wastes and effluents, it is of great importance that proper arrangements should be made for their disposal, so that they may not affect the public health of the neighbourhood. Very often buildings are put up without proper consideration being given to these aspects. Later on, it becomes difficult to rectify the defects. We have, therefore, introduced a section so that before the buildings are erected, the plans and specifications are examined with a view to seeing whether the provisions of the law relating to matters of health, welfare and safety have been complied with and proper arrangements will be made to dispose of the wastes and effluents.

In regard to employment of workers, we are raising the age of entry from twelve to thirteen. Young persons who have not attained the age of 18 years, instead of the present limit of 17, will be considered as adolescents. If they have not reached sufficient physical maturity to be classed as adults, their hours of work will be only four and a half hours instead of the present limit of five. The provisions relating to medical examination of young persons are also being strengthened. Hereafter they will be examined not merely before initial employment, but every year.

The Chapter dealing with holidays with pay has been revised to provide for

the grant of holidays to workers who have done six months' service. This is a new provision. The definition of authorised leave has also been revised to provide for unauthorised absence upto a limit of twenty days in a year. In regard to casual absence due to illness or other reasonable cause it would be sufficient if the workers give the reasons for his absence within three days from the commencement of such absence. These provisions will remove a source of dispute between employers and workers whether a particular absence is authorised leave or not, and if it is not an authorised leave, whether the worker is at all entitled to leave in respect of any preceding period.

Information in this country regarding occupational diseases is somewhat scanty. The factory owner and the medical practitioner attending upon factory employees are the persons who can give useful information. Provision has been made requiring these people to give information regarding accidents in factories causing death or serious injury or of diseases treated. Power has also been given to take samples of substances used in the manufacturing process, if its use is either contrary to the provisions of the Act or likely to lead to injury or cause disease to workers, and for their examination. Certifying surgeons have been authorised to exercise medical supervision in any factory where the occurrence of occupational diseases have come to notice or is suspected. These provisions, which are new, are designed not only to obtain a knowledge of occupational diseases, but also to arrange for such remedial measures as can be taken to prevent their occurrence or reduce their incidence.

Changes have been made in the Penalties Chapter also. The existing law only provides for a fine for contravention of the provisions of the Act. To an employer, a fine is no deterrent. We have, therefore, provided for imprisonment as well, upto three months for the first offence and upto six months for the second and subsequent offences.

These briefly are the main changes that have been introduced in the Bill. We have tried to implement as many of the provisions of the International Labour Organisation Code of Industrial Hygiene as are practicable under Indian conditions. The provisions relating to periodical medical examination of young persons and the submission of plans of factory buildings are also from I.L.O. Conventions. We have also freely drawn upon the British Factories Act, one of the most comprehensive pieces of legislation on this subject. When this Bill is passed into law, we would have placed on the Statute Book a Factory law which, if properly enforced, will secure a marked and distinct improvement in working conditions. I am aware, and I have no hesitation in confessing it to the House, that the administration of the law requires considerable tightening up. Ever since I took charge, I have kept this question prominently in view. In every one of our half-yearly conferences with Provincial Labour Ministers, this question is discussed in some form or other. The Provincial Governments have their own difficulty, mainly of finance. Although we, at the Centre, have no executive responsibility in this matter, we have set up an advisory organisation to study the various aspects of Factory administration in this country and elsewhere and advise the Provincial Inspectors. This organisation is also running training and refresher courses for the Provincial Officers. I hope, before long, we shall have a corps of trained officers, adequate in number, to secure a strict enforcement of this legislation in order to improve the working conditions of the working classes.

With these words, Sir I commend the Motion to the House.

Mr. Speaker: Motion moved:

"That the Bill to consolidate and amend the law regulating labour in factories be referred to a Select Committee consisting of Shri Khandubhai K. Desai, Shri P. Shiva Rao, Prof. N. G. Ranga, Shri M. Ramana Ray, Shri Gokulbhai Dadasaheb Phule, Shri Suresh Chandra Lal, Shri Nandkishore Das, Shri T. A. Ramalingam Chettiar, Shri Hardeo Nath Shastri, Mr. Nazimuddin Ahmad, Shri H. V. Kamath, Shri K. Satchidanam, Shri Arun Chandra Guha, Pandit Balkrishna Sharma, and the Mover with instructions to report on the opening day of the next session and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

[Mr. Speaker]

Shri B. Das (Orissā: General): Sir, on a point of information. I find the members are all labour leaders barring one or two?

Mr. Speaker: That would be a matter more or less for the Honourable Member to consider. If suggestions are made, he may consider. I shall give the Honourable Member an opportunity of having his say.

Mr. R. K. Sidhva (C. P. and Berar: General): Sir, the Honourable Minister while moving this Bill exhaustively dealt with the clauses mentioned in this Bill. There is no doubt that various Sections in the Factories Act, 1934, amendments to the Act of 1945, 1946 and 1947 are embodied in this new Bill with certain improvements and additions of certain clauses which he has narrated. I have a few observations to make on some of these clauses for the consideration of the members of the Select Committee.

There is decidedly one important feature in this Bill to which this Honourable House made a reference in the last session, namely, that the non-seasonal workers were omitted from the operation of this Bill at the time it was brought and the figure was given out as very large. I am very glad to find that the non-seasonal workers have been included in this Bill.

Another fact I find is that there is an increase in the age-limit of a child from twelve to thirteen. I would have preferred fourteen. However, as the Honourable Minister wants to go step by step, I hope he will go fast if he finds from experience that the increase in age is necessary.

The third feature is that the holiday that he has recommended with salary for ten days in a year. I would certainly desire that 30 days should have been given after the expiry of twelve months. Today all the gazetted and non-gazetted clerical staff and everybody enjoy one month's leave with pay after full service of eleven months. I cannot understand why the labourer should not get the same number of days. After all, he is also the same human being as other human beings. On the contrary, I would say the labourers certainly put in harder work than the other classes to which I have referred. Therefore, I would request the Honourable Members of the Select Committee to kindly consider this matter very seriously. After all, what is it that has been given? Ten days, and then look at the method in which it is proposed to be given. It is mentioned that after the completion of eleven months they will be entitled to ten days in the following year. It is not mentioned "immediately". A certain procedure has been laid down. I desire that not only the number of days should be increased but it should be laid down that after the completion of eleven months they will be entitled to those number of days without any restriction.

Then, Sir, I find in the Bill a clause for ventilation and I compliment the Honourable Minister on that. Some of the Honourable Members must have seen the factories, particularly the textile factories in Bombay and Ahmedabad which have been erected as far back as twenty, twenty-five and thirty years. They are in such a bad condition that it becomes very difficult for the workers to work. I think they hardly see any light in those factories. The result is that the labourer has to go out under false pretexts of making water or easing himself or drinking water whereas he really goes out to remove his perspiration under which he has been suffering and get a little relaxation. The space is very limited. Of course, a provision has been made for space of 320 cubic feet, but the fact remains that moving space is not available for the labourer to work freely. He has no ventilation there and he has no kind of air. I therefore desire that every factory must be provided with an electric fan. There should be no question about it. There is no extra cost involved in these fans because the energy is produced by the engines that have been installed by them for the production and manufacture of certain articles. As a matter of fact, I have found these electric fans in some newly erected factories in Cawnpore—when

I say newly erected, I mean ten years ago—they are very well ventilated and there is free moving space for the labourers, and I must congratulate the owners of those factories for providing such kind of facilities to the labourers. If this kind of facility is provided, it will remove the great hardship of the labourers and they would be able to give greater production. What happens today? As I told you, the labourer steals time to go out just to breathe a little air and relax himself, with the result that production is, to that extent curtailed. Why not therefore make it compulsory that when a plan is produced for the erection of a factory, these necessities should be provided. In the Western countries we have been always told that there is the greater production. The greater production made in Western countries is mostly due to the facilities provided to the labourers in the factories where there is good atmosphere. Similarly, in our country too, there must be sufficient ventilation; there must be air; there must be breeze, so that the men and women who have to work can work cheerfully and with the full responsibility that the factory is their own and they are working as if in their own homes. That is lacking in India and unless that is done, the root question of the grievances of the labourers cannot be removed. Therefore, Sir, I am very glad that a clause has been introduced for providing ventilation.

Then, Sir, there is a clause for providing seating accommodation. Well, you must have seen in many factories, take for instance the lathe. On a lathe a man can sit conveniently and work, whereas now no such facility is provided and he has to stand all the time. Take the power looms. There too people can very well sit and work most expeditiously, whereas now they are made to stand. I am very much pleased with the provision that wherever it is possible seating arrangement should be provided. But I would prefer it to be compulsory. In Western countries a very large number of factories, almost 90 per cent. of them, have provided this facility of seating accommodation. If that is provided here, that will certainly step up production. These are after all small things. Providing a stool is the old notion of factory owners who resent any such idea. They feel: "Why should we provide a labourer with a stool or a chair? Why cannot he stand?" But that notion should go. They must realise that by providing a stool or a little seating accommodation, the labourer gives more production. He is more healthy, more happy. He does not feel like going out on false pretexts. These are things which are very necessary, and they should be made compulsory. Unless you make it compulsory, and if you leave it to the Provincial Governments, many loopholes will be found and nothing will be provided. I would therefore request the Honourable Members in the Select Committee to bear this in mind, particularly these two aspects of the question, namely, the provision of fans and also of stools, and these should be made a compulsory feature.

Then, Sir, I find that a provision has been introduced in this Bill which has given the right to Provincial Governments to give exemption. Out of 120 clauses, in nearly 50 clauses I find Provincial Governments have been given power to exempt factories from the compliance of these clauses. While I do feel that on essential commodities or in a time of emergency when there is a war or if disturbances occur then certainly I can understand certain clauses could be relaxed, but in the ordinary circumstances, I do not see why the Provincial Governments should be given a weapon to utilize these emergency powers which are not emergent and to tell them that these may or may not be exercised as they think fit. I do feel therefore that some of the good chapters of this Bill if not made compulsory would certainly lose the charm of the provisions of this Act.

Then, Sir, as far as lights are concerned there are some lights provided in some of the factories and it is stated that the lights and the convenience for sanitary arrangements should be in a factory where there are more than 150 workers. I do not see why we should make a distinction. It is stated that

[Mr. R. K. Sidhva]

over this number there is to be a sanitary type of urinals and also other sanitary conveniences. I fail to see why the same type should not be applied to all the factories whether there are 20 workers or more.

Sir, the sanitary conditions of latrines is a very important matter in the factories and while I am glad that the Honourable the Minister has widened the scope in this matter, I am not satisfied for this reason that he has made a provision that sweepers will be employed to see that the latrines are kept clean. He must mention that if there are 20 labourers there should be one seat of latrine. I am not making a new suggestion. In the Municipal laws there are certain definitions as to how many latrines should be provided in the labourers' quarters with reference to the number of residents. Similarly here unless you provide that after a certain number of labourers one seat is essential the factory owners will say that this is sufficient and the labourers will say that this is not sufficient and the argument will go on and the object will be simply frustrated. I therefore desire the Honourable Select Committee Members to see that the provision is properly laid down and I should like the number of latrines per seat of 20 labourers as it is generally followed in the big Municipalities.

Then, Sir, I come to the question of sanitary type of urinals. As I told you it has been provided for in large factories. The same type of urinals should be fitted in all factories. At present in several factories corrugated sheet has been provided for a latrine and in some of the factories the latrines are not clean with the result that bad odour comes from there and the surrounding atmosphere is very bad too. Therefore an improved type of latrine buildings should also be provided in this Bill which is very necessary. Otherwise insanitary conditions will continue and there will be a tussle between the factory owners and the labourers.

Sir, this Bill provides that drinking water should not be nearer to the urinals but should be 20 feet away from the latrines. I consider that 20 feet is a very short distance. It should be at least 100 feet.

The Honourable Shri Jagjivan Ram: What is provided in the Municipal Act?

Mr. R. K. Sidhva: It is not specifically provided in the Municipal Act. According to our Indian custom the drinking water should be certainly far off, at least 33 yards. For this purpose I am suggesting 100 feet instead of 20 feet and this should be borne in mind, so that the drinking water should not be contaminated in any way with the flush system where that may exist. I therefore desire that the distance should be increased, and at the same time provision for cold water should be made. The present provision in my opinion will lead to certain kind of difference of opinion, I suggest it should be made clear that in the summer season cold drinking water must be provided. I would also suggest, Sir, that the latrines should be on the flush system and in a town where there is no flush system the factory owners should be asked to provide a septic tank. If you do not allow this, I am sure unhealthiness will prevail which would be to the detriment of the health of the labourers. After all these septic tanks do not cost a lot and lakhs of rupees will be spent for the construction of a factory and a few thousands of rupees on a septic tank is not a big matter. I would specially invite the attention of the Honourable Members of the Select Committee to this matter.

There are certain kinds of factories where labourers are to be provided with eye glasses or provision has been made by the Honourable the Minister but there are inflammable parts of the factory which catch generally the eye. For instance the electric soldering is done by the electric process and the sparks affect the labourers in their eyes and they become blind. So it should be essential that the dark glasses must be provided for such factory workers in

each factory, and that should be a compulsory arrangement. This is only one instance, but there are factories also where for the purposes of painting they have to remove the old paint by a certain machinery and those fragments catch their body and particularly on the face and therefore they should be covered and sufficient protection should be given for their bodies and their lives.

As regards clothing, it has been stated in the Bill that wherever there is belting and fast moving machinery the tight clothes should be used by the labourers. That is not sufficient, Sir. What I desire particularly is that an apron should be provided by the factory owner. I consider that the apron is necessary for every labourer in big factories. What happens today is that the labourer himself provides an apron at his cost because without the apron he cannot satisfactorily work and therefore I feel that the apron should be provided compulsorily by the factory owners. These are small items, but they go a long way in appeasing the requirements of the labourers which we consider most legitimate. If these small things are not considered then their grievances will always continue. Therefore the Honourable Minister should certainly lay great stress upon these small points, so that the labourers could be satisfied and feel that there is an improvement under the changed government of this country and thus they may feel that they could have a breathing atmosphere which really exists in the western countries. These labourers know under what conditions the labourers in the western countries live. I therefore feel Sir, these are small points which are generally lost sight of. Two sets of aprons may cost Rs. 4 or 5 and in a factory the expenditure may come to hardly about Rs. 10,000; but by spending this the owner will be rendering a distinct service to the labourers.

Then as regards the penalty clauses, the sentences and fines have been increased, and if the offence is repeated the fine will be continuous. I have very sad experience of these penalty clauses in other Acts, particularly the Food Adulteration Act. In case of food adulteration a man is fined Rs. 75 every day as long as the offence is continued. But in the courts it takes two years to come to a decision. The procedure is so lengthy and cumbersome that factory owners take the fullest advantage of it to delay the decision. Therefore I suggest that for these cases there should be a labour court with a labour magistrate in every important town where there are factories. And if an inspector finds that within ten days the rules are not complied with by the owner he should be immediately summoned and prosecuted; a provision should be made that the magistrate must dispose of this case in seven days. I do not see why the magistrate in these small matters should take such a long time. Unless you provide for all this, I am sure that the procedure which is already cumbersome will continue to be so and your purpose of bringing the offender to book will never be served. I know that such penalty provisions in other Acts have been frustrated and therefore a speedy procedure should be provided and real justice done.

Then, Sir, I find that the District Magistrate is made the Inspector of the district. The District Magistrate, being also the Collector, is heavily overworked and cannot do justice to the duties of Inspector under this Bill. He will merely perform routine duties and leave everything to his Assistant. I think there should be a special officer appointed as Chief Inspector. In the earlier stages of control of food and other articles the District Magistrate was placed in charge with the result that control was a failure at that time. He was overworked and had no time to look at these things. The same thing will happen here if the District Magistrate is made Chief Inspector. Labour Commissioners and other labour officers who have really worked in this line should be employed exclusively for this work, and I request that the Select Committee may give serious thought to this point.

[Mr. R. K. Sidhva]

Then there is a provision for creches for children, and I am glad to know that milk will be supplied free to them. Necessity compels women to work in the factories and to bring their children with them; and from the point of view of the health of these children they have to be kept for their care in a creche. Therefore creches and milk supply have been provided for. I know sometimes these provisions are misused and labourers bring boys of twelve years also just to get advantage of the milk. I therefore suggest that an age limit of six or seven should be laid down, and these children should be given not only milk but also rice or some other food. After all if there are a hundred women in a factory there will be about 200 children only; and while the factory owners are making huge profits they may very well render this humanitarian service by giving some food to these children so that in future they may be healthy citizens of the country. The fathers cannot maintain them and that is why these women come to work; I want women to work not only as factory workers but also as clerks and typists, etc. But the children of these factory women should be properly fed and looked after and provision should be made in the Act for this purpose.

Then there is a provision for a notice board and notices about the number of hours, etc. I know that provision for this is made in the present Factory Act also. But these boards are just a fraud and are used only to satisfy the Inspector. But if you see the register and ask the workers themselves, you will come to know something very different. So I suggest that the workers should have a right to see the muster roll and the number of hours should also be put down in the roll call. I know from experience that wrong hours are put down by these owners; and the workers should be entitled to inspect the muster roll and the number of hours put down there. It is also not mentioned that the notices should be in the language of the province. Mostly workers do not know English or even their own language. Therefore the Notice Board should be in the language of the province or city. That improvement should be made and the labourer should be allowed the opportunity, not necessarily to

say that he wants to see it, but whenever he is in doubt the books should be open to his scrutiny. Then this trouble today which is arising out of the labour organisation and the trade union will considerably mitigate the hardship of the Government. Strikes today are a headache to Government. Strikes are reasonable and unreasonable. But why do you give them the opportunity for such strikes. If you give such facilities to the labourer, then there will be no case for an outsider who is an organiser and office-bearer of the trade organisation to successfully have strikes. The time will come when you will have changed the outlook of the labourer and then the outside office-bearers cannot be office-bearers of a trade union. But I am not of that view today. Some guidance is required for the outside agency and no sooner that is provided then a law should be made that the workers should manage their own affairs when everything will run smoothly and well.

There is a provision for appeal against the decision of Assessors. It is not mentioned whether an Assessor will have a decisive voice with the tribunal head, or as in some Sessions Courts the Assessor gives his advice and the Judge accepts it or rejects it. I would like that to be clearly stated in the Act. I do feel that the Assessor should have a voice and to that extent the Act should be changed.

I hope that the Honourable Minister will take my comments in the spirit in which they have been made. I have made certain suggestions. I do not know whether he will bear them in mind because I have not seen him taking any notes.

The Honourable Shri Jagjivan Ram: I have taken some notes.

Mr. R. K. Sidhva: At the same time, I notice that Prof. Ranga, who takes a keen interest in these things, is not here. Even the members of the Select Committee should sit in this House when other non-members are giving their suggestions. How will they know what suggestions have been made by other Honourable Members? It is to be hoped that efforts will be made to see that this Act is a model Act so that we may go to the country and tell the people that the Government is alert. That Act, when made, should assure the people that it is for the betterment of their health, prosperity and happiness.

Mr. Speaker: The Select Committee members will have the benefit of the transcripts of the speeches of Members made in the House.

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

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

Shri B. Das (Orissa: General): Sir, at the outset I propose the name of Sir Jwala Prasad Shrivastava as a member of the Select Committee. I would respectfully submit to all the Honourable Ministers of the Government that when various interests in the country are affected as in this case, such as factory-owners and the employees, the Government should see.....

The Honourable Shri Jagjivan Ram: Sir, may I intervene at this stage, as it will save a lot of time of the House. I have no objection to that suggestion and I am glad that my Honourable friend has drawn attention to that.

Shri B. Das: I am enunciating the general principle. Whenever various interests are affected such interests should be equally represented in the Select Committee, apart from the general members of the House who will hold the balance between the various interests.

I support the consolidation part of this Bill. I wish very much that my Honourable friend the Labour Minister had stopped there. Unfortunately he did not stop there and if I interpret the speech that was made by my Honourable friend Mr. Sidhva there will be no end to the aspirations and demands of those who represent the cause of labour in this House. At this stage I wish my Honourable friend Mr. N. M. Joshi were here. He fought for 25 years on the floor of this House for the amelioration of the condition of labour but I wonder if he would have subscribed to the idea that was enunciated by my Honourable friend Mr. Sidhva. There was a time when Mr. Sidhva and myself were members of the Federation of Indian Chambers of Commerce and Industry. He has drifted to the left too much, while I have remained as usual a rationalist. Today the Government is my own Government, the Government of Free India. I do warn the Government, not to be carried away by sentiments over labour legislation. We borrowed, lying down, every measure that went through the International Labour Office at Geneva. We forgot the standard of living or the conditions of living in Europe and we wanted blindly to introduce those legislations and the previous Government were browbeaten to introduce certain pieces of legislation. If I understand aright, my Honourable friend the Labour Minister wants to copy blindly the Western system of factory inspection and the Western types of factory buildings, I have already said that I support the consolidation part of the Bill, because I was a party to most of it and we the industrialists have accepted them and are working there. As regards the new innovations which my Honourable friend has introduced they are not designed to suit Indian conditions or the Indian standard of living. What is the use of having half-baked factory inspectors all over the country to inspect

[Shri B. Das]

plants and housing? These gentlemen were subordinates of European Employees all over India sometime ago and they want every thing that is in practice in the U. K. or France. I was amused and was smiling when my friend Mr. Sidhva talked about over-crowded dark dingy factories. Does he mean that for 25 years the factory inspectors were not functioning and they will begin to function after this new consolidation Act is passed? I have visited many factories all over the world I have seen English factories dirty and stinking.

An Honourable Member: Where?

Shri B. Das: All over. I am talking of European factories and not about Indian factories. Mr. Sidhva wants stools to be provided for every mill hand and every lathe worker. What will be the consequence thereof? Tomorrow Mr. Sidhva and his friends in this House will demand that the factory has no floor space the moment you provide stools, you have to leave a space behind for the passage of the others, so more expensive buildings. A responsible industrialist like him, though at present he represents the labour cause should think awhile before enunciating such outlandish ideas. We were enunciating them when the British Raj was ruling. It is our Raj today. Whom are you handicapping? Although labour has got 1/15 of the cabinet by the presence of Sjt. Jagjivan Ram in the Government, yet my friends should see what repercussions there will be in consequence of the innovations. Every idea that we translate we do not assimilate. If Mahatma Gandhi can live in a hut, why does not my friend advocate that labour should live in a simpler style? I have not seen one of my labour friends here talking in that tone. Yet there is the labour agitation all over because that was the way how the Socialists and Communists in India came into power and leadership.

Today we ought not to think in those terms. We have to think whether the industry will survive. Every suggestion that my friend Mr. Sidhva made would add to the cost of production. I will give him an instance. He wanted that aprons should be provided to the workers and said that each apron would cost about Rs. 4 or 5. I would give him a contract for thousands of aprons at a cost of Rs. 8 per pair if he is prepared to supply them. Every thing adds to the cost of production. The Honourable the Labour Minister in his great sympathy and affection for the under-dog seldom thinks how he is overburdening the industry. Yet one hears Mr. Jaiprakash Narain saying that labour is not satisfied with what has been done. I wonder if labour will ever be satisfied even if we nationalize the industries. We have nationalized the railways. The Honourable the Railway Minister is here.

It has ended in failure. We have had to put up the rates by 25 per cent. to satisfy labour, but labour does not want to work. In fact 'no work but more pay' is the slogan of the worker.

That brings me to clause 112 of the Bill which deals with obligations of workers. Here I wish my Honourable friend had put down in addition to the clauses (a), (b) and (c) requiring that workers should not damage the apparatus etc. one more clause saying "Thou shalt work". Is it not Government's duty to insist that he shall work? Outlandish European ideas have been introduced in India and eight hours work has been introduced. Still they want more rest. They want sitting stools as my friend suggested. Why not have sleeping berths in the factory? From 1925 I have supported every labour measure. But labour must be patriotic, and labour leaders speaking in this House and outside must speak in that patriotic tone namely that they stand for the economic prosperity of India and not for the destruction of one class or the other.

There is another new clause I wish to comment on. I have already referred to it. It is clause 7 where the factory inspector is being made, I think, an omnipotent engineer—health inspector, factory inspector and everything. A factory

inspector was supposed to be a technical man who would measure the windows and the ventilators in a factory. But my Honourable friend Mr. Sidhva wanted the Labour Commissioners to be the factory inspectors—as if the labour leaders know all about the technical requirements of factory control. That was an idea which nobody in this House will support; not even the Honourable Minister of Labour will support it. I do say with all earnestness that with the state of industry at present, with economic depression drawing nigh, may be a year or two years hence, it is no use our overburdening the existing factories or new factories with any ideas which are outlandish, which are not Indian but are completely borrowed from either Geneva or London. It was the Englishman's game that our industry should not thrive but should die out by factory legislation and other kinds of legislation, so that we will be hewers of wood and tillers of soil and purchase British goods. The slogan now is purchase U. S. A. goods.

Seasonal labour has been abolished. It is all right for purposes of raising a slogan to say that there would be no seasonal labour. With a view to giving seasonal labour the same benefits as whole-time labour you introduce elements of expenditure whereby industry will earn less. Already by the policy of the Provincial Governments the price of rice has gone up in most of the Provinces and the moment you introduce this and give effect to this provision the price of rice will go up still further because the industrialist must charge the overhead cost to the production. Thereby the price of rice will go up. It is a vicious circle and although the labourer wants something more only for himself he thereby increases the cost of living in the essential necessities of life.

Sir, the Honourable the Labour Minister the Honourable the Industries Minister, the Honourable the Prime Minister and everybody are thinking of industrial truce. I think we should really get out of Geneva and the International Labour Office and start our own Asiatic Labour Conference because we are merely borrowing blindly all the Western systems and introducing them here. I am not for 48 hours of work. Since it has been introduced production has gone down. If there is no cloth through India this legislation has as much to be blamed as other causes. What about the large multitude of agricultural labour and what about the other seasonal domestic labour in arts and crafts who work 14 hours a day? No legislation will compel the ivory workers the jewel workers and other similar workers to regulate their hours of working. Such a worker is controlled by one factor only. He is not a capitalist but he must earn sufficient to maintain his family. These people form the largest number of workers and not the five or six million workers to whom this legislation will apply or may apply.

I do not oppose this Bill. But I do hope that we will soon settle down to think that we are a free nation, that the government is the government of a free nation and that we in this House are the representatives of a free people. Let us not go and buy from the bookstalls labour books that are the products of English professors, read and try to introduce those ideas in our country. If you do that you are taking back your country to a primitive industrial age when you will compel us to buy foreign goods all our lives. The very labour that are clamouring for more and more wages and better conditions of living will find no employment for themselves.

Mr. Tajamul Husain (Bihar: Muslim): Mr. Speaker, Sir, I rise to support the motion of the Honourable the Labour Minister for reference of this Bill to a Select Committee. But I regret that I do not appreciate his saying that after the Bill emerges from the Select Committee it may be considered at the next session. Next session means the end of the year. This session will go on till the first week of April and then we will meet in the Constituent Assembly. I do not know how long that will go on. Therefore, by the time

[Mr. Tajamul Husain]

the next session of this Legislature is held it will be the end of the year. It is a very important measure and it is entirely in the interests of the labourers who are employed in various factories that this measure should be expedited and should be made into law as soon as possible. The present condition of labourers and workers employed in factories, particularly in unregulated factories is far from satisfactory. There is no proper arrangement for their health, welfare, sanitation etc.

Now this country of ours has achieved independence and we are bound to have many more factories. The factories will increase in number.

Therefore, Sir, something must be done for the improvement of the lot of the labourer. Arrangements must be made for their safety and welfare. As I have said just now, there are unregulated factories. Workers there, Sir, are not properly looked after. This Bill will no doubt be for their benefit particularly because it provides for their health and welfare. Now, Sir, as regards the age limit of a child that should be employed in a factory, the present age is twelve. The Bill has increased the age to thirteen. Mr. Sidhva is of opinion it should be fourteen. I personally think that even a child of fourteen should not be made to do such hard work. The age limit should be increased to at least fifteen. Of course this is a matter not for the House at present, but for the Select Committee, and I hope the Honourable Minister in charge, and the members of the Select Committee will consider this matter seriously and increase the age to sixteen.

As far as the age of the child is concerned, that has been mentioned, but the age of the man who is in second childhood has not been mentioned. Of course a child under a certain age cannot be made to work, and a man who has attained his second childhood after a certain age cannot possibly physically work. A limit must be fixed when a man must retire on pension after a certain age. I do not suggest any age, but I would request the Honourable Minister for Labour and the Honourable Members who are in charge of the Bill in the Select Committee to see that the age limit is raised and that a man when he becomes old must be allowed to retire at a suitable pension. The working hours in a factory at present are five. That I think has been reduced to four and a half. The work of the labourers is I think the hardest work of all. The highest Minister in the realm will draw a fat pay, as also do the Governor General and others, but it is really the labourer who has to do the hardest kind of work. After all, we come here, sit for a few hours and go home and rest ourselves. The work of the labourers is much harder than ours.

Therefore, for the labourer the period of work must be lessened. I think four would be suitable and this is my suggestion which I would like to place before the Honourable Minister in charge and also the members of the Committee.

Now, Sir, at present the law is that the provincial governments are authorized to frame rules as regards labourers in factories. I am glad to say that in the present Bill the Honourable Minister has made everything very clear. All the rules have made very clear as regards health, safety and general welfare of the labourer, and not much room is left for the provincial governments to frame rules for them.

Now, Sir, as regards Inspectors. Inspectors have to decide under the present Act, under which we are working, many complicated and important points. They are not experts. It throws a great responsibility on them and naturally many mistakes are committed. To avoid this, a section has been introduced in the Bill to remove this defect.

Now as regards the building for the factories, the provision in the law is at present not very clear. In fact, as far as I can understand it, the present Act

does not provide anything as to the type of building for a factory that should be erected. The present Bill empowers the Provincial Government to approve of plans, designs and specifications, and to see that a particular type of building for a factory is constructed with ventilation and all that sort of thing, so that it may be convenient to the labourers and other people who are working there. I am sure that if this Bill is passed by this House after it has emerged from the Select Committee, it will be a great improvement on the present Act and it will be of great benefit to the labourers in general. I am glad to say that the Labour Minister has realised the pains of labour and I congratulate him on the measure.

Shri Harihar Nath Shastri (U. P.: General): Sir, at the outset I should like to express my thanks to my Honourable friend Mr. Sidhva. I have very carefully studied the present Bill, but after hearing the lengthy and illuminating speech of Mr. Sidhva, I have begun to doubt if I have paid even half as much attention to the Bill as it really deserved. Mr. Sidhva has pointed out many defects in the Bill. I must frankly admit that I had not been aware of even half of the defects that have been pointed out by him. In fact I felt when I read the Bill, and I am still convinced that the present Bill is a satisfactory solution of the hardships that the Indian working class is subjected to in regard to the Factory Law in our land. Those of the Honourable Members who have any idea of the old factory legislation and the various stages through which it has passed will share my view. Personally speaking, in the course of the 22 years of my intimate contact with the Trade Union movement, I have experienced many glaring defects in the old Factory Law. Attempts have been made from time to time to remove those defects, but still the framework of the old factory legislation remains intact. In fact the legislation in our country with regard to factories has been lagging far behind Western countries. The foreign ruling authority in our country has always been indifferent in this matter, and the main ground on which they have evaded any action or any improvement has been that the conditions in our country have been different from those of other countries.

It was only after the present Government came into power that any serious attention to this question was paid. At the beginning of the year 1947, the present Government entrusted its then Chief Advisor of Factories 3 P.M. Sir Wilfred Garrett, with the task of examining the Indian Factories Act and suggesting ways and means by which improvements could be brought about. Sir Wilfred Garrett came into contact with various organisations of Labour and Industry, and he also made a tour of the various Provinces in this country.

The present Bill is based on the recommendations made by him. The principal features of the Bill have already been narrated by the Honourable Minister. I should only like to draw the attention of the House to a few of the salient features of the Bill.

In the first place, the term "factory" has been re-defined in this Bill. So far the position has been that labour employed in small concerns like printing presses and other establishments where work was not done through power, had to suffer very adversely, because according to the present Factories Act only those concerns are regarded as "factories" where at least twenty persons are employed and where work is done by power. But according to this Bill a factory is split into two categories, i.e. where work is done by power, or where it is done otherwise. In the case of a factory where work is done by power, the number is reduced from twenty to ten; and all other establishments where twenty or more people are employed are covered under the present Bill.

[Shri Harihar Nath Shastri]

There was a Chapter in the old Act—I should say the existing Act—about safety, health and welfare of workers. Under that particular Chapter no serious attention was given to prevention of industrial diseases. Instances were brought to light where work was carried on in conditions under which there has been grave danger of lead poisoning. Actual investigations were done by Mr. Garrett and it was revealed that in certain undertakings every worker was found inhaling lead to a dangerous degree. In many cases acid fumes were found uncontrolled, to the great detriment of workers' health. Generally speaking, there has been a callous neglect of elementary precautions that are accepted as necessary for the health of workers.

As for the welfare of workers, except for certain undertakings, measures in this direction have been practically nil. Even wholesome water was not provided, there have been no arrangements for bathing and washing. Urinals and latrines have been very insufficient and the standard of cleanliness in their case has been very low. There has been no arrangement for food during interval hours and workers have to depend on unhygienic and dirty stuff supplied by vendors.

All these defects in relation to health, hygiene and welfare are sought to be removed by the Bill and in order to do that, the present Chapter III in the existing Act has been split up into three different chapters dealing with health, welfare and safety separately.

Coming to Chapter VI, spread-over has been limited to 10½ hours and overlapping shift system is sought to be abolished. The system of overlapping was seriously objected to even as far back as the year 1931 by the Whitley Commission which had recommended the abolition of that system; but still it has been persisting. In the present Bill it has been sought to be abolished.

As for the age of children, it has been raised to thirteen from twelve, and I agree with my friend Mr. Sidhva that the age should be raised by still another year and it should be fourteen.

An important change in the present Bill is about imprisonment for violation, besides fine. The position so far has been that if any factory violated the provisions of the Factories Act with regard to the hours of work or any other provision the maximum fine imposed upon the employer was a sum of Rs. 500. The result was that this system of fine had very little effect on the industry. I know of a number of cases in which even in spite of such fines the employers went on repeating the offence and I have even come across employers who have been heard to say that the profit that they make by violating the Indian Factories Act is much more than the fines that they have to pay.

So this system of fine was, in fact, a farce and I am glad that the Government have realised that fines in the present shape are no good unless they are accompanied by suitable imprisonment which has been provided for in this Bill.

Sir, many of the points have already been covered in the speeches made by the previous speakers and I would not repeat them again. I am sure when the Bill is subjected to scrutiny by the Select Committee, it will emerge out in a much improved form. At the present moment, I conclude my remarks with an expression of my hearty congratulations and gratefulness to the Honourable Minister in charge of this Bill. I have no doubt that the genuine goodwill and sincere desire on the part of the Government to improve the lot of workers as manifested in this Bill will be highly appreciated by the working class of this country. This Bill preceded by certain other Bills is an effective reply to those critics whose principal business at the present moment seems to be to blame the Government for its alleged indifference to labour problems. The other day I saw a statement made by a responsible leader of a particular party making similar allegations and accusing Government of a lack of a sense of reality. I

do admit, Sir, that a sense of reality is lacking, but I should observe at the same time, that it is lacking not in the Government but in people and in persons who make such wild allegations and who are thoroughly blind to the objective situation of the country.

So far, Sir, as the achievements of the present Government are concerned, particularly in regard to the native States and internal security, I should frankly state that they are nothing short of a miracle, for which the whole of the Indian people is grateful to the Government and to the two eminent leaders who are guiding the destinies of this country. So far as the tackling of the labour problems are concerned soon after the Industries Conference that took place in December last where an industrial truce was concluded, the Government held a series of conferences, two of which were attended by me personally, where a number of measures were discussed and plans chalked out to implement the policy laid down in the Resolution pertaining to the industrial truce. It is to be regretted that sufficient response is not forthcoming to the Resolution about the truce as passed in the Industries Conference. On the one hand, the capitalists of this country who of course did not like that Resolution but still accepted it are now trying to get out of it; on the other hand, there are groups and parties in this country who supported that Resolution but who are now ridiculing it and who are now opposing and obstructing it in actual practice. However, I am sure that the working class and the people of this country will, in the very near future, refuse to fall a prey to the machinations of these parties and they will wholeheartedly march together under the banner of the Congress to realise the goal of real democracy and freedom in this country.

Mr. Z. H. Lari (U. P.: Muslim): Sir, the Bill before this August House is a welcome measure, though it is based primarily on the provisions of the Factories Act, 1936. The improvements, in so far as they go, are neither revolutionary nor of such radical nature as to provoke Mr. Das into voicing any opposition. His speech was amusing if not pathetic. In the name of Indian manners, in the name of freedom, in the name of hatred of British imperialism, he wanted this House to deny the very elementary privileges which labour as such should enjoy and which this Bill, in some measure, wants to assure to the labour.

The provisions of the Bill have been dealt with at some length by the Honourable Minister and Mr. Shastri and I need not dwell on them. I want to confine myself to two aspects of the question which appeal to me, but before coming to them, I would like to deal with one point which Mr. Das wanted to make out, namely, that the Factories Act of 1936 had been faithfully adhered to and the remark by Mr. Sidhva that the provisions of that very Act with regard to building and other matters have also been neglected is very far from correct. If Mr. Das were to turn his attention to the findings of the Labour Investigation Committee held as far back as 1946, he will find and I think his actual experience will corroborate the findings of that Committee—that though the amenities which are or should be the necessary condition precedent to the working of labour were put on the Statute Book by the Factories Act of 1936, in fact, they were always violated by the employers. I am not a leader of the labour movement nor am I connected in any manner with them, but I cannot forget that investigations made there observations and I would place them before this House for such consideration as they deserve. On page 9, they say:

“However, it is a regrettable fact that the enforcement of labour laws has not been up to the mark and although much has been done by way of putting the workers' right on the Statute Book, on the whole the worker has not been able to obtain a fair deal. His illiteracy, ignorance and unhealthiness have been availed of by some employers who have been able to break or disregard the law with impunity.”

The first point that I wanted to make before this House is that the provisions which are going to be incorporated in this Bill were in essential measure to be

[Mr. Z. H. Lari]

found in the Factories Act of 1936, but that Statute Book has, to a great extent, remained a dead letter. Do we find provisions in this consolidating Bill which will go to ensure the actual enforcement of the law which is going to be formulated and placed on the Statute Book? That is the real point. If the experience of the last ten years shows that although the provisions are there but in actual practice they are made nugatory, what is the use of consolidating laws and saying to the public "Here is a solution of the problems of labour!"? Mr. Shastri said that this Bill provides a solution of the labour problem. I was surprised at his satisfaction.

Shri Harihar Nath Shastri: With regard to the work of the factories.

Mr. Z. H. Lari: So far as this Bill is concerned, we are not concerned, with the working of the factory. We are concerned with creating those conditions in which the labour has to work and therefore we have to see in the light of the ten years' working of the Factories Act whether there are provisions in this Bill which ensure the social conditions under which the labourer must work.

The Honourable the Minister has pointed out and very rightly that formerly there was only a question of fine. Now we have added also imprisonment. In so far as it goes, it is an improvement. But the question is that imprisonment comes in only when detection is made. The primary question is whether there is any machinery which will see day to day actual enforcement of the regulations made under Chapters 2, 3 and 4, such as drinking water, hours, cleanliness and so on. While dealing with welfare work there is a provision that the Government may frame rules for association of labourers' representative in the administration of these matters. Now I am surprised why this question should be left to the rule-making power and why it should be confined to enforcement of provisions, under the chapter which deals with welfare work only and not extended to those provisions which deal with health etc. My own humble suggestion before this House for the consideration of the Honourable Minister and the Members of the Select Committee is that there should be a Standing Committee attached to each factory, or for each town comprising firstly the representative of the employer, secondly representative of the worker, thirdly representative of the Trade Unions, if there be any, and lastly public men not connected directly or indirectly with the employers. Unless there is a standing committee to look into the working of these provisions, it will not be possible to see that the amenities which we are going to lay down for the labourers are really going to be provided and that is one thing, which to my mind is of primary importance considering that in effect the statute book has been nullified by the ingenuity and callousness of the employers. As to the second matter, I find that the Provincial Governments are being given power under various sections to exempt factories from the provisions of those very moderate provisions which are being incorporated in this Bill. If those provisions are good, if the amenities that are required are minimum that the labourer needs, why should there be any exemption? It may be said that we entrust these powers to the Provincial Government and we expect that the Provincial Government would be as much mindful of the interests of labour as the Central Government or the Legislature can be. But in this connection I would invite the attention of the House to the findings of the Labour Investigation Committee. Their findings are that the Provincial Government has been at every stage extending the exemptions and they have not been careful in granting exemptions. If that is the finding of an independent enquiry Committee, there is no reason why we should have these exemptions which are found in paras. 50, 68 and 85. Therefore my second humble submission for the consideration of the Members of the Select Committee is that we should take away this power of granting exemptions. Enforcement need not be left to the vagaries of Provincial

Governments nor provisions varied from province to province. These are the two suggestions that I wish to make and I hope that when the matter goes before the Select Committee they would go into these. The example of Western countries of course, is not to be copied, but to say that Indian style, Indian Independence is repugnant to International conventions is something which is far beyond the comprehension of any reasonable man. With these words, Sir, I support the motion of the Honourable Minister.

Shri V. C. Kesava Rao (Madras: General): Sir, I rise to support the Bill, but at the same time I want to point out a few defects in the Bill. By close study of the Bill anyone can come to a conclusion that this Bill is a mere consolidation of all the regulations and the old rules that were made after 1934 in which year the Factory Bill has come into existence. I am doubtful if this Bill will bring forth any beneficial measures to the labourers. Of course here and there there is a mention about the welfare of the workers in the Bill. But I doubt very much whether by taking some measures or by constructing factories on the hygienic lines or by putting some windows to the factory or fitting up some big bulbs in the factory any useful purpose for the betterment of labour can be served. The labourers are always fighting to improve their economic conditions, but this Bill only points out that the welfare of the worker is more important, and it should be looked after first. I do not say that the welfare of the worker is not important, but at the same time the economical development of the worker is also more essential. I find in this Bill that there is no mention about compulsory housing, the compulsory unemployment benefit, or the compulsory old age pensions or the compulsory profit sharing. All these things are not mentioned here at all.

Pandit Balkrishna Sharma (U. P.: General): This is a Factory's Act.

Shri V. C. Kesava Rao: I know, Sir, but this Factory's Act as pointed out is for the welfare of the worker. At the same time it must bring out some measures to improve the economical condition of the worker.

Another point is that the age of the children is raised from twelve to thirteen. I am of opinion that the children under fifteen should not be employed in the factory. To support my view I want to point out that the labourers generally have many children and to add something to their income they will always send their children even under nine or ten to the work and it is very difficult to find out the age of the boy. So I think that the Honourable the Minister will note this point and raise the age to fifteen.

The next point is that the working hours should be regulated. Generally the workers will go to the factory at 6 O'clock or 7 O'clock in the morning and return in the evening. I find there would not be any rest for these labourers. So in order to regulate their working hours, I suggest that the hours of work should be between 7 and 11 in the morning and 2 and 5 in the evening.

Another point that was mentioned by Mr. Sidhva is that children should be given free milk while their mothers are working in the factories. But I think workers should be provided with midday meals and cleaner canteens should be opened to provide them with decent food. Labourers who come to work in the morning will not be able to cook their food properly; and as their houses will be far away they cannot come home and take food in the interval. So in the interest of their health and to save them from running between home and factory, these factories should provide them with food in the canteens.

Then I find that annual holidays are restricted to ten days, but generally even civil servants and the highly paid Government servants are given the benefit of enjoying holidays for at least 30 days in the year. That benefit should be given to workers also.

With regard to profit-sharing our Honourable Minister may say that our industry is in its infancy and we cannot share the profits. But most of our

[Shri V. C. Kesava Rao]

industries like textiles, cement, iron and steel, etc have made crores of profits. The textile industry has paid 4½ times the capital invested in the trade as profits. In such a case the industrialist or the capitalists should not find it difficult to share the profits with the labourer who is helping him to make those profits.

Lastly, Sir, in the Select Committee I hardly find any one who really represents labour. I request the Honourable Minister to consider these points and place them before the Select Committee.

The Honourable Shri Jagjivan Ram: Sir, I do not propose to give a reply to all the points raised by various speakers. I may say that I do not claim the Bill to be a revolutionary measure but I feel that it is a modest beginning towards a great object. I may assure my Honourable friend Mr. Sidhva that I was all attention when he was on his legs and I was noting down the suggestions and criticisms that he was making. I may assure him that in the Select Committee we will give earnest consideration to his suggestions and criticisms and we will try to accommodate his view point as far as possible and practicable. But I am afraid that some of his suggestions are not practicable while some, though desirable, might not be possible to incorporate in the Bill at the present stage. So even though he may feel disappointed with the report of the Select Committee in certain respects I may again assure him that his criticisms will have our earnest consideration.

I find my Honourable friend Mr. B. Das is not here; I wish he were here. I may say that the measures of labour legislation which this Government are bringing forward are neither due to sentimental reasons nor to the agitation that might be carried on by interested persons or groups in the country among the workers. These are brought forward because we genuinely feel that labour in this country deserves sympathetic consideration; not because they are agitating for their rights but because they have so long been denied the minimum human rights. And therefore I wish to emphasise that it is not due to any sentiment for labour or to a coerced feeling due to agitations, but it is from a genuine feeling for doing some great thing for the working classes that we are bringing these measures forward. I may point out that we never intend to blindly copy western methods. But one should not be conservative and say that everything that comes from the west is detestable. There are things which we should be proud to copy and there are things which we should not imitate. And in our legislative measures and in this factory legislation as well though we have taken advantage of the experience of the western countries—of a person who was a very experienced Factory Inspector in the United Kingdom—we have not blindly copied their legislation. Of course a country which begins industrialisation at a late stage has the advantage of avoiding the difficulties and defects of those countries which started industrialisation earlier and made mistakes. If we have those examples it is not wise on our part to repeat those mistakes and then come to that stage. It was for them to make mistakes; it is now for us to take note of those mistakes and avoid them. And that is what we are trying to do in our Factories Act. In western countries, in Great Britain when they started constructing factories, when they had their Factory Acts they made mistakes and it took them a century to rectify those mistakes and defects. It is not wise on our part to take another century to make those mistakes and rectify them again.

Then my Honourable friend Mr. Das said that these provisions might strangle the development of industry. That is a platitude in which industrialists of this country are given to indulge. But I am sure these provisions are meant not to prevent the growth of healthy industrialism of this country, but I feel, on the contrary, that they will help the growth of industry in this country on sound and scientific lines. He spoke of overburdening the industry with

responsibilities; he talked of cost of production increasing. I think that if we are going to be fair to the working classes the cost of production may slightly increase; but that is no reason why we should not give the workers their due. Even if we are afraid that the cost of production will go up—if we reduce the working hours and if we are to pay fair wages to the workers certainly all this will add to the cost of production,—we have still to put the whole thing on a rational basis; and I think there are other items by which the cost of production might be reduced. And I should like to suggest to my Honourable friend Mr. Das whether he has given the consideration it deserves to the question of how much profit the industrialists in this country are making. Does it not add to the cost of production? Is it not necessary in the interest of the consumer and the country as a whole to have a check on that as well? I hope when my Honourable friend Mr. Das gets another opportunity he will enlighten the House on these points also.

Another point has been raised, Sir, that certain powers have been given to the Provincial Governments to exempt certain categories of factories from the operations of certain provisions of this Act. I do admit, that a provision has been made to that effect and I do feel, Sir, that that provision is necessary—necessary in the sense that we here in the Centre have the power and authority only to legislate. The effect to this provision is to be given by the Provincial Governments. Well, I wish I had the power to give effect to this provision as well, but there are limitations and we have to depend upon the Provincial Governments. I do not understand why there is so much mistrust of the Provincial Governments. After all they have to put these provisions into effect and we will have to give some latitude to them to see whether they have got sufficient machinery to check the provisions which may be put into operation. It is no use having something on the Statute Book unless there is sufficient agency to see that these provisions are being given effect to or not, and that is why we have given this option to the Provincial Governments. I know, Sir, from the little experience that I had of the working of the factory inspectorate in this country in the various provinces that the Provincial Governments in spite of their anxiety to strengthen the inspecting staff have not been able to strengthen or to increase the number of inspectors for the inspection of factories. They have their own limitations—financial and otherwise—and to expect them that as soon as we have this legislation on the Statute Book all the Provincial Governments will overnight set up sufficient machinery for the inspecting services, will be too much to expect from the Provincial Governments and therefore, naturally they will require some time to strengthen their factory inspectorate staff.

Apart from the financial consideration, there is another consideration as well. We have not got the necessary technical personnel suitable for this purpose and it has been my sad experience, Sir, that sometimes when we advertise the posts the Public Service Commission simply inform us that suitable candidates fulfilling the conditions and qualifications prescribed by Government are not available. These are the limitations under which we have to work. Though, I personally wish that we had been in a position to give effect to all the provisions of this Act in all the factories, regulated or unregulated, these limitations stand in our way.

As I said, Sir, I do not propose to give a reply to all the points raised by various Honourable Members. All that I can assure them is that though I have not been able to go into the draft of the Bill as it stands, though I have not been able to give it much of my personal attention, I will consider all these points in the Select Committee and I think the House will support my motion for referring it to the Select Committee.

Mr. Speaker: To the motion moved there is an amendment of Mr. B. Das which says that the name of Sir J. P. Srivastava be added to the list

[Mr. Speaker]

of Members of the Select Committee. I will first put to the House the amendment. The question is:

"That the name of Sir J. P. Srivastava be added to the list of members constituting the Select Committee."

The motion was adopted.

Mr. Speaker: I will now put to the House the amended motion. The question is:

"That the Bill to consolidate and amend the law regulating labour in factories be referred to a Select Committee consisting of Shri Khandubhai K. Desai, Shri B. Shiva Rao, Prof. N. G. Ranga, Shrimati Renuka Ray, Shri Gokulbhai Daulatram Bhatt, Shri Sundar Lall, Shri Nandkishore Das, Shri T. A. Ramalingam Chettiyar, Shri Harihar Nath Shastri, Mr. Naziruddin Ahmad, Shri H. V. Kamath, Shri K. Santhanam, Shri Arun Chandra Guha, Pandit Balkrishna Sharma, Sir J. P. Srivastava and the Mover, with instructions to report on the opening day of the next session and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was adopted.

CODE OF CIVIL PROCEDURE (AMENDMENT) BILL

The Honourable Dr. John Matthai (Minister for Railways and Transport): Sir, I beg to move:

"That the Bill further to amend the Code of Civil Procedure, 1908, be taken into consideration."

The point raised in this amending Bill is an extremely simple one. Under the existing provisions of the Civil Procedure Code notices in respect of suits against Government have to be served on Secretaries to Government, either of the Central Government or of the Provincial Government. State Railways being a part of the Central Government, notices in respect of suits against the Railways have to be served in the same manner. The result in many cases is that a notice, in the first instance, is served upon the Secretary to the Government; then it is passed on by him to the Railway Board and finally it is passed by the Railway Board to the Railway Administration concerned. This has been causing a considerable amount of delay, particularly in respect of compensation claims against Railways the number of which has greatly increased since the outbreak of the war for various reasons. There has been a great deal of complaint, in my view quite legitimate complaint, about the delay that takes place in the disposal of these cases. We have brought in this amending Bill, because we think that if this Bill is passed one, at any rate, of the causes of this delay would be removed. The whole point of the amendment is that in respect of State managed Railways notices of suits should be served on the General Manager of the Railway concerned. It is a perfectly simple measure and I think in the present circumstances, the amendment is urgently called for and I hope the House will see its way to accepting it.

Mr. Speaker: Motion moved:

"That the Bill further to amend the Code of Civil Procedure, 1908, be taken into consideration."

Shri Rohini Kumar Chaudhuri (Assam: General): Sir, I cannot resist the temptation of speaking on this motion which introduces this short and sweet Bill. I wish, Sir, this effort on his part will not prove abortive or unsuccessful as it has failed in other respects, as his other attempts have failed, namely his attempt to make the Railways conform more to the time-table and to make the railways a safer and more comfortable means of travel. But, I have certain misgivings with regard to this Bill, which I hope

the Honourable Minister will take into consideration. First of all, when the complaint goes to the General Manager we all know—all of us who had occasion to bring grievances to the notice of the General Manager—we all know how the complaints are generally treated in the General Manager's office. After all a notice under section 18 is another stage, a more serious stage, of the complaint itself, the only difference being that this complaint is backed by a threat to bring a suit in a civil court and I am afraid this complaint also may meet the same fate and may be relegated to a receptacle where most unwelcome papers find shelter.

The second apprehension which I have is this: I have found from my own experience when we serve the Government with a notice, there is an attempt to bring about a compromise, and if any party goes to the Government again and places the case before the Honourable the Minister in Charge, generally after some discussion the matter ends in some sort of a settlement. I do not think when the opinion of the General Manager is sought whether a suit should be awarded or settled amicably that he will be inclined to bring about an amicable settlement and I do not think that he will act on those lines.

So, I would submit, Sir, that when this Bill is actually brought into operation, some attention must be paid to these two difficulties which I have stated.

With these words, I support the motion.

Mr. Speaker: The question is:

"That the Bill further to amend the Code of Civil Procedure, 1908, be taken into consideration."

The motion was adopted.

Shri K. Santhanam (Madras: General): I wanted to move the amendment in my name, but I have an amended amendment for which I seek your permission. It is a formal amendment to make the position clear. As it stands, it is not clear whether any party will have the right to give alternative notice to a Secretary or a Railway Manager. The intention of the Bill is that notice in the case of the railway should be given only to the General Manager of the railway. The amendment does not affect the clause but it wants to make the position clear. I move:

"That for Clause 2 of the Bill, the following be substituted:

"2. *Amendment of Section 80, Act V of 1908.*—In Section 80 of the Code of Civil Procedure, 1908,—

(i) in clause (a), after the words "Central Government" the following words shall be inserted, namely:

"except where it relates to a Railway";

(ii) after clause (a), the following new clause (a-i) shall be inserted, namely:

"(a-i) in the case of a suit against the Central Government where it relates to a railway, the General Manager of that railway".

This is the amendment. I do not think any further explanation is necessary.

Mr. Speaker: In fact this is an amendment to substitute this for the second clause as placed in the Bill?

Shri K. Santhanam: Yes.

Mr. Speaker: Amendment moved:

"That for Clause 2 of the Bill, the following be substituted:

"2. *Amendment of Section 80, Act V of 1908.*—In Section 80 of the Code of Civil Procedure, 1908,—

(i) in clause (a), after the words "Central Government" the following words shall be inserted, namely:

"except where it relates to a Railway";

- (ii) after clause (a), the following new clause (a-i) shall be inserted, namely :
 "(a-i) in the case of a suit against the Central Government where it relates to a railway, the General Manager of that railway".

Mr. Naziruddin Ahmad (West Bengal: Muslim): I rise to support the Bill as well as the amendment but there is a drafting difficulty. So far as the purpose of the Bill is concerned it relates to Government railways and not to private railways. But the wording of the Bill as well as the amendment is rather generally comprehending all railways. In these circumstances, if the House accepts it, and if the Honourable Minister agrees to it, I would substitute "Government Railway" for "Railway". That would clear the matter. Otherwise notices might be issued to private railways which are governed by the Companies Act or other laws and in some cases no notices are perhaps required.

Mr. Speaker: There is a misunderstanding here. This is an amendment to section 80 which relates to suits against Government only, and therefore the amendment seems to cover the ground on the restrictions which the Honourable Member has in view. It will not apply to all railways.

Mr. Naziruddin Ahmad: In that case the amendment would not be necessary. With regard to the numbering of the new sub-clause it should be (aa) instead of (a-i). (a-i) is used when the normal lettering is exhausted. Therefore, I suggest that it should be numbered (aa).

Mr. Speaker: That is my reaction too. Has Mr. Santhanam any objection to (aa) instead of (a-i)?

Shri K. Santhanam: None whatever.

Shri M. Ananthasayanam Ayyangar (Madras: General): We are much obliged to Mr. Naziruddin to have it more elegant. As regards the Central Government, it is natural when a cause of action arises against the Central Government, this Act applies. Therefore other railway companies owned by others will not come into this. I have to add one thing. We are now passing legislation here when two months' notice under section 80 is given in cases, not to the Secretary to the Central Government but to the General Manager. We shall assume that a cause of action arose three years ago and a notice was sent. Under the Limitation Act the cause of action continues and the duration of two months is added. So he can file a suit after three years and two months. Section 80 in its preamble says:

"No suit shall be instituted against the Crown or against a public officer in respect of any act purporting to be done by such public officer in his official capacity, until the expiration of two months next after notice in writing has been delivered to or left at the office of . . ."

Now it is possible to say that the suit was filed after this Act came into force. This Act contemplates notice not to the Secretary but to the General Manager of the railway concerned. To avoid any difficulty, Mr. Santhanam and myself and others wanted to add an explanation to this clause in the following terms:

"Nothing in this clause shall affect suits in respect of which notice has been delivered to or left at the office of a Secretary of the Central Government before the passing of the Code of Civil Procedure Amendment Act, 1948."

This will make it clear. I do not think it is the intention of the Honourable Minister in moving this Bill to affect notices which had already been passed and to invalidate suits which depend for their validity upon the notices which have been given to the Secretaries to Government. But it is no doubt true that in the General Clauses Act there is a provision that this is not retrospective. The General Clauses Act safeguards all rights accrued to parties. However, the Honourable Minister seems to be under the misapprehension that the General Clauses Act applies to this. I would be glad if the Honourable Minister clears this up and makes it clear that it is not so intended.

do not want to divide on this issue. If the Honourable Minister thinks that it can be added by way of an amendment he can do it or if he thinks that it is superfluous I leave the matter to the courts.

The Honourable Dr. John Matthai: Sir, with regard to Mr. Santhanam's amendment, the fear of any overlapping between the reference to suits against the Central Government and the suits relating to a railway in the additional provision which is included in the amending Bill is, I think, not well grounded. As I am advised the word "or" which occurs here is not really alternative but distinctive. At the same time if there is any sort of doubt in the minds of Honourable Members that a certain amount of overlapping and therefore of confusion might arise I have no objection whatsoever to having the amendment moved by Mr. Santhanam accepted.

As regards the question of inserting an explanation in regard to safeguarding of rights in respect of notices already served, I am authoritatively advised by the Law Officers of the Government that the case which my Honourable friend has in mind is fully covered by the General Clauses Act and there is no risk of any rights in respect of notices already issued being endangered. I would ask my Honourable friend not to move that amendment.

Shri M. Ananthasayanam Ayyangar: I am not at all moving that amendment.

The Honourable Dr. John Matthai: I have discussed it thoroughly with the Law Officers of the Government.

Shri M. Ananthasayanam Ayyangar: I only wish that the Honourable the Law Minister had been present in the House, so that the House might have had the benefit of his views.

Mr. Speaker: The question is:

"That for Clause 2 of the Bill, the following be substituted:

"2. Amendment of Section 80, Act V of 1908.—In Section 80 of the Code of Civil Procedure, 1908,—

- (i) in clause (a), after the words "Central Government" the following words shall be inserted, namely:

"except where it relates to a railway";

- (ii) after clause (a), the following new clause (aa) shall be inserted, namely:

"(aa) in the case of a suit against the Central Government, where it relates to a railway, the General Manager of that railway".

The motion was adopted.

Mr. Speaker: The question is:

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

The motion was adopted.

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

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Dr. John Matthai: Sir, I move:

"That the Bill, as amended, be passed."

Mr. Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

[Mr. Speaker]

Mr. Speaker: This finishes off the work for today and tomorrow. The question then arises as to when the House should meet again. It will be, I believe, on Monday.

Mr. R. K. Sidhva (C. P. and Berar: General): What about the questions for tomorrow?

Mr. Speaker: It is not a very satisfactory position that we should carry on the questions from day to day. As we saw today, only four questions could be taken up from the list of yesterday. If we transfer the questions of tomorrow again to Monday, there would once again be the same difficulty that we experienced today. But I may say that in future, if it becomes necessary to adjourn for want of business or any other reason, the Members ought to have sufficient notice beforehand so that proper steps will be taken to transfer the whole set of questions for that day to some other distant date. I am afraid to transfer them to the 1st of March if not later, have already been fixed up. If any wholesale transfer of questions of one day to another is desired, those questions will have to come in after the 1st or first week of March: I am not sure about the date. But we must try to see that we meet regularly and Government does provide some work from day to day, so that there will be no difficulty about questions as has been raised just now.

Shri Satyanarayan Sinha (Bihar: General): There will be no difficulty in future, Sir. You know the reason why this difficulty arose. In future we hope that this will not happen but if it does, as you have suggested, we can transfer the questions to some distant date.

Mr. R. K. Sidhva: Sir, is it proposed that the Assembly does not sit on all future Saturdays? We consider the question hour very important and you have also said so. Therefore if we do not meet on Saturdays, we can at least tell the office to transfer the questions to some other date.

Mr. Speaker: So far as tomorrow is concerned, we are not sitting, not because tomorrow is a Saturday but because there is no business for tomorrow. So far as other Saturdays in future are concerned, I believe we are sitting on those days.

Shri Satyanarayan Sinha: We have not decided yet but as you have suggested we might sit for half days.

Mr. Speaker: When the whole question of dates was settled, it was done in consultation with the Government and Saturdays were included. I do not see any reason why the House should not sit on Saturdays when the dates have been fixed. As a matter of compromise, what can be done is that, instead of sitting the whole day, we can sit for half a day on Saturday. That will give members some relief and the difficulty about the question hour will disappear.

Shri K. Santhanam (Madras: General): If we are going to sit on Monday, at least by tomorrow morning Honourable Members should get the list of business for the day, so that they might come prepared.

Shri Satyanarayan Sinha: On Monday the business will be the reference to Select Committee of the Rehabilitation Finance Administration Bill, by the Honourable the Finance Minister.

Mr. Speaker: On Monday, the motion for reference to Select Committee of the Rehabilitation Finance Administration Bill will be coming. I hope we shall be able to have the other items on the agenda by the evening, so that notices of the same may be sent to Honourable Members either tonight or latest by tomorrow early morning.

Shri M. Ananthasayanam Ayyangar (Madras: General): I think we might adopt the previous practice, viz., that at the close of each week the Leader

of the House used to say what the business for the next week would be. If that is done we will be in a better position to understand where we stand. Therefore that also may be considered.

Mr. Speaker: We will consider it.

Mr. Naziruddin Ahmad (West Bengal: Muslim): Sir, I would like to make a suggestion as regards Saturdays. We do not want half a day session on Saturdays. There are many meetings of Select Committees and Standing Committees and other kinds of meetings every day as well as of the House and they overlap. We have to come at half past ten for Committee meetings and again at 11 for meeting of the House while the former is in progress and our attention is divided between one and the other. If therefore Saturday is set apart as a whole holiday and if that it utilised for Committee meetings that arrangement will be more satisfactory for us. The holiday is utilised and the Government gets full value for the money spent on the Members.

Mr. R. K. Sidhva: Sir, all members are not on Select Committees. I am for half a day meeting of the House. The afternoon is sufficient for Committees. Half a day could be utilised for the business of the House and half a day could be allowed for Select Committees, etc.

Mr. Speaker: That is why I have suggested a compromise of sitting for the morning, that is, from 11 to 1-15. And members will thereafter have enough time.

Shri H. V. Kamath (C.P. and Berar: General): It may be from 11 to 1 and not 1-15.

Mr. Speaker: 1 and 1-15 do not make much difference and it may be upto 1 if the Honourable Members should so desire.

The Assembly then adjourned till Eleven of the Clock on Monday, the 2nd February 1948.

60325

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Monday, 2nd February, 1948.

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

DECLARATION BY MEMBERS:

The following member made the declaration under Rule 2c:

Shri Rasikhlal Umedchand Parikh (Western India States Group).

DEATH OF MAHATMA GANDHI

Mr. Speaker: We are meeting today under the shadow of a double calamity, the sad demise of the tallest man of our age who has led us from slavery to independence and the reappearance of the cult of political violence in our country.

Ever since Mahatmaji came on the Indian political firmament, he opposed violence and we had thought that he had succeeded beyond measure. Though our belief was rudely shaken by the recent communal disturbances and by the exhibition of popular temper in recent months, leading to mass migrations, we had hugged the hope that the idea of cold, calculated murders for achieving political ends had left this country. The unfortunate and dastardly outrage last Friday evening has disillusioned us and has placed before us, for solution, a further problem of rooting out from the soil, the idea of violence for political ends. It seems, we have yet to realize that political violence is the greatest enemy of individual liberty and, therefore, of democracy. We cannot condemn this idea of violence for political ends in too strong terms. Mere condemnation of the misguided and mad perpetrator of the tragedy is not enough. On every thinking citizen rests the responsibility of so acting and shaping his life as to ensure that the cult of terrorism cannot have a favourable soil to germinate and grow in our country. As Gandhiji often used to say "Real democracy is not possible without non-violence".

I had the fortune of coming in close contact with Mahatma Gandhi ever since he set his foot on the Indian soil in 1915 for permanent residence here. Since then, I had, all these years, the privilege of doing my bit of public work under Mahatmaji's inspiration and guidance. Naturally, the history of our country and our struggles for liberty for the last 34 years stand before my eyes. We are reminded of our then ideology, as to the contents, forms and methods of attaining Swaraj, and the evolution these have undergone, under the influence of the Mahatma. Various events crowd to my mind, but this is not the time or occasion when one can go into details. Enough to say that, in presenting to us the alternative of non-violent resistance, better described as Satyagraha, he lifted the wet blanket of frustration and inspired, in us, new hopes of attainment of success in our fight against British Imperialism. He gave us the vision as to the true meaning of Swaraj for the masses and has brought us back to our own, in every walk of our life, from mere imitation of the West. There is no sphere of our life, in which the hand and influence of the Mahatma is not seen and felt. He gave a new orientation to our politics, our economies, our education and strove for spiritualising everything in our public life. He was the greatest man of our age. He always had the love of humanity burning in his heart even amidst the darkest periods of hatred and violent struggles and

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[Mr. Speaker]

was never a pessimist, even when he knew that his voice was a solitary one. Such an unshaken faith in his own principles and mission was naturally a source of strength to us.

We lose him at a very critical time, not only in the history of our country but perhaps in the history of the world. He had the outlook of humanity, international brotherhood and "one world". We have no words to express all that we respect, love, feel and mourn about him.

He was never a member of any Legislature. He had never been even a visitor to a Legislature except once. As he says in his autobiography, he attended the proceedings of this House only once in his life and that was on the occasion of the debate on the Rowlatt Bill. After describing the impassioned eloquence of the late Srinivasa Shastri on the Bill, he says:

"The Viceroy seemed to be listening spell-bound. His eyes rivetted on Shastriji..... For the moment it seemed to me as if the Viceroy could not but be deeply moved..... But you can wake a man only if he is really asleep"..... The Government was anxious only to go through the form of legal formality....."

That explains his attitude towards the then Legislatures. The position today is entirely different. Through his inspiring guidance and efforts, India has attained independence and both the Legislature and the Government are our own. I wish he had been with us on these premises some day to bless us all by his presence in the sacred and responsible work we have undertaken through this Legislature.

I am sure the whole House shares my feeling that Mahatmaji had been a parent to all and each of us and we deeply mourn today his absence and the loss of his guidance. I pray his spirit will ever be with us and lead us to our goal.

The Honourable Pandit Jawaharlal Nehru (Prime Minister and Leader of the House): Sir, may I associate myself with what you have said. It is customary in this House to pay some tribute to the eminent departed, to say some words of praise and condolence. I am not quite sure in my own mind if it is exactly fitting for me or for any others of this House to say much on this occasion, for I have a sense of utter shame both as an individual and as the head of the Government of India that we should have failed to protect the greatest treasure that we possessed. It is our failure, as it has been our failure in the past many months to give protection to many an innocent man, woman and child; it may be that the burden and the task was too great for us or for any Government, nevertheless it is failure. And today the fact that this mighty person whom we honoured and loved beyond measure has gone because we could not give him adequate protection is shame for all of us. It is shame to me as an Indian that an Indian should have raised his hand against him, it is shame to me as a Hindu that a Hindu should have done this deed and done it to the greatest Indian of the day and the greatest Hindu of the age.

We praise people in well-chosen words and we have some kind of a measure for greatness. How shall we praise him and how shall we measure him, because he was not of the common clay that all of us are made of? He came, lived a fairly long span of life and has passed away. No words of praise of ours in this House are needed, for he has had greater praise in his life than any living man in history. And during these two or three days since his death he has had the homage of the world; what can we add to that? How can we praise him, how can we who have been children of his, and perhaps more intimately his children than the children of his body, for we have all been in some greater or smaller measure the children of his spirit, unworthy as we were?

A glory has departed and the sun that warmed and brightened our lives has set and we shiver in the cold and dark. Yet, he would not have us feel this

way. After all, that glory that we saw for all these years, that man with the divine fire, changed us also—and such as we are, we have been moulded by him during these years; and out of that divine fire many of us also took a small spark which strengthened and made us work to some extent on the lines that he fashioned. And so if we praise him, our words seem rather small and if we praise him to some extent we praise ourselves. Great men and eminent men have monuments in bronze and marble set up for them, but this man of divine fire managed in his life time to become enshrined in millions and millions of hearts so that all of us became somewhat of the stuff that he was made of, though to an infinitely lesser degree. He spread out in this way all over India not in palaces only, or in select places or in assemblies but in every hamlet and hut of the lowly and those who suffer. He lives in the hearts of millions and he will live for immemorial ages.

What then can we say about him except to feel humble on this occasion? To praise him we are not worthy—to praise him whom we could not follow adequately and sufficiently. It is almost doing him an injustice just to pass him by with words when he demanded work and labour and sacrifice from us; in a large measure he made this country during the last thirty years or more attain to heights of sacrifice which in that particular domain have never been equalled elsewhere. He succeeded in that. Yet ultimately things happened which no doubt made him suffer tremendously though his tender face never lost the smile and he never spoke a harsh word to anyone. Yet, he must have suffered—suffered for the failing of this generation whom he had trained, suffered because we went away from the path that he had shown us. And ultimately the hand of a child of his—for he after all is as much a child of his as any other Indian—a hand of that child of his struck him down.

Long ages afterwards history will judge of this period that we have passed through. It will judge of the successes and the failures—we are too near it to be proper judges and to understand what has happened and what has not happened. All we know is that there was a glory and that it is no more; all we know is that for the moment there is darkness, not so dark certainly because when we look into our hearts we still find the living flame which he lighted there. And if those living flames exist, there will not be darkness in this land and we shall be able, with our effort, remembering him and following his path, to illumine this land again, small as we are, but still with the fire that he instilled into us. He was perhaps the greatest symbol of the India of the past, and may I say, of the India of the future that we could have had. We stand on this perilous edge of the present between that past and the future to be and we face all manner of perils and the greatest peril is sometimes the lack of faith which comes to us, the sense of frustration that comes to us, the sinking of the heart and of the spirit that comes to us when we see ideals go overboard, when we see the great things that we talked about somehow pass into empty words and life taking a different course. Yet, I do believe that perhaps this period will pass soon enough.

Great as this man of God was in his life, he has been great in his death and I have not a shadow of a doubt that by his death he has served the great cause as he served it throughout his life. We mourn him; we shall always mourn him, because we are human and cannot forget our beloved Master. But I know that he would not like us to mourn him. No tears came to his eyes when his dearest and closest passed away—only a firm resolve to persevere, to serve the great cause that he had chosen. So he would chide us if we merely mourn. That is a poor way of doing homage to him. The only way is to express our determination, to pledge ourselves anew, to conduct ourselves so and to dedicate ourselves to the great task which he undertook and which he accomplished to such a large extent. So we have to work, we have to labour, we have to sacrifice and thus prove, to some extent at least, worthy followers of his.

[Pandit Jawaharlal Nehru]

It is clear, as you said, Sir, that this happening, this tragedy, is not merely the isolated act of a mad man. This comes out of a certain atmosphere of violence and hatred that has prevailed in this country for many months and years and more especially in the past few months. That atmosphere envelopes us and surrounds us and if we are to serve the cause he put before us we have to face this atmosphere, to combat it, to struggle against it and root out the evil of hatred and violence.

So far as this Government is concerned, I trust they will spare no means, spare no effort to tackle it, because if we do not do that, if we, in our weakness or for any other reason that we may consider adequate, do not take effective means to stop this violence, to stop this spreading of hatred by word of mouth or writing or act, then indeed we are not worthy of being in this Government; we are not certainly worthy of being his followers and we are not worthy of even saying words of praise for this great soul who has departed. So that on this occasion or any other when we think of this great Master who has gone, let us always think of him in terms of work and labour and sacrifice, in terms of fighting evil wherever we see it, in terms of holding to the truth as he put it before us, and if we do so, however unworthy we may be, we shall at least have done our duty and paid proper homage to his spirit.

He has gone, and all over India there is a feeling of having been left desolate and forlorn. All of us sense that feeling, and I do not know when we shall be able to get rid of it, and yet together with that feeling there is also a feeling of proud thankfulness that it has been given to us of this generation to be associated with this mighty person. In ages to come, centuries and may be millenia after us, people will think of this generation when this man of God trod the earth and will think of us who, however small, could also follow his path and tread the holy ground where his feet had been. Let us be worthy of him.

Saiyid Mohd. Saadulla (Assam: Muslim): Mr. Speaker, Sir, on behalf of the Muslims of the Dominion of India, on behalf of my Muslim colleagues on this side of the House and on behalf of myself, I humbly and sincerely associate myself with what has been said of the great personage who guided the destinies of India in an unofficial capacity. It was he who brought us to a very sound and solid basis as a rock of peaceful workers in the international field. We who were flotsam and jetsam in the ocean of internationalism, we who were treated as slaves, were by his foresight and by his political wisdom dragged out from the mire and placed on the throne of freedom. It is a pity that he is no more with us.

I need not speak anything about his great political achievements which India achieved through his efforts for the last thirty years, as have we not proclaimed him as the Father of the Nation only a short while ago? I want to speak, Sir, on the side of which he was an earnest exponent, the side of love, the side of non-violence, the side of toleration. No greater tribute can be given by a Muslim when he says that a non-Muslim preached all the creeds—not merely preached but also practised—all the tenets and injunctions of Islam. I find, Sir, in the great love of truth, in the satyagraha movement, parallels thirteen hundred years ago. Who does not know who has read the life of the Prophet of Arabia that the practice of what is now termed "Satyagraha" which Gandhiji preached, was preached by him while proclaiming the new religion of Islam in the streets of Mecca? I can tell you, Sir, that it is Islam which had preached toleration thirteen hundred years ago, for any student of comparative religion must remember that at a time when the world was torn with feuds, when the world was literally intolerable it was the great Prophet Mohamad who proclaimed to the world that a man to be true to his religion must respect the prophets and religious reformers of all religions that

have been sent to this world by an all-mighty Father. The fact that Mahatma Gandhi in his prayer meetings used to have recitations from the Quran clearly demonstrates the breadth of his outlook, the negation of narrowness in his mind and his sincere endeavour to bring into one whole the different religiously-minded people of this sub-continent of India. His love of the oppressed is one of the tenets of Islamic religion. We marvel how his frail body could contain such a magnanimous mind as to feel for the oppressed of all religions, the oppressed of all societies, whether political, spiritual or social.

We are here today to respect his memory. Mere utterance of words in praise of him will only be lip-service. If we really want to do homage to that great departed soul, we must try to fulfil the mission which he himself thought remained unfulfilled.

I read somewhere that once Mahatmaji had said:

"My mission is not merely brotherhood of Indian humanity. My mission is not merely freedom of India, though I love it undoubtedly, engrosses practically the whole of my life and the whole of my time. But though realisation of the freedom of India, I hope to realise and carry on the mission of the brotherhood of man. My patriotism is not an exclusive thing. It is all embracing and I should reject that patriotism which sought to mount upon the distress or the exploitation of other nationalities."

If we really want to be true disciples of Mahatmaji, if we want to see his mission fulfilled, we must work and conduct ourselves in such a way that these utterances of his are implemented.

One other great trait of this saintly man was that he placed the utmost reliance on the efficacy, or rather the supremacy of moral values over material ones.

Let us in all humbleness follow in the foot-steps of this great man and that will be the best demonstration of our homage to him.

Rev. Jerome D'Souza (Madras: General): Mr. Speaker and Honourable Members, Mahatma Gandhi's voice, the voice of the dumb millions of our land, has passed into the Great Silence. All of us are aware he was a great lover of silence and in that silence he heard "the still small voice" in irresistible accents and he translated those accents which he heard in the secrecy of his heart, to the waiting multitudes, the waiting millions of our land and the whole world. And for the last twenty, thirty or forty years the whole world has been filled with the echo of that beautiful, that musical, that incomparable voice; and today that voice is still. A great bell was tolling in the night and all of a sudden that bell is silent, the most remarkable, the most consoling, the most ennobling voice we have heard in our generation is silenced. But in the words of our Prime Minister, it is not merely grief that we shall allow to invade our heart, in the silence that is created in us; rather we shall think with proud thankfulness of what he was and what he gave to us.

The whole land will bless him, because the life that surges through this nation is the life given by him. And yet he has worked this strange miracle in this land, in this household, that every member of it thought that he loved him more than he loved others. The great Hindu community will call him the pride and glory of their community, the finest flower of their race and culture. The Muslims will say that he was their champion, that he understood their sentiments, that in this land it was he who raised his voice for them. The Harijans will say that he was their very father and that he loved none else as he loved them. The women will say that he was their friend, that he understood their timidity and that he alone brought them out of their obscurity and their humility into the public to work for our country. Perhaps, the children will finally say that he loved them most for he laughed and played with them like a child: this is what the father of a house does, to each child he gives the impression that he loves him more than others, when, in truth, he loves all equally. This is what our Father, our Bapuji, did for the children of this land.

[Rev. Jerome D'Souza]

My friends, let me say one word for my own people, the Christian people. In the national movement of this land for many reasons into which it is not necessary to enter now, they were sometimes a little hesitant, they were doubting. By his personality, by the magic of his word, he brought all of us into this movement and today we stand with our brethren, we stand with all the rest of the country, in the dignity of our new-found freedom and in the determination to work for its prosperity. If I may say so, his words, his example, his doctrine of non-violence, brought home to all, the teaching of the Sermon on the Mount. Its beautiful words kept on ringing in our ears as in his. He has turned the attention of our countrymen to the sweet figure of Jesus Christ, and by this means he has brought us nearer to the masses of our countrymen, and them nearer to us. And in his last days when some of us were fearing that perhaps the violence which was spreading may spread further, his voice, raised in defence of every minority, filled our hearts with immense comfort. Such a one, the very embodiment of the power of the soul, one for whom the body was nothing and the soul everything, one for whom time was nothing and eternity was all, even, he has fallen, fallen by the mistaken action of a foolish child of his. My friends, he had learnt more than anybody else in the world that more powerful than the sword was the weapon of love. In the midst of so many controversies, our beloved leader did not give back one angry word, one recrimination—for he was the very embodiment of sweetness and patience. And even he has been taken away from us by violence.

We do not know where to turn and what to say in this calamity. We know that cruel as the deed was which took him away, his work cannot suffer, but that it now receives an added strength from martyrdom; out of this martyrdom surely will come a new lustre for those ideals, a new power for those words which he has uttered and which will be repeated lovingly by millions and by generations. The grains of seed falling on the ground and dying will produce fruit a hundredfold. Friends, let us join together in offering the great men upon whose shoulders the burden of the Government of this country has come, the pledge of our love and our sympathy and the assurance of our unswerving fidelity in carrying out their task. Let us make up our minds that neither by word nor by deed we shall weaken their effort. And so when this great light has failed us, let us remember that those ideals have an inner light, their own inherent brilliance and that they have now an added lustre from the aureole of martyrdom, from the supreme sacrifice which has crowned his long and humble life. "Greater love than this, no man hath, than that he lay down his life for his friends". May God rest his gentle soul, and grant him eternal happiness!

Shri M. R. Masani (Bombay: General): Mr. Speaker, Sir, I am grateful for this opportunity to join in the nation's homage to our beloved leader. Just as the smallest child in a family feels most orphaned by the loss of the father, it is only in the course of things that the smallest of the groups and the minorities that make up this country should feel the most orphaned.

But I would rather speak today, Sir, on behalf of the generation to which I belong—a generation of Indians of all kinds and races and religions. It was a generation that entered life as rebels against Gandhiji and his ideas. Imbued with a philosophy that was different from his, moved by impatience, many of us of that generation entered public life as rebels against Gandhiji's thoughts and ideas. We regarded the *Charkha* as the symbol of a primitive life and village industries as antediluvian. We thought that Truth and Non-violence were, only not irrelevant but even obstructive to social progress and social revolution. We thought Gandhiji had already performed whatever progressive role he had to play in history by the time we arrived on the scene! Two decades have passed since then and, as the years have rolled by, more and more of us have become aware that it was not Gandhiji who was out of date but it was we

who had failed to realize the way in which he had sensed the needs of our century, while we were still mouthing the slogans of the 19th century. We have come to realize the tremendous contributions he has made to political, social and economic thought, to appreciate the stress he has laid on the decentralization and distribution of political and economic power so that the lowliest in our country may partake in it. We have come to realize the need for moral values as we have seen Europe that we so admired, devastated by two World Wars and faced with totalitarian tyranny, and we have turned to him more and more as the prophet of social justice. We have realized that he was ages ahead of his time and we bow before him as the greatest socialist of us all, as a better revolutionary than anyone else in our time. We came to scoff but we have remained to pray.

Six months back, when a group of unruly young men broke into Gandhiji's abode at Calcutta, I permitted myself in Poona, when addressing a gathering of young men there, to express my misgiving that we seemed to be qualifying to go down in history execrated along with those who had crucified Christ. To our misfortune, those fears have become a grim fact. It is from that same distant city of Poona that has come the hand that has struck the dastardly blow.

Like Abraham Lincoln, our great leader has left us but only after he has piloted and guided us to that primary goal which we had set before ourselves. His message will live long beyond the intentions of those who have tried to silence him, and the miscreant can only go down in history as a "noteless blot on a remembered name." The Prime Minister has told us how he on his part has felt ashamed at the failure of the Government which he represents. If the rest of us, however, were to feel that we were guiltless, we would be doing less than justice to ourselves or to Gandhiji, because to the measure that we have allowed the poison of hatred and violence and religious bigotry to spread in this country in the last six months, each one of us is guilty also. We all have been guilty of acts of commission or omission. We kept silent when we should have raised our voices in protest. We may not have justified what has happened, but too many of us have made excuses. We have connived at and condoned violence and hatred, and today we have tasted the bitter fruit.

I would like today to dare to hope, Mr. Speaker, that this may prove a turning point, that this may shock the conscience of those who have allowed themselves to be misled by the false prophets of religious bigotry, and that in death we may follow Gandhiji more loyally than we have followed him in the last stages of his life, because that is our only hope. If India is to follow the path of militarism, of racial chauvinism and religious bigotry, then India is lost. If we wish to emerge as a progressive, democratic and peace-loving nation, then more than ever now is the time for the sons and daughters of India to rally to Gandhiji's message. Few can be Gandhi. No one can be Gandhi. But if there is a touch of Gandhi in each one of us, that will add up to enough moral strength to fight all the enemies within and without that face us.

I would end with quoting a suggestion that Gandhiji has often made, so that we can face the tasks that lie before us in the spirit that he would have liked us to possess. Let us remember those words of his and both collectively as a nation and individually do as he has suggested. Those words of Gandhiji's are: "Turn the searchlight inward".

Shrimati Hansa Mehta (Bombay: General): Mr. Speaker, Sir, it is with the deepest sorrow that I rise to associate myself with the feelings expressed by previous speakers. Gandhiji has become one with the Eternity. In his case it is Death that has died. But for us mortals it is but human that we should mourn his loss, a loss which is so irreparable. For us the women in

[Shrinati Hansa Mehta]

particular his loss is irreparable, for he was our friend and our champion. Without him we feel so orphaned. India has been fortunate in giving to the world great spiritual leaders. In that galaxy of spiritual leaders Gandhiji was the star of the greatest magnitude. His light penetrated all spheres of life, not merely spiritual but political, social and even economic. His light it was that guided us to our political freedom, but the other freedoms have still to be achieved, especially in the social sphere we have to achieve a great deal. His death has been a warning to the Hindu community to give up their narrow sectarian religion. Hinduism is a vast ocean based on a humanitarian philosophy. It cannot be restricted to a narrow sectarian religion. And if Hinduism is to live it must live as Gandhiji conceived it, a religion of tolerance and of humanity. We are talking of raising monuments to commemorate the memory of our cherished and beloved leader, but the greatest monument that we can ever raise is to complete the work that he has left incomplete and for which he lost his life; and that is the unity of India which is to be the corner-stone of the unity of the world. I appeal to women in particular, in whom he had such great faith, to come forward and work in building up this great monument which will be the greatest homage that we women can pay to his memory.

Mr. Frank R. Anthony (C.P. and Berar: General): Sir, the occasion is too solemn and too overwhelmingly tragic to require a long speech. As the Prime Minister has rightly remarked we do Mahatma Gandhi an injustice by trying to pass him by with words. Most of us have neither the hearts nor the ears to listen to mere speeches; but something may be said, however feeble and inadequate it may sound.

Mahatma Gandhi's influence was so unique, the reverence in which he was held so widespread that I know of many persons who perhaps had never met him and who belonged to communities which were not included among his political followers but who nevertheless wept bitterly when they received this tragic news.

Already invested with a recognition and a stature which was immeasurable, his lofty ideals, his unflinching courage, his unshakable faith, particularly during the communal disturbances, made him—if that were possible—even greater than before.

As I said at a condolence meeting on Saturday, in a world torn by strife, ridden by bitterness and suspicion and hatred, the ideals and the teachings of Mahatma Gandhi stood out as a solitary and yet as a shining beacon, beckoning and pointing the way back to world sanity, to love and to brotherhood.

In India, especially during the past few months his powerful voice has been a source of strength and of comfort, particularly to the minority communities. Bitter communal tension, imminent and fratricidal strife dissolved and relaxed almost miraculously at the touch of his towering moral influence.

The first inevitable reaction to the news was one of stunned and inarticulate horror. Forebodings for India's future were on the lips and in the minds of many. But I feel, Sir, that the amazing example and influence of this truly unique man who will undoubtedly be compared with those prophets and saints who have been martyred and crucified for their ideals and their faith that his example and his influence will endure.

Little intolerant men who by their recent actions and utterances have sought to destroy the Gandhian ideals of brotherhood, equality and democracy and who are indirectly—if not directly—responsible for this ghastly tragedy should now at least learn and realise the evil consequences of preaching narrow communalism and of inciting the young men of India to hatred and to violence.

The workings of Providence are inscrutable; who knows but perhaps by and through his death the living ideals of Gandhism may, achieve their greatest consummation. His immortal spirit and influence may perhaps, more than ever before, become an unerring and irresistible guide to the goal of real democracy that he wanted so much for India. If that happens, if the leaders and the people of India make that possible, then perhaps Mahatma Gandhi may not have willed things otherwise. May God bless him and rest his soul in peace.

گیانی گورمکھ سنگھ مسافر : سبھاپتی جی ! میں آپ کا اڑحد مشکور ہوں کہ آپ نے مجھے اس چھوٹی سی زبان سے دنیا بھر کے ایک بڑے انسان کے متعلق کچھ کہنے کا موقع دیا ہے۔ مہاتما جی کی زندگی ہندوستان کی آزادی کی مختلف Stages کا ایک مجموعہ ہے۔ جو کہ ہمارے دیہ میں موقعہ یا موقع رونما ہوتی رہی ہیں۔ دراصل مہاتما جی ایک شہید تھے اور وہ شہید ہی ہوئے۔ شہید میں انہیں اُس حالت میں بھی سمجھتا جب وہ اپنی قدرتی موت مرتے۔ کیونکہ ان کے جیون میں کوئی انیتنی تھی ہی نہیں۔ انہوں نے اپنا جیون دیہ کے لئے اور پرانی ماتر کے لئے بنایا۔ وہ پرانی ماتر کے لئے پیدا ہوئے تھے۔ پرانی ماتر کے لئے وہ پڑھے۔ پرانی ماتر کے لئے وہ جیئے اور پرانی ماتر کے لئے ہی وہ آخر میں چل بسے۔ اسوقت مجھے پنجابی زبان کی ایک پرانی کوتیا جو میں نے خود ہی لکھی تھی یاد آتی ہے۔

جگ جگ جیوے گندھی پیارا۔ بھارت دا (کا) انمول دولارا

دیہ لئی (کئے) سارے دا سارا

یعنی اُنکا تن دھن من سب دیہ کیلئے ہی تھا۔

اس وقت تمام کے تمام لوگ اور سارا دیہ ان کے چلے جانے پر غمزدہ ہے۔ انہوں نے اپنا جیون دیہ کے لئے ختم کیا۔ اور اس غمگینی کی حالت میں ہم یہ سمجھتے ہیں کہ اگرچہ گندھی جی جسمانی طور پر اب ہمارے درمیان نہیں ہیں مگر روحانی طور پر وہ اب بھی ہمارے ساتھ ہیں۔ اسلئے زیادہ غمگین ہونیکی ضرورت نہیں گورو بانی میں لکھا ہے۔

دہ سنت موئے کیا روئے جو آپے گورہ جائے

رو رو ساکت باپڑے جو ہاتھ ہاتھ بکڑے

(یعنی سنت کے مرنے پر رونیکی ضرورت نہیں کیونکہ وہ مکت ہوتا ہے ساکت

(درجن) کو رونا چاہئے جو جؤنوں میں بھگتنا پھرتا ہے۔)

مہاتما جی نے آپے مشن کو اسوقت پورا کیا جب وہ شہید ہوئے ہیں انہیں شہید کس لئے ہونا پڑا۔ اس لئے کہ انسان کو ایک انسان سمجھا جائے۔ انسانیت کا معیار قائم ہو اور کمیونٹی ہارمونی (Communal harmony) ہو۔ ہم بیانی بھائی ہیں اور ہمیں آپس میں جھگڑے نہیں کرنے چاہئیں اور آپس میں لڑنا نہیں چاہئے پرانی ماتر کے ساتھ جو اُنکو پیار تھا۔ اُس پیار کی وجہ سے ہم نے اُنکو باپو کہا ہے۔ وہ قادر آف دی نیشن (Father of the Nation) تھے ہم یہ آج ہی نہیں کہتے ہیں۔ بلکہ مجھے نیتا جی سبھاش چندر بوس کے وہ الفاظ یاد ہیں۔ جو کہ انہوں نے عرصہ

[گیانی گورو مکھ سنگھ مسافر]

ہوا آزاد ہند ریڈیو رنگوں سے آزاد ہند فوج کے advance کے وقت کہہ تھے۔
 انہوں نے اپنی تقریر کے آخر میں مہاتما جی کو مخاطب کرتے ہوئے کہا تھا:-
 Father of our Nation I ask for your blessings in this holy war
 تھیٹا جی نے مہاتما جی کو بہت پہلے بایو کہا ہے۔ اور سچ مچ وہ بایو تھے۔

گاندھی جی ایک سنڈر تھے۔ جلیوں نے اپنی گہری تپہ سے کچھ سچے موتی
 نکل کر باہر رکھ دیئے ہیں۔ اور یہی موتی اب ہمارے دیہے کا دھن ہیں۔ اور یہ دھن
 بایو نے ہمارے ورثہ میں چھوڑا ہے۔ ان ہی موتیوں کی مالا کے شرومنی منکے جواہر اور
 پتیل ہیں جب تک یہ سچے موتی ایک ہی مالا میں پروئے رہیں گے یہ مالا ایک
 خوبصورت گہنا بن کر دیہے کے حسن کو چسکتی دھینگے اس مالا کے موتی ضرور چسکیں گے
 انکی چمک کا راز صرف ایک بات میں ہے کہ اس مالا کو بنانے والے نے جس باریک مگر
 مضبوط دھاگے سے اسکو پرویا ہے سچے اصولوں کا وہ دھاگہ مضبوطی سے قائم رہے۔ گاندھی
 جی کی آتما شامل حال ہے۔ اسلئے مجھے کوئی وجہ نظر نہیں آتی کہ دیہے اُنکی کیوں نہ
 کرے۔ یہ تھیک ہے کہ اسوقت گاندھی جی ہمارے درمیان جسمانی طور پر موجود نہیں
 ہیں اور آج ہمارے دیہے کا ہر ایک بچہ بھی بلا لحاظ مذہب و ملت گاندھی جی
 کے لئے غمزدہ ہے۔ لیکن گاندھی جی کی آتما دھما ہو کر ہمیں سیدھا راستہ دکھاتی دھینگے۔
 میں اپنی کمیونٹی کی طرف سے بھی کچھ کہنا چاہتا ہوں۔ کیونکہ گاندھی جی
 مائینوریتی کمیونٹیز (Minority Communities) کے سچے ہمدرد اور نیک خواہاں تھے۔
 ان کمیونٹیز (Communities) کو ان پر پورا پورا بھروسہ تھا۔ اور ہر ایک انکا ادب کرتا تھا۔
 مہاتما جی جتنا پیارا Minorities سے کرتے تھے اتنا شاید اور کوئی نہیں کر سکتا ہے۔
 پچھلے دنوں اپنی پرارتھنا سبھا میں Speech دینے والے دنوں کا ذکر اکثر کرتے تھے۔
 وہ جو بات کہتے تھے اُسکی سمجھ دیر سے آتی تھی۔ لیکن جب ان کے بچوں پر غور
 کیا جائے تو صاف نظر آتا ہے کہ اگر اُنکے بچے کڑے تھے۔ لیکن دراصل وہ بہت فائدہ دینے
 والے ہونے تھے اُن کے بچے اس طرح سے کڑے تھے جس طرح کہ ڈاکٹر کی دوائی ایک مریض
 کے لئے ہوتی ہے۔ دوائی کڑی ہوتی ہے۔ لیکن وہ ڈاکٹر کڑی دوائی اس نیت سے دیتا
 ہے کہ وہ دوائی پیکر اُسکا مریض جلد راضی ہو۔ اور پھر اچھی طرح سے گھومنے پھرنے لگے۔
 جب مہاتما جی کے مرنے کی دردناک خبر امرتسر میں پہنچی۔ تو امرتسر سے سکھ
 لیڈر یہاں آگئے۔ اور یہاں آکر انہوں نے اپنی جاتی کی طرف سے مہاتما جی پر اپنی شردھا
 پھول چڑھائے اور اس دردناک واقعہ پر افسوس کیا۔ اور اس ماتم میں شامل ہوئے۔
 گوردواروں میں پاتھ رکھوا کر مہاتما جی کی آتما کی شنتی کیلئے دعائیں کی گئیں۔
 مہری ایشور سے پرارتھنا ہے۔ کہ ایشور پر ماتما مہاتما جی کو اپنے چرنوں میں نواس
 بخشے اور ہم لوگوں کو ان کے نقش و قدم پر چلنے کی طاقت بخشے۔

(English translation of the above speech)

Giani Gurmukh Singh Musafar (East Punjab: Sikh): Mr. Speaker, I am very much obliged to you for your affording me the opportunity to speak with my tiny tongue something about the Greatest Man of the World.

The life of Mahatmaji is the sum total of the various stages of India's struggle for Independence, which men witnessed from time to time in our country. As a matter of fact Mahatmaji was a martyr, and he died a martyr's death. I would have considered him a martyr had he died a natural death, because he lived a spotless life. He lived his life for his country and humanity. He was born for humanity; was brought up for humanity; lived for humanity; and at last gave up his life for humanity. This reminds me of a couplet of Punjabi poetry that I had composed myself: It is as follows:

"Jug Jug jiwe Gandhi Pyara

Bharat da anmol dulara

Desh lei sare da sara."

(May dear Gandhi live for centuries and centuries. He is a priceless gem who devoted his body and soul to the country.)

This day, all the people, and the whole of the country is grief-stricken on his death. He sacrificed his life for the country. In our sorrowful plight we understand that though Gandhiji is now physically no more in our midst, yet he is with us in spirit and we need not, therefore, be sorrowful. Our Guru has said:

"Sant moe, kya royee jo apni gareh jae

Rovosakat baprejo hato hat Bikai."

(Sinners need laments, for their souls wander about after death. Saints need no tears, for death brings them salvation.)

Mahatmaji's martyrdom marks the fulfilment of his mission. Why had he to court martyrdom, it was for this that a human being should respect a human being as such; that the principle of humanity be established and that communal harmony should prevail. We are all brethren; we should not quarrel or fight among ourselves. Due to his love for humanity, we have called him Bapu. He was 'Father of the Nation'. We do not call him by this title only today, because I recollect the words of Netaji Subhas Chandra Bose broadcast by him from the Azad Hind Radio, Rangoon, at the time of the advance of the Indian National Army. While addressing Mahatmaji in the concluding portion of his speech he referred to him as 'Father of our Nation' and asked for his blessings in the 'Holy War'. Netaji had addressed Mahatmaji as 'Bapu', on previous occasions also and he was a 'Bapu' in the real sense.

Gandhiji was like an ocean which has thrown out some precious real pearls out of its deep bottom and these pearls constitute the country's wealth. This wealth has been bequeathed by 'Bapu' to us. Jawahar and Patel are the shining gems of this necklace. So long as these real pearls will remain strung together in one necklace they will continue to enhance the beauty of the country. The pearls of this necklace must shine. The secret of their brightness lies in the fact that its maker has strung them tightly on a fine and strong thread of true principles. I don't find any reason why the country should not make progress when Gandhiji's spirit is present. It is true that now Gandhiji is not physically present amongst us and today even a child of our country, without the distinction of caste and creed, is overwhelmed with grief. But Gandhiji, as a Guide, will continue to lead us on the right path. I would also desire to say something on behalf of my community, since Gandhiji was a true sympathiser and well wisher of the minority communities. These communities had implicit trust in him and every body revered him. No body had

[Giani Gurmukh Singh Musafar]

greater love for minorities than Mahatmaji. Recently in his speeches delivered at his prayer meetings he often made mention of Sikhs. It took some time to understand what he said. But his words on careful consideration, though seemed to be bitter yet they were very useful. His words were bitter as the Doctor's medicine is for the sick. No doubt medicine is bitter but the Doctor gives the bitter medicine to cure his patient and restore him to health.

As soon as the woeful news of Mahatmaji's death reached Amritsar, a few of the Sikh leaders came here and on behalf of their community paid homage to Mahatmaji, expressed their grief on this tragic event and participated in the mourning. Prayers were organised in Gurdwaras for peace to Mahatmaji's soul.

I pray to God that may He grant him peace in Heavens, and Bless us all with the strength to follow his teachings.

Shri K. Hanumanthaiya (Mysore State): According to ordinary standards, today is supposed to be a mourning day. But we cannot judge Gandhiji by ordinary standards. Today we ought to make up our minds to accord homage to the great man that has passed away not by shedding tears, but by making up our minds to follow the ideals he put forward and practised.

I might say he is the greatest harmonizer humanity has produced. He saw clearly that too often religion was the cause of conflict in the world and the foremost task he took up was to see that people rightly understood each other's religion. While he founded no religion himself, the great work he did was to show to mankind that all religions had the same end and there was no reason to hate each other in the name of religion. He is truly what is said in Sanskrit, "sarvamatrasamanrayacharya".

It happened, that in the first great movement he launched in India after he returned from South Africa, he championed the cause of *Khilafat*, and the last act he did was to lay down his life in order to bring about love and friendship between the Muhammadans and the Hindus. If the significance of this, beginning and end is realized by our Muslim brothers, I hope, they will pave the way for that harmony for which he stood. It is up to the Muslims in Pakistan in particular, and Hindusthan in general, to see that Mahatma Gandhi was their greatest friend that India could produce and to follow his noble way of harmony. That is the real way of paying tributes to Gandhiji and not to say merely that we feel sorry for Gandhiji's demise or we have lost our way. We have not really lost our way. Gandhiji has written and spoken and practised all that is possible for a great man to say, do and practise. There is nothing else to learn from any other man or book. Therefore, if you want really light, there is plenty of it Gandhi has left, as our heritage. It is for us to be his true followers and worthy countrymen of his by practising his noble ideals.

I thought, when I wanted to speak, that I should speak on behalf of the States' people who are one-fifth of the people of India. But now I think that if I should speak from any particular angle in paying tributes to this great man, it would be an act of discourtesy. I will not therefore speak on behalf of any particular section of India or any community. Great as Gandhiji was over and above every community, every class and every country. I would lift up my hand, as every Hindu does when he prays to the great God Surya, and pay my homage to him. I pray that his soul may rest in peace. According to the Hindu belief if God bestows what is called *mukti* on anybody I am sure it would be on this great man who is fittest to receive it. We all pray to God that Mahatma Gandhi may yet guide us from above. Let us also pray that in this world surcharged with violence and hatred, his departed great soul, which has become one with God may show us the way to establish peace on earth. That is the task, the greatest task, that is left to his immediate

followers as well as to us in general to fulfil. To establish peace and harmony, working ceaselessly towards that end with all determination, is the truest way of respecting and revering the memory of this greatest man humanity has produced.

श्री० एच० जे० खंडेकर : सभापति जी, बापू के चले जाने के बाद दुनिया में शान्ति और अहिंसा का पैगाम देने वाला महामुनि हमेशा के लिये चला गया। इस देश को स्वराज्य दिलाने के बाद बापू ने उसको टिकाने के जितने भी मार्ग बनाये और आगे का मार्ग बनाने वाला बापू हमारे पास अब नहीं हैं। मैं अगर हरिजनों की ओर से कहूँ तो जितने दुःख और दर्द हरिजनों को होते थे उनकी आखरी अपील सुप्रीम कोर्ट के पास जाती थी मगर अब वह सुप्रीम कोर्ट "महात्मा जी" खत्म हो गई है। अब हरिजनों का कोई पिता नहीं रहा जिसके पास अब हरिजन अपने दुःखों को जाकर कहें। महात्मा गांधी जी में ही एक ऐसी शक्ति थी जिन्होंने २८ साल तक इस समाज के लिए काम किया और इस समाज को ऊँचा करने की कोशिश वह करते ही रहे। इस काम के लिए महात्मा जी को कितने अत्याचार और दुःखों को सहन करना पड़ा यह सब आप जानते हैं। फिर भी उनको इस बात की परवाह नहीं थी। बापू जी ने हरिजनों को अपने बच्चे के ही समान समझकर दूसरे बच्चों सवर्ण हिन्दु के समान लाने की कोशिश की और उनके लिए दुनिया में एक ऊँचा स्थान प्राप्त करने की हमेशा, उन्होंने प्रयत्न किया। मैं इस समय में ज्यादा नहीं कहना चाहता हूँ। मगर दुनिया को शान्ति और अहिंसा का पैगाम देने वाला महापुरुष अब चला गया है। मैं तो यह कहूँगा कि मानव शरीर से भगवान की ज्योत चली गयी है। महात्मा जी को भगवान अपने चरणों के पास रखें और उनको मुख और शान्ति दें। हम लोगों का यह फर्ज हो जाता है कि महात्मा जी ने जितनी बातें हमारे लिए छोड़ी हैं उन सब बातों को हम अमल करें इस देश में हिन्दु-मुसलमानों की जो (unity) युनिटी मरते दम तक वह करते रहे उसको हम पूरा करें। एक जानिये वाला दूसरी जानि वाले को अपना भाई समझे और हरिजनों का उद्धार करें। ये सारी चीजें महात्मा जी ने हमारे सामने रखी हैं उनको हम अमल में लायें। यह बोझ जनता के ही ऊपर नहीं पड़ता है बल्कि हमारी सरकार के ऊपर भी यह बोझ आता है। महात्मा जी का देश के हरिजनों की ओर से श्रद्धांजली अर्पण करता हूँ। मैं इतना ही कहते हुए एक बार फिर परमात्मा से प्रार्थना करूँगा कि वह महात्मा गांधी जी की आत्मा को शान्ति दें।

(English translation of the above speech)

Shri H. J. Khandekar (C.P. and Berar; General): Mr. Speaker, the death of our beloved Bapa has for ever removed an apostle of non-violence and peace from this world. He brought us Independence; he taught us how to retain it; but today our guide our beloved Bapa, is no more. If I may speak on

[Shri H. J. Khandekar]

behalf of the *Harijans* I would say that Mahatmaji was like a Supreme Court for them where they made all their final appeals against their sorrows and sufferings but today that Supreme Court—Mahatmaji, ceases to exist. In him the *Harijans* have lost their father, they will now no more be able to place their grievances before him. It was Mahatma Gandhi alone who had supernatural powers in him that he worked for the society for 28 years and was always engaged in the task of uplifting this society. You know all the hardships and sufferings that Mahatmaji had to endure for this cause: but he did not mind them. *Bapu* treated and endeared the *Harijans* like his own sons and he wanted to place them as equals of caste Hindus. He was striving to find a higher place for *Harijans* in the world. I do not want to say anything more at this juncture but I must say that a great personality, a great sage, the messenger of peace and non-violence has passed away. I would say that the Divine Flame in man has gone out. May the Almighty give eternal peace to that noble soul. Today it becomes our duty to act upon those teachings which Mahatma Gandhi has given us. His efforts for the Hindu-Muslim unity in this country which he was making till the day he died should be crowned with success by us. The Members of one community should treat the Members of the other community like their brethren. The work for the uplift of the *Harijans* must be carried on. These are the teachings and we must follow them. It is now not the responsibility of the people only, it is the responsibility of the Government as well. On behalf of the *Harijans* I pay our homage to Mahatmaji and once again pray to the Almighty to give rest and peace to his departed soul.

Acharya J. B. Kripalani (U. P. General): Sir, the tragedy for us has been too great and too sudden to make coherent thought or logical expression possible. Do we mourn for *Bapu* we ask for ourselves. And the reply is we mourn for those who come and go in this world of sorrow, suffering and sin: we do not mourn for those who go to their eternal abode and whose spirit freed from their body pervades the universe. And yet we mourn, because the light that guided our footsteps no more guides us. We mourn because all the merit that we possessed was his and the little greatness that we have achieved was on his account and not on our account.

Long ago when I was a student and I read in history that great prophets were never recognised in their time, that some of them were done to death by those whom they wanted to serve, I asked myself if such a one rises in India where would be my place. My answer then was that my place shall be in his ranks and when this Sun rose on our firmament in 1914, at Christmas time, when he returned from South Africa and I had the good fortune and the privilege of meeting him, my mind was made up and I have not swerved since then. I also thought how foolish was it of those people who lived in the times of the prophets not to recognise what was absolutely plain. I had to live and see that millions of people who are our contemporaries did not realise what they had in their midst. I had thought with pride that in the history of Hindu religion there never had been an occasion when we had prevented the man of God to live the fullest span of his life but today it is our shame and degradation that for the first time in our history a Hindu's hand has been raised against a man of the Spirit. We know that he has achieved immortality and that there was nothing that he could add to what he had done. We know his doctrines: We know his views: we know his philosophy: but more than his philosophy, more than his doctrines, more than his views was the man himself. He had transcended everyone of his doctrines in his life. He lived as he thought and thought as he lived. It is not possible, as the Prime Minister said, to measure him because we have no measure with which to measure him. Words are spoken for things that are of common currency, but for extraordinary things there are no words and speech becomes silent. So in that silence let us do reverence to his spirit and make our obeisance.

Only this—let us all today make a resolve that though we have not followed him faithfully in life we shall follow him faithfully in death and shall complete the task that he kept before us. He merely laid the foundations of our Swaraj, the Ram raj of which he had a true conception, in which the moral law and not the law of violence and crooked diplomacy shall guide our path and all our actions as in individual and social life so in political life shall be guided by the moral law. And he gave us an example how the moral law is to be followed. In the darkest hours of his life his faith was greatly tried, but he stood the test. He always said that the rigour of the moral law can only be satisfied when we magnify our own fault and the fault of our own community, when we minimize the fault of others and of other communities; and he did that. It did not matter what the other community did; it mattered what his own community, the Hindus and the Sikhs, did. It did not matter whether Pakistan behaved properly or improperly, but India must behave properly. *Bapu* believed that the man who works for *dharma* can never come to grief. He also believed that the nation that works for *dharma* and righteousness can never come to grief. Let us work in that faith and in the light of the moral law that he kept before us and all shall yet be well with us.

Mr. Speaker: As a mark of respect of Mahatma Gandhi Honourable Members will stand in silence for a minute.

(The Assembly then stood up for a minute).

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 3rd February, 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Tuesday, 3rd February, 1948

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

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

†42*—87*.

AIR TRAVEL IN INDIA

88. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Communications please state whether Government are aware that an unexpectedly large demand for Air travel on various routes in India is made by the travelling public?

(b) Are Government aware that although on Karachi-Bombay, Bombay-Delhi, Karachi-Delhi, Delhi-Calcutta services, and *vice versa*, bookings are made a fortnight in advance, passages are not available for nearly 3 weeks?

(c) If so, do Government propose to ask the licence-holders to increase the number of services on such routes so that passengers may get their passages booked within 3 days before the departure dates?

(d) If the Companies are not prepared to increase the number of planes on such services, do Government propose to consider the running of Air Services themselves?

The Honourable Mr. Rafi Ahmed Kidwai: (a) Yes, Sir. Due largely to the generally unsettled state of communications in the country during the past four months, there has been an unexpected demand for air travel on various routes in India.

(b) Passages are available generally three or four days in advance on the routes mentioned *except* on the Delhi-Karachi route, on which passages are available about ten to fifteen days in advance.

(c) and (d). The possibility of providing increased services on all routes is constantly under the consideration of Government. The Air Transport Licensing Board authorises increases where the demand justifies it and the technical and economic considerations are satisfied. Government has no programme of operating air services themselves.

Mr. R. K. Sidhva: Is it not a fact that even on the Delhi-Calcutta section air passages are not available for 8 to 15 days?

The Honourable Mr. Rafi Ahmed Kidwai: That is not a fact.

Mr. R. K. Sidhva: Has the Honourable Minister satisfied himself that it is not a fact?

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

Shri H. V. Kamath: Will the Government consider the advisability of allotting a couple of high priority seats on every air liner as the railways are doing to Members of the Constituent Assembly?

The Honourable Mr. Rafi Ahmed Kidwai: Government have got certain priority seats and whenever an M.L.A. approaches the Department, he is given one of those seats.

†For these questions and answers see pages 149-170 of these Debates.

Mr. R. K. Sidhva: In view of the answer given by the Honourable Minister may I ask him to tell the company to run one extra service from Karachi to Delhi instead of one as at present?

The Honourable Mr. Rafi Ahmed Kidwai: Whenever there is a large demand for accommodation, then the companies generally approach the Government for permission for running an extra service and that permission is given if the company has got sufficient technical officers to run that extra service.

Mr. R. K. Sidhva: In view of the admitted fact that 10 days' delay occurs generally, may I ask the Honourable Minister to ask the company to run one additional service because there is a daily complaint from the passengers?

The Honourable Mr. Rafi Ahmed Kidwai: Sometimes the question of shortage of aeroplanes and technical men is also in the way of allotting extra passages, and I think the Honourable Member is aware that on account of the Kashmir and refugee operations many aeroplanes have got out of order and they are now being reconditioned before they can be employed again on air services.

Prof. N. G. Ranga: Will Government consider the advisability of giving instructions to these companies to give high priority to Members of this House when they come to this House or go back again and for interim journeys?

The Honourable Mr. Rafi Ahmed Kidwai: There are only 21 seats in a plane. Government has already got 4 priority seats, and as I have said they are given to M.L.As. when they are demanded. If the seats are full, then Government cannot expect the companies to provide extra seats when they are expected to provide seats for provincial governments *en route*.

Shri H. V. Kamath: Is it a fact that the Jupiter Airways have applied for a licence for the Madras-Jubbulpore-Delhi route?

The Honourable Mr. Rafi Ahmed Kidwai: Yes.

Prof. N. G. Ranga: Is that expected to stop at Ganavaram also, that is Bezwada?

The Honourable Mr. Rafi Ahmed Kidwai: Yes, if it is permitted, then it will stop at Bezwada also.

Prof. N. G. Ranga: When is it expected to start its service?

The Honourable Mr. Rafi Ahmed Kidwai: The question is under examination, and if the Licensing Board is satisfied that they have sufficient technical personnel at their disposal, then the route will be sanctioned.

Haji Abdus Sattar Haji Ishaq Seth: Arising out of the reply to part (c), in view of the fact that charter planes are available at any time and in view therefore of the fact that his reply that the whole thing depends upon personnel and this or that does not affect this charter question, will the Honourable Minister re-examine the position and order that the companies should run extra services on such lines where there is congestion as for instance Delhi-Karachi and Delhi-Lahore?

The Honourable Mr. Rafi Ahmed Kidwai: So far as Delhi-Lahore is concerned, sufficient traffic is not available. It is almost one-sided. Planes go full from this place to Lahore, but sometimes I am told they return empty or bring 4 or 5 passengers. Therefore Government cannot ask the companies to run extra services.

Shri H. V. Kamath: When will Jubbulpore be put on the air map of India for civil aviation?

The Honourable Mr. Rafi Ahmed Kidwai: I think one service is being started from the 5th of this month, which will pass through Jubbulpore.

Dr. B. Pattabhi Sitaramayya: Are the Government aware that the Jupiter Airways were the first to offer voluntarily and without charges the services of their company in order to bring refugees from the Punjab and elsewhere to Delhi, and that they have a full contingent of both planes and pilots?

The Honourable Mr. Rafi Ahmed Kidwai: The position was examined and it was found that they have not got sufficient technical personnel. Now they have employed additional personnel and therefore their application is under examination by the Licensing Board.

TELEPHONE APPARATUSES AND MACHINERY

89. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Communications please state whether in view of the great demand for new telephones in all parts of India, Government have placed orders for such apparatus and also for additional machinery?

(b) Have Government also placed orders for new machinery to replace the present deteriorated machinery?

(c) If so, what are the details of such orders and when is the new machinery likely to arrive in India?

(d) Is it a fact that Delhi, Calcutta, Bombay, Madras and other places in India need additional machineries and replacement of the old ones?

(e) When will new telephones and machineries be installed in these places?

The Honourable Mr. Rafi Ahmed Kidwai: (a) and (b). Yes, Sir. Orders have been placed in certain countries abroad. Government are also considering plan to manufacture telephone equipment in India.

(c) The details of such orders are auto equipment, spare parts for existing equipment, switchboard wires and underground cables for various places in India. The dates of arrival of these equipments in India vary from 3 months to 2 years.

(d) Yes, Sir.

(e) The telephone equipment will be installed at these places soon after their receipt in India. The installation will take about three months to nine months after receipt in India.

Mr. R. K. Sidhva: May I know, Sir, the total number of telephones installed in Delhi?

The Honourable Mr. Rafi Ahmed Kidwai: I require notice.

Mr. R. K. Sidhva: How many telephones are with the Secretariat and Government officials in their offices and residences?

The Honourable Mr. Rafi Ahmed Kidwai: I require notice of that question also.

Mr. R. K. Sidhva: Is it not a fact that more than fifty per cent. of the telephones in Delhi are with the Government officials in their offices and residences?

The Honourable Mr. Rafi Ahmed Kidwai: Does not arise.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Minister if he proposes to establish new factories for the manufacture of automatic telephones?

The Honourable Mr. Rafi Ahmed Kidwai: Yes.

Shri M. Ananthasayanam Ayyangar: When does he expect to do so?

The Honourable Mr. Rafi Ahmed Kidwai: We are negotiating with patent holders in different countries and we hope we will be able to reach some decision before the end of March.

Shri M. Ananthasayanam Ayyangar: Is there any programme to increase the output of the manufactory at Bombay in regard to manual exchange telephones?

The Honourable Mr. Rafi Ahmed Kidwai: That will depend upon the way we undertake the manufacture of automatic telephones. If we manufacture them, then it will not be necessary to expand this Bombay workshop. The present output will meet our requirements.

Shri M. Ananthasayanam Ayyangar: Is there any workshop to manufacture special cable that are required for the telephones and is it the proposal of Government to have that also manufactured in this country?

The Honourable Mr. Rafi Ahmed Kidwai: The proposal is under the consideration of the Industry Department and I hope in a short time they will be able to acquire a Company to manufacture cables.

Mr. Tajamul Husain: Are Government aware that it is practically impossible to get telephone connection in Patna even for the members of the Legislature and if the answer to my question be in the affirmative, the reason thereof?

The Honourable Mr. Rafi Ahmed Kidwai: Government is aware of the shortage of new telephone connections and every attempt is being made to supply extra material for extra connections. I may inform the House that a Special Officer of the Ministry is now in Europe contacting all possible firms in all the countries of Europe to secure some extra material immediately to supply some places with extra telephones.

Mr. Tajamul Husain: May I ask the Government how long it will take for the extra material to come to India?

The Honourable Mr. Rafi Ahmed Kidwai: I am sorry I do not know.

Shri Rohini Kumar Chaudhuri: May I know why no action has been taken on the complaint which was made some time ago that whenever we want to telephone either from Delhi or Calcutta to Assam the line is said to be out of order?

The Honourable Mr. Rafi Ahmed Kidwai: The line passes through a foreign territory and I think the Honourable Member is aware that we are proposing before an early date to have a direct line to Assam through our territory. When that is completed then it will be our responsibility for these complaints.

Dr. P. K. Sen: Are Government aware that in Delhi the unsatisfactory condition of the telephone system is due not only to the dilapidated machinery but to unskilful operators?

The Honourable Mr. Rafi Ahmed Kidwai: That I have already answered in reply to a question put some time before.

INDIAN AEROPLANE COMPANIES AND AIR-MAILS

90. ***Mr. R. K. Sidhya:** (a) Will the Honourable Minister of Communications please state the profits earned during the year 1947 by each Aeroplane Company or concern registered in India?

(b) Do Government subsidize any of the Companies or concerns?

(c) Which Companies carry Air-mail and on what routes?

(d) What is the rate of charges paid to Companies for carrying mail?

(e) What amount has been paid to each Company for the carriage of mails during each month in the year 1947?

The Honourable Mr. Rafi Ahmed Kidwai: (a) I lay on the table of the House a statement I showing the profits and losses of 3 air transport companies registered in India. Information in regard to the other companies will be available only when their annual reports are published.

(b) No, Sir.

(c) and (d). I lay on the table a Statement II giving the required information.

(e) Detailed information regarding the amount actually paid to each Company for mails carried during 1947 is being collected and will be furnished to the House in due course. In the mean time, I lay on the table a Statement III giving the information immediately available.

Statement I

Showing the profits earned by the Indian National Airways, Air Services of India and the Dalmia Jain Airways.

Part (a) —

Indian National Airways.	Profit of Rs. 1,50,445 for the year ended 30th June 1946.
Air Services of India Ltd.	Total loss up to the 30th June 1947, Rs. 21,49,400. Loss for the year ended 30th June 1947 was Rs. 16,71,125.
Dalmia Jain Airways Ltd.	Total profit of Rs. 43,168 in respect of both motor vehicles and air transport. It is understood that the air transport side of the company showed a considerable loss which was offset by profit on the motor car business.

Statement II

Showing companies carrying air mail and the routes on which mails are carried.

Parts (c) and (d) —

1. Air India, Ltd.	(1) Karachi—Bombay—Madras—Colombo. (2) Delhi—Ahmedabad—Bombay. (3) Bombay—Calcutta. (4) Madras—Trivandrum.
2. Indian National Airways	(1) Delhi—Calcutta. (2) Delhi—Jodhpur—Karachi. (3) Delhi—Lahore. (4) Delhi—Amritsar. (5) Calcutta—Rangoon.
3. Deccan Airways Ltd.	(1) Delhi—Nagpur—Madras. (2) Hyderabad—Bangalore.
4. Air Services of India Ltd.	(1) Bombay—Jamnagar—Bhuj—Karachi.* (2) Bombay—Bhavnagar. (3) Jamnagar—Wankaner—Wadhwan—Ahmedabad. (4) Bombay—Jamnagar—Porbandar—Bhuj.
5. Ambica Air Lines, Ltd.	(1) Bombay—Rajkot—Morvi.
6. Indian Overseas Air Lines	(1) Bombay—Nagpur—Calcutta.
7. Airways (India) Ltd.	(1) Calcutta—Madras—Bangalore.
8. Bharat Airways Ltd.	(1) Delhi—Lucknow—Gaya—Calcutta. (2) Delhi—Cawnpore—Allahabad—Calcutta.

*This service does not carry through mails between Bombay and Karachi.

Charges paid for the carriage of mails on the routes.

(1) Karachi—Colombo. (Air India).—Rs. 15,00,000 per year with an additional Re. 1 per pound of mails carried in excess of 5,00,000 pounds a year.

(2) Delhi—Jodhpur—Karachi. (I. N. A.).—Rs. 3,25,000 per year with an additional Re. 1 per pound for mails in excess of 1,30,000 pounds in the year.

(3) Calcutta—Rangoon (External service).—Re. 2 per lb.

(4) All other services Rs. 1-8-0 per pound irrespective of distance.

STATEMENT III
Revenue earned by Air Lines for carriage of mail during 1947

Name of the Company.	January	February	March	April	May	June	July	August	September	October	*Excluding the revenue earned on the Madras-Trivandrum Route for which figures are not available.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1. Air India Limited*	1,64,400	1,64,500	1,70,400	1,62,700	1,58,200	1,55,200	1,53,200	1,46,900	1,47,800	1,52,100	
2. Indian National Airways Limited.	69,865	70,012	74,063	55,921	50,446	51,670	47,773	49,897	47,432	68,597	
3. Air Services of India Limited.	1,891	1,802	1,859	1,680	1,733	1,755	1,745	1,736	2,252	2,626	
4. Deccan Airways Limited.	2,366	5,198	5,652	6,391	3,687	5,304	6,092	6,584	7,704	12,347	
5. Ambica Airlines Limited.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Figures not yet received		75	309	
6. Airways (India) Limited.	Nil.	Nil.	Nil.	Nil.	Nil.	Figures not yet received.				7,458	
7. Indian Overseas Airlines Limited.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Figures not yet received.				
8. Bharat Airways Limited.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.	Nil.			

Mr. R. K. Sidhva : May I know, Sir, which companies have made profit during the period I have mentioned?

The Honourable Mr. Rafi Ahmed Kidwai : The accounts are available for three Companies:

The Indian National Airways	Rs. 1,50,445
Air Services of India	Loss of Rs. 21,49,400
Current year another loss of	Rs. 16,71,125
Dalmia Jain Airways Ltd.	Rs. 43,168 which includes the profits of the Allenberry Co.

Thus the Air Services of India have actually sustained a considerable loss.

Mr. R. K. Sidhva : May I know, Sir, whether the mails carried by these planes are under the Agreement for regular service or there is no condition as far as the service is concerned?

The Honourable Mr. Rafi Ahmed Kidwai : I have not been able to follow the question.

Mr. R. K. Sidhva : Is it a fact that the mails carried by these various Companies are not delivered regularly according to time?

The Honourable Mr. Rafi Ahmed Kidwai : But so far as the Air Services are concerned, if they are handed over the mails at one end, they hand it over at the other end. If there is any fault, it must be the fault of the Postal Department.

Mr. R. K. Sidhva : Is it a fact that the air mails posted from one place to the other destination are not delivered at all for two days whereas the actual hours in flight are 5 to 6?

The Honourable Mr. Rafi Ahmed Kidwai : But that does not concern the Air Services. They merely carry the mail bags and if a bag is handed over here they hand it over at the destination. Therefore they are not responsible for the delay.

Mr. R. K. Sidhva : The Honourable Minister is also responsible for the Postal Department and therefore I want a reply. I want to know if the Postal Department works in cohesion with the Air Services?

The Honourable Mr. Rafi Ahmed Kidwai : That is a different question, of which I require notice.

Shri M. Ananthasayanam Ayyangar : May I ask the Honourable Minister what conclusion the Government have come to regarding the nationalisation of airways?

The Honourable Mr. Rafi Ahmed Kidwai : I may inform the Honourable Member that the matter is on the agenda of the Statutory Committee which is meeting next week.

SUGAR AND TEXTILE MILLS, CEMENT AND STEEL FACTORIES
AND PRICES OF STEEL AND CEMENT

91. ***Mr. R. K. Sidhva :** (a) Will the Honourable Minister of Industry and Supply please state—

(i) the names of Sugar Mills in India and the profits made by each of them every year together with the percentage of dividends declared to shareholders since the inception of the Mill up-to-date;

(ii) the names of Textile Mills, Cement Factories and Steel Factories, which made profits and declared dividends to shareholders in the years 1940 to 1947 or 1940 to 1946?

(b) Is it a fact that the Government of India agreed to raise the price of steel by Rs. 12-8-0 per ton and that of cement by Rs. 22-8-0 per ton in the fourth week of December 1947?

(c) If so, what are the basic principles involved while determining and consenting to the raising of prices from time to time?

(d) While agreeing to such increases do Government bear in mind the reaction of the same on the cost of living of the people?

(e) Do Government propose to adopt some definite policy for bringing down the prices of all articles?

The Honourable Dr. Syama Prasad Mookerjee: (a) These particulars are not readily available and will take time to collect.

(b) and (c). Copies of the Press Note dated the 27th January 1948, regarding steel prices and of letter dated the 22nd December 1947, to Provincial Governments regarding Cement prices, which explain the position, are placed on the Table of the House.

(d) Yes.

(e) Government believe that increased production and availability of goods will result in a lowering of prices and effort, is, therefore, now being concentrated on securing maximum industrial production in the country.

Press Note dated the 27th January, 1948.

STEEL PRICES.

The Government of India have decided to raise the price of steel purchased from registered stockists by Rs. 80 per ton with effect from today, it is learnt. Of this increase only Rs. 23-8-0 will go to the producing companies.

In case of purchases from registered producers the increase will be Rs. 75 per ton.

The increase is nearly 30 per cent. over the existing price level and is on level with recent increases in the prices of other commodities.

In spite of this increase, steel prices in India will continue to be the lowest in the world.

It will be recalled that a reduction of Rs. 12-8-0 per ton in the selling price of steel by the steel companies was made on April 1, 1946. Since then the liabilities of the companies have increased because of the enactment of the Business Profits Tax Act and an increase in the Corporation Tax. The working cost has also risen on account of increase in the cost of labour and raw materials.

Taking these factors into consideration, the Government of India have felt that if production is not to be adversely affected, some immediate relief to the companies is called for. They have, accordingly, decided that, pending an examination by the Tariff Board of the question of the fixation of steel prices on a long-term basis, the cut of Rs. 12-8-0 referred to above should, as an interim measure, be restored to the companies. Due to the recent increase in railway freight charges both on raw materials and finished goods, there will be an addition of Rs. 11 payable to the main producers, they getting Rs. 23-8-0 per ton in all.

Government expect to import from the U. K. and the U. S. A. substantial quantities of certain categories of steel in 1948. But the price of this steel will be higher than the Indian price. As it would be invidious discrimination among consumers to sell imported steel at prices higher than charged for indigenous steel and would, in effect, raise the price of all steel to the higher level, it has been decided that the increased prices should be spread over all categories of steel except billets, which are only used by re-rollers.

To equalize the high prices of imported steel with that of indigenous steel and to meet the additional payment of Rs. 23-8-0 to the main producers, the prices at which the consumers will purchase from the registered producers have been increased by Rs. 75 per ton. The prices at which the controlled and registered stockists will sell have been increased by Rs. 80 per ton, the extra Rs. 5 being added to cover the Bihar Sales Tax.

These increases come into effect from January 27.

No. I(11)-15(3)/47.

GOVERNMENT OF INDIA

MINISTRY OF INDUSTRY AND SUPPLY.

From

C. R. Natesan, Esq.,

Under Secretary to the Government of India.

To

All Provincial Governments.

New Delhi, 22nd December, 1947.

SUBJECT:—Increase in public price of cement.

Sir,

I am directed to say that the Cement Marketing Company of India Limited made representations to the Government of India urging that the existing rate of Rs. 65 per ton of cement was uneconomic, and that there was a strong case for an immediate increase on account of the increase in manufacturing costs (labour, coal and gunnybags) and in freight charges. The Government of India, after examining carefully the points raised in the representations and also the materials made available to them by the Cement Marketing Company of India, as well as by their constituent groups, have decided that an increase of Rs. 15 per ton should be allowed, in addition to an increase of Rs. 7-8-0 per ton on account of freight increase, consequent on the increase in railway rates notified with effect from 1st January 1948. This increase of Rs. 22-8-0 per ton will be in force up to 31st July 1948, subject to examination and re-fixation, if necessary, by 1st April 1948, of the freight charges, based on actual calculations.

2. I am to request that the Provincial Government will kindly take immediate steps to notify the increase.

I have, etc.,

(Sd.) C. R. NATESAN,

Under Secy. to the Govt. of India.

Copy to:—

Delhi
Ajmer Merwara
Panthiploda
Coorg.

The Chief Commissioner,

The D. G. I. & S., Shahjahan Road, New Delhi.

The Hon. Cement Adviser, D. G. I. & S., New Delhi.

All Regional Hon. Cement Advisers.

The Ministry of

Commerce, Labour, Transport,
Works, Mines, & Power, Communications
States, External Affairs &
Commonwealth Relations

The Engineer-in-Chief's Branch.

By order,

(Sd.) C. R. NATESAN.

Under Secy. to the Govt. of India.

Mr. R. K. Sidhva: Is it not a fact that the Government policy is that the increased cost of production should as far as possible be met out of profits which are still high in some industries, particularly Iron and Steel, and that price increases should be sanctioned only the margin of profit is not large enough to absorb the enhanced cost? May I know, in view of this policy, how much amount of profit made by the factory owners has been absorbed into this increased price for steel and cement?

The Honourable Dr. Syama Prasad Mookerjee: I have referred the question of increase to the Tariff Board. The whole matter is under examination, but the price of steel was reduced by consent by Rs. 12/8/0 in 1946 on account of certain considerations. Those have not come into existence and all that we have now done is to allow this increase of Rs. 12/8/0, but while fixing the price, the point of view expressed by the Honourable Member will certainly be borne in mind.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Minister in Cuba sugar is selling at Calcutta at Rs. 12 a maund and the merchants are selling the imported sugar at Rs. 28? Are no steps being taken by the Government to encourage the Cuba Sugar and level down the prices of sugar in the country?

The Honourable Dr. Syama Prasad Mookerjee: Whether sugar should be imported or not is still under examination as that may act to the detriment of sugar manufactured in India. This subject is not under my Ministry. That is decided by the Ministry of Food and Agriculture.

Prof. N. G. Ranga: Is it not the policy of the Government to see that the sugar industry in this country along with the sugar-cane growers are properly protected even from these dead cheap imported sugar?

The Honourable Dr. Syama Prasad Mookerjee: That is exactly why I say that the question of larger import of sugar is under examination.

Diwan Chaman Lall: May I ask the Honourable Minister whether any attempts have been made to strengthen the Statistical Bureau in order that my Honourable friend may be in possession of facts which are not now easily capable of being collected, as stated by him in reply to Mr. Sidhva's question.

The Honourable Dr. Syama Prasad Mookerjee: I frankly admit that the work of Industrial Statistical Bureau under the Government of India is not very satisfactory. We have not been able to coordinate it with the activities of the Provincial Governments, but certain directions and instructions have been issued to the Provincial Governments and I am hoping that we shall be able to re-organize the department on a proper basis.

MILL PRICES FOR CLOTH AND YARN

92. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether it is a fact that the question of fixation of mill prices for cloth and yarn has been referred to the Indian Tariff Board?

(b) Is it a fact that the reference was made on the representation of the millowners? If so, have the millowners made out a *prima facie* case for such a reference?

(c) Do Government intend to decontrol cloth shortly? If so, why has a reference been made for the fixation of prices?

The Honourable Dr. Syama Prasad Mookerjee: (a) Yes, Sir.

(b) The millowners represented that the Government controlled prices for coarse cloth were too low, and made out a *prima facie* case. Government made a reference to the Tariff Board because they wanted an authoritative opinion on what would be fair prices.

(c) As the Honourable Member is no doubt aware, statutory price control over cloth has now been withdrawn but the Industry has agreed to fix fair prices both ex-mill and retail. Government do not however propose to withdraw the reference already made to the Tariff Board, as they desire to have the considered opinion of the Board regarding these fair price levels.

Mr. R. K. Sidhva: At what stage the Tariff Board has reached about the consideration of this matter?

The Honourable Dr. Syama Prasad Mookerjee: The Tariff Board has completed the first stage.

Mr. R. K. Sidhva: What is the result of that report?

The Honourable Dr. Syama Prasad Mookerjee: The report has not been submitted but they have made the preliminary investigation.

Prof. N. G. Ranga: Does the Government realize that it has got to see that the industry concerned does not abuse this privilege given to it to fix the price at reasonable levels?

The Honourable Dr. Syama Prasad Mookerjee: That is exactly why Government do not propose to withdraw the reference made to the Tariff Board and they have been asked to examine the working of various categories of mills and give us a complete report as regards the fair price structure.

Mr. R. K. Sidhva: Do still Government feel that the matter should be referred to this Board?

The Honourable Dr. Syama Prasad Mookerjee: It is all the more necessary that Government should have sufficient material to decide whether the prices charged by the mill-owners are excessive or not.

Prof. N. G. Ranga: Among the references made to the Tariff Board is the protection of the hand-loom weavers also in regard to the prices of yarn produced by mills one of the items?

The Honourable Dr. Syama Prasad Mookerjee: The price of yarn was generally put in the terms of reference, but I will look into it again and see how far that question can also be examined.

SALT AND ITS SELLING PRICES

93. *Shri Gokulbhai Daulatram Bhatt: (a) Will the Honourable Minister of Industry and Supply be pleased to say whether the monthly quota of salt despatches from Sambhar, Pachbhadra and Didwana Salt Sources has been raised after August 1947 for the United Provinces, Bihar, Delhi, East Punjab and the States?

(b) If the answer to part (a) above be in the affirmative, do Government propose to lay on the table of the House a statement showing the despatches in wagon-loads from the aforesaid sources from June, 1947 up-to-date, month and district-wise?

(c) Is it a fact that the entire quota of salt is despatched from Sambhar, Pachbhadra and Didwana by the Registered Traders' Companies at a fixed commission to the district traders appointed by the District Officers?

(d) Have the selling prices of salt been fixed in the United Provinces and Bihar under any powers delegated by the Central Government?

(e) If so, how have the selling prices been determined and fixed?

(f) Is the fixation of the price of salt being honoured in the United Provinces and Bihar and if not, what is the selling market price today?

(g) Is it a fact that salt is reported to be selling in certain parts of the United Provinces and Bihar at Rupee one to Rupees three per seer and if so, what action have Government taken or contemplate to take against the district traders?

The Honourable Dr. Syama Prasad Mookerjee: (a) The monthly quotas of supplies of salt from Sambhar, Pachbhadra and Didwana to East Punjab, Delhi, U.P., Bihar and the States in the Provinces and in Rajputana and C.I. were raised where necessary after August, 1947. A statement (No. I) showing the previous and the revised quotas is placed on the table.

(b) Three statements (Nos. II, III and IV) showing despatches of salt to various districts and Indian States from Sambhar, Pachbhadra and Didwana are laid on the table. Owing to transport difficulties it is sometimes not practicable to send the full quota of a district during one month but the deficit is made up in the next month. In considering these statements it may also be remembered that during June, July and a few days in August, supplies were received from the Punjab mines also.

(c) Yes.

(d) U. P.—Yes.

Bihar—No.

The U. P. Government with the approval of the Government of India have issued the U. P. Salt Control Order 1947 which provides for the fixation of wholesale and retail prices by the District Magistrates.

(e) The District nominees who are the direct importers from Sources for U. P. are required to sell salt at a price not exceeding five per cent. over and above the cost of salt at the salt source plus freight and incidental charges as determined by the District Magistrate and the retail dealers are to sell salt at a price not exceeding ten per cent. over and above the wholesale price as determined by the District Magistrate.

(f) In U. P. rationing of salt has been introduced in urban areas of 36 districts and rural areas of 34 districts where the salt is being sold at rates fixed by District Magistrates. Prices have been fixed in districts where salt is not rationed and the reports received from District Magistrates show that even in these districts salt is sold at fixed prices. The prices of salt have not been fixed in Bihar.

(g) U. P.—Yes, Bihar—No. The reasons of the high prices reported are that the complainants have been purchasing salt in black market. As already explained in (f) above, salt is rationed in 36 out of 49 districts of U. P. People get a sufficient quantity of salt at the rates fixed by the District Magistrates as part of their rations. There is no reason therefore, why any one should purchase salt at high rates in U. P., unless he does not care to purchase rationed salt and indulges in black market transactions. Besides increasing supplies to U. P. from Sambhar, arrangements are being made to supply sea-salt to U. P. and Bihar from Calcutta with a view to create reserves of salt in these Provinces equal to two months normal requirements to insure against temporary shortages due to a sudden break-down in supplies. With supplies becoming plentiful it may be feasible to deration salt in the few provinces where this control has been imposed.

Statement. I

Previous and revised annual quotas of salt (in lakhs mds.) for various Provinces.

	Pre August 1947.	Present.
	in lakh mds.	in lakh mds.
1. East Punjab and Punjab States	26.35	27.40
2. Delhi	1.60	2.00
3. United Provinces and U. P. States	81.00	81.30
4. Bihar	*26.72	56.00
5. Ajmere	.96	1.00
6. Rajputana	11.23	12.00
7. Gwalior	3.00	4.00
8. Kashmir	7.39	8.00

*In addition Bihar received the same quantity from Karachi, Kathiawar and Calcutta by rail.

Statement II.—Showing despatches of salt to various Provinces and States from Didwana,

Serial No.	Name of district	Wagons of salt (267½ maunds each) despatched							
		June 1947	July 1947	Aug. 1947	Sep. 1947	Oct. 1947	Nov. 1947	Dec. 1947	Upto 15th Jan. 1948
1	2	3	4	5	6	7	8	9	10
United Provinces									
1	Muzaffarnagar	5	4	5	5	..	9	1	..
2	Bijnor	5	4	5	5	..	..	24	10
3	Gorakhpur	5	3	5	5	33	31	2	..
4	Hamirpur	..	..	..	..	4	..	4	3
5	Jaunpur	..	..	..	..	9	6	3	5
6	Ghazipur	..	..	..	..	10	9	1	2
7	Ballia	..	..	..	..	10	10	..	4
8	Deoria	..	..	..	..	28	24	4	2
9	Basti	..	..	..	..	22	..	22	5
10	Azamgarh	..	..	..	..	9	9	5	..
11	Kheri	..	..	..	..	10	10	..	..
12	Sitapur	..	..	..	..	5	5	..	..
13	Benares	..	..	..	..	4	4	7	5
14	Banda	..	..	..	..	..	..	10	4
15	Bahraich	..	..	..	..	17	..	..	..
16	Barabanki	..	..	..	..	11	..	11	..
17	Mirzapur	..	..	..	..	..	..	5	5
18	Jhansi	..	..	..	..	..	..	24	..
19	Gonda	..	..	..	..	22	22	..	..
20	Agra	..	..	..	..	..	..	4	1
21	Saharanpur	..	..	..	..	..	..	..	5
22	Meerut	..	..	..	..	..	..	..	6
23	Aligarh	..	..	..	..	..	..	..	4
24	Etah	..	..	..	..	..	..	..	3
25	Sahjahanpur	..	..	..	..	..	..	..	5
26	Lucknow	..	..	..	..	..	..	..	2
27	Unao	..	..	..	..	..	..	..	5
Total		15	11	15	15	194	137	127	76

Bihar

1	Darbhanga	73	..	88	67	67	..	11	28
2	Muzaffarpur	21	..	..	..	..	..	..	..
3	Champaran	30	74	..	..	..	..	..	..
Total		124	74	88	67	67	..	11	28

1	Hissar	..	..	..	..	..	..	..	..
2	Rohtak	34	35	35	3	..	..	39	..
3	Karnal	..	..	..	..	..	..	10	..
4	Gurgaon	3	5	4	5	..	..	5	..
Total		37	40	39	8	..	..	64	..

Indian States

1	Jaipur	5	5	5	5	5	..	5	..
2	Dujana	..	..	..	..	..	..	..	..
3	Jind	6	6	6	6	..	..	6	..
4	Loharu	2	2	2	..	1	..	1	..
5	Alwar	..	..	..	..	..	..	..	2
6	Bikaner	..	..	..	..	..	..	45	..
7	Marwar	..	..	..	..	..	..	5	..
Total		13	13	13	11	6	..	62	2

1	Ajmer	1	1	1	1	1	..	1	1
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Statement III.—Showing despatches of salt to various Provinces and States from Pachbadra.

Serial No.	Name of district.	Wagons of salt (267½ maunds each) despatched.							
		June 1947	July 1947	Aug. 1947	Sep. 1947	Oct. 1947	Nov. 1947	Dec. 1947	upto 15th Jan. 1948
1	2	3	4	5	6	7	8	9	10
<i>United Provinces.</i>									
1	Pilibhit	4	1	5	18	27	11	8	8
2	Azamgarh	2	3	5	16	24	..	22	8
3	Moradabad	3	..	11	34	51	21	3	14
4	Ghazipur	2	..	4	12	18	18	1	10
5	Sitapur	..	5	14	39	57	..	18	14
6	Ballia	..	1	8	6	15	..	22	5
7	Jaunpur	..	..	4	12	18	27	..	6
8	Badaun	..	..	4	9	12	16	5	5
9	Lakhimpur	..	..	10	22	28	18	9	9
10	Benares	..	..	5	12	24	10	16	6
11	Kanpur	..	..	2	4	6	32	6	6
12	Bareilly	..	..	..	..	..	20	3	5
13	Hardoi	..	..	..	..	..	19	2	16
14	Bulandshahr	..	..	..	..	..	..	1	4
15	Etawah	..	..	..	..	..	..	1	4
16	Farrukhabad	..	..	..	..	..	..	4	6
17	Allahabad	..	..	..	..	..	..	1	9
18	Sultanpur	..	..	..	..	..	..	1	4
19	Bahraich	..	..	..	..	..	..	32	..
20	Muzaffarnagar	..	..	..	..	..	..	..	8
21	Mathura	..	..	..	..	..	..	..	5
22	Agra	..	..	..	..	..	..	..	6
23	Manipuri	..	..	..	..	..	..	..	12
24	Fyzabad	..	..	..	..	..	..	..	8
25	Meerut	..	..	..	..	..	..	..	6
Total		11	10	72	184	280	192	155	184
<i>Bihar.</i>									
1	Muzaffarpur	58	..	..	..	..	..	..	..
2	Darbhanga	13	27	19	92	102	48	44	26
Total		71	27	19	92	102	48	44	26
<i>East Punjab.</i>									
1	Amritsar	..	..	..	..	30	..	..	..
2	Jullundur	..	..	..	..	20	2	..	..
3	Kangra	..	..	..	..	..	20	..	..
4	Simla	..	..	..	..	..	40	..	..
5	Ludhiana	..	..	..	..	..	22	..	..
6	Ambala	..	..	..	..	..	33	..	..
7	Gurdaspur	..	..	..	..	..	28	..	..
8	Karnal	..	..	..	..	..	25	..	..
9	Rohtak	..	..	..	..	..	25	..	..
10	Hoshiarpur	..	..	..	..	..	36	..	..
11	Gurgaon	..	..	..	..	..	16	..	..
Total		..	..	..	..	50	247	..	..
<i>Indian States.</i>									
1	Bikaner	46	28	..	..	..	..	..	..
2	Udaipur	98	145	47	28	180	16	114	48
3	Sirohi	..	..	8	..	..	..	..	..
4	Patiala	..	..	..	..	..	19	..	..
5	Gwalior	..	..	..	..	..	..	3	35
6	Jind	..	..	..	..	..	..	6	..
7	Jodhpur	..	..	..	..	..	..	55	..
Total		144	173	55	28	180	35	178	83

Statement IV.—Showing despatches of salt to various Provinces and States from Sambhar Lake.

Serial No.	Name of district.	Wagons of salt 295 mds. despatched.							
		June 1947	July 1947	Aug. 1947	Sep. 1947	Oct. 1947	Nov. 1947	Dec. 1947	Upto 15th Jan. 1948.
1	2	3	4	5	6	7	8	9	10
<i>UNITED PROVINCES.</i>									
<i>Meerut Division.</i>									
1	Dehra Dun	8	2	8	19	18	28	1	20
2	Saharanpur	10	1	7	16	3	56	30	..
3	Muzaffarnagar	4	1	5	11	7	37	26	..
4	Meerut	28	9	20	45	30	84	57	..
5	Bulandshahr	12	30	16	54	27	71	38	41
<i>Agra Division.</i>									
6	Aligarh	57	33	19	80	51	70	43	15
7	Mathura	15	7	22	16	46	66	33	..
8	Agra	36	11	25	78	32	75	34	4
9	Mainpuri	20	20	20	40	7	42	25	..
10	Etah	20	18	20	31	51	69	26	12
<i>Rohilkhand Division.</i>									
11	Bareilly	29	1	30	41	57	27	30	12
12	Bijnor	24	13	17	54	25	25	15	27
13	Badaun	17	32	32	28	74	19	30	5
14	Moradabad	25	34	43	94	20	81	56	1
15	Shahjahanpur	28	3	24	56	35	35	24	6
16	Pilibhit	8	15	15	15	22	18	15	..
<i>Allahabad Division.</i>									
17	Farrukhabad	25	25	..	50	34	39	28	13
18	Etawah	37	16	28	59	10	66	26	..
19	Kanpur	58	..	58	179	132	78	80	45
20	Fatehpur	27	4	41	36	36	29	19	..
21	Allahabad	49	28	42	46	89	72	42	..
<i>Jhansi Division.</i>									
22	Banda	..	30	27	33	43	26	15	5
23	Hamirpur	7	7	11	27	18	14	25	7
24	Jhansi	23	1	48	32	29	26	20	20
25	Jalaun	..	16	16	35	19	8	25	6
<i>Benares Division.</i>									
26	Benares	15	12	35	78	38	22	38	4
27	Mirzapur	27	23	20	57	8	38	30	1
28	Jaunpur	6	35	41	128	41	28	14	20
29	Ghazipur	17	33	32	48	98	26	15	5
30	Ballia	40	34	30	64	41	19	22	..
<i>Gorakhpur Division.</i>									
31	Gorakhpur	2	90	88	102	262	..	146	13
32	Deoria	..	80	78	..	55	49	51	37
33	Basti	90	30	60	159	100	104	61	7
34	Azamgarh	37	40	40	18	64	85	35	13
<i>Kumaun Division.</i>									
35	Nainital	2	27	27	27	63	36	38	..
36	Almora	..	28	33	30	40	40	51	12
37	Garhwal	5	18	18	32	10	28	15	15

1	2	3	4	5	6	7	8	9	10
<i>Lucknow Division.</i>									
38 Lucknow	10	22	20	40	12	55	45	..	..
39 Unao	15	21	21	31	26	35	3	8	..
40 Rai Bareilly	28	23	32	37	40	38	28	..	..
41 Sitapur	17	14	12	40	25	9	33	..	..
42 Hardoi	29	22	16	64	43	26	32	..	..
43 Kheri	46	78	27	20	38	12	19	..	..
<i>Fyzabad Division.</i>									
44 Fyzabad	50	35	34	118	56	52	42	..	..
45 Gonda	71	61	17	152	69	82	64	1	..
46 Bahraich	5	58	55	32	132	36	30	10	..
47 Sultanpur	27	..	43	77	36	34	35	..	..
48 Partabgarh	..	21	18	45	29	34	22	..	..
49 Bara Banki	42	32	52	65	23	78	27	6	..
Total	1,148	1,189	1,463	2,679	2,264	2,128	1,659	391	..
<i>Bihar.</i>									
1 Bhagalpur	..	14	25	39	..	..	12	6	..
2 Champaran	21	118	99	43	95	61	79	40	..
3 Darbhanga	7	30	25	2	1	10	5	..	..
4 Gaya	..	14	25	16	..	..	..	..	..
5 Hazaribagh	..	..	..	7	..	..	..	..	..
6 Manbhum	..	..	..	6	..	..	..	..	..
7 Monghyr	..	12	25	14	..	..	..	19	..
8 Muzaffarpur	71	124	102	117	194	165	34	..	..
9 Palamau	..	..	..	2	..	..	..	10	..
10 Patna	..	14	27	14	4	..	..	12	..
11 Purnea	..	..	..	11	5	..	29	4	..
12 Santhal Parganas	..	..	..	10	..	..	10	8	..
13 Saran	..	122	136	81	121	42	110	54	..
14 Shahbad	..	14	25	55	10	22	40	..	..
15 Singhbhum	..	..	..	11	..	..	..	..	..
16 Ranchi	..	14	15	26	..	..	..	11	..
Total	99	476	514	454	420	300	319	164	..
<i>Foreign Territory.</i>									
1 Nepal	150	246	171	66	197	81	166	20	..
<i>Centrally Administered Area.</i>									
1 Ajmer	18	18	10	47	5	25	41	1	..
2 Delhi	5	9	33	59	36	73	40	44	..
3 N enuch	..	..	..	..	..	..	..	..	..
Total	23	27	43	106	41	98	81	45	..
<i>East Punjab.</i>									
1 Ambala	..	..	..	32	34	4	44	..	..
2 Amritsar	..	..	..	26	55	50	47	28	..
3 Ferozepur	..	..	..	50	38	7	15	3	..
4 Gurgaon	17	15	7	31	153	21	17	1	..
5 Gurdaspur	..	..	..	10	45	..	43	..	..
6 Hissar	..	..	..	14	114	5	3	..	..
7 Hoshiarpur	..	..	..	14	37	41	41	..	..
8 Jullundur	..	..	..	56	..	39	46	..	..
9 Kangra	..	..	..	8	32	..	..	..	..
10 Karnal	..	..	..	..	47	10	13	9	..
11 Ludhiana	..	..	..	50	0	12	46	..	..
12 Rohtak	8	11	5	18	33	12	21	8	..
13 Simla	..	..	..	22	44	8	5	11	..
Total	25	25	12	333	652	288	337	91	..

1	2	3	4	5	6	7	8	9	10
INDIAN STATES									
<i>U. P. States.</i>									
1 Tehri Garhwal	2	..	3	3	..	8	5	..	..
<i>Rajputana Group.</i>									
1 A'war	6	19	29	58	1	61	12	..	..
2 Bikaner	..	..	..	..	..	..	..	..	..
3 Bharatpur	15	19	..	23	40	21	19	4	..
4 Bundi	11	16	6	10	1	1	1	10	..
5 Dholpur	..	6	6	12	..	12	6	..	..
6 Jaipur	56	91	75	72	14	123	80	14	..
7 Jhalawar	..	6	12	6	..	11	1	4	..
8 Jodhpur	..	..	..	..	..	..	..	..	..
9 Karauli	..	7	7	14	..	7	7	6	..
10 Kishanganh	..	..	3	9	4	1	4	..	..
11 Kotah	40	35	10	20	15	60	26	4	..
12 Shahpura	..	..	..	..	2	2	2	..	..
13 Tonk	25	7	7	11	17	7	23	..	..
14 Udaipur	..	..	20	71	..	..	..	..	..
TOTAL	153	216	175	307	94	323	196	42	..
<i>Central India Group.</i>									
1 Ajaigarh	4	4	4	..	8	4	4	4	..
2 Alipur	..	2	2	4	..	4	2	..	..
3 Baghelkhand	..	4	4	10	..	7	1	..	..
4 Baroundha	..	..	1	..	..	1	..	..	..
5 Bijwar	4	..	8	4	4	4	..	..	..
6 Charkhari	..	3	3	6	..	6	3	..	..
7 Bundelkhand	..	1	2	5	..	..	..	..	..
8 Chhatarpur	..	5	5	10	5	11	5	5	..
9 Datia	7	..	14	..	14	7	..	..	..
10 Garwali	..	..	2	1	..	1	..	..	..
11 Gaurihar	..	..	..	..	..	..	..	..	..
12 Indore	..	8	..	8	4	4	4	..	..
13 Lugasi	..	..	..	1	..	..	..	..	..
14 Mahihar	..	3	3	3	..	6	3	..	..
15 Nagod	..	3	3	6	..	6	3	..	..
16 Orcha	..	15	15	30	11	19	4	..	..
17 Rana	..	6	6	15	5	7	5	..	..
18 Rewa	5	37	66	55	5	93	65	6	..
19 Samthar	1	1	1	..	1	1	2	..	..
20 Sarila	..	..	1	..	..	..	..	..	..
TOTAL	21	102	140	158	57	181	101	15	..
<i>Gwalior Group.</i>									
1 Benares	2	9	7	9	12	18	6	2	..
2 Gwalior	..	76	72	150	3	150	41	20	..
3 Kandhwa	..	..	2	2	4	2	2	2	..
4 Rampur	5	10	5	9	22	12	..	..	..
5 Jammu and Kashmir	..	..	..	..	..	..	58	111	..

1	2	3	4	5	6	7	8	9	10
<i>Eastern Punjab States.</i>									
1 Baghal	.	.	.	.	.	.	.	.	.
2 Bashahr	.	.	.	.	.	.	.	.	3
3 Bhagat	.	.	.	.	.	.	.	1	1
4 Bhajji	.	.	.	.	.	.	.	.	.
5 Bila-pur	.	.	.	.	.	.	.	.	2
6 Chamba	.	.	.	.	.	.	.	5	.
7 Dojana	.	.	1	1	.	3	1	.	.
8 Fridkot	.	.	.	.	.	.	.	.	.
9 Jind	.	.	6	6	.	11	8	.	.
10 Ka'sia	.	.	.	.	.	.	.	2	.
11 Kapurthala	.	.	.	.	.	.	10	26	5
12 Loharu	.	.	.	.	.	.	.	.	.
13 Malerkotla	.	.	.	.	.	.	4	4	.
14 Nabha	.	1	4	4	.	12	5	3	.
15 Nalagarh	.	.	.	.	.	.	.	.	.
16 Pataudi	.	1	.	1	.	.	1	1	.
17 Patiala	.	5	3	8	.	25	12	51	19
18 Sirmur (Nahan)	.	.	.	.	2	.	4	5	1
Total	.	7	14	20	2	51	45	98	31

श्री गोकुल भाई दौलतराम भट्ट: क्या यह बात ठीक है कि हालां कि राशन में नमक मिलता है तो भी लोग काले बाज़ार से नमक खरीदते हैं और इसको क्या जांच करवाई है?

Shri Gokulbhai Daulatram Bhatt: Is it a fact that although salt is a rationed commodity, yet the people purchase it from the black market? Has any investigation been made in the matter?

The Honourable Dr. Syama Prasad Mookerjee: When there is shortage perhaps they resort to black market, but I am trying to give them larger supplies so that they can build up reserves.

श्री गोकुल भाई दौलतराम भट्ट: इसके माने यह है कि राशन में नमक की क्वांटिटी (quantity) बढ़ाई जायगी।

Shri Gokulbhai Daulatram Bhatt: This means that the rationed quantity of salt will be increased.

The Honourable Dr. Syama Prasad Mookerjee: That will depend on the supply available.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Minister what the shortage of salt is due to and when Government propose to have sufficient quantity produced and made available in the country?

The Honourable Dr. Syama Prasad Mookerjee: We have to import about fifty lakhs of maunds of salt and our requirements now are about six crores of maunds. We can produce about five crores and fifty lakhs. There is a large quantity of salt lying in the areas; there have been some transport difficulties, but they have improved considerably.

Shri O. V. Alagesan: In order to bring down the price of salt and also increase production when do Government propose to implement their policy of issuing free licences for the manufacture of salt on the coast-line.

The Honourable Dr. Syama Prasad Mookerjee: That is under consideration. I am going to appoint a Committee in a few days.

Prof. N. G. Ranga: Is it not a fact that there are large areas of land on the eastern coast of Southern India which can be put to very good use for the manufacture of salt, and which today are not being put to any use at all?

The Honourable Dr. Syama Prasad Mookerjee: Expansion is possible.

Prof. N. G. Ranga: I submit that ordinary business, they are prepared to manufacture salt.

The Honourable Dr. Syama Prasad Mookerjee: They are not prevented, so far as local production is concerned.

Prof. N. G. Ranga: Why is it that Government does not encourage them to produce more and more in order to sell it outside in view of this great shortage of salt?

The Honourable Dr. Syama Prasad Mookerjee: So far as local production and consumption is concerned there is no prohibition at all, but so far as granting of licences for large scale production is concerned, the whole policy is being examined and we shall give every possible facility to those who want to do so.

Dr. B. Pattabhi Sitaramayya: Within eight miles in the East Coast of India sea water flows during the rainy season and in the summer automatically it is evaporated and huge amounts of salt are available in respect of which also there are restrictions for export. These areas are all along the sea coast. You have only to pick it up. The Salt Department is spending Rs. 3,000 only to mix it up with mud and make it inedible. Will the Government be pleased to order that not only the people in the neighbourhood be permitted to take it for their own use but they should also be permitted to export?

The Honourable Dr. Syama Prasad Mookerjee: I shall be grateful if the Honourable Member will give me the details. I shall certainly examine the matter.

Shri Mohan Lal Saksena: Some time ago a Select Committee was appointed but no meeting was held. May I know what has happened to that Bill?

The Honourable Dr. Syama Prasad Mookerjee: The policy has now altered and therefore we will have to revise and bring it up to date.

Shri O. V. Alagesan: Does the Honourable Minister know that such natural salt is formed in large quantities near Vedaranyam in the Madras Presidency?

The Honourable Dr. Syama Prasad Mookerjee: I suppose that must be so if the Honourable Member says it is so.

Shri M. Ananthasayanam Ayyangar: May I know why Government has imposed restrictions on export of salt after it has removed the excise duty on salt?

The Honourable Dr. Syama Prasad Mookerjee: We are not ordinarily anxious to impose any restrictions on export, but so far as salt is concerned even this six crores which I have mentioned is barely sufficient for meeting our entire consumption.

Shri M. Ananthasayanam Ayyangar: Does the Government propose to remove the restrictions of free export of salt from one place to another?

The Honourable Dr. Syama Prasad Mookerjee: That will be examined.

Shri Mohan Lal Saksena: What is the changed policy of the Government and whether it was considered after the last Government had gone out?

The Honourable Dr. Syama Prasad Mookerjee: The policy now is that we shall allow salt to be manufactured without any restriction in areas concerned for the purpose of local consumption. We shall allow free grant of licence to those who would manufacture salt according to the standard which Government will lay down. We shall run some of the large-scale factories on Government account and also encourage Provincial Governments to manufacture salt in areas where salt can be manufactured.

AMMONIA SULPHATE AS FERTILISER

94. *Shri Biswanath Das: Will the Honourable Minister of Agriculture be pleased to state:

(a) Whether Government are aware that agriculturists in the mofussil areas have not been using Ammonia Sulphate as manure for paddy cultivation on the ground that the use of this manure brings about gradual loss of fertility of the soil;

(b) whether Government are aware that Ammonia Sulphate that is supplied at cheap rates to agriculturists, are being mainly utilised for sugar-cane, chilly and such other cultivation, and that even for these crops, they use Ammonia Sulphate along with oil cakes or green manure;

(c) whether Government have considered the opinions of Mahatma Gandhi and Sri Kumarappa of the All-India Village Industries Association, Wardha, against the use of Ammonia Sulphate as fertiliser;

(d) whether it is a fact that there is a large volume of scientists' and specialists' opinion in America and England against the use of Ammonia Sulphate as fertiliser; and

(e) whether Government under the circumstances propose to consider the desirability of undertaking a scientific enquiry on this question before expanding production of Ammonia Sulphate?

The Honourable Shri Jairamdas Doulatram: (a) Government have not received any such information from any of the provinces. The demand from the Provinces is steadily increasing. An inquiry will, however, be made from the Provincial Directors of Agriculture whether any agriculturists are not using Ammonia Sulphate on the ground mentioned in the question.

(b) Sulphate of Ammonia is supplied to the cultivator at subsidised rates for use on food crops and the Government of India have sanctioned grants to the Provinces for this purpose under the Grow More Food Schemes. We have not sanctioned any subsidy in respect of Sugar-cane and chilly. We are not aware that the concession is being misused. Government will be glad to inquire into any specific cases brought to their notice of such misuse.

(c) and (d). Yes, Government are aware of the view held that chemical fertilisers are harmful to the Soil. The Ministry of Agriculture had circulated its views to the Provinces in November, 1947. A copy of their letter is placed on the table of the House. Continuous use of Chemicals is known to have a deleterious effect on crop yields but the recommendation of the Ministry of Agriculture was to use as much heavy organic manure as possible as a basic dressing and to supplement it with a mixture of concentrated organic manures and the chemical fertilisers, the kind of mixtures depending upon the nature of the soil and the climatic conditions of each area. The question of use of manure and fertilisers will continue to be investigated.

(e) Scientific enquiries will proceed *pari passu* with its use on the fields. If we are to hold up its use pending further scientific investigations, we shall have to go very short of fertilisers. There is an increasing World demand for Ammonia Sulphate as a fertiliser which is far short of the World supply and the allocation that we are getting from the F.A.O., which is the controlling international authority for distribution, is already far short of our minimum needs.

No. 4982-M/46.

GOVERNMENT OF INDIA

MINISTRY OF AGRICULTURE

New Delhi, the November, 1946.

From

B. A. Gopalaswamy, Esquire, O.B.E., I.C.S.,
Joint Secretary to the Government of India.

To

The Provincial Governments and
Local Administrations.

SUBJECT:—Use of fertilisers under Indian conditions.

Sir,

I am directed to address you on the subject of the use of fertilisers under Indian conditions. In view of divergent opinion which have been expressed in certain sections of the Press, and enquiries made from one Province, it is considered that a self-contained statement of the views of this Department might be of use to the Provincial Governments.

This Department has always stressed and continues to stress the need for securing that as much heavy organic manures, such as cow-dung, town refuse composts and composts made from Vegetables and village wastes, as possible should be returned to the soil to meet the basic humus requirements of the land. Under tropical conditions humus gets burnt out quickly and unless it is replaced in some form or another, fertility and water holding capacity of the soil are likely to suffer. It is for this reason that this Department has sponsored the large scale production of composts from both town refuse and night soil and village wastes and vegetable matter. The production of organic manure in adequate quantities to meet the full nutritive requirements of crops and soils is however not a practical proposition and should be supplemented by other forms of manures for supplying the basic plant foods so essential for the increasing agricultural production generally and the production of food crops in particular. Hence the need for increasing the use of fertilisers whether they are in the form of oilcakes, or Sulphate of Ammonia or bone-meal.

Under Indian conditions there are no scientific data tending to show that the continued rational use (the emphasis being on the word rational) of fertilisers has an adverse effect on the soils on which it is used or on the crops that are produced therefrom. At the same time there are also no data to prove the contrary. Evidence, however, is available on the continued use of chemicals for over a hundred year on some of the experimental plots at Rothamsted (England) where such use has shown no deleterious effect and where crops yields have shown a continuous and steady increase. Under Indian conditions, the recommendation of this Department has always been to use as much heavy organic manure as possible as a basic dressing and to supplement it with preferably a mixture of concentrated organic manures and the chemical fertilisers in order to provide sufficient plant nutrients for the production of a reasonably good crop under any given set of conditions. The kind of mixtures to be used will depend upon the nature of the soil and the climatic conditions of each area. The chemist of the Provincial Government should be able to determine the suitable mixture. In order to forestall any possible damage that may be feared as a result of the long range use of chemical fertilisers, particularly of Sulphate of Ammonia which is acidic in reaction, the obvious thing to do is to use lime in some form or another at specified intervals. The best form in the view of this Department would be bonemeal which not only actually supplied large quantities of lime but also substantial quantities of phosphates and some quantities of nitrogen. Failing this, ordinary lime could be used. Under neutral or alkaline conditions, an application of one third of a ton of lime per acre once every five or seven years should be ample, while on acidic soils the use of bonemeal every year in suitable quantities would definitely preclude any possibility of harm.

As regards the economics of manuring, this Department is of the opinion that while the use of manures and fertilisers does give increased yield, the value of such yield is not likely to recompense the cultivators sufficiently for the increased expenditure and enterprise involved in the use of fertilisers on a large enough scale unless the prices of fertilisers bore a definite relation to the prices of food crops. This relation has been in the past generally unfavourable and still remains so. It will continue to be unfavourable until the production and use of fertilisers are developed on a sufficiently large scale to enable this price of fertilisers being brought down not only absolutely, but relatively to the prices of food crops. In the meanwhile there is need for making available both composts and concentrated manures on a subsidised basis, as has been stressed by this Department more than once, in order to foster their development and to increase the production of food.

The controversy on the use of heavy organic manures versus concentrated fertilisers was raised at the last Food and Agricultural Organization Committee meetings, and at the Food and Agricultural Organization Conference held at Copenhagen in September, last. It is understood that this world authority came to the considered conclusion that apart from water the

rational use of fertilisers is the only method known to the scientific world whereby increased production can be assured quickly. In consultation with Nutrition Experts it has further stated that there is no evidence to show that the rational use of such manures does harm either to man, beast or soil. A very interesting article on this subject was published in the Scottish Journal of Agriculture in its issue of January 1945 by Dr. Ogg, Director of Rothamsted Experimental Station and Dr. Nicol of the Imperial Bureau of Science. A copy of this article was forwarded to the Provincial Director of Agriculture with this Department letter No. F. 33-34/45-P. dated the 11th September, 1945.

It is hoped that in view of the considerations stated above, the Provincial Government will take every possible step for increasing the maximum use of organic manures and fertilisers within the Province.

Shri Biswanath Das: Arising out of the reply given to part (a), may I inform the Honourable Minister, as an agriculturist, as a man having something to do with the provinces of Orissa and Madras, as also having come to know something of the agriculturists of Bengal, that this is correct.

Mr. Speaker: What is the question?

Shri Biswanath Das: The question is whether the Honourable Minister will take the facts I have given him at their face value and institute an enquiry?

The Honourable Shri Jairamdas Doulatram: I have already indicated that this matter is being investigated and whatever information the Honourable Member is pleased to supply me will be carefully examined.

Shri K. Santhanam: May I know whether it is a fact that in all countries where the out-turn of production is greater, there is plentiful use of Ammonia Sulphate?

The Honourable Shri Jairamdas Doulatram: May be.

Shri Biswanath Das: In view of the admission of the Honourable Minister for Agriculture, may I request him to consider whether it is desirable to expand the production of Ammonium Sulphate by installing factories before the question is decided whether or not Sulphates are injurious to the fertility of the soil and agriculture as a whole.

The Honourable Shri Jairamdas Doulatram: Before the factories are completed, or begin functioning, we shall have completed our investigations.

Shri H. V. Kamath: Sir, arising out of answer to parts (d) and (e), may I know who are the Scientific experts and specialists who are investigating into this matter?

The Honourable Shri Jairamdas Doulatram: The Agriculture Department. I will not, however, be able to give the names of officers straightaway.

Shri H. V. Kamath: Is it not a fact, Sir, and is it not widely held that Ammonia Sulphate is as deleterious to the plant organism as vegetable ghee is to the human body organism?

The Honourable Shri Jairamdas Doulatram: I have indicated that in my reply.

Shri Biswanath Das: Sir, may I draw the attention of the Honourable Minister to the fact that many eminent people have pointed out the fact that vested interests have been created amongst certain Government officials and also among members of the.....

The Honourable Shri Jairamdas Doulatram: I would be surprised if it were so. But I am prepared to go into the matter if any specific allegations are made.

Dr. B. Pattabhi Sitaramayya: Is it a fact that some of the ex-Viceroy's and Secretaries of State are Directors of the Imperial Chemical Industries? Lord Reading was the Chairman; now Lord Linlithgow is.

The Honourable Shri Jairamdas Doulatram: I must accept a well-informed Honourable Member's statement.

Shri S. V. Krishnamurthy Rao: May I know, Sir, if the system of subsidies extends to States also?

The Honourable Shri Jairamdas Doulatram: I require notice of that question.

ODDH AND TIRHUT RAILWAY AND PILFERAGE OF GOODS

95. *Shri Damodar Swarup Seth: (a) Will the Honourable Minister of Railways be pleased to state whether it is fact that pilfering of goods of various kinds has been prevalent on the Oudh and Tirhut Railway on a large scale, and that recently a conspiracy was unearthed by the Railway Police?

(b) Is it a fact that foodgrains, general merchandise, iron materials and even dry and fresh fruits are stolen on this Railway, involving not only payment of big claims by the Railway but also entailing hardship to the public and dislocation of general business?

(c) Is it a fact that since January, 1947 some 180 wagons of foodgrains consigned for the Gorakhpur region were lost, and subsequently through the efforts of the R.F.C. Staff several hundred unlabelled wagons standing in the yards of Gorakhpur and Bhatny stations were traced and seized by a magistrate?

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

(b) Yes.

(c) Government are informed that a number of consignments of foodgrains in unlabelled wagons were traced as a result of the joint efforts of the staff of the Commercial Department of the Railway and the staff of the Regional Food Controller. These consignments were delivered in the normal way to the civil authorities. More precise details are being obtained and will be laid on the table of the House.

Pandit Balkrishna Sharma: Is the Honourable Minister for Railways aware that large scale pilfering of newspaper packets which are sent by railways are taking place and sometimes it so happens that as many as seventy-five per cent. of the newspapers sent in packets are pilfered by the railway authorities and are not delivered to the agent?

The Honourable Dr. John Matthai: I am quite prepared to admit that pilferage has been on the increase on the railways. We are taking every possible step in order to check it. It is partly a law and order question and I am glad to say that the Governments of the United Provinces and Bihar have given us full co-operation. We are also taking various railway measures, but primarily I think it is a law and order question and has got to be pursued on that line.

Shri H. V. Kamath: Sir, will the Honourable Minister for Railways please tell us which other Railways share the honours with the O.T. Railway so far as pilfering and thefts are concerned?

The Honourable Dr. John Matthai: Sir, the problem on the O.T. Railway is a particularly difficult one, because, as far as I know, in recent months a fairly big black market has been developing in East Bengal and goods are being moved from the O.T. Railway—I regret to say in some cases with the connivance of the railway staff—for disposal in the black market.

Dr. B. Pattabhi Sitaramayya: Will Government be pleased to strengthen the Watch and Ward Department?

The Honourable Dr. John Matthai: As a matter of fact, we have already strengthened our Watch and Ward Department, but that is not sufficient to cope with the problem. We have got to bring in the assistance of the civil authorities as well.

VALUE PAYABLE PARCEL POSTS BY EVACUEES BEFORE 15TH AUGUST, 1948

96. **Giani Gurmukh Singh Musafar:** (a) Will the Honourable Minister of Communications be pleased to state whether the case of those persons or firms, who have migrated from Pakistan and who sent V. P. P.'s to their clients before August 15, 1947, and to whom the amount was due after August 15, 1947, but could not get the amounts or the refused articles, has been considered up till now?

(b) If the answer to part (a) above be in the negative, do Government propose to consider it in the near future, so that those individuals or firms may receive the amounts or the refused articles back?

(c) Do the Government of India intend to make any agreement with the Government of Pakistan in this connection, so that the persons or firms who have migrated from one dominion to the other may receive the amounts due or get the refused articles back on their new addresses?

(d) If the answer to part (a) above be in the affirmative, what action has been taken in the matter?

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

(b) Does not arise.

(c) and (d). Under the Standstill Agreement with the Government of Pakistan relating to postal services which is in force till the 31st March, 1948, V. P. articles and money orders can be redirected to any place in India and Pakistan. It is proposed to have a comprehensive agreement between the two Dominions on postal matters to have effect from 1st April, 1948 and steps are being taken to arrange a meeting between representatives of the P. and T. Departments of India and Pakistan for this purpose.

R. M. S. STAFF AND ALLOWANCES

97. ***Diwan Chaman Lall:** (a) Will the Honourable Minister of Communications be pleased to state what action Government propose to take with regard to certain allowances like the hill allowance, compensatory allowance and out-station allowance for the staff of the R. M. S., which have been left to be fixed by Government?

(b) Was the Central Pay Commission asked to fix these allowances and if so, why did they leave the review to Government?

(c) Do Government propose to accept the Central Pay Commission's suggestion that such allowances should be based on what provincial Governments pay?

(d) Will each Ministry make the review independently?

The Honourable Mr. Rafi Ahmed Kidwai: (a) Compensatory and House rent allowances for costly localities have already been fixed and it has been decided that allowances in hill stations, localities with bad climate and remote localities, should be continued at the existing rates until they are reviewed. The review has been taken up. As regards out-station allowance for R.M.S. staff, it is proposed to refer the question to an Expert Committee as recommended by the Central Pay Commission.

(b) The reply to the first part is in the affirmative. As regards the second part, the Commission have stated the reasons for not making specific recommendations in these matters in paras. 84 to 88 (Part II) pages 53 and 54 and para. 57 (Part III) page 231 of the Report.

(c) The Pay Commission have only suggested that in granting these allowances, the practice of Provincial Governments should be taken into account. Government accept this suggestion.

(d) The review is not made by each Ministry independently; it is co-ordinated by the Ministry of Finance.

Diwan Chaman Lall: May I know whether the rates fixed by the provinces will not act to the detriment of the employees of the Department? Why should not my Honourable friend himself refer the matter fixing these allowances to the expert committee that is going to be appointed?

The Honourable Mr. Rafi Ahmed Kidwai: This is, as I have said, what the Pay Commission recommended and we have accepted it. If at any place it is found that this is not sufficient Government may take up the question again.

Diwan Chaman Lall: May I know when the expert committee is likely to meet?

The Honourable Mr. Rafi Ahmed Kidwai: I hope very soon.

POSTS AND TELEGRAPHS DEPARTMENT'S EXTRA DEPARTMENTAL AGENTS AND THEIR REMUNERATIONS

98. ***Diwan Chaman Lall:** (a) Will the Honourable Minister of Communications be pleased to state whether the remuneration of the Extra Departmental Agents of the Posts and Telegraphs Department was included in the terms of reference to the Central Pay Commission? If so, why did they not fix these allowances?

(b) What action have Government taken to fix the remuneration for such workers?

The Honourable Mr. Rafi Ahmed Kidwai: (a) The reply to the first part of the question is in the negative. The latter part of the question does not arise.

(b) The question of revising the remuneration of Extra Departmental Agents is under the consideration of Government.

Diwan Chaman Lall: How long has it been under the consideration of Government?

The Honourable Mr. Rafi Ahmed Kidwai: I think the Honourable Member is aware that in the course of the last few weeks several questions that were not decided by the Pay Commission or in which there was some dispute were taken up. Some have already been decided and some will be decided in the course of the next few weeks.

Diwan Chaman Lall: May I know if my Honourable friend is prepared to accept a conference between the Unions and the department before a final decision is arrived at in respect of these matters?

The Honourable Mr. Rafi Ahmed Kidwai: I think there is no objection in discussing the matter with the Unions. As a matter of fact representatives of the different Unions have been seeing me off and on and they have considered all the questions which we have decided; and the same procedure will continue.

GOVERNMENT ACTION ON JUSTICE RAJADHYAKSHA'S REPORT ON POSTAL DISPUTE

99. ***Diwan Chaman Lall:** (a) Will the Honourable Minister of Communications be pleased to state what action has been taken by Government in reference to para. 174 of Justice Rajadhyaksha's report in the postal dispute in regard to the grievances of the employees of the Posts and Telegraphs Department?

(b) If no action has been taken during the eighteen months since this report was published and accepted, what are the reasons therefor?

(c) Are Government aware that the Central Pay Commission have made a similar recommendation in their report? If so, what action has been taken in this connection?

The Honourable Mr. Rafi Ahmed Kidwai: (a) The grievances mentioned in paragraph 174 of Mr. Justice Rajadhyaksha's Report did not form part of the terms for Adjudication. However, when genuine grievances are brought to the notice of Government action is taken to redress them. A statement is placed on the table of the House indicating the nature of the action taken in regard to the grievances mentioned in the paragraph.

(b) Does not arise.

(c) It is presumed that the Honourable Member is referring to paragraph 57 at page 231 of the printed Report of the Central Pay Commission. If so, steps have been taken to appoint an expert committee to enquire into the grievances referred to therein.

Statement.

Grievance	Nature of action taken
1. Limited application of the Unified Scale of Pay.	The Unified scale was introduced with a view to overcoming recruitment difficulties in certain localities. It was therefore confined to places where such difficulties were being experienced. With the introduction of the new scales of pay on the basis of the Pay Commission's recommendations, the Unified scale has ceased to exist.
2. Inadequacy of outstation allowance to Railway Mail Sorters.	This matter had come within the purview of the Central Pay Commission who recommended that grievances like this should be examined by an expert committee. Such a Committee is being appointed.
3. Difficulty of getting accommodation in places like Delhi.	Government provides quarters to staff to the extent possible. House rent allowance is paid in certain places like Delhi to compensate for the high rents for private accommodation.
4. Stagnation at the maximum of the Lower Division Scale as a result of the change in the ratio between the strength of the Lower and Upper Divisions and lack of vacancies in the Upper Division.	A continuous scale was introduced in July 1945. Officials who were at the maximum of the Lower Division could then come over to the Upper Division without stagnating in the Lower Division.
5. Confirmation of temporary staff.	Qualified temporary hands are confirmed when permanent vacancies arise.
6. Permanent telephone operators in Delhi getting less pay than temporary telephone operators.	A special scale of pay was introduced for temporary telephone operators in order to overcome recruitment difficulties. These difficulties did not exist in the case of permanent telephone operators. This special scale, however, has ceased to be in force. The scale of pay introduced on the recommendations of the Central Pay Commission has taken its place and applies to both temporary and permanent telephone operators.
7. Departmentalisation of Telephone Companies' staff.	The staff of the old Bengal Telephone Corporation have been offered terms for being brought on to departmental scales of pay etc. Similar action in respect of the staff of other Telephone Companies' staff will be completed shortly.

Diwan Chaman Lall: May I know whether the grievances pointed out by the Adjudicator have been considered by the Department and settled now?

The Honourable Mr. Rafi Ahmed Kidwai: The Honourable Member will find in the statement on what matters action has been taken. About other matters an expert committee has been appointed and its report will be awaited.

Diwan Chaman Lall: Is it the same committee that the Honourable Minister referred previously?

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

Diwan Chaman Lall: Who are the members of this Committee?

The Honourable Mr. Rafi Ahmed Kidwai: There are two members of the department and one labour leader nominated by the Labour Ministry.

Diwan Chaman Lall: Will the Honourable Minister consider the advisability of appointing a member to represent the workers?

The Honourable Mr. Rafi Ahmed Kidwai: I thought the labour representative who is from a Trade Union represents the workers.

Diwan Chaman Lall: May I know if the Labour Ministry consulted the recognised Unions before making this appointment?

The Honourable Mr. Rafi Ahmed Kidwai: I shall require notice of that question.

PRE-1931 POSTAL CLERKS

100. *Diwan Chaman Lall: (a) Will the Honourable Minister of Communications be pleased to state whether Government are aware of the peculiar position of pre-1931 Postal clerks whose scales of pay range from Rs. 35—135 to Rs. 50—160 according to localities and for whom the proposed scale is Rs. 60—170?

(b) Are Government aware that if these pre-1931 employees wish to opt for the prescribed scale, their substantive pay would be less than their existing pay?

(c) Is it a fact that Government have recently decided that the difference between the present pay and proposed pay would be paid to them as personal pay?

(d) If so, are Government aware that this will have the effect of stopping the annual increments of these people till the difference given as personal pay is absorbed in future increments?

(e) Is it a fact that this peculiar position will not apply to all pre-1931 employees but only to certain categories whose pre-1931 scales are lower than the prescribed scales?

(f) If so, what is the reason for this differential treatment between the two categories of employees governed by the pre-1931 scales of pay?

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

(b) Yes, in some cases.

(c) Government have already issued orders protecting the pre-1931 employees against any loss in emoluments.

(d) and (e). Yes, Sir.

(f) The matter is already under the consideration of Government.

Diwan Chaman Lall: May I ask again whether the matter is before the same expert committee?

The Honourable Mr. Rafi Ahmed Kidwai: No, Sir. Government have independently taking it up and I hope a decision will be reached very soon.

ORIYAS ON BENGAL NAGPUR RAILWAY

101. *Shri Lakshminarayan Sahu: (a) Will the Honourable Minister of Railways be pleased to state the number of Oriyas who are in service in Bengal Nagpur Railway drawing a pay of Rs. 200 and over?

(b) What is the total number of Travelling Ticket Inspectors, Station Masters and Booking Clerks who are now serving in the Bengal Nagpur Railway?

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(c) Do Government propose to appoint Oriya Station Masters and Booking Clerks on B. N. R. line from Puri to Khargpur?

The Honourable Dr. John Matthai: (a) The total number of Oriyas on the Bengal Nagpur Railway, including the Vizagapatam Port, drawing a pay of Rs. 200 p.m. and above is 14.

(b) The total number is:

Travelling Ticket Inspectors—46.

Station Masters—540.

Booking Clerks—252.

(c) No, as direct recruitment is not made to posts of Station Masters and Booking Clerks, these posts being filled by promotion of suitable staff from lower grades. Promotions to higher grades on railways are not made on provincial or communal considerations.

Shri B. Das: In view of the change of Government from irresponsibility to responsibility, will the Honourable Minister now think of recruiting railway employees on a zonal basis so that the Oriya may not be elbowed out by South Indians?

The Honourable Dr. John Matthai: The position with regard to non-gazetted ranks of the central services, as my Honourable friend well knows, is that as far as initial recruitment is concerned the Central Government has provided for preference being given to certain communities. No preference is given on a territorial or linguistic basis; but in spite of that I have instructed the railways that in the case of inhabitants of provinces through which a particular railway runs in case they are not adequately represented, they should—other conditions being equal—be given preference.

Shri B. Das: Will the Honourable Minister kindly consider that it is high time that the Traffic and Engineering Divisions of the B. N. Railway are located in Orissa so that other races do not black-out the Oriyas in the railway services, higher or lower?

The Honourable Dr. John Matthai: Consistently with the principles that I have mentioned, I would look into it.

Prof. N. G. Ranga: Would Government extend those principles by reserving a portion of these promotions to direct recruitment, so that the people belonging to that area and speaking that language will have a chance.

The Honourable Dr. John Matthai: That raises a very big question of policy.

Shri Rohini Kumar Chaudhuri: Is it a fact that the instructions of the Honourable Minister have not been carried out so far as Assam is concerned?

The Honourable Dr. John Matthai: That matter has been under discussion between me and the Honourable the Premier of Assam and I do think that we are making some progress in that matter.

Shri K. Santhanam: May I know if the railways are keeping up statistics provincial, linguistic, communal and on other basis? How many kinds of statistics are they having?

Shri B. Das: Communalism has now gone!

Mr. Speaker: Order, order.

The Honourable Dr. John Matthai: Since a reference has been made in the matter of initial appointments, we would be able to give the Honourable Member statistics as far as that is concerned. But statistics on a territorial and linguistic basis is difficult.

Shri K. Santhanam: Is it not an undesirable policy to have this sectionalism on the railways?

The Honourable Dr. John Matthai: It raises a difficult question of policy.

Mr. E. K. Sidhva: Has Government statistics as far as communal basis is concerned?

The Honourable Dr. John Matthai: Yes, there are such statistics.

Mr. E. K. Sidhva: Is it desirable? What is the Government's policy in that respect?

The Honourable Dr. John Matthai: At present, as I said, in regard to non-gazetted appointments, we give preference to communities, and since we are giving preference to communities, obviously it follows that we have statistics of communal appointments.

Shri Ramnarayan Singh: May I know if the Honourable Minister is satisfied that his instructions to the Department, that people of the provinces are adequately represented in the department are carried out and also given effect to honestly?

The Honourable Dr. John Matthai: It is a little more than I can answer. But I am prepared to see to it that the principle that I have laid down is honestly carried out.

Shri Ramnarayan Singh: Has the Honourable Minister asked for reports on this point from the Department?

The Honourable Dr. John Matthai: What happens is that when actual appointments are made I try to see how far these appointments have made provision for the principles that I have laid down. But if you ask me whether so far I am satisfied that sufficient progress has been made, it is a question that I would find difficult to answer.

Shri Ramnarayan Singh: What is the case just referred to in the Department?

The Honourable Dr. John Matthai: In regard to this question of the appointment of Oriyas?

Shri Ramnarayan Singh: Yes.

The Honourable Dr. John Matthai: I am not in a position to give an answer to that.

MORAPPUR-HOSUR RAILWAY LINE

102. ***Shri T. A. Ramalingam Chettiyar:** (a) Will the Honourable Minister of Railways be pleased to state whether Government are aware that the Morappur-Hosur Railway line on the South Indian Railway was serving an area which is short of communications and that the people living in the area formerly served by this line are put to great inconvenience by the closing of this line?

(b) Have Government received representations from the Dharmapuri, Krishnagiri and Hosur Taluqs in this connection and if so, do Government propose to take early steps to restore this line?

The Honourable Dr. John Matthai: (a) No, Sir. The area served by the Morappur-Hosur Railway line which has since been dismantled as adequately served by road transport.

(b) Yes; but in view of the line having been unremunerative throughout its existence the Government do not find sufficient justification for its restoration. However, this proposal will soon be examined by the Central Board of Transport along with other projects in Madras and a final decision will then be made regarding its restoration.

Shri H. V. Kamath: Is Government surveying the position so far as the Kadur-Mangalore line is concerned?

The Honourable Dr. John Matthai: It does not arise out of this question.

Shri K. Santhanam: May I know if the Honourable Minister will refer to the Madras Government whether they will pay any subsidy for making up the deficit which may arise if the line is restored?

The Honourable Dr. John Matthai: The position with regard to the restoration of dismantled lines is that we make a reference to the Provincial Government on the question. If the Provincial Government wants the line to be restored, then we make a survey from the traffic point of view and if we are satisfied that the traffic position justifies the restoration, we proceed with it irrespective of any contribution by the Provincial Government. On the other hand, if we find that the traffic does not justify it, it would be a question to take up with the Provincial Government whether they should not make a contribution.

Shri K. Santhanam: Has any such reference been made in this matter to the Madras Government?

The Honourable Dr. John Matthai: It has not reached that stage because we are going to take up the matter in the Central Transport Board. At the time of the meeting of this Board I shall invite the Madras Government to send a representative to put up their case.

Shri T. A. Ramalingam Chettiyar: The Honourable Minister said that the line was a loss, it was not a paying proposition; when was the traffic survey made?

The Honourable Dr. John Matthai: This line was constructed away back in 1906 as a famine feeder line and ever since then every year it has been a losing line.

Prof. N. G. Ranga: What steps are Government taking to provide through the railways road transport facilities in all those places where these railways have been dismantled?

The Honourable Dr. John Matthai: In regard to a number of these proposals for the restoration of dismantled lines, the fact is that many areas have been developed from the point of view of road transport and it is a serious public question whether the railways should step in and introduce an element of unhealthy competition.

Prof. N. G. Ranga: The other substantial part of my question has not been answered. What steps are Government in the railways taking to provide their own road transport services in those places where lines have been dismantled?

The Honourable Dr. John Matthai: The Honourable Member is aware that we have a programme of rail-road co-ordination and that practically all the provinces are taking up big projects for rail-road co-ordination in which the railways are having a definite financial interest.

Shri T. A. Ramalingam Chettiyar: Is the Government aware that there is only one good metal road in the whole area?

The Honourable Dr. John Matthai: But apparently that road is fairly well served by buses!

Shri T. T. Krishnamachari: From where did the Honourable Minister get the information that the area is well served?

The Honourable Dr. John Matthai: From such local investigations as I have been able to make!

Haji Abdus Sattar Haji Ishaq Seth: The Honourable Minister said that the question of this line is being examined. Is this the only line being examined, or are the other lines also which are to be restored being examined, including the Shoranur-Nilambur line?

The Honourable Dr. John Matthai: I did not say it has been examined. It is going to be examined. There are a number of other proposals which the Madras Government has sent up to us and my idea is to place all these proposals from Madras before the Central Transport Board and have a representative from that Government to represent their case.

Haji Abdus Sattar Haji Ishaq Seth: Is the Shoranur-Nilambur line included?

The Honourable Dr. John Matthai: I am not in a position to answer that question offhand. A reference was made to the Madras Government in view of the suggestions made on the floor of this House, and my impression is that the Madras Government have not so far replied.

Shri S. V. Krishnamurthy Rao: If this line is extended from Hosur to Bangalore will it not become payable?

The Honourable Dr. John Matthai: I would like notice of that question.

TRAFFIC SURVEY FOR MYSORE-COIMBATORE RAILWAY LINE

103. *Shri T. A. Ramalingam Chettiyar: (a) Will the Honourable Minister of Railways be pleased to state whether the traffic survey for the Mysore-Coimbatore Railway line has been completed?

(b) When will the construction of the line be started?

(c) Have Government received representations from the Madras Province and Mysore about the necessity and urgency for this line?

The Honourable Dr. John Matthai: (a) I would refer the Honourable Member to the reply given by me to starred question No. 689 on 8th December 1947. The agreement of the Mysore State to the estimate for carrying out the survey for a line between Chamrajnagar to Metuupalayam, the link required to complete the Mysore Coimbatore connection, is still awaited. The Traffic survey has therefore not yet been taken in hand.

(b) It is not possible to say at this stage when construction of the line will be started.

(c) The Government of India have received no representation from the Madras Provincial Government in regard to this line. The Mysore State, however, have supported the construction.

(b) WRITTEN ANSWERS

MAIL TRAINS AND THEIR LATE ARRIVALS

104. *Shri Rohini Kumar Chaudhuri: (a) Will the Honourable Minister of Railways be pleased to state on how many occasions in the months of November and December 1947 and upto 23rd January 1948 the following mail trains reached their respective destinations in time, and if they did not, what was the average hours of delay:

Train	Destination
1. Up Delhi Mail	Delhi
2. Down Howrah Mail	Howrah
3. Up Assam Mail	Sealdah
4. Down Assam Mail	Amingaon

(b) Is it a fact that express and passenger trains in the routes referred to in part (a) above keep more approximately to the scheduled time than the mail trains? If so, why?

The Honourable Dr. John Matthai: (a) Out of the trains mentioned in the question Up Delhi Mail arrived destination at the scheduled time, once, and

Up Assam Mail, on five occasions. The average daily late arrival was as follows:

Up Delhi Mail 173 minutes (2 hours 53 minutes).

Down Howrah Mail 216 minutes (3 hours 36 minutes).

Up Assam Mail 152 minutes (2 hours 32 minutes).

Down Assam Mail 176 minutes (2 hours 56 minutes).

(b) No.

CEMENT SUPPLY TO PAKISTAN

105. *Shri Rohini Kumar Chaudhuri: Will the Honourable Minister of Industry and Supply be pleased to state whether it is a fact that the entire quantity of cement manufactured by Assam Bengal Cement Company, Limited of Chhatak, before 15th of August, 1947 and lying in their stock upto the end of the year 1947, have been made over to the Government of Pakistan under the direction and with the approval of the Government of India and that nothing has been made available to the province of Assam?

The Honourable Dr. Syama Prasad Mookerjee: No, Sir. Such an impression was created for a few days by a misunderstanding of the Government orders by the Hon. Regional Cement Adviser, Calcutta, but the position has been clarified.

LIME AND COAL FOR ASSAM BENGAL CEMENT COMPANY, LTD. AND CONSTRUCTION OF PUBLIC WORKS IN ASSAM

106. *Shri Rohini Kumar Chaudhuri: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether Government are aware that the Lime and Coal required for manufacture of Cement in the Assam Bengal Cement Factory at Chhatak are obtained from Assam under a lease granted to the Company by the Government of Assam and that Chhatak was a part of Assam up till 15th August 1947?

(b) Are Government also aware that important public works commenced by the Government of Assam have been held up owing to the action of the Government of India in making over the stock of cement lying in the factory referred to in part (a) above to the Government of Pakistan?

The Honourable Dr. Syama Prasad Mookerjee: (a) Government are aware that the cement factory at Chhatak is supplied with raw materials from Assam, but they have no information whether the supplies are made under a lease granted by the Provincial Government, or about the terms of the lease. Necessary information is being asked for.

(b) As has already been explained in reply to a previous question, a certain misunderstanding arose, which Government rectified shortly thereafter, and supplies are now being made as before.

QUOTAS OF CAUSTIC SODA, IRON, STEEL ETC. FOR ASSAM

107. *Shri Rohini Kumar Chaudhuri: Will the Honourable Minister of Industry and Supply be pleased to state what quota, if any, of the following materials have been allotted to Assam in 1948:

- (i) Materials for manufacture of umbrellas;
- (ii) Materials for repair of cycles and also cycle accessories;
- (iii) Caustic Soda; and
- (iv) Iron and Steel sheets for manufacture of tin containers and tin canisters?

The Honourable Dr. Syama Prasad Mookerjee: (i) (a) Steel and timber—Nil. (b) Umbrella Cloth—Decontrolled since 22nd January, 1948.

(ii) (a) Steel—Nil. (b) Cycle repair materials and cycle accessories are not controlled and the question of allotment of quota does not arise.

(iii) Although caustic soda is not statutorily controlled, and there is no provincial allocation in the strict sense of the word, the main importers, in fact, ration caustic soda on the lines indicated by Government from time to time. The present position is that soap factories are given 40 per cent. of their past average consumption, and other miscellaneous consumers about 60 per cent. of past average. Factories in Assam are allotted caustic soda on this basis. I shall be glad to give further details to the Honourable Member if he desires.

(iv) 293 tons in Period I/1948.

TRANSFERRED STARRED QUESTIONS AND ANSWERS.

[Put down for 31st January, 1948][†]

TRANSFER TO INDIA OF RECORDS AND ART COLLECTIONS HOUSED IN INDIA OFFICE, LONDON

42. *Mr. R. K. Sidhva: (a) Will the Honourable the Prime Minister please state whether it is a fact that the British Government have requested the Government of India to send their representative to England for the purpose of transferring to India the Records, the Library and art collections, housed in the India Office in London?

(b) If so, has a representative been sent and what is the result of his visit?

(c) What are the various kinds of jewels like the 'Kohinoor' taken from India which are now in the possession of Britain?

(d) How do Government intend to exhibit all these in India, when transferred to this country?

The Honourable Pandit Jawaharlal Nehru: (a) The attention of the Honourable Member is drawn to the reply given by me to parts (a) and (b) of the Short Notice question asked by Pandit Mukut Biharilal Bhargava on the 12th December 1947 in the Constituent Assembly of India (Legislative). In consultation with our High Commissioner in the United Kingdom we have since suggested to the Government of the United Kingdom that the fact-finding committee should meet about the end of March or beginning of April 1948.

(b) No representative has yet been sent from India.

(c) We have no exact information yet.

(d) As the future of the "contents" of the late India Office is still uncertain, it is too early to consider the point.

REGISTRATION OF COMPANIES UNDER THE INDIAN COMPANIES' ACT DURING 1947

43. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Commerce please state the names of Companies registered under the Indian Companies' Act during the year 1947?

(b) How many Companies have been actually floated and how many have started functioning?

The Honourable Mr. C. H. Bhabha: The required information is being collected and will be laid on the table of the House as early as possible.

[†]The meeting of the Assembly fixed for 31st January, 1948, having been cancelled, the answers to starred questions for that day were, in pursuance of convention, laid on the table of the House to-day.—Ed. of D.

ISSUE OF PASSPORTS BY DOMINIONS OF INDIA AND PAKISTAN

44. *Mr. R. K. Sidhva: (a) Will the Honourable the Prime Minister please state whether the Dominion of India or the Dominion of Pakistan intend to issue passports to their respective citizens for their movement from one Dominion to the other after March 1948?

(b) If so, from what date is it likely to be introduced and what will be the condition for the issue of such passports?

The Honourable Pandit Jawaharlal Nehru: (a) Passports are not at present required by persons domiciled in India or Pakistan for movement from one Dominion to the other. The Government of India have no proposal to modify the existing practice and are not aware of any intention on the part of the Pakistan Government to do so.

(b) Does not arise.

LABOUR STRIKES DURING 1947

45. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Labour please state the number of labour strikes that took place during the year 1947 and the names of the Trade Unions or other organisations under whose auspices they were organized.

(b) What was the duration and the result of each strike?

The Honourable Shri Jagjivan Ram: (a) Statistics of industrial disputes in India are published in the *Indian Labour Gazette*, a monthly periodical issued by the Labour Bureau of the Ministry of Labour. Copies of the Gazette are available in the Library of the Legislature. The latest figures given in the December issue of the *Indian Labour Gazette* are upto October 1947 which are provisional. Final figures for the year 1947 are not yet available but the number of disputes resulting in stoppage of work during the period January to November 1947 is estimated to be 1580. Information relating to the names of trade unions etc., asked for, is not available.

(b) I lay on the table a statement showing the duration and result of strikes in the cases so far known.

Statement showing the duration and result of Strikes during the year 1947, as far as known

Duration of strikes.

One day or less	337
More than one day up to 5 days	214
More than 5 days up to 10 days	108
More than 10 days up to 20 days	90
More than 20 days up to 30 days	60
More than 30 days	99
	908

Results of strikes

Successful	262
Partially successful	267
Unsuccessful	578
Indefinite	366
	1,473

TREATY OF MILITARY ALLIANCE BETWEEN GOVERNMENT OF PAKISTAN AND HIS MAJESTY'S GOVERNMENT

46. *Diwan Chaman Lall: Will the Honourable the Prime Minister be pleased to state:

(a) whether the attention of Government has been drawn to a newspaper report to the effect that a treaty of Military Alliance exists between the Government of Pakistan and His Majesty's Government; and

(b) whether there is any information available to the Government of India regarding the existence or details of any such treaty?

The Honourable Pandit Jawaharlal Nehru: (a) Government have seen the newspaper report in question.

(b) The Government of India have no information on the subject.

EXCHANGE OF PROPERTY BY EVACUEES

47. *Diwan Chaman Lall: Will the Honourable Minister of Works, Mines and Power be pleased to state:

(a) whether Government are aware that certain refugees from West Punjab who had occupied Muslim property by giving the tenants of such property similar rights in Pakistan are being evicted from such residences without any alternative arrangement being made for their accommodation; and

(b) whether the attention of Government has been drawn to Mahatma Gandhi's statement to the following effect in his prayer meeting on the 9th January, 1948:

"Some of their Muslim friends had houses in Delhi. They had left Delhi and told their Hindu friends from Pakistan to occupy their houses. Now the Government had asked them to vacate those houses"?

The Honourable Shri N. V. Gadgil: (a) I regret it is not possible for me to answer a general question of this type based on so many implicit and unverified assumptions; but if the Honourable Member has any particular cases in view, and would give me the necessary details, I shall certainly look into them.

(b) Yes.

REHABILITATION OF WEST PUNJAB EVACUEES IN EAST PUNJAB RURAL AREAS

48. *Diwan Chaman Lall: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) whether it is a fact* that a number of evacuees from West Punjab have been rehabilitated in the rural areas in East Punjab?

(b) whether they have rehabilitated themselves or have been rehabilitated under some authoritative plan;

(c) how many have been so rehabilitated under a planned scheme; and

(d) the number of Hindus and Sikhs who belonged to the rural areas in West Punjab and the number of Hindus and Sikhs (separately) who have been rehabilitated in the rural areas in East Punjab?

The Honourable Shri K. C. Neogy: (a) Permanent rehabilitation is a process which can be accomplished after some time. The work so far done towards the rehabilitation of non-Muslim refugees from West Punjab is aimed at giving them temporary relief—and, wherever possible, putting the agriculturists among them on the land vacated by Muslim evacuees.

(b) This temporary resettlement was carried out according to certain broad principles which directed refugees from specified areas in West Punjab to specified areas in East Punjab. On the whole this plan appears to have been carried out. In view of the need for getting as much area as possible under cultivation it was decided to lease land for one harvest to groups, owners, occupancy tenants and tenants-at-will being entitled to temporary allotment. The East Punjab Government have now ordered a complete review of the allotment of land which has been made during the current harvest.

(c) The total number of persons thus settled on rural areas land is approximately 20 lakhs.

(d) With the statistics immediately available, it is not possible to work out the correct figures for the rural population of Hindus and Sikhs in West Punjab. Rough figures indicate that there were about 13½ lacs Hindus and 12½ lacs Sikhs among the rural population in West Punjab. Separate figures of Hindu and Sikh refugees so far settled in rural areas in East Punjab are not available.

BUILDING OF NEW TOWNSHIPS TO REHABILITATE REFUGEES

49. *Diwan Chaman Lall: Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether it is the intention of Government to open up the following areas for building new townships in order to rehabilitate the refugees:

- (i) Palam and Gurgaon;
- (ii) Kurukshetra area;
- (iii) the area up to Bahadurgarh and, if necessary, beyond;
- (iv) the area along the Meerut Road as far as feasible;
- (v) the area along the Mathura Road; and
- (vi) the area beyond the Octroi Barrier on the Grand Trunk Road to Karnal as far as feasible?

The Honourable Shri K. C. Neogy: (i) Yes. Gurgaon is covered by the East Punjab Government scheme for provision of new houses in certain towns.

(ii) The matter is under expert examination.

(iii) The area along the road has not been specifically considered, but it is proposed that a township should be set up in Tehar some distance of the Bahadurgarh Road.

(iv) U.P. Government have been requested to consider the setting up of new townships and suburban development near the larger cities, in the western part of the province.

(v) Yes. A site has been selected at Kalkaji off the Mathura Road.

(vi) The area in the vicinity of the Delhi City on this road is unsuitable as the soil is saline and water-logged. Further along the road, East Punjab Government have a scheme for provision of new houses at Sonapat, Panipat and Karnal.

BUILDING OF TOWNSHIPS AND Mandis IN EAST PUNJAB FOR WEST PUNJAB REFUGEES

50. *Diwan Chaman Lall: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) whether it is the intention of Government to build other towns, townships and Mandis in East Punjab for the benefit of refugees from West Pakistan; and

(b) whether extensions of existing towns capable of absorbing 2,50,000 refugees in East Punjab are being planned in consultation with the Government of India and whether any scheme is now ready for this purpose?

The Honourable Shri K. C. Neogy: (a) Yes; the matter is actively under the consideration of the East Punjab Government.

(b) There is a scheme for providing additional accommodation in the neighbourhood of twelve townships in Eastern Punjab. It is proposed to acquire sites for about eight thousand houses. Four thousand of these will be built by Government, and it is hoped that other sites will be taken at by private enterprise. In this way it is expected to house about two lakhs of refugees. The 4,000 houses are expected to cost 2½ crores.

DEMARCATON OF INDIAN UNION BOUNDARIES IN ACCORDANCE WITH RADCLIFFE AWARD

51. *Shri Basanta Kumar Das: Will the Honourable the Prime Minister be pleased to state:

(a) whether the boundaries of the Indian Union have been demarcated in the East Punjab, West Bengal and Assam after the declaration of and in accordance with the Radcliffe Award and if so, what demarcations have been provided where no natural boundaries exist between the two dominions;

(b) what discrepancies, if any, have been found to exist between the descriptions of the boundaries in the texts of the Awards and the maps annexed thereto and if so, how the discrepancies have been or are going to be reconciled; and

(c) whether there were or have been any disputes between the Governments of India and Pakistan in the matter of boundaries between the two dominions and if so, how the disputes have been or are going to be disposed of?

The Honourable Pandit Jawaharlal Nehru: (a) The boundaries of the Indian Union in the East Punjab, West Bengal and Assam have not yet been demarcated on the ground in accordance with the Radcliffe Award. For avoiding any possible dispute with the Pakistan Government a joint survey by the two Governments is obviously desirable. The question of holding a joint survey is now under consideration.

(b) Until a joint survey has been conducted it is not possible to say whether there is any discrepancy between the description of the boundaries given in the texts of the Awards and the maps attached thereto.

(c) Two or three cases in which the correct location of the boundaries is disputed have come to the notice of the Government of India and in all these cases a joint survey has been suggested to the Pakistan Government.

INCLUSION OF NADIA DISTRICT (EAST BENGAL) IN THE INDIAN UNION TERRITORY

52. *Shri Basanta Kumar Das: Will the Honourable the Prime Minister be pleased to state:

(a) whether Government have received any representation or are aware of any agitation to the effect that according to the correct interpretation of paragraph 6 of the Annexure of Radcliffe's Bengal Award, about 500 square miles of the Nadia district, now under the Pakistan Government, should form a part of the territory of the Indian Union;

(b) if the answer to part (a) above be in the affirmative, what decision Government have arrived at in the matter and whether the matter has been taken up or settled with the Government of Pakistan; and

(c) if the answer to part (a) above be in the negative, whether Government propose to consider the desirability of examining the correctness of the position referred to in part (a) above.

The Honourable Pandit Jawaharlal Nehru: (a), (b) and (c). The Government of India received a telegram some time back, which suggested that 500 square miles of the District of Nadia which should have formed part of the Indian Dominion under the Radcliffe Award is now wrongly included in the

territory of Pakistan. It has been ascertained from the Government of West Bengal that on receipt of similar representations that Government asked their Director of Land Records to examine the matter in course of the joint survey of the disputed boundaries of West and East Bengal, and they are now awaiting the Director's report. Further action will be considered by the Government of India on receipt of a report from the West Bengal Government after they have examined the report of the Director of Land Records.

MASSACRE OF NON-MUSLIM REFUGEE PASSENGERS AT GUJRAT RAILWAY STATION IN WEST PUNJAB

53. *Giani Gurmukh Singh Musafar: (a) Will the Honourable the Prime Minister be pleased to state if the Deputy High Commissioner for India in Pakistan at Lahore has submitted any report regarding the recent massacre of the passengers in a refugee train at Gujrat railway station in West Punjab? If so, do Government propose to place a copy of the said report on the table of the House?

(b) Is there any agreement between the Governments of Pakistan and India for evacuation of non-Muslims from West Punjab? If so, what are the terms of the agreement for the safe passage of trains evacuating non-Muslims from West Punjab?

(c) What is the number of casualties sustained by non-Muslim passengers with details regarding the number of persons killed, number of women abducted and the extent of property looted?

(d) What is the number of casualties suffered by the Military escort?

(e) Is it a fact that the Muslim 'guard' conducting the train deliberately stopped the train at Gujrat railway station when the same was to run through?

If so, have the Government of India, any information whether the guard has been arrested or not?

(f) Have the Government of India made any representation to the Government of Pakistan in this connection? If so, what is the result?

(g) Have the Government of India claimed any compensation from the Government of Pakistan in this connection? If so, with what result?

(h) If not, what steps do Government of India propose to take in this matter?

The Honourable Pandit Jawaharlal Nehru: (a) The Deputy High Commissioner has submitted more than one report to Government on this subject.

Government do not consider it proper to place these reports on the table of the House.

(b) Extracts from Press Notes dated the 3rd and 20th September 1947 setting out the terms of agreement for the safe evacuation of non-Muslims from West Punjab are attached.

(c) Final figures of casualties have not yet been received, but preliminary reports show that about 320 persons were killed and about 700 were abducted. It is estimated that property worth rupees thirty lakhs was looted.

(d) As far as is known at present, the Commander of the escort troops, who is a Captain, is missing and the second in command, a VCO, is in hospital in Lahore. Of the 58 IORs, three are in Gujrat, seventeen in Jhelum, seven in Rawalpindi, having been wounded, and the remaining thirty-one are missing. Some of the missing IORs are reported to be arriving at Lahore, but this is being checked up.

(e) According to the West Punjab railway authorities the train, which was not scheduled to halt at Gujrat, was stopped there because information was received from the previous railway station that the tail light was not burning and needed adjustment. It is understood that the guard has since been arrested.

(f) and (g). I sent telegrams to the Prime Minister of Pakistan on the 15th

and 17th January asking for an urgent enquiry into the incident and steps to be taken to trace missing and abducted persons and to recover all looted property. I received a reply from him on the 18th January stating that a thorough enquiry was being made into the matter including allegations regarding the conduct of the troops and the local authorities and assuring me that everything possible would be done to punish those responsible and to prevent such happenings.

(h) The Government of India will await the result of the enquiry which the Pakistan Government have promised to hold into the matter before deciding what further action should be taken and what compensation should be claimed.

Extract from Government Communique issued on the 3rd September 1947

This Conference reiterates that the immediate task to which the Governments must devote all their resources and energy is to give protection to all refugees and evacuees in both West and East Punjab and to get safely across the border all those who desire to cross over from West to East Punjab or East to West Punjab.

Extract from Press Note, dated the 20th September 1947

The Conference considered the issues of policy arising out of the movement of convoys of evacuees from East to West Punjab and from West to East Punjab and agreed on the following joint declaration:

The situation in the Punjab has developed in such a way that mass movement of Muslims from East Punjab and of non-Muslims from West Punjab is taking place.

The Governments of India and Pakistan have, therefore, decided that the movement of these people from East to West Punjab and vice versa is to have first priority. They have agreed to co-operate with each other on this matter to the fullest extent and to take all steps to ensure that the movements in both directions are completed with the greatest possible speed and with the fullest measure of security.

Both Governments appeal for the co-operation of every member of the public in this matter. Violence begets violence and it cannot be too strongly emphasised that any interference with the movement in either direction will inevitably delay and imperil the movement in the opposite direction. Consequently, any persons who may attempt such interference will, in effect, grievously injure their own people.

The Governments of India and Pakistan are resolved to use all available resources to expedite and secure the safety of these movements; and they have armed themselves with the most drastic powers to ensure that wrongdoers are summarily dealt with in the severest manner.

ATTACK BY MUSLIMS ON THE SIKH GURDWARA AT KARACHI ON 6TH JANUARY, 1948

54. *Giani Gurmukh Singh Musafar: (a) Will the Honourable the Prime Minister be pleased to state whether the Government of India have received any information about the attack made by Muslims on the Sikh Gurdwara at Karachi on the 6th January 1948?

(b) If so, what is the number of non-Muslims killed and what is the amount of property looted?

(c) What were the causes of the attack by Muslims?

(d) Were any officers of the Government of Pakistan involved in the murder of non-Muslims and plunder of their property?

(e) Did the Government of India lodge any protest against this attack and if so, what reply did they receive from the Government of Pakistan?

(f) Did the High Commissioner for India at Karachi submit any report on this matter and if so, do Government propose to lay a copy of the same on the table of the House?

The Honourable Pandit Jawaharlal Nehru: (a) Yes. A telegraphic report was received from our High Commissioner on January 7th.

(b) The official estimate is that about 70 non-Muslims were killed. It is estimated that about seventy per cent. of the non-Muslim houses were completely looted. The value of the property lost is not known.

(c) It appears that 50 refugees from Sukkur were sent to Karachi under some kind of escort by the District Magistrate of Sukkur. No previous intimation of this was given to our High Commissioner or to the local authorities at Karachi. On the arrival of these refugees at Karachi Railway Station, they were taken in open carriages to the Refugee Camp at the Gurdwara. As soon as the refugees reached the Gurdwara, they were attacked by a large crowd, chiefly consisting of Muslim refugees in Karachi. Immediately thereafter rioting and looting spread to all parts of the city.

(d) Government have no information that any officers of the Pakistan Government were involved in the murder of non-Muslims. Press reports suggest that some of them took part in the looting.

(e) Yes. We have protested to the Government of Pakistan and expressed our grave concern at these developments. We have been repeatedly requesting that full evacuation and shipping facilities should be given immediately to non-Muslims. The Government of Pakistan have expressed their regret at the occurrences and have stated that every facility for protection and evacuation would be provided for such non-Muslims as desire to leave Sind. They have stated, however, that any ships coming to Karachi to evacuate the non-Muslims should not bring any Muslim refugees to Sind.

(f) The High Commissioner for India at Karachi has kept the Government of India fully informed of the developments by telegram and letter. Most of the facts stated by him have already appeared in the Press. I do not think it would be appropriate to place copies of the High Commissioner's secret reports on the table of the House.

POLICY *re* EVACUATION OF NON-MUSLIMS FROM PAKISTAN

55. *Giani Gurmukh Singh Musafar: (a) Will the Honourable the Prime Minister be pleased to state whether the attention of Government has been drawn to the statement made by Mr. V. Viswanathan, Deputy High Commissioner for India in Pakistan on the subject of the Karachi massacre, which was published in the *Hindustan Times*, dated the 11th January, 1948?

(b) If so, has their attention been drawn to the following sentences:

"That his policy was not to encourage the evacuation of non-Muslims from Pakistan.....I reiterate. I do not want any one in Sind or Pakistan to go to India?"

(c) Do the Government of India hold it as their policy that evacuation of non-Muslims from Pakistan should not be encouraged?

(d) If the answer to part (c) above be in the affirmative, what policy have the Government of India decided to adopt to safeguard the lives and properties of non-Muslims in Pakistan, under the changed circumstances?

The Honourable Pandit Jawaharlal Nehru: (a) Yes.

(b) Yes.

(c) The policy of the Government of India has been not to encourage the evacuation of non-Muslims from Sind, but at the same time to provide all facilities for transport to India of such non-Muslims as desire to leave Sind. In furtherance of this policy, facilities had been provided as far as lay in their power for non-Muslims to leave Sind by sea or railway train. This process however was delayed from time to time owing to the policy of the Sind Government and certain restrictions imposed by it.

Recent events however have made it clear that it is exceedingly difficult for non-Muslims to continue to live in Sind owing to lack of protection and opportunity for leading a normal life and carrying on any profession. The Government of India thereupon impressed upon the Pakistan Government to withdraw all restrictions and to give every facility for removing the non-Muslims from Sind to India. The Government of India are straining every nerve to this end.

(d) The protection of non-Muslims and their property in Pakistan is the responsibility of the Pakistan Government and this has been continuously impressed on that government. At the same time, in the circumstances now prevailing, the Government of India are taking the steps indicated in (c) above.

PROVISION OF WORK FOR REFUGEES

56. *Shri Damodar Swarup Seth: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) what measures Government propose to take to remedy the enforced idleness among refugees; and

(b) whether Government are considering any proposals to provide work for the refugees in the form of collective farming, cottage industries, industrial projects or public works?

The Honourable Shri K. C. Neogy: (a) Rehabilitation measures under consideration are intended to remedy enforced idleness among refugees. Resettlement on land in East Punjab and other Provinces and States has been in progress and many people are now working on land. As regards urban refugees, Government has arranged to assist refugees in obtaining employment through Employment Exchanges and the Transfer Bureau. Facilities have also been provided for Technical and Vocational training of refugees both men and women. Homes and Work Centres have been set up for women. In order to keep the refugees in the camps gainfully employed, spinning, weaving, blacksmithy, carpentry, etc., have been started. Equipment worth Rupees five lakhs has been sanctioned to keep refugees employed in these and other trades at Kurukshetra. Government has sanctioned schemes for the grant of loans to medical and legal practitioners, petty traders, shop-keepers, artisans, etc. in order to enable them to set up their business.

(b) In East Punjab, land is being allotted on group basis. East Punjab Government have a scheme for starting fifty Cotton Spinning and five Wool Spinning Centres for a period of six months. To assist industrialisation, a Rehabilitation Finance Administration is being set up. Road construction works have been undertaken to provide work for refugees. It may, however, be stated that the urban refugees, a majority of whom are shopkeepers and traders, are disinclined to undertake work of this kind. Steps are being taken to consult experts in cottage industries to advise us. Schemes for collective farming and industrial corporation are being examined.

CENSORSHIP OF LETTERS FROM PAKISTAN TO MUSLIMS IN INDIAN UNION

57. *Shri Damodar Swarup Seth: Will the Honourable the Prime Minister be pleased to state:

(a) whether the attention of the Government was drawn to a news item under the heading "Pakistan Government's Secret-Service Circular" published in the *Leader* of Allahabad, dated the 28th November 1947, and whether the reported contents of the circular were found to be correct; and

(b) if the answer to part (a) above be in the affirmative, whether Government propose to consider the question of general censorship of all the letters from Pakistan addressed to the Muslims of the Indian Union inciting them to commit disloyal acts?

The Honourable Pandit Jawaharlal Nehru: (a) The Government of India have seen the press report referred to by the Honourable Member, which was published in the *Leader*, dated 22nd November 1947. The Government of the United Provinces were asked to report on this matter and their report is still awaited.

(b) The Government of India do not propose to impose general censorship on letters from Pakistan.

FACILITIES TO HARIJANS FOR MANUFACTURE OF LEATHER AND MANURES

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

(a) whether Government are aware that the economic uplift of a very large number of the depressed class people depends on the abolition of the export of hide, bones and horns; and

(b) if the answer to part (a) above be in the affirmative, whether Government propose to take measures to give necessary facilities to the members of the Harijan Community to enable them to manufacture leather and to supply them bones for manufacturing manures?

The Honourable Mr. C. H. Bhabha: (a) and (b). The policy of Government is to encourage as far as possible the export of manufactured goods and processed or semi-processed articles with a view to the encouragement of indigenous industries and the utilization to the fullest extent possible of the supplies of raw material available in the country. The Provincial Governments concerned will no doubt consider what facilities should be given in this direction to the various interests concerned.

59. *[Withdrawn].

SETTLEMENT OF PENDING INDO PAKISTAN ISSUES

60. *Giani Gurmukh Singh Musafar: Will the Honourable the Prime Minister be pleased to lay on the table of the House a statement giving the following information:

(i) What were the questions at issue between the Dominions of India and Pakistan on the 15th August 1947?

(ii) What were the methods employed to settle these issues?

(iii) What are the questions that have been settled by negotiations at ministerial level, and what are the terms of agreement reached in each case?

(iv) What are the questions that are still pending settlement?

(v) If any questions have been settled, has the settlement reached been implemented by the Pakistan administration in every case, and if so, what are the details of the same?

(vi) In case some or any of the agreements reached have not been implemented so far, what are the reasons therefor?

The Honourable Pandit Jawaharlal Nehru: A statement is laid on the table of the House.

Statement

(i) What were the questions at issue between the Dominions of India and Pakistan on the 15th August 1947?

(i) The attention of the Honourable Member is invited to paragraphs 5 and 15 of the statement on partition made by the Deputy Prime Minister in the Constituent Assembly (Legislative) on 12th December 1947, and to his statement of 9th December 1947. These statements have already been laid on the table of the House. This subject was also dealt with in the reply on the 21st November 1947 to a question by Shri Mohan Lal Saksena, and a statement of agreements reached by the two Dominions promised therein, has been placed on the table of the House.

(ii) What were the methods employed to settle these issues?

(ii) The position is fully explained in paragraph one of Deputy Prime Minister's statement of the 12th December 1947.

(iii) What are the questions that have been settled by negotiations at ministerial level, and what are the terms of agreement reached in each case?

(iii) This subject is dealt with in paragraph 15 of the Deputy Prime Minister's statement of the 12th December 1947 and also in the Prime Minister's reply of the 21st November 1947 and the statement laid on the table of the House in that connection.

(iv) What are the questions that are still pending settlement?

(iv) No questions of particular importance pending on the 15th August 1947 remain to be determined, in so far as the Dominion Governments are concerned. But various matters in dispute as between East Punjab and West Punjab, and East Bengal and West Bengal have been referred to the Arbitral Tribunal.

(v) If any questions have been settled, has the settlement reached been implemented by the Pakistan administration in every case, and if so, what are the details of the same?

(v) Certain agreements reached are not yet due for implementation. The Government of Pakistan have implemented the agreements except in the specific cases referred to in the statement laid on the table of the House in connection with the reply on the 21st November 1947.

(vi) In case some or any of the agreements reached have not been implemented so far, what are the reasons therefor?

(vi) It is not possible for the Government of India to give reasons for the Pakistan Government's failure to implement the agreements reached.

[Put down for 2nd February, 1948]

TRANSFER TO INDIA OF BOOKS, RECORDS AND MANUSCRIPTS FROM INDIA OFFICE, LONDON

61. *R. B. Lal Raj Kanwar: (a) Will the Honourable Minister of Education be pleased to state if the books, records and manuscripts maintained in the library of the India Office at London will be brought to India and made available for national use?

(b) If so, what steps are being taken in the matter?

The Honourable Maulana Abul Kalam Azad: (a) and (b). The question of the disposal of the India Office Building and its 'contents' is being referred by His Majesty's Government for advice and report to a Fact-finding Committee, on which India and Pakistan are represented. The Government of India have suggested that the Committee should meet in London about the end of March or in the beginning of April 1948, if it is convenient to the Government of the United Kingdom.

†Owing to the adjournment of the House on 2nd February, 1948, without transacting any business, the answers to starred questions for that day were, in pursuance of convention, laid on the table of the House to-day.—Ed. of D.

PAUCITY OF QUALIFIED DOCTORS TO SERVE IN RURAL AREAS

62. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Health please state whether sufficient number of persons belonging to the Medical Fraternity (M. B. B. S., L. C. P. S. or persons possessing like degrees) are available in India for services in urban and rural areas?

(b) If not, what steps have Government taken to increase the total strength of each Medical College in India, authorities of which have to refuse admission to large numbers every year?

(c) Is it a fact that a large number of medical practitioners refuse to serve in rural areas inspite of the best endeavours of some Provincial Governments to provide attractive terms?

(d) Do Government propose to issue instructions to the authorities of all Medical Colleges which receive Government grants that preference for admission be given to those students who agree to give an undertaking to serve in rural areas if Government so desired in the event of demand being made after the degree is obtained?

(e) If not, what steps Government propose to take to see that sufficient number of doctors are available for humanitarian service?

The Honourable Rajkumari Amrit Kaur: (a) The number of qualified medical practitioners is not adequate for the needs of the country.

(b) Medical education is the responsibility of Provincial Governments. The post-war development schemes of Provinces for which financial help is given by the Centre include schemes for the expansion of existing medical colleges and establishment of new ones.

(c) Government are aware that there is a dearth of qualified medical practitioners in rural areas.

(d) and (e). This is a matter for Provincial Governments. I shall, however, commend the suggestion of the Honourable Member to the Provincial Governments.

PENALIZATION OF PERSONS IN HYDERABAD STATE FOR HOISTING INDIAN NATIONAL FLAG ON INDEPENDENCE DAY

63. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of States please state whether it is a fact that eight persons have been sentenced to various terms of rigorous imprisonment on a charge of hoisting the Indian Union Flag in the Hyderabad State?

(b) Is it a fact that on the Independence Day, Hyderabad State denied having pulled down Indian Union Flag?

(c) Do Government propose to make an enquiry in regard to this?

The Honourable Sardar Vallabhbhai Patel: (a) to (c). As I stated to the House in reply to a question by the Honourable Member on the 19th November last, we had made enquiries of the Prime Minister, Hyderabad, on this point. The Prime Minister replied that the reports that the Indian Union Flag was pulled down by the State authorities or that political workers were arrested for hoisting and saluting it were absolutely baseless and that the Indian Union Flag was allowed to be flown on the 15th August side by side with the State Flag on Post Offices and other Indian institutions. The reply added that individuals were at liberty and actually did display the Indian Union Flag on private buildings without any let or hindrance. In view of this reply, the Government of India do not propose to make any further enquiry in this matter.

IMPROVEMENT AND EXTENSION OF TOWNSHIP IN CANTONMENT AREAS IN VIEW OF INCREASED POPULATION

64. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Defence please state whether it is a fact that no Cantonment Board in India has made any provision for housing accommodation for labour, and poor and lower middle classes?

(b) Is it a fact that Cantonment Bazar areas were demarcated nearly a century ago, and since then have not been extended to provide for the growing needs of the increasing population?

(c) Has any Cantonment Board drawn up a scheme of town extension and improvement?

(d) What steps do Government propose to take to provide housing accommodation with sanitary arrangements for the increased population and better and cheap accommodation for labour and poor and lower middle classes of Cantonment areas?

The Honourable Sardar Baldev Singh: (a) Yes.

(b) No. Bazar areas in Cantonments are altered as and when necessary.

(c) Yes. Thirty-eight Cantonment Boards have drawn up schemes for improvements in Cantonments but it has not been possible for any of them to implement these schemes, partly owing to scarcity of funds, and partly owing to absence of a final decision as to the size of the Army, and as to the strength of the garrison to be located at each of the Cantonments.

(d) These are questions which it is the responsibility of the Cantonment Boards to consider in the first instance. Government propose to ask for special reports from the Cantonment Boards on these matters.

INTRODUCTION OF COMPULSORY AND FREE PRIMARY EDUCATION BY CANTONMENT BOARDS

65. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Defence please state whether it is a fact that no Cantonment Board in India has introduced compulsory and free primary education during the last quarter of the century?

(b) Is it a fact that the Government of India have reserved no portion of grant-in-aid fund of Cantonment Boards for the spread of education?

The Honourable Sardar Baldev Singh: (a) Two Cantonment Boards have introduced free (but not compulsory) primary education in Cantonments.

(b) It is a fact that no reservation of grant-in-aid fund has been made specifically for the spread of education. The recurring grants made by Government to Cantonment Boards however take into account the expenditure on education.

RE-EMPLOYMENT OF RETIRED OFFICIALS AS EXECUTIVE OFFICERS OF CANTONMENT BOARDS

66. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Defence please state the number of retired re-employed officials who are serving as Executive officers of Cantonment Boards in India?

(b) How many such officers are above 55 years of age and how many of them are graduates?

(c) Is it a fact that some of these retired officers have been employed even after the 15th August, 1947?

(d) What steps do Government propose to take to recruit young graduates for these posts?

The Honourable Sardar Baldev Singh: (a) Twenty-four.

(b) Twenty-three of whom one is a graduate.

(c) Yes, Sir. This was done in accordance with the Cantonment Executive Officer's Service Rules under which recruitment to temporary appointments in this Service during the war was confined to retired Government servants.

(d) It has been decided to revert as quickly as is administratively feasible to the normal procedure of recruitment through the Federal Public Service Commission.

DEFECTIVE AMMUNITION PURCHASED FROM ABROAD FOR R. I. A. F. AIRCRAFT

67. *Diwan Chaman Lall: Will the Honourable Minister of Defence be pleased to state:

(a) whether it is a fact that some ammunition purchased abroad and made available for the aircraft used by the R. I. A. F. has been found to be utterly useless in actual operations;

(b) if so, whether the seriousness of the situation arising out of this discovery has been investigated;

(c) whether any steps have been taken to ensure that future purchases will not be of defective material; and

(d) whether Government propose to give the total value of this defective material and whether it is still being issued to our Forces?

The Honourable Sardar Baldev Singh: (a) Yes, some Air Force ammunition was found unserviceable. This had been acquired out of H.M.G.'s Surplus stocks in India and not purchased abroad.

(b) Yes, the matter was immediately investigated and H.M.G. in the United Kingdom have replaced all unserviceable articles.

(c) Future purchases for the R.I.A.F. will be inspected by the Aeronautical Inspection Section of the R.I.A.F.

(d) Does not arise in view of the answer to part (b).

DISCHARGE OR DEMOBILIZATION OF SENIOR INDIAN OFFICERS IN THE INDIAN NAVY

68. *Diwan Chaman Lall: Will the Honourable Minister of Defence be pleased to state:

(a) whether there are any senior Indian Officers in the Indian Navy who are under orders of discharge or demobilization and if so, how many; and

(b) for what reasons they are being discharged or demobilized?

The Honourable Sardar Baldev Singh: None.

DISCHARGE OF DIRECTLY RECRUITED TEMPORARY ACCOUNTANTS IN THE MILITARY ACCOUNTS DEPARTMENT

69. *Diwan Chaman Lall: (a) Will the Honourable Minister of Finance be pleased to state the circumstances under which notices of discharge served on directly recruited temporary accountants in the Military Accounts Department, whose appointment in that Department was for the period of last Emergency only, have been withdrawn and whether Government are planning to absorb them in the Department in spite of the fact that they are not S. A. S. qualified as required by the Rules?

(b) Is it a fact that about 900 permanent S.A.S. passed Assistant Accountants are awaiting promotion to the permanent accountant's cadre and that at the normal speed of promotion they are not likely to be absorbed in that cadre till 1960?

(c) If so, will not the absorption of the directly recruited temporary accountants affect and injure the prospects and interests of these 900 duly qualified members of the S.A.S.?

(d) What safeguards do Government propose to provide for the protection of the interests of these regular S. A. S. departmental personnel?

The Honourable Shri R. K. Shanmukham Chetty: (a) Notices, which were served before partition, were withdrawn until the size and composition of the Military Accounts Department could be determined with reference to altered circumstances. It is intended to give only a very limited number of temporary accountants, who have proved their worth in the Department, an opportunity of taking the S. A. S. examination for permanent absorption at a later date.

(b) The answer to both parts of the question is in the affirmative.

(c) and (d). It will be seen from answer to the question (a) that the matter regarding absorption of these temporary accountants has not been finally decided. The intention is that only a limited number should be absorbed in the interests of efficiency of the Department, and this is unlikely to affect the prospects of the permanent personnel to any extent.

RETRENCHMENT OF STAFF OF THE MILITARY ACCOUNTS DEPARTMENT

70. *Diwan Chaman Lall: (a) Will the Honourable Minister of Finance be pleased to state whether it is a fact that the strength of the staff of the Military Accounts Department after partition is 18,000?

(b) Are 11,000 out of the 18,000 going to be retrenched?

(c) Is it a fact that 2,000 refugee temporary clerks who have lost everything in Pakistan on account of their offices not having been transferred to the Indian Union before the 15th August, 1947 are also being retrenched, irrespective of the fact, that the Government of India have laid down the policy of permanently rehabilitating all the refugees?

(d) Is it a fact that before the fixation of the final strength of the Army, the strength of the Military Accounts Department is being fixed resulting in this large scale retrenchment?

The Honourable Shri R. K. Shanmukham Chetty: (a) Yes, the clerical strength (including permanent clerks numbering approximately 2,000) as stated is very nearly correct.

(b) The number that will eventually be retrenched cannot now be estimated, as the post-war permanent strength of the department, which in turn is dependent on the strength of the Armed Forces, has not yet been fixed.

Retrenchment that is now being carried out covers temporary clerks (Matriculates and Intermediates) appointed on or after 1st January, 1944. The number belonging to these categories is 6,700 approximately.

(c) The number of refugees temporary clerks is in the neighbourhood of 2,000. Out of this number only those belonging to the categories referred to in the reply to question (b) above are being retrenched for the present.

(d) The clerks who are now being retrenched are those who are surplus to requirements based on the present volume of work handled by the Military Accounts Department.

DISTRICT-WISE POPULATION OF WEST BENGAL AND ASSAM PROVINCES AFTER RADCLIFFE AWARD

71. *Shri Basanta Kumar Das: Will the Honourable Minister of Home Affairs be pleased to state the area and population—giving separately the number of Hindus, Scheduled castes, Muslims and others—of each of the different districts of the provinces of West Bengal and Assam as created according to the Radcliffe Award?

The Honourable Sardar Vallabhbhai Patel: The information is being collected and will be placed on the table of the House as soon as available.

MUSLIM AND NON-MUSLIM COMMISSIONED OFFICERS AND V. C. OS. OPTING TO SERVE IN INDIA AND PAKISTAN

72. *Pandit Mukut Bihari Lal Bhargava: Will the Honourable Minister of Defence be pleased to state:

(a) the number of Muslim Commissioned Officers and V.C.Os. in the Indian Army who exercised their option in favour of serving India and the number of those who opted in favour of Pakistan; and

(b) the number of Hindu and Sikh Commissioned Officers and V.C.Os. in the Indian army who exercised their option in favour of serving Pakistan?

The Honourable Sardar Baldev Singh: (a) 215 Muslim Commissioned Officers and 339 V.C.Os. opted for service with the Indian Dominion. 2110 Muslim Commissioned Officers and 3424 V.C.Os. went over to Pakistan, the vast majority of whom were of Pakistan domicile and were not therefore entitled to opt for India.

(b) The total number of non-Muslims with Pakistan domicile and therefore eligible to opt for Pakistan and who did so is 177 Commissioned Officers and 223 V.C.Os.

ORGANIZATION OF INDIAN TERRITORIAL FORCE OR NATIONAL MILITIA AS A SECOND LINE OF DEFENCE IN INDIA

73. *Pandit Mukut Bihari Lal Bhargava: Will the Honourable Minister of Defence be pleased to state, what progress has been made towards the organisation of the Indian Territorial Force or the National Militia as a second line of defence in India, an announcement in respect of which was made by Government in the last session of the Legislature, and what further time it is likely to take to bring it into existence?

The Honourable Sardar Baldev Singh: Government have under urgent consideration detailed plans prepared by their military advisers for the creation of a Territorial Army. It is hoped to issue early orders.

CONSTITUTION OF SUBORDINATE SERVICES COMMISSION FOR RECRUITMENT TO CENTRAL SUBORDINATE SERVICES

74. *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable Minister of Home Affairs be pleased to state whether the Government of India have taken any decision to set up a Subordinate Services Commission for recruitment of personnel to the Central Subordinate Services in the Posts and Telegraphs, Railway, Central Excise and other departments. If so, when is it likely to come into existence and what will be its constitution, composition and functions?

(b) Do Government propose to prescribe competitive examinations for recruitment of candidates to all such services? If not, why not?

The Honourable Sardar Vallabhbhai Patel: (a) Yes. Government propose to set up a Central Subordinate Services Commission. It will be the function of this Commission to make recruitment to all Class III, Class IV Services under the Central Government, except in respect of Railway Subordinate Services, for which recruitment is already being made through Railway Service Commissions set up by the Ministry of Railways. It is not possible to say definitely when the Commission is likely to come into existence, as this depends on the completion of necessary preliminaries which have been taken on hand. The composition of the Commission will be settled after necessary preliminary inquiries regarding the volume and the nature of the work are completed.

(b) The method of recruitment appropriate to different services and posts will be decided by Government on the advice of the Commission.

ORGANIZATION OF HOME GUARDS IN DELHI AND AJMER-MERWARA PROVINCES

75. *Pandit Mukut Biharilal Bhargava: (a) Will the Honourable Minister of Home Affairs please refer to his answer to part (g)* of starred question No. 312 asked on the 25th November, 1947 regarding the organisation of Home Guards in the Chief Commissioner's Provinces of Delhi and Ajmer-Merwara on the lines similar to those adopted in the United Provinces and other provinces in India and state whether Government have taken any decision in the matter?

(b) If so, has any scheme been prepared, and by what time is it likely to be brought into force?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). The details of the scheme of Home Guards in Delhi and Ajmer-Merwara are being considered by the Chief Commissioners.

PRODUCTION OF ARMS AND AMMUNITION IN ORDNANCE FACTORIES IN INDIA

76. *Pandit Mukut Biharilal Bhargava: (a) Will the Honourable Minister of Defence be pleased to state, the number of Ordnance factories working in various parts of the country, the number of people working in these factories and the quantity of arms and ammunition produced there?

(b) What steps have been or are being taken to speed up the production of fire arms in these factories, in view of their scarcity and high prices at which they are being sold?

The Honourable Sardar Baldev Singh: (a) and (b). The number of Ordnance Factories working in various parts of India is 16. The total number of personnel employed in them is at present 38,345. It is not in the public interest to disclose the output of arms and ammunition, or the programme of production, in these factories.

ABSORPTION OF EMPLOYEES OF GOVERNMENT AND GOVERNMENT-AIDED EDUCATIONAL INSTITUTIONS FROM PAKISTAN

77. *Giani Gurmukh Singh Musafar: (a) Will the Honourable Minister of Education be pleased to state what steps Government have taken to absorb the employees of Government and Government-aided educational institutions who have come from Pakistan?

(b) Have Government treated the employees of Government educational institutions and those of Government-aided educational institutions from Pakistan on an equal footing and if not, why not?

The Honourable Maulana Abul Kalam Azad: (a) The East Punjab Government are taking steps to absorb teachers from West Punjab (Government servants) in educational institutions in the East Punjab.

The Government of India have absorbed 300 teachers from Western Pakistan areas in educational institutions in Delhi. Efforts are still being made to absorb more such teachers.

Provincial Governments, Major Indian States and Indian Universities to whom a list of refugee teachers (with full particulars regarding their qualifications, etc.) were furnished have been asked to give preference to these teachers for employment in their educational institutions in their areas. The number of such teachers so employed are not yet known. Provincial Governments have also been asked to relax their rules relating to domicile and age governing Provincial employment.

(b) Yes, but Government servants have for obvious reasons, been given preference for employment in Government institutions.

CANCELLATION OF BLACK LISTS OF PERSONS DEBARRED FROM ENTERING GOVERNMENT SERVICE

78. *Giani Gurmukh Singh Musafar: (a) Will the Honourable Minister of Home Affairs be pleased to state whether the black lists of persons debarred from entering Government services, held before 15 August 1947, are still in force?

(b) If the answer to part (a) above be in the affirmative, is there any reason to keep these lists in force after the 15th August 1947, and do Government propose to revise these lists in the light of the changed circumstances?

(c) If the answer to part (a) above be in the negative, do Government propose to lay on the table of the House the order of cancellation of these lists?

The Honourable Sardar Vallabhbhai Patel: (a) A black list is still being maintained but it is subject to revision from time to time.

(b) and (c). Instructions were issued in October, 1946 to all departments of the Government of India for the revision of the old list in the light of changed circumstances.

A copy of the memorandum containing these instructions is placed on the table of the House.

No. 2/8/46-Ests. (S).

GOVERNMENT OF INDIA

HOME DEPARTMENT.

New Delhi, the 18th October, 1946.

OFFICE MEMORANDUM.

SUBJECT:—Verification of character and antecedents of the employees of the Government of India.

The question of the future policy to be adopted in respect of the verification of character and antecedents of the employees of the Government of India, consequent on the termination of the war and the subsequent political developments, and the desirability of issuing consolidated instructions on the subject have been under consideration for some time in this Department. In advance of a decision upon the general question which is likely to take some time, it has been decided that every Department should review cases of persons whom it has disqualified during the last 5 years on adverse police reports or on political grounds (including cases of Government servants who have been dismissed for such reasons during that period) with a view to decide whether such persons should be still debarred from Government employment. In other cases, review need be made only on individual presentation. The test to be applied in determining eligibility should be whether at the time of the review the person is still indulging in subversive or unconstitutional anti-Government activities. When it is intended to continue the disqualification, the Home Department should be consulted before a final decision is taken.

2. The Departments are also requested, pending issue of revised instructions, to consult the Home Department in all cases in which it is intended to disqualify from appointment a person on political ground or where the Department is doubtful regarding the suitability for employment of a candidate.

(Sd.) P. V. R. RAO,

Deputy Secretary to the Government of India.

All Departments of the Government of India, (except Defence Department) Military Finance Department, Secretary to the Governor-General (Public) (Personal) and (Reforms), Cabinet Secretariat, Political Department, Finance Department (Supply) Crown Finance Department.

No. 2/8/46-Ests. (S).

New Delhi, the 18th October 1946.

Copy forwarded to the Defence Department. It is suggested that any instructions issued regarding disqualification for employment in services or posts in that Department or under its administrative control may be re-examined in the light of the instructions above.

(Sd.) P. V. R. RAO,

Deputy Secretary to the Government of India.

REPRESENTATION OF THE RULERS OF THE EASTERN STATES AGENCY IN THE CONSTITUENT ASSEMBLY

79. *Shri Biswanath Das: Will the Honourable Minister of States be pleased to state:

(a) whether it is a fact that twenty-five Rulers of the Orissa States and about sixteen Rulers of Chhattisgarh States have handed over their administrations to the Government of India on some agreed basis, and if so, on what conditions;

(b) whether it is a fact that the Government of Orissa and the Central Provinces have respectively taken charge of these two groups of States on behalf of the Government of India;

(c) whether it is a fact that the Rulers of the Eastern States Agency constituting these two groups have found representation in the Constituent Assembly through their Dewans or other nominees; and

(d) if the answer to parts (a), (b) and (c) above be in the affirmative, whether in the changed circumstances these representatives of the State Rulers will still retain their membership in the Constituent Assembly?

The Honourable Sardar Vallabhbhai Patel: (a) The Chhattisgarh States are fourteen in number. The Ruler of Makrai has also agreed to the merger. The Honourable Member's attention is invited to my reply to Dewan Chaman Lal's Question No. 18 on the 29th January, 1948.

(b) The Governments of Orissa and Central Provinces and Berar have taken over charge of the administration of the Orissa and Chhattisgarh States respectively on the 1st January, 1948.

(c) Yes. The Rulers have nominated three members.

(d) Yes, unless they became otherwise disqualified.

DEVELOPMENT OF SEA-BOARD OF ORISSA FOR PURPOSES OF DEFENCE AND COMMERCE

80. *Shri Biswanath Das: Will the Honourable Minister of Defence be pleased to state:

(a) whether Government have seen the Coronation Despatches of the Government of India in the year 1911 as also the reply Despatch of the Secretary of State for India in England to the effect that the Province of Bihar and Orissa was created with a view to give the new province a sea-board;

(b) whether it is a fact that the Government of India had, from time to time, promised to develop the sea-board; and

(c) what steps Government are taking to develop the sea-board of Orissa both for purposes of defence and commerce?

The Honourable Sardar Baldev Singh: (a) Yes. Government are aware of the Despatches referred to but do not find anything in them to support the statement that the province of Bihar and Orissa was created with a view to giving the new province a sea-board. It was merely pointed out that one of the points in favour of the new arrangement then proposed was that thereby Bihar will have a sea-board.

(b) Government have been unable to trace any of the promises referred to by the Honourable Member.

(c) Vizagapatam is being developed as a commercial and naval port and one of the main R.I.N. Establishments is being sited there. The minor ports on the Orissa coast do not provide sufficient depth of water or facilities to warrant development for commercial or naval purposes.

HYDERABAD'S LOAN OF RUPEES TWENTY CRORES TO PAKISTAN

81. *Shri Biswanath Das: Will the Honourable Minister of States be pleased to state:

(a) whether Government have seen the statement of Nawab Moin Nawaz Jung, Finance and Foreign Minister of Hyderabad State in Delhi on January 10th, 1948 regarding Hyderabad's loan of Rs. 20 crores to Pakistan;

(b) whether Hyderabad with her standstill agreement with India could give a huge loan to a Foreign State without India's concurrence;

(c) whether Hyderabad had ever advanced such a huge loan during the British regime; and

(d) whether Government have considered that the Currency Ordinance recently issued by the Nizam was intended to make such transactions?

The Honourable Sardar Vallabhbhai Patel: Sir, with your permission I propose to answer questions 81 and 82 together.

The Government of India are aware of the matters mentioned in the questions and are in correspondence with the Government of His Exalted Highness the Nizam. The subjects are also being discussed with his representatives in Delhi. I would further invite the Honourable Member's attention to the answers I gave to the Question No. 25 put by Pandit Mukut Bihari Lal Bhargava on the 29th January 1948. It is not considered in the public interest to lay on the table of the House the correspondence between the two Governments.

HYDERABAD'S LOAN TO PAKISTAN

82. *Shri Biswanath Das: Will the Honourable Minister of States be pleased to state:

(a) whether the attention of Government has been drawn to a statement published in the *Statesman*, dated 14th January 1948 from Delhi under the heading "Hyderabad Loan to Pakistan";

(b) if so whether it is a fact that the loan of Rs. 25 crores given by Hyderabad to Pakistan was merely an exchange of securities of the Government of India with the securities of the Government of Pakistan;

(c) whether the Government of India have transferred this sum of money to the account of the Government of Pakistan; and

(d) whether Government propose to lay on the table of the House, if possible, the correspondence that has passed between the Government of India and the Government of Hyderabad on this subject?

STATEMENT MADE IN KARACHI BY SARDAR MUHAMMAD IBRAHIM, LEADER OF THE RAIDERS IN KASHMIR

83. *Shri Biswanath Das: Will the Honourable Minister of Defence be pleased to state:

(a) whether Government have seen the statement of Sardar Muhammad Ibrahim, Leader of the Raiders in Kashmir in an interview in Karachi circulated by the A.P.I. and published by the *Hindustan Times* in the last page of its issue dated the 14th January 1948, that the Raiders are also helped by an International Brigade in which there are subjects of the United States, India, Finland and Afghanistan; and

(b) whether Government have ascertained the accuracy or otherwise of the statement?

The Honourable Sardar Baldev Singh: (a) Yes.

(b) No, not yet. We are making enquiries.

†For answer to this question, see answer to question No. 81.

TRANSLATION IN HINDUSTANI OF BOOKS RELATING TO MANUFACTURE OF LEATHER AND MANURE

84. *Shri Damodar Swarup Seth: Will the Honourable Minister of Education be pleased to state whether Government have considered the question of getting books relating to the manufacture of leather and manure translated in Hindustani with a view to assisting the members of the scheduled castes in learning the manufacture of the above articles?

The Honourable Maulana Abul Kalam Azad: Leather work and Agriculture are accepted crafts for the scheme of Basic Education and a committee of the Central Advisory Board of Education is considering the preparation of a detailed curriculum and a Handbook. Provincial Governments may supplement these efforts as they consider best.

RESTORATION OF FORFEITED PAY, ALLOWANCES, PENSIONS, ETC. OF THE I. N. A. OFFICERS AND SOLDIERS

85. *Shri Damodar Swarup Seth: Will the Honourable Minister of Defence be pleased to state whether Government are considering the desirability of (i) restoration of forfeited arrears of pay, and allowances of the I.N.A. Officers and soldiers amounting to some Rs. 75 lacs;

(ii) restoration of pensions to those who earned them before going overseas and grant of pensions to those who were entitled to them prior to their dismissal or discharge from service in 1945 and 1946 amounting to some Rs. 50,000 a month or so;

(iii) paying pensions to the dependants of those who died in the service of the I.N.A. amounting to some Rs. 30,000 a month;

(iv) reinstating the members of the armed forces of the I.N.A. both officers and men in the armed forces of the Indian Dominion; and

(v) giving pension or gratuity to those officers and men whose reinstatement is not considered desirable?

The Honourable Sardar Baldev Singh: The whole question is under consideration.

TRANSFER OF CAPITAL FROM DELHI

86. *Shri T. A. Ramalingam Chettiyar: (a) Will the Honourable Minister of Home Affairs be pleased to state whether Government are aware that Delhi is unsuitable as capital of India from various standpoints, strategical, economical and from the point of view of its distance from several provinces?

(b) Have Government considered the transfer of the capital to some other more centrally situated place and if so, with what result?

(c) If the proposal had not been considered before, do Government propose to consider it now?

The Honourable Sardar Vallabhbhai Patel: (a) This is a matter of opinion. Government have neither formed nor expressed any opinion on this point.

(b) No.

(c) It is possible Government may consider this question at an opportune time.

MAINTENANCE OF MUSEUM IN DELHI

87. *Shri T. A. Ramalingam Chettiyar: (a) Will the Honourable Minister of Education be pleased to state whether it is a fact that the building constructed for the Museum in Delhi is mostly occupied by offices?

(b) Is it a fact that the major portion of the museum is housed in a building not suitable for it?

(c) When will the museum building be vacated and used for the purpose for which it was constructed?

(d) Do Government propose to have a museum worthy of the capital of India and if so, what are the steps taken therefor?

(e) Has the division of the Art Treasures in the India Office been completed, and is the Honourable Minister of Education going to England in this connection?

(f) Where are the Art Treasures allotted to India to be housed?

(g) Do Government propose to have a library attached to the museum?

The Honourable Maulana Abul Kalam Azad: (a) Except for the Office of the Superintendent, Museum Branch, no other office is housed in the Museum Building.

(b) The present Museum Building was constructed for the purpose of housing temporarily the wall paintings brought by Sir Aurel Stein from Central Asia.

(c) Does not arise.

(d) Yes, the Government of India have accepted the proposal in principle and in 1948-49 they hope to implement the first phase of the scheme.

(e) The issues are still under consideration.

(f) Does not arise at present.

(g) Yes.

MOTION FOR ADJOURNMENT

REFERENCE OF INDIA-PAKISTAN DISPUTE TO U. N. O.

Mr. Speaker: I have received a notice of an adjournment motion from the Honourable Member Dr. Khare. I suppose the Honourable Member wishes to move it, if it is found admissible?

Dr. N. B. Khare (Alwar State): I am awaiting your ruling, Sir.

Mr. Speaker: The motion reads as follows:

"I move that the House do stand adjourned to discuss a definite matter of urgent public importance of recent occurrence, viz., the issues arising out of the reference to the U. N. O. by the Government of India of Indo-Pakistan dispute regarding Kashmir."

My reaction to this motion is that it is not definite, nor does it seem to be urgent. It is not definite, because it does not state what particular issues are sought to be discussed. If there be more than one issue, which is sought to be raised, then the motion also infringes the rules, as the motion must raise specifically only one matter for discussion. I believe this reference to the U.N.O. had been made long prior to the beginning of the session and therefore the motion would seem to have lost its urgency also. The motion should have come before the House when it began its session on the 28th January. I should like to know from the Honourable Member as to what he has to say about these three points which I have mentioned.

Dr. N. B. Khare: I do not wait to say anything, Sir. I do not wish to move the motion under the present calamitous circumstances while we are all in mourning.

Mr. Speaker: The motion is not admissible and is therefore disallowed.

COTTON TEXTILES CESS BILL

The Honourable Dr. Syama Prasad Mookerjee (Minister for Industry and Supply): Sir, I beg to move for leave to introduce a Bill to impose a cess on certain cotton textiles manufactured in the Provinces of India.

Diwan Chaman Lal (East Punjab: General): On a point of order, Sir, may I know if the copies of this Bill have been circulated to the Members of the House?

Mr. Speaker: This point was raised once before also and I then stated that in respect of motions for leave to introduce Bills, copies are kept in the lobby, where they are available to Honourable Members. Copies of Bills are also circulated after introduction the same evening at their residences, to such Honourable Members as have not taken their copies from the lobby.

The question is:

"That leave be granted to introduce a Bill to impose a cess on certain cotton textiles manufactured in the Provinces of India."

The motion was adopted.

The Honourable Dr. Syama Prasad Mookerjee: Sir, I beg to introduce the Bill.

REHABILITATION FINANCE ADMINISTRATION BILL

The Honourable Shri B. K. Shanmukham Chetty (Minister for Finance): Sir, I move:

"That the Bill to establish the Rehabilitation Finance Administration be referred to a Select Committee consisting of Dr. Bakshi Tek Chand, Pandit Thakur Das Bhargava, Shri Jaspat Roy Kapoor, Dr. B. Pattabhi Sitaramayya, Shri Khurshed Lal, Mr. R. K. Sidhva, Shri Bikramlal Sondhi, Prof. Yashwant Rai, Shri T. T. Krishnamachari, Shri Jainarain Vyas, Kazi Syed Karimuddin, Diwan Chaman Lal, Shrimati Sucheta Kripalani, Shri Surendra Mohan Ghosh, and the Mover with instructions to report on or before the 10th February, 1948, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Sir, Honourable Members might remember that when we were discussing the motion to refer to a Select Committee the Industrial Finance Corporation Bill, I indicated that it was my intention to take up the question of setting up a separate Finance Corporation for the purpose of giving financial assistance by way of loans to refugees to enable them to settle down. We have been faced with the tremendous task of rehabilitating over four million refugees, a task probably unparalleled in the history of the world, because it did not face any Government in the form in which it has faced us.

The problem of the rehabilitation of the refugees must be considered from two aspects:—the rehabilitation of the rural refugees and the rehabilitation of the urban refugees. So far as the settling of the refugees on agricultural land is concerned, this is essentially a problem for the Provincial Governments to undertake. In fact the East Punjab Government which has been chiefly affected by this problem has already taken concrete steps to solve it and, as a matter of fact, a large number of refugees have already been settled on the agricultural land available in the East Punjab. The problem of settling the urban class of refugees is somewhat more difficult and complicated. These refugees consist of professional men, artisans, traders and those who were engaged in industry. The task of enabling them to settle down is beyond the resources of individual Provincial Governments. The Central Government have therefore to step in and undertake this responsibility. In helping even these refugees the East Punjab Government have already taken certain steps in their effort to give outright grants not exceeding Rs. 500 and to give loans not

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exceeding Rs. 5,000 in any one case to these urban refugees. But the grant of loans up to Rs. 5,000 will not really solve the problem of a vast number of these people. In fact credit facilities on a very much larger scale is absolutely essential, if this class of refugees is to settle down in any useful occupation. It is not obviously possible for the ordinary commercial banks to grant the necessary loan facilities to these people for the obvious reason that the loans to such persons must necessarily be for fairly long periods and an ordinary commercial bank is not expected to advance loans for such long periods. The active intervention of the Government of India therefore becomes necessary in this respect.

It might be asked whether the Industrial Finance Corporation which we are going to set up very shortly cannot really serve this purpose. Honourable Members will realise that the Industrial Finance Corporation is intended to be set up mainly for the purpose of helping large scale industries. It will be entirely outside the activities of this Corporation to advance loans for the setting up of cottage industries and for the setting up of small scale industries which will probably be the aim of most of these refugees. The need for a separate organisation for providing this kind of finance is therefore very keenly felt. When I examined this problem it appeared to me in the very first instance that a shareholders corporation is not an appropriate means of establishing an organisation which will meet this purpose. I have therefore decided that the Central Government must take up the direct responsibility of setting up an organisation which will depend upon the Central Government for its financial resources. It is because of this peculiar feature that I have called it the Rehabilitation Finance Administration.

In drafting my proposals I had consultations with my Honourable colleague, the Minister for the Rehabilitation of Refugees, with Ministers from the East Punjab Government and also with the officials of the Reserve Bank. As a result of these consultations we have drafted the measure that is now before the House and which I want to be sent to a Select Committee. From the date indicated in my motion for the report of the Select Committee Honourable Members would realize that I would like this House to deal with this measure in a spirit of urgency. We expect that the Select Committee will submit its report before the 10th of this month and we would make every endeavour to place it on the statute book during the current session and set in motion the organisation.

I shall indicate at this stage some of the salient features of the measure that I have presented to the House. This Administration will be on an all India basis. Even though the problem of the rehabilitation of refugees is experienced in its most acute form in the Province of East Punjab, Honourable Members will agree that other Provinces also are faced with this problem; more especially with the evacuation of refugees from Sind, the Province of Bombay and certain adjoining Provinces will also be faced with this problem. The funds for this Administration, as I said, will be entirely provided by the Centre. It would, however, be a semi-autonomous body carrying on its operations on commercial and business lines as far as possible. We have confined the jurisdiction of this Act to the Provinces of India because it is competent for this Legislature to enact legislation applicable only to the Provinces and not to the States except in matters to which the States have acceded. But it is my intention that refugees, wherever they are settled, whether in a Province or in an Indian State should get the benefit of this Administration. It has therefore been provided that such of the Indian States as would agree to provide the necessary facilities for the recovery of the loans in accordance with the provisions of our measure will also come within the operations of this Bill. The Administration will be carried on by a Chief Administrator and a Board of six Members to assist him.

It is our intention that three of these should be officials and three non-officials—all nominated by the Government. With a view to assist the Board and to enable them to assess the needs of individuals and the regions it is also provided that there would be an advisory body consisting of not more than fifteen members. This Administration is empowered to grant direct loans to the extent of Rs. 7 crores. It can also re-discount bills of exchange to the extent of Rs. 1 crore. Over and above this the Administration is empowered to guarantee to banks and similar lending institutions against losses to the extent of 50 per cent. in any individual case in respect of loans and advances that these institutions might grant to refugees. It will therefore be realized that the total resources that we place at the disposal of this Corporation will be Rs. 10 crores. So far as the limits of loan to individuals are concerned it is the intention that the loans advanced by this Corporation should be Rs. 5,000 and above but not exceeding Rs. 1 lakh to any one single individual or party. The Administration will give 3 per cent. interest on the monies that it draws from the Government, and in lending money to the refugees it is not permitted to charge anything more than 6 per cent. by way of interest. That, I think, is very satisfactory. The repayment of the loans granted should be for a period not exceeding ten years. These, Sir, are the salient provisions of this Bill.

It is my intention that in its actual operation this Administration will keep in close touch with the Provincial Governments and other bodies that tackle the problem of rehabilitation and as far as possible lend monies or grant assistance to individuals who might be sponsored by the Provincial Governments and other various bodies though the Administration will not be precluded from granting loan directly to individuals who may not be sponsored by Provincial Governments or the other bodies.

Sir, the Bill that I am now placing before the House is only one step among the various steps that Government have already taken and intend still to take in tackling this great problem of the rehabilitation of the refugees and I have no doubt that if worked in the spirit in which we have conceived it, this Rehabilitation Finance Administration will be a blessing to all these unfortunate brethren of ours who stand so much in need of help and assistance. Sir, I commend the motion to the House.

Mr. Speaker: Motion moved:

"That the Bill to establish the Rehabilitation Finance Administration be referred to a Select Committee consisting of Dr. Bakshi Tek Chand, Pandit Thakar Das Bhargava, Shri Jaspat Roy Kapoor, Dr. B. Pattabhi Sitaranayya, Shri Kharsheed Lal, Mr. R. K. Sidha, Shri Bikramlal Sondhi, Prof. Yashwant Rai, Shri T. T. Krishnamachari, Shri Jamarain Vyas, Kazi Syed Karimuddin, Diwan Chaman Lal, Shrimati Sucheta Kripalani, Shri Surendra Mohan Ghosh, and the Mover with instructions to report on or before the 10th February, 1948, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Shri K. Santhanam (Madras: General): Sir, no one can possibly help supporting the principle as well as the objective of the Bill. But as the Bill has been drafted I think it is seriously defective and I wish to point out certain defects for the consideration of the Select Committee. I shall as far as possible confine myself only to the bare points without elaborating them.

First of all the Honourable Minister said that this Administration is being set up to help refugees. But if you go through the text of the Bill there is nothing to prevent it being utilised by other interests and persons for their own purposes. For instance, it is said in "Notes on Clauses":

"Clause 2(d).—The scope of the Administration is confined to financing refugees intending to settle in business and industry, since agriculturists, small shopkeepers, artisans and persons engaged in professions have to be dealt with on personal basis and are therefore best left to Provincial Governments for direct assistance."

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If you look at 2(d) it is a mere definition of displaced persons. But afterwards in the material clauses there is not a single clause or provision saying that the benefit of this Bill shall accrue only to displaced persons and not to others. I think it should be brought specifically under the provisions that the benefit should accrue only to those persons. Even there I wish to utter a word of caution. When, in this House, we were agitating that foreign firms should not take the benefit of protection and other beneficial measures introduced here, those foreign firms used to take in one or two Indian directors and say, "Now it is an Indian company." Therefore, I am afraid that many firms and concerns will come into being in which one or two refugees are taken as Directors or as shareholders and the other people will simply take away all the benefits of this Bill. It is proper that provision should be brought into the body of the Bill to see that this kind of thing does not happen and that the entire benefit accrues only to those people who have suffered during the recent disturbances.

Then, Sir, it is not said—though as I already pointed out in the "Notes" it is said that it is confined to financing refugees intending to settle in business and industry—in the Bill itself it is not said whether it is to be confined to industrial concerns or whether it may be extended to commercial and other business. Therefore the scope of the businesses for which the loan should be given should also be defined as carefully and precisely as possible.

The third point which I would like to add is, will the loans be issued to private individuals, private limited companies and firms, or only to public companies? As things are, it may be given to any person. I would suggest that the loans should be given only to public limited companies; so far as it is Government finance, it should be on an organised basis; it should not accrue to private families and individuals. We should not encourage this in the rehabilitation that is going to take place at least with Government finance. Private families or two or three persons should not take benefit of it; it should be on the basis of public limited companies formed according to the standards or instructions given by this Rehabilitation Administration.

Then, Sir, the whole purpose of the Bill is to advance loans on certain conditions. Will mere loans be sufficient? This Administration should not be content with giving loans; it should arrange for consulting engineers and for proper experts; if necessary it should utilise the other departments of the Government to arrange for the purchase of plant and other machinery. It will succeed only if it brings to this task the constructive mind—not merely the lender's or the merely banking temperament. It should not be a mere bank, it should not be a mere financing organisation; it should also be a developmental organisation. That should be the one characteristic which separates this Administration from the Industrial Finance Corporation. Even in the case of the Industrial Finance Corporation, many of us suggested that it should go further than mere lending and should assist the concerns to which it lends its money. That point is much more important in the case of the Rehabilitation Administration because many of these concerns will be starting with the knowledge that at least in the beginning there will be losses and we are arranging that this Administration should be willing to put up with a certain amount of loss. It is said in clause 11 that we should guarantee part of the losses, not exceeding 50 per cent in any case. Therefore, it is all the more essential that these should have expert industrial as well as administrative advice regarding the concern's business to be started and how it should be managed. Unless that is done, we shall be merely incurring losses without any preventive steps to reduce or eliminate them.

When these concerns lose or completely fail, it should not be the mere business of the Rehabilitation Administration to close them up or liquidate them. The Administration should be able to take up the business and manage it if conditions are satisfactory. It should have the power to do so—I do not suggest it should normally do that or that it should be obligatory—but it should have the power under the Bill to assume charge of these concerns and see what can be done to keep them going, whether by new management or by a new form of reconstruction or by amalgamation of smaller concerns the business could not be put on a proper footing.

Another point I wish to suggest is that throughout the Bill there is no provision to enlist the support of the Legislature in the working of this Administration. In all the other Bills like the Electricity Bill or the State Insurance for Workmen Bill there is a provision that Reports should be laid before the Legislature. There is not even that elementary provision in this Bill. It looks as if the business of the Legislature is merely to pass the Bill and then to write off the losses; no other power, no other association is provided between the Legislature and the working of this Rehabilitation Administration. I think every year a Report should be presented to the Legislature and there should be a debate as to the manner in which this Administration is working. Unless some such safeguard is provided, I think the sense of responsibility in the Administration will not be adequate for the purpose for which this Bill is introduced.

The last point I would like to mention is that there is no provision insisting that the Members of the Board will not have any direct personal interest in the loans advanced. It is quite possible that some Members will also take part in the businesses which are financed by this Administration. For instance, there are to be three non-officials nominated by the Central Government. I believe these non-officials will be prominent men among the refugees themselves, if the scope is confined to the refugees, and these refugees will also have their private concerns. Therefore, there should be stringent provisions to ensure that they do not seek to utilise their position in the Administration for their own advantage or for the advantage of their friends and relations.

Mr. R. K. Sidhva (C. P. and Berar: General): Both directly and indirectly.

Shri K. Santhanam: Yes, directly and indirectly, and even remotely. So this matter must be made clear. I think in all such matters even a mere suspicion of nepotism or corruption will ruin the entire work of such a body. If these defects which I have pointed out are remedied, I am sure we will be bringing into being a most useful organisation. I am not sure whether the finances provided will be adequate but that is a matter which could be remedied if in actual experience we find that larger funds are needed. That is not a real defect and as it is, we have provided ten crores which ought to be a good beginning. But the other points I have mentioned require the serious consideration of the Select Committee and I hope they will be remedied. With these few words I cordially support the Bill.

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, I am extremely glad that the Honourable Minister has chosen to bring forward this Bill. Gratuitous relief, however long it might be given, corrupts the receiver and degrades him. Therefore, the earliest opportunity has been taken. I am extremely glad, to rehabilitate those persons and make them stand on their own legs. The other relief by way of charity may not stand them in good stead for long.

As regards the scope of the Bill itself, a bank or corporation of this kind is the soul of any industry. As regards persons to whom relief can be given under this administration, person under the General Clauses Act may be an individual or bank or corporation. I do believe that the object of this administration is to rehabilitate not only individuals and companies which might have suffered, but

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banks many of which have suffered on account of this catastrophe. They were carrying on flourishing business in Pakistan, and the head offices having been closed down, branches alone remain in East Punjab. I had a number of representations made to me and on their behalf I also made representations to the Honourable the Finance Minister and his Department to rehabilitate these banks. After all with a couple of crores of rupees they could be made to stand on their own legs. The Reserve Bank is there to look into this question and try to help them and put them on their legs, even send their own representatives to work this administration and put some persons in charge of the administration as Directors. Important banks which originally had their branches in West Punjab, could be given a loan of two crores of rupees without interest for a short period or even with a small interest with the reservation that the Reserve Bank may take up the management themselves or intervene in the management and put them on their own feet. I believe that kind of assistance to the banks also comes within the scope of this administration.

Then as regards the exclusion of small industries, of craftsmen and agriculturists. The Honourable Minister said it is within the scope of the provincial Government to assist them. Out of the persons who require relief, the majority will be small landholders or persons who live on agriculture, small shopkeepers and others. They will be the bulk of the population of refugees who require such help. Unfortunately they are not within the scope of relief of this administration. I would urge upon the Select Committee to improve this so that a crore or two crores of rupees may be set apart for helping the agriculturists by way of subsidizing those co-operative credit societies whose business normally is to help the agriculturists and petty traders. The administration might say that to the extent of two crore of rupees if losses are incurred in rehabilitating these refugees, to that extent the administration is prepared to bear the loss. I am not making any suggestion out of the way because the administration may guarantee losses to the extent of 50 lakhs. Sharing of losses by the administration is already contemplated. I only want that the scope of the Bill should be extended to cover persons who are abjectly in need. The rich man is already a rich man and he has his morsel. This administration intends to give him another morsel, but it has not addressed itself to those persons without any means, who normally would not be protected or to whom help would not flow. They are in greater need of help. They are larger in number. Therefore it is not right that they should be left entirely in the hands of the Provincial Governments whose resources may not be adequate in that direction. I would even urge upon the Honourable Minister to bring forward a kind of Agricultural Rehabilitation Administration. As a matter of fact, if the Agricultural Rehabilitation Administration to help these refugees is entirely a provincial subject, then this kind of trade and industry is also a provincial subject. We are taking up some of the matters which the provinces have to do. Rehabilitation itself is a provincial subject. On account of the magnitude of the work that has to be undertaken, the Central Government is taking up this responsibility and coming to the aid of the Provincial Governments. In other fields, trade or industry or agriculture, the Centre is intervening on behalf of the Provincial Governments. Therefore it is no argument to say it is a provincial subject and provinces are already addressing themselves to this problem.

There is one other thing. This Agricultural Rehabilitation Administration may take up large tracts of land and settle a large number of agriculturists upon that land. Introducing irrigation schemes and such other things would not be easy for an individual or two, but it has to be done on a mass scale. I hope that the Honourable Minister will see his way to introduce in the near future a similar kind of legislation and bring into existence a similar corporation or administration to help small and big agriculturists. It would really be useful to give loans or subsidies extending over a period of ten years.

Then I come to the area of operation. I am extremely glad that the Honourable Minister has found it desirable to include not only persons who might have migrated to the provinces of India from Pakistan and other areas, but also States. Refugees are refugees wherever they might be, and help to them is therefore quite welcome. Provision has been made in this Bill for that.

I do agree with my Honourable friend Mr. Santhanam that the purpose of the loan has not been set out particularly in the Bill. There must be a provision which says it shall be given only for productive purposes. It must also be said there that the person who receives the benefit ought not to be a person who is not in need of benefit. He must be a person who is in need of relief and not one who could camouflage in some form or another with the aid of some other person and ultimately the relief may not reach the needy person but may be taken away by some other person. I am sure that all those safeguards will be introduced at the Select Committee stage.

For losses are three kinds of relief provided for in three ways: by way of direct loan to the extent of seven crores of rupees, by way of rediscount of bills by scheduled banks and other agencies to the extent of a crore of rupees, and thirdly by giving loans to the extent of two crores. If in the matter of guarantee there is loss, 50 per cent. of the loss on any particular account will be borne by this administration. Out of two crores, we will assume one crore will be borne as loss. Then there is no provision here to make up the loss that might arise by direct loans to the extent of seven crores. Whatever is guaranteed, if there is loss, that is borne by the administration. There is no similar provision made for making good the loss that might arise on account of lending directly the seven odd crores of rupees. My apprehension is increased by this provision in the Bill that the Central Government expects a return of three per cent. interest on the loans advanced by the Central Government to the Administration. If the Central Government wants three per cent. interest to be repaid to it, evidently it wants that if by direct loans losses are incurred, the losses are incurred by the administration itself. Given all care and caution, direct loans might still end in some cases in losses. As losses might be expected, a provision must also be made in the Bill.

Then as regards the limits to which loans to persons may be given, those limits are not set out in the body of the Bill and advisedly they will be relegated to the directions that may be given by the Central Government because directions can be changed from time to time and rules or regulations or certain provisions in the Bill will become fixed and should not be changed according to circumstances. Therefore it is right and proper that this portion has not been advisedly put in the body of the Bill. But there is one lacuna. There is a limit for the loans that can be granted directly by the Administration. What about the limit of loans that might be granted by Banks? Banks can grant loans and rediscount the Bills, or Banks can make loans and they have to be guaranteed by the Administration. Limits have not been set out or have not been contemplated in the Bill for the amount of loans that the Banks can give, i.e., whatever loans can be granted indirectly and not directly by the Administration.

Then there is a provision making the amount of the assets of the particular concern the first charge for the loans given by the Administration. A provision has not been incorporated for making the amount of the rediscounted Bill or the amount of a loan guaranteed by the Administration also a charge on the assets of the particular concern. The provision as it stands refers only to a loan which has been granted directly. For indirect loans there is no provision.

[Shri M. Ananthasayanam Ayyangar]

As regards the recall of money, I am glad that there is an expeditious procedure contemplated in the Bill whereby the loans that have been granted in cases where they have not been put to their proper use or otherwise misused they can be recalled and recovered as arrears of land revenue. In this connection, I do support the suggestion that my Honourable friend Mr. Santhanam has made, that it must not only be open to the Administration to recall the money in particular cases and recover it as arrear of land revenue, but all possibilities of rehabilitating that concern must be exhausted before this final step of calling for the money or selling away the property and recovering it is resorted to. There is a provision that was made in the Industrial Finance Corporation clothing that Corporation with the power of taking over particular industries under its own management. To the extent that is possible this provision also should be incorporated in this Bill. I am sure the Administration would not enter into very small industries and try to fritter away all its energies, but in particular cases where the industry has established itself almost and with some help it can progress, it might be given that assistance also. I felt that the Advisory Council that is contemplated in this Bill will consist of a number of technicians and those who will look into the matter and give advice and find out if the loan is necessary or not and also whether the applicant has got the necessary technicians etc. There is no provision in the Bill to enable any particular body or for creating a particular body like a Sub-Committee to watch if the money that has been loaned by way of a loan is put to the use for which it was given. I believe in the Select Committee a provision to that effect will also be incorporated. It is not there in those terms.

Then, Sir, the Central Government can give directions from time to time besides approving regulations to be made by the Administration itself. Giving direction does not imply that the Central Government can make rules—directions also in a way mean that, but actually they do not. The Central Government must *suo motu* be able to make rules and regulations where it is necessary in general, besides being able to give directions from time to time.

I agree with my Honourable friend Mr. Santhanam that the Legislature should be constantly kept informed and ought to have an opportunity of watching the progress of this Administration. A report must be sent to the Legislature every year. There may be cases where these Rs. 10 crores—this initial capital—may not be sufficient and adequate. Then it will strengthen the hands of the Government if it comes forward with a proposal for an additional grant. Therefore it is necessary not only in this case but in all other corporations which are established or which are in the contemplation of Government to establish similar concerns that the Legislature must be apprised and kept constantly informed and an opportunity afforded to it to discuss the matter and vote.

Lastly, Sir, I find that there is no agency established in the Provinces to assist this Administration or act on its behalf. Possibly by rules and regulations such an agency will be established. Those agencies may also have Provincial Advisory Councils for this purpose, instead of the Central Advisory Board which will not go into details. The Central Advisory Board will only go into huge loans. Small loans for Provinces, to individuals etc. must have to be granted by local agencies. I am sure provision will be made in the Bill to empower the Government to bring into existence Provincial Advisory Councils to carry out the purpose of this Administration.

The Honourable Pandit Jawaharlal Nehru (Prime Minister and Leader of the House): Sir, I beg leave to say a few words not directly connected with this Bill which my Honourable colleague has placed before the House, but rather with the question of Rehabilitation. I should like to inform the House of certain steps that Government intend taking in regard to this matter.

Government attach the greatest importance to speedy, effective and proper rehabilitation of the large numbers of people who have been displaced in northern India. So far, a very great deal of our attention has been absorbed firstly, in evacuation and secondly, in giving relief. But obviously that is not good enough. In fact, the whole process of relief, unless it is accompanied by certain constructive and creative aspects of it, is likely to have unfortunate psychological and financial results. The proposal now is—which the Government is considering and in fact it has come to a decision—to appoint a Rehabilitation and Development Board. Of course, many Boards and Commissions are appointed and they may just produce Reports. The idea behind this Board is that it should be not only a planning body but an executive body, that it should have large powers, that, in fact, it should be able to work much more speedily than the average Government Department works. Governmental machinery sometimes—indeed very often—is rather slow; all manner of sanctions are necessary; all manner of references have to be made to various Departments and hence there is delay. Meanwhile, we have to deal with a human problem affecting millions of people, so that this Rehabilitation and Planning Board will survey, plan and execute and implement the plans in so far as it can.

Naturally, the general policy will be laid down by Government, the general sanction for various large schemes will come but apart from that, they will be free to go ahead. We propose to appoint a Board—a relatively small Board,—working whole time, which will consist of three persons to begin with. I said “to begin with”, not that we need necessarily be adding to that but it may be that owing to developments we may have to add one or more members, but we would like to keep it a small Board. This Board of three will be assisted by Technical Advisers—for instance, an Engineer Adviser, a Financial Adviser, a Statistical Adviser, and may be one or two others. This Board will consider first of all the existing development schemes. You will notice that we call it the ‘Rehabilitation and Development Board,’ meaning thereby that we are combining the two functions or rather, looking at the two problems—rehabilitation and development—together. We have been thinking of development for a large number of years, and I am sorry that so far all our thought has resulted in schemes rather than anything more definite and practical. But many schemes are ready and this new Board that we set up ought speedily to run through those schemes, specially from the point of view of rehabilitation and to choose such as can be put into operation quickly. The Board should also consider any fresh schemes from the point of view of rehabilitation, that is to say, schemes which give gainful employment. It may be that we may have to set up certain townships in areas which are ready for development, such as river valley schemes and development of ports and other places. The Board will consider the whole country and will function for the whole country.

Naturally it will have to function in many parts of the country in co-operation with the Provincial Governments. Generally we expect to have free play even in the areas under the Provincial Governments if the finances come from the Central Government. Where the Provincial Government and the Central Governments share the finances then they will co-operate. Where the Provincial Government itself provides the finances, then this Board will function in an advisory capacity. We would like naturally to have the fullest co-operation from the Provincial Governments. At the same time we should like the Provincial Governments to give this Board full play also, that is, we want as little obstruction as possible. We suffer frequently from many checks and work cannot be carried on speedily. We should like this Board to function with speed and efficiency. Therefore we have chosen persons who we think will be able to function in that particular way. We would like this Board again to concentrate to some extent on the development of smaller industries. Major

[Pandit Jawaharlal Nehru]

industries, of course, are in the big plans and they would have to look into them. The major industries take a considerable time. We should like them to consider cottage and small scale industries which can be developed almost immediately in these town-ships. That is the information I should like to give to the House. I am sure the House would approve of this and I hope this Board will lead to a fairly rapid rehabilitation of large numbers of people who are at present lacking in accommodation and sometimes home and shelter. The present scheme includes both town dwellers and agriculturists but primarily this Board will deal with urban people. They will no doubt deal with others but most of the rural refugees or large number of them have necessarily to be settled in the East Punjab. This Board will advise and will help in every way it can. But the very large number of urban refugees find it difficult to settle down and most of the Members know that Delhi is full of these urban refugees from other towns. So the problem for this Board primarily is one of rehabilitating urban refugees, secondly agriculturists.

Prof. N. G. Ranga (Madras: General): Is not a Bill likely to be introduced?

The Honourable Pandit Jawaharlal Nehru: No; there is no occasion to introduce a Bill. The Government appoints a Board and gives it power to function.

Shri H. V. Kamath (C.P. and Berar: General): Mr. Speaker, Sir, it is a matter for gratification that our Government have at last brought forward this concrete financial measure for the rehabilitation and resettlement of millions of our countrymen and women who, for no fault of theirs, have been uprooted from their native soil, their hearths and homes and torn from their nearest and dearest. We are very well aware that this problem of rehabilitation and resettlement consumed so much of the attention and energy of our Government that they had hardly any time left for attending to the very urgent tasks of development and reconstruction of our country. Among these millions of refugees who have now become displaced persons there are I believe thousands or hundreds of thousands who have now joined the army of the poorest, the lowliest and the lowest in our country. This measure I find is designed mainly for urban folk and takes no account of the poor rural population who have been now pauperized and many of whom have joined the ranks of the landless proletariat. I for one would not like to exclude any category of these refugees or displaced persons from the operations and the benefits of this Rehabilitation Finance Administration. It was gratifying therefore to learn from the Honourable the Prime Minister that it was only in the first instance that urban refugees should be attended to but that the rural displaced persons are not wholly left out of account. I agree, Sir, with my Honourable friend Mr. Ananthasavanam Ayyangar that the scope of this Bill is rather limited. Without bringing forward a separate measure which he would like to call the Agricultural Rehabilitation Administration, I think, Sir, with some more effort by the Select Committee the scope and extent of this measure can be widened, so as to include almost all categories of displaced persons who are urgently in need of rehabilitation and resettlement.

The Honourable the Finance Minister in referring the Bill to Select Committee said that agriculture was primarily the field of provincial administration. But there are certain methods or modes of agriculture which our Government can easily take up at this time of day and try to absorb thousands of refugees in that pursuit. I refer to collective or co-operative farming which I believe, Sir, only the Central Government can undertake and which cannot be left to the jurisdiction of the Provincial Government. There are vast tracts of waste land in our country which can be reclaimed in the first place and then taken over for collective or co-operative farming and this ought to be one of the tasks

of this rehabilitation administration and if thousands of acres of waste land can be reclaimed all over India, I am sure, Sir, that the Government will be able to put a few lakhs of refugees on this very useful and gainful occupation.

One of my friends said the other day that even the transport problem could be solved to a certain extent with the help of these refugees. The Honourable Minister in charge of Transport said some days ago that transport was a bottle-neck. So far as the carriage or transport of coal is concerned, one of my friends said perhaps half in jest and half in earnest that the millions of tons of coal lying in the pit-heads in Dhanbad and Jharia in Bihar could be transported to Delhi and other parts of India where it is needed if only the refugees are lined up from the pit-head to the places where the coal is needed. I, Sir, would not subscribe to that, but there is this problem of agriculture, commerce and industry. And without bringing in a separate measure this very bill could be widened in scope so as to include agriculture because Sir, as you all very well know, agriculture is the main stay of our people and if you mention "industry" in the Preamble to this Bill, then it follows Sir, as a natural consequence that agriculture must be included, being the main industry of our country.

Then, Sir, there is the problem of youngsters, the children and adolescents. The other day the Honourable Prime Minister in the course of a casual conversation remarked that some days ago in the refugee camp at 1 p.m.

Kingsway in New Delhi there was a demonstration by girl refugees in the camp who raised slogans about more schools and more teachers. I am sure that among the refugees and displaced persons there are many teachers and this problem of schooling can be tackled with the mutual co-operation of would be teachers and would be students. And in the rehabilitation that we are contemplating we can certainly attend to the problem of opening a few schools for refugee boys and girls who are very keen on receiving education,—not merely ordinary education but also technical and vocational education. At the Kurukshetra camp which some of us visited last month we were glad to find that some handicrafts were being taught—they had been recently introduced—such as carpentry, weaving and basket making, and such other occupations. These handicrafts and cottage industries too must be included within the meaning of the word 'industry' which we find in the Preamble to this Bill.

Shri B. Das (Orissa: General): Give more power to the Provincial Governments.

Shri H. V. Kamath: We have left that position far behind where we wanted to make the Provincial Governments very strong and the Central Government comparatively weak. I think it is high time that the Central Government took a hand in almost all national concerns; and where the provincial Government fails to do its duty the Central Government must step in and instruct, guide and control the activities of such Provincial Government. I think my Honourable friend Mr. Das will agree that if the Provincial Governments fail in their duty it is up to the Central Government, so far as national affairs are concerned, to intervene. This is a pressing problem and it is a very urgent problem today,—this problem of resettlement and rehabilitation of our countrymen and women who consequent upon the partition of the country have been turned out of their hearths and homes. Unless this problem is solved I am afraid all other problems will lie in cold storage. That is why I want our Government to attend to this seriously and earnestly and with all the energy that they and the country can command.

Then, Sir, there are a few points which have struck me in the course of a perusal of this Bill which might be changed or altered or amended. I was referring to the settlement of these displaced refugees. The Bill says that

[Shri H. V. Kamath]

assistance will be given to displaced persons. I think it was my Honourable friend Mr. Santhanam who referred to the point of how far the advancing of loans to displaced persons or individuals will solve the problem. It is very likely—indeed I am certain—that in many provinces there will be many co-operative societies or associations or organisations which would like to tackle this problem; and these societies or co-operative bodies—either in agriculture or business, commerce or industry—must be helped by the Administration in the matter of settling refugees in any of these occupations.

I find that neither in the advisory board which will be set up for the administration of this Act nor in the constitution is there any reference to members of this Assembly. I think that in this important matter relating to the rehabilitation of refugees it must be laid down specifically that there must be at least three or four members elected to this advisory board by this Assembly which is now practically the sovereign legislature of this country. There is no provision of that kind here.

Then in coming to clause 12 of the Bill I find a provision in sub-clause (7) that before loans are advanced by the Administration, the Administration may take such further security for any loan as it may consider necessary. Further on in clause 14 it is provided that a loan or interest not repaid may be recovered as arrears of land revenue. I feel that when loans are advanced to displaced persons or individuals—apart from loans to co-operative societies or organisations—it will be hardly fair to recover these loans—in case they are not paid for some reason or other—by attaching their personal effects. It must be laid down in this Bill that the personal effects, whatever they may be—clothes, furniture or utensils—must be exempted from the operation of this rule as regards recovery of loans in the mode prescribed in clause 14.

Then, Sir, the Honourable Prime Minister in the statement just made referred to the setting up of townships in various parts of the country. There was some work-in-the-making at Kurukshetra which I visited last month. I was told there that there will be four townships each inhabited by about 15,000 refugees round about Kurukshetra. Where there was a desert there will now be four townlets with every modern amenity in the shape of bazars, houses and other things. I hope that this Administration will take active part in setting up these townships. And when new things are set up we should try to leave behind us the old ideas of town planning and have new towns on modern hygienic and sanitary lines. As far as possible our old style of architectural construction must be discarded which practically bars all light and ventilation from houses of the poor. After all we will build these townlets for the poor; and when we are planning for the poor let us plan well and truly in the new social order that we are contemplating.

Lastly, Sir, I hope that by the efficient administration of this measure the refugees will be put on their feet and will be enabled to earn their living, forgetting their sad and miserable past, and will really be able to turn a new leaf in life to the benefit of themselves and of our country. Let us plan; let us administer this measure in such a way and see that these the poorest, the lowliest and the lost shall have life, and have it more abundantly.

Mr. Tajamul Husain (Bihar: Muslim): I rise to support the motion of the Honourable the Minister to send this Bill to a Select Committee. This is a very important measure and an urgent one too, and I do not think that a single Member of this House will not welcome it.

I do not wish to deal with this Bill in detail because many Honourable Members have done that already. There are thousands and millions of refugees. Something has to be done for them. Money is the chief thing and this Bill makes provision as to how we can rehabilitate them and help them with money in their business, etc.

At the same time, there are one or two points which I wish to place for the consideration of the Honourable Minister and Members of the Select Committee.

The Honourable Minister has admitted that this is a very important measure and he wants the Committee to submit its report by the 10th of February 1948. In clause 1, sub-clause 3 we find the words:

"It shall come into force on such date as the Central Government may, by notification in the official Gazette, appoint in this behalf."

I want that it should read thus: "It shall come into force at once." It is an important measure. Why should we give power to the Central Government to mention this fact in the Gazette and make as much delay as possible. I hope this matter will be taken into consideration seriously by the Honourable Minister and the Members of the Select Committee.

I wish to say one word as regards the definition, clause 2, sub-clause (d). A "displaced person" has been defined in this manner.

"'Displaced person' means any person who is displaced from any area outside India on account of....."

The point is this. If a person is displaced, he will be called a 'displaced person.' But take a person who shifts himself voluntarily because he is apprehending danger to his life and property. Should he be called a 'displaced person'?

Mr. Speaker: That is provided for in the definition, as the Honourable Member will see.

Mr. Tajamul Husain: I beg to submit that I have read that definition very carefully and I do not find what you suggest. According to the definition, a "displaced person" means "any person who is displaced from any area outside India"; but I want to add "displaced and shifted.....". The word I am suggesting may not be very appropriate. But a person who removes himself because he apprehends danger to his life, property and family, should be clearly mentioned as a "displaced person."

I am making suggestions so that at the time when you read this sub-clause you will think whether a person who removes himself on account of fear comes within it or not.

Mr. Speaker: Is the Honourable Member likely to take much longer?

Mr. Tajamul Husain: I will finish before lunch time.

"A 'displaced person' means any person who is displaced from any area outside India..." This is meant for residents who have been turned out of or coming from Pakistan. Why then mention India. You are not going to have persons from Europe. Instead of the word 'India' it should be 'Pakistan'."

Shri M. Ananthasayanam Ayyangar: He has been displaced from Hyderabad!

Mr. Speaker: Order, order.

Mr. Tajamul Husain: But Hyderabad is India!

In clause 4 it is mentioned that the Administration shall consist of a Chairman, three officials and three non-officials—seven in all. But no mention has been made as to how many will form a quorum. That must be mentioned.

[Mr. Tajamul Husain]

The same remarks apply with reference to the Advisory Board.

In clause 16, sub-clause 4 we read:

"If any person contravenes the provisions of sub-sections (1) and (3) he shall be punishable with imprisonment which may extend to six months or with fine which may extend to five thousand rupees or with both."

I want to add the words "with imprisonment of either description."

With these words I wholeheartedly support this Bill and I really think it should not have been sent to the Select Committee but it should have been passed in this House now.

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

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

Shri B. Das (Orissa: General): Sir, I welcome the Bill and wholeheartedly support it and hope that it will soon be passed and speedy action will be taken on it. I have however to point out that I find a few lacunæ in the Bill.

I wish the Bill had stated where the head office of this Rehabilitation Finance Administration will be located. I am not enamoured of the idea that every new institution should be located at Delhi. I hope that Allahabad or Cawnpore will be selected, so that it will be midway between East Punjab and West Bengal, because sooner or later we are going to face the vast problem of refugees from East Bengal. That is a problem which we have to handle and I do not want that it should be handled from Delhi, where the refugees of Western India are in preponderance and people have no space to move about.

I find the notes and explanations are more informative than the Bill itself. The Bill does not say what will be the agency, whether the Central Government propose to have their own offices or to utilise provincial governments and banks. It should be defined by the Select Committee and I hope they will take action on that.

I am again sorry to find that the name of the Imperial Bank is mentioned as agent of the Reserve Bank of India. Some day it may become a national bank but I insist that this unnational bank, the Imperial Bank of India, should not be mentioned in statutes.

An Honourable Member: Is it a red rag to you?

Shri B. Das: Yes, it is. It has done more harm to India and to Indian nationals and also to Indian economy than any other banking institution that has been transplanted from European soil to India. I do hope the lacuna that other scheduled banks cannot be bankers to the Government of India or the Reserve Bank of India will be soon removed and by statute we can make the United Commercial Bank, the Punjab National Bank or the Central Bank of India to be depositors of the funds of this Administration. My Honourable friend the Finance Minister will find that it is the Punjab National Bank that will do most useful business in connection with the rehabilitation of the refugees of West Punjab who do most of their business with that Bank. In this matter I have had a feeling of injury all these years and I hope our national Minister of Finance will soon remove such feeling of irritation in any future measure that he may introduce on the floor of this House.

I welcome the idea that loans from Government should pay at three per cent. and not more than six per cent. should be charged to borrowers. I also welcome the decision that it should be income-tax free. I hope this will not be a precedent for any other Provincial Government to claim such exemption from the Government of India.

I agree with my Honourable friend Mr. Santhanam that the annual reports of this Administration should be laid on the table of the Central Legislature so that if they desire they could have a discussion on the reports.

I welcome most the desire on all sides that this Finance Administration should function as a business organisation. I hope no I.C.S. man will be the Administrator. I hope that the old defunct I.C.S. class which is still found in the Government of India will be done away with and sent back to the districts. The Government of India should function as a business government. They should have their secretaries from men in business, from public life and not allow these I.C.S. men to perpetuate the tradition of the defunct British Raj.

We welcome the speech of the Prime Minister. The Prime Minister said that he had appointed a Development Commission of three, but he did not mention the names of those three gentlemen. I do hope that no I.C.S. man will be a member of this Development Commission. My Honourable friend the Finance Minister who, if he was not a Finance Minister, is a businessman otherwise, knows that a businessman knows how to handle the difficult situation and does not make mistakes which the I.C.S. men are perpetuating throughout in the administration of the Government of India. How can it be a business Commission if you leave it to the I.C.S. man—the Joint Secretary and the Deputy Secretary—who knows only to create files and live in those files and not take any action on any file? I hope therefore that in the national stress through which we are passing the India Government will not have any civilian in the Development Commission or in the organisation for this Rehabilitation Finance Administration. There are many businessmen in the country. After all the banker is an administrator. He is bound to deal more sympathetically with his customers than the I.C.S. men. I have no knowledge of an I.C.S. man ever having been sympathetic because he thinks that his power came to him from King George.

Sir, I do not agree with my Honourable friends Mr. Kamath and Mr. Ananthasayanam Ayyangar that the Central Government should dabble with agricultural financing. Surely the Provincial Governments are existing and there are the Governors and Ministers who are supposed to administer provincial autonomy. They must do something. Do not therefore give all the work to the Centre. It is a curious phenomenon I have been noticing that people are thinking of all power being concentrated in the hands of the Central Government reducing the Provincial Governments, in spite of their Governors and Ministers, with absolutely no work. That should not be so. If any West Punjab gentlemen settle down in Orissa or Assam we welcome them as citizens of the Province. And if they come to the Provincial Government and ask them to look into their normal difficulties over rehabilitation, it is bound to be responded. Of course for helping in their industrial regeneration Central aid is absolutely necessary.

Sir, here is a measure of nationalisation. I do hope that my friends, particularly those friends leaning to absolute socialism from which I differ, will welcome this nationalisation measure and I do hope they will keep their watchful eye to see how this nationalisation measure is working in the country. Let us profit by the example of the working of the rehabilitation measure. If we find from our experience that nationalisation of any measure brings in economy and brings in benefit to all, not by gift or charity but by economic methods of work, then I may subscribe to the idea of nationalisation measures.

[Shri B. Das]

and we may all agree with the Government of India establishing any machinery in the future for nationalising industry. Let them not harp on the past and on the buying of all old industry in the idea of nationalisation solely for the benefit of labour.

Sir, I have one more point to make. I was not particularly enamoured of the suggestion of my friend Mr. Santhanam that every individual who seeks any assistance in the shape of a loan should turn himself or herself into a limited liability company. Probably the Registrar of the company in the Provincial Governments will derive a little money, but it will be an irksome duty, and lawyers will benefit by determining how an individual can turn himself or herself into a joint stock company. If we mean to rehabilitate—and it is the biggest task before us—then we need not be suspicious and think that an individual is not a gentleman or honourable man and only a limited company will prove to be an honourable concern. There are scoundrels everywhere and it is human nature that we have to think of.

I strongly urge that every Province which has received refugees should have local Advisory Boards and that point has been supported by my honourable friend Mr. Ananthasayanam Ayyangar. That is necessary. At the same time I hope my Honourable friend the Finance Minister will see that the provincial organisations do not cost too much, thereby taking away the benefit of the three per cent. earnings and freedom from income-tax which are left in the hands of this Administration or frittering it away in useless expenditure. Sir, I support the Bill.

The Honourable Shri K. C. Neogy (Minister for Relief and Rehabilitation): Sir, if I intervene in this debate it is for the purpose of reminding this House that the present measure, important and vital as it is, is only one of a series of measures that the Government have either undertaken or have under contemplation in furtherance of the rehabilitation of refugees. Sir, let us consider the numbers that are involved in this question. Roughly speaking, the total number of refugees who will need to be rehabilitated in India would be about 55 lakhs. It is a very rough guess and I include in this figure those Hindus and Sikhs who have yet to be evacuated from Western Pakistan. Out of this 55 lakhs very nearly 30 lakhs are likely to be followers of agriculture as an occupation or those who follow other rural means of livelihood. The remaining 25 lakhs would be represented by people who would follow non-agricultural occupations more or less of an urban character. So far as the 30 lakhs of agricultural population are concerned, this Bill deliberately and definitely excludes them from its purview. It is not as if the question of giving financial aid in regard to the rehabilitation of agriculturists among the refugees has not received adequate attention. On the other hand, we have set no limits to our liability in regard to giving financial assistance in the matter of rehabilitation of agriculturists. We have advised the Provincial as well as the State Governments to grant *taccavi* loans on a liberal scale for this purpose. We have assured them that if they need the assistance of the Centre in this matter the Central Government would be prepared to advance loans to the Provincial and State Governments. Indeed, the East Punjab Government have already provided Rs. 1,57,00,000 by way of *taccavi* grants in their current budget. Take again the 25 lakhs of urban refugees. I imagine a large proportion of this figure would not need the assistance of the machinery that my Honourable colleague is setting up. They would be people who would require assistance of perhaps less than Rs. 5,000 each or free grants of smaller amounts. For these parties again, Government have directly set apart adequate funds for giving necessary assistance. They would qualify for loans directly from the Government and they would not need the assistance of the Administration that is now proposed to be set up.

There are certain specific loans which are contemplated, for instance loans to men following certain professions or other callings who would not come within the scope of any measure intended to benefit either agriculturists or industrialists or businessmen, loans which would benefit lawyers for instance or members of the medical profession and so on. We have a definite scheme for granting financial assistance to these categories of refugees and these schemes are already in operation. They are being operated by the Provincial Governments concerned on the basis of the scheme that has been propounded by the Central Government.

Sir, a mention was made about students. Now, here again we have a scheme for granting financial assistance to students which is already in operation. In the Province of Delhi they have set up a committee specially to administer the loans that we have sanctioned for the benefit of the students among refugees. Sir, incidentally I might mention that we have also urged upon the authorities concerned in Delhi the urgency and the importance of giving the utmost facilities to the student community among the refugees. There was a reference to this point perhaps in the speech made by my Honourable friend Mr. Kamath. That holds good in regard to Delhi, and I dare say the same policy is being followed elsewhere, but then the position of East Punjab is somewhat exceptional. In East Punjab all the available accommodation afforded by all the various educational institutions is at present being utilised for the housing of refugees, to which naturally the highest priority was given. These educational institutions are expected to re-open from the beginning of March next.

Sir, the Honourable the Prime Minister made an announcement of the appointment of a Rehabilitation and Development Board. He referred in that connection to the many plans that were framed and to many reports that were written on those plans. I happen to be one who was associated with one such report at one stage. It has regretfully to be admitted that although there have been a number of plans and a number of reports on plans, very little practical action has so far been taken. On a previous occasion when I had the honour of addressing this House, I pointed out that the problem of rehabilitation of the so called refugees could be solved only as a part of the problem of the general development of the country. It is in pursuance of this idea that the new body, the formation of which was announced by the Prime Minister, will be charged with not merely planning but also the execution of the plans which they may either frame themselves or which they may adopt from those already in existence.

Sir, we may have to be grateful to the refugees for having drawn our attention to the urgency of the problem of planning for the development of this country, and perhaps future generations will acknowledge their gratitude to the so called refugees for having furnished the man-power which is necessary for the purpose of developing the resources of the country as a whole.

Shri B. Das: Who are the three gentlemen that are being appointed?

The Honourable Shri K. C. Neogy: An announcement will be made shortly.

श्री मोहन लाल गोतम: स्पीकर महोदय, यह जो बिल गवर्नमेंट (Government) ने पेश किया है वह वाकई श्रुक्रिया के मुस्तहक है कि यह बिल (Bill) रिफ्यूजीज (Refugees) के रिहैबिलिटेशन (Rehabilitation) के लिये पेश किया है। इसको जल्दी रख सकती थी, या नहीं, गवर्नमेंट (Government) की दिक्कतें हैं।

[श्री० मोहन लाल गोतम]

थीं वह गवर्नमेंट (Government) जाने, लेकिन जो बेकरारी शरणार्थियों में थी उसका मतलब यह था कि यह काम इससे पहिले हो जाना चाहिये था।

बहर हाल जो अभी तक गवर्नमेंट आफ इंडिया (Government of India) की स्कीमस (Schemes) और प्लेनिंग (planning) इस हाउस (House) के सामने आई हैं वह मैं बहुत अदब के साथ अर्ज करना चाहता हूं कि वह पुराने कैपिटलिस्ट सिस्टम (Capitalist System) को मजबूत बनाने की तरफ जा रही है। जितनी स्कीमस (Schemes) और जितनी प्लेनिंग (planning) या बजट (budget) अभी तक पेश हुए हैं उसमें कहीं मुझे यह नजर नहीं आता कि हम कैपिटलिस्ट सिस्टम (Capitalist System) को बदलना चाहते हैं और सोशलिस्ट (Socialist) तरीके की तरफ जाना चाहते हैं, हो सकता है गवर्नमेंट (Government) को इतनी दिक्कतें अभी तक हैं कि उनको अभी तक यह अन्दाज नहीं हो सका कि वह उसको कैसे शुरू करें मैं यह अर्ज करना चाहता हूं कि यह इतना अच्छा मौका है कि वह लोग जो अपने घरबार से हट चुके हैं और जिनको क्लीन स्लेट (Clean Slate) से शुरू करना है अगर दूसरे इकनामिक सिस्टम (Economic System) पर लिये जायें तो यह शुरुआत अच्छी हो सकती है। इस बिल (Bill) में जो लोन (Loan) देने की बात कही गई है वह सिर्फ प्राइवेट इन्डिविज्युअल (private individual) या पब्लिक लिमिटेड (public limited) या प्राइवेट लिमिटेड (private limited) कंपनियों (Companies) के लिये है मेरे लायक दोस्त सनथानम साहब ने कहा है कि सिर्फ पब्लिक लिमिटेड (public limited) के लिये यह लोन्स (loans) होने चाहियें। यह क्यों उसमें नहीं रखा जाता है कि यहां से हम शुरू करेंगे, कि यह लोन्स (loans) सिर्फ उन बाडीज (bodies) को दिये जायेंगे जो कोऑपरेटिव बेसिस (Co-operative basis) पर औरगनाइज्ड (organised) होंगे और इन्डिविज्युअल बेसिस (individual basis) पर औरगनाइज्ड (organise) करने वालों को नहीं दिया जायगा। हमें एक नई इकनामिक प्लेनिंग (Economic planning) शुरू करनी चाहिये। अभी हमारे मिनिस्टर (Minister) नियोगी साहब ने फरमाया कि हम तो प्लेनिंग (planning) कर रहे हैं अगर आप इस कैपिटलिस्ट (Capitalist) ढंग की प्लेनिंग (planning) कर रहे हैं तो माफ कीजिये वह प्लेनिंग (planning) कामयाब नहीं होगी और वह इस मुल्क के लिये अच्छी नहीं हो सकती है। अगर आपको प्लेनिंग (planning) करनी है तो सही ढंग सोशलिस्ट सिस्टम (Socialist System) का है। मुझे अभी तक मालूम नहीं हुआ कि आप किस ढंग की प्लेनिंग (planning) कर रहे हैं। मैं यह अर्ज करना चाहता हूं कि कोऑपरेटिव बेसिस (Co-operative basis) पर आप लोन्स (loans) दीजिये जिससे नये ढंग से हिन्दुस्तान में इकनामिक सिस्टम (Economic System) ला सकें।

इसके साथ ही साथ इस बिल में यह चीज कहीं भी नजर नहीं आती है कि जिनको लोन्स (loans) दिया जायगा उनको क्या फायदा होगा। वह कैसे मालूम होगा यह आपने मुकर्रर नहीं किया है। क्या आपको यह उम्मीद है कि आप उनको लोन्स (loans) दे देंगे और वह लाखों रुपया कमायें फिर भी उनकी मदद करनी चाहिये। अगर यह हुआ तो इससे थोड़े ही शरणार्थियों को फायदा होगा बाकी शरणार्थियों को कोई फायदा न होगा। अभी गवर्नमेंट की तरफ से कहा गया है कि अग्रीकलचरिस्ट (agriculturist) का सवाल प्रांतीय सरकार कर रही है। मैं यह अर्ज करना चाहता हूं कि जिस तरह से प्रांतीय सरकार चल रही है और जिस तरह से वह इस सवाल को सुलझा रही है कम से कम मुझे उसका इल्म नहीं है। जितना वह कर रहे हैं या नहीं कर रहे उसकी इतला हम लोगों को नहीं मिलती। लेकिन मैं यह अर्ज कर देना चाहता हूं कि वह इन्डिविज्युअल (individual) की थोड़ी बहुत मदद कर रहे हैं। मेरे दोस्त मि० कामथ ने इस तरफ इशारा किया है कि हजारों और लाखों ऐकड़ जमीन बेकार पड़ी हुई है मैं यह अर्ज करना चाहता हूं कि यह प्रांतीय सरकार की ताकत के बाहर की चीज है वह जमीन को कोऑपरेटिव बेसिस (Co-operative basis) पर वेस्ट पंजाब (West Punjab) से जो से जो शरणार्थी आये हैं उनको मिलनी चाहिये। वे लोग मजबूत हैं और वह इस काम के लायक भी हैं। इसलिये इस बिल में यह जरूरी है कि अग्रीकलचरिस्ट (agriculturist) जो इस कोऑपरेटिव बेसिस (Co-operative basis) पर काम करें कम से कम उनको भी लोन्स (loans) दिया जायगा।

इसमें इन्टरस्ट (interest) ६ परसेंट (per cent.) रखा है। मैं आप से अर्ज करना चाहता हूं कि इतना इन्टरस्ट (interest) लगा कर उनके ऊपर भार न लगाइये। अगर गवर्नमेंट ने ३ परसेंट (per cent.) पर दिया है तो आप ज्यादा से ज्यादा ४ परसेंट (per cent.) पर लोगों को कर्ज दे दीजिये। अगर आप के अखराजात में इस इन्तजाम से घाटा हो तो गवर्नमेंट से ग्रांट ले लीजिये। लेकिन किसी सूरत में ६ परसेंट (per cent.) चार्ज (charge) न कीजिये।

एक दिक्कत मुझे नजर आ रही है कि जो लोन (loan) होगा वह फर्स्ट चार्ज (First Charge) होगा और (arrear of land revenue) के तरीके पर वसूल किया जायेगा इससे शरणार्थियों की कर्ज लेने की ताकत कम हो जायगी। इससे आपके एडमिनिस्ट्रेशन (administration) को तो फायदा होगा लेकिन मुझे यह डर है कि शरणार्थियों को कर्ज लेने की कैपैसिटी (capacity) कम हो जायेगी क्योंकि दूसरी पार्टियाँ (parties) जो कर्जा देगी उनको वसूल करने में भी दिक्कत होगी।

[श्री० मोहन लाल गोतम]

इस एडमिनिस्ट्रेशन (administration) में लैजिसलेचर (Legislature) का कोई भी नुमाइन्दा नहीं है। मैं समझता हूँ, होना चाहिये। और लैजिसलेचर (Legislature) को इसकी इत्तला होनी चाहिये कि वह इन्तजाम किस तरह से चल रहा है।

एक दोस्त ने कहा है कि “डिस्प्लेस्ड” (“displaced”) को एक जगह से दूसरी जगह शिफ्ट (“Shift”) करने वाला माना जाय। मैं एक किसान की हैसियत से कह सकता हूँ कि अगर यह हो जाय तो इससे बहुत से किसानों को भी फायदा होगा। बहुत से किसान जमींदार के डर की वजह से एक गांव से दूसरे गांव में चले जाते हैं अगर उनको इसमें इनक्लूड (include) कर लिया जायेगा तो मेरे ख्याल में इसका मतलब बिम्कुल खफ्त हो जायगा। शायद उनका यह ख्याल था कि जो मसलमान साहबान डर की वजह से एक जगह से दूसरे जगह चले आये हैं उनको इसमें शामिल कर लिया जाय। लेकिन अगर जमींदार किसान की डर की वजह से शहर में आ गये हों और दूकान खोलना चाहते हों तो इससे फायदा उठा सकते हैं। इसमें गड़बड़ हो जायगी। वह भी शरणार्थी ही ट्रीट (treat) किये जायेंगे। इसलिये मैं इस हिस्से की सख्त मुखालिफत करता हूँ। इन लफ्जों के साथ मैं इस बिल को सपोर्ट (support) करता हूँ और गवर्नमेंट (Government) को मुबारकबाद देता हूँ कि वह बहुत जल्दी तो नहीं लेकिन फिर भी इतना अच्छा बिल शरणार्थियों के लिये लाई है।

(English translation of the above speech)

Shri Mohan Lal Gautam (U.P.: General): Mr. Speaker, the Government deserve our congratulations for bringing in this Bill before the House as this Bill is connected with the rehabilitation of refugees. The Government can only know what were their difficulties and why they could not present this Bill earlier than this, but the restlessness shown by the refugees has indicated that it should have come up much earlier. Nevertheless, the schemes and plannings of the Government of India that have so far come before the House I must say with all respect, are tending to strengthen the old capitalist system. At no place in these schemes, plannings or budgets, have I come across anything suggesting, that we want to change the capitalist system and wish to adopt the socialist system. May be, the Government who are still faced with many difficulties have not been able to judge how they are going to adopt a new system. I think it is the best opportunity to bring it in, as those who have been ruined once have to start afresh with a clean slate; they will easily accept a new Economic System, and this will really be a good start for the system also. The granting of loans under the scheme of this Bill has been limited to private individuals, public limited concerns or private limited concerns only. My friend the Honourable Mr. Santhanam has suggested that the granting of loans should be restricted to Public Limited concerns only. But may I ask why can't we make it clear in the Bill that we are beginning with a new system and the loans will be now granted to bodies organised on cooperative basis only. Loans will not be granted to bodies organised on individual basis. We should start a new system of Economic Planning. Our worthy Minister the Honourable Mr. Neogy has just said that they are planning such a system these days. I may be excused if I say that that planning is bound to fail if it is based on the Capitalist

System, it will not be useful for the country. If you are planning anything then the Socialist system is the right one. I have not been able to find out so far what sort of planning you are doing. I wish to place before you that the loans should be granted on the cooperative basis, so that we could introduce a new Economic System in India.

At the same time it has not been made clear any where in this Bill—what advantage will they derive who take these loans and how it will be determined? If with this loan they are able to earn lakhs of rupees, do you think they will still need your help? If that is the position then only a very small number of the refugees will be benefited.

Just now it has been said on behalf of the Government that the Provincial Governments are dealing with the Agriculturists question. I will say that the way the Provincial Governments are proceeding in this matter and the way they are trying to solve this question is at least not known to me. We are not aware actually of what they have been able to do and what has not been done. But I may say that they are helping individuals. My friend the Honourable Mr. Kamath has pointed out that there are hundreds and thousands acres of waste land. I have to say that that is beyond the scope of Provincial Governments. This land should be given to refugees of the West Punjab on the cooperative basis because they are quite strong and fit to make use of it.

The Bill should provide that at least the agriculturists who work on cooperative basis are given the loan.

The interest to be charged under the Bill will be 6 per cent. I have to request that they should not be put under such a heavy burden. If the Government grants loan at 3 per cent. interest, then they may charge about 4 per cent. from these people. But if this results in loss to the Department then you can ask for a grant from the Government. But you should not charge the interest at 6 per cent. in any case.

The other difficulty which I find here is that the loan will be the first charge and it will be realised as arrears of land revenue. This will diminish the capacity of the refugees to take out loans. This will really mean some benefit to the administration but will diminish the capacity of the refugees to take loans, because other bodies who give loans will find it difficult to recover. The Legislature has no representation of its own on these administrations. This should have been provided. The Legislature should know how the work goes on. An Honourable Member has suggested that 'displaced' should also include any one who has 'shifted'. As a farmer I say that this will prove good to a very large number of farmers as many farmers have had to leave their villages for fear of the landlord. If such persons are also included then perhaps the purpose will not be served. I think the Honourable Members meant to include those Mohammadans who had through some fear shifted from one place to another. But if the landlord through fear of the farmers, migrate into a city and want to open shops, will also be benefited and cause confusion as they will also be treated as refugees. Therefore I strongly oppose this part of the Bill. With these words I congratulate the Government for introducing a good Bill, for the refugees though it has not been brought early enough.

Pandit Hirday Nath Kunzru (U.P.: General): Mr. Speaker, I welcome the Bill before us. I should like to understand what its total result in connection with rehabilitation will be. This Bill will apply only to those refugees who are connected with business or industry or who want to be engaged in business or industry. This limitation seems to me to be a sound one. But what I should like to know is whether the maximum amount of assistance which can be given for the rehabilitation of the refugees, that is ten crores, would be enough. How has this amount been calculated? Government must

3 P.M.

[Pandit Hirday Nath Kunzru]

have roughly estimated the number of people who would require help from the Rehabilitation Finance Administration and come to some conclusion regarding the total assistance that would be necessary. Even after considering what my Honourable friend Mr. Neogy said, my fear is that ten crores may not prove enough for the purpose for which the Rehabilitation Finance Administration is going to be set up. Had the Administration been connected with banks or syndicates of banks to a larger extent than it will be, then we might have thought that on the base provided by the money that can be advanced by Government to the Rehabilitation Finance Administration, a large edifice of credit facilities could be raised. But as my Honourable friend the Finance Minister stated this morning, owing to the provisions laid down in the Bill, the total amount of assistance that can be rendered would be to the tune of ten crores of rupees. I speak subject to correction, but I think it is desirable to find out sound expedients of enabling the refugees to have assistance to a greater extent should this prove necessary. It may be that, the proportion, of losses incurred by banks, the repayment of which should be guaranteed by Government, may be reduced; or bonds and debentures might be issued by the Administration. I see no reason why the latter suggestion should not prove feasible.

Now, I know this Administration is not a pure and simple banking concern. It is really an administrative body which, taking a large view of its responsibilities and the problems that it will be entrusted with, will take such measures as in the circumstances it might consider proper. In this respect it of course differs radically from the Industrial Finance Corporation Bill which this House considered some time ago. But even so, I see no objection to the Administration being allowed to raise loans for the purpose of rehabilitation provided that the period of repayment of the loans raised by the Administration is not smaller than the period of repayment of the loans given to the refugees. These are some of the ways in which credit can be extended.

Again, Sir, while I was glad to learn from the Prime Minister's speech that the Rehabilitation Finance Administration would be provided with a staff which would examine the soundness of the schemes for which aid might be solicited from it, I do not think that this will be enough. It seems to be, at present, the Government's idea that the function of the technical staff should only be to examine such schemes as are placed before it. I personally think that the Rehabilitation Administration should go further than this and should take steps to have a staff which would enable the borrowers to receive such technical assistance as they might need. Defects might appear at some stage or other in the carrying out of the schemes approved by the technical staff. It would be in the interests of both rehabilitation and Government that these defects and difficulties should, if possible, be removed with the assistance of the technical staff of the Rehabilitation Administration.

Again, I think that the Rehabilitation Administration might go still further and regard it as one of its duties to suggest new schemes which might appear suitable to a particular area. It should not consider it its duty merely to consider such schemes as are laid before it, but should hold itself free, indeed should consider itself more or less bound, to prepare schemes whose execution would be feasible in a particular province or in a particular area. In this way, the Administration might be able to benefit a wider circle and bring about development on an organised and planned basis. If this method is adopted, it may be that the Banks without asking for a guarantee from the Government would be prepared to help those people who might take up any of the schemes prepared by the technical staff of the Rehabilitation Administration.

Sir, though strictly speaking, we cannot discuss at this stage the assistance to be given to refugee agriculturists and artisans and other people, numbering according to Mr. Neogy about three million, I should like to know a little more in detail than I could from Mr. Neogy's speech what measures Government have adopted in order to help this class of people. Are the Local Governments

going to be asked to depend on their own unaided resources in connection with giving assistance to such people or will the assistance required by them be provided in certain proportions by both the Central and Provincial Governments? Again, if help is to be provided to artisans, you might have to provide for their re-training in certain cases. It is quite possible that the artisans may have to follow new avocations instead of those which they were following where they were formerly settled but they will be unable to do so unless they are given the necessary technical training. Now, it is not enough for the authorities in such cases to say "We regret we cannot help you". It is their business, I think, as part of the policy of rehabilitation to help them to get the training which would enable them to re-establish themselves in life. This is a subject, Sir, in which we all are keenly interested. The small man is not vocal, he is not even in a position to influence those he may see around him to put forward his case. It is necessary therefore that we should take up this question and that Government should tell us what the entire scheme that they have in view is. We shall then be able to see what relation the Bill has to the problem before us as a whole.

Sir, I should like to say again, before sitting down, that I welcome this measure. I hope that it will indicate to the refugees, amongst whom there is a great deal of discontent, that the day is not far distant when they will be able to start such business as they have capacity for and be able to maintain their self-respect. Whatever, Sir, the criticism to which the refugees may be subjected, I think one thing will be admitted by everybody here and outside and that is that notwithstanding the sore straits to which they have been reduced, you will hardly find a single Punjabee refugee begging in the streets of Delhi. I doubt whether if we had an equal number of refugees from any other province, we would have found among them the same aversion to public charity and the same desire and energy to earn their living by the sweat of their brow. I am filled with admiration for the Punjabees when I see that notwithstanding the desperate circumstances in which they find themselves, they are trying to do something in order to be self-supporting, in order to cease to be a charge on the public revenues. Such people deserve every assistance. This Bill and the speeches that have been delivered to-day by my Honourable friends the Prime Minister and the Minister of Relief and Rehabilitation should make them feel that Government are fully alive to their needs and that they will soon find the assistance which they had stood in need of all these months in order to start life afresh. I hope that Government will consider the points that I have raised.

Srimati G. Durgabai (Madras: General): Mr. Speaker, Sir, I have not got much to say, but only a small suggestion to make for the consideration of the Honourable the Mover of the Bill and also for the Select Committee. The suggestion which I am going to make is this. Sir, as we are all aware, this Bill is mainly intended to give some kind of relief to the displaced persons from outside India by giving them some loans and rehabilitating them, and this will help them to start some kind of business activity or some kind of industrial activity. Sir, I do not know who are really defined as displaced persons and who are the class of persons who are entitled to apply for a loan to the Administration. In my view perhaps they are the people who have still something left with them or some small capital left with them who are really qualified to apply for a loan to this Corporation. But may I know what happens to those people, those displaced persons who have practically nothing left with them and who have nothing to mortgage to the administration or to the Government for getting the loan from this administration. We are aware that there are some small scale industries already in the area of Delhi and also in some other areas where the refugees have taken shelter and these small scale industries are really capable of expansion and also they are capable of absorbing the vast number of refugees in their industrial activity, but they are excluded from the operation of this Bill. They dared not and are not qualified to apply for a loan to this admini-

[Shrimati G. Durgabai]

nistration or for being employed in the activity. My suggestion will be this that the body of persons or my private persons who may not be strictly called 'displaced persons'—they may be anybody—but on the assurance given by them that they would absorb many refugees in their activity, they may also be enabled to apply for a loan to this administration and that they will utilise themselves for helping the refugees.

Now the proposed Industrial Finance Corporation Bill does not contemplate helping some such small scale industries which are already there, because it proposes to help very big public limited companies and also does not take note of some such small scale industry in the country. I propose that this bill may include them and give them such facility for expansion and also enable them to absorb vast number of refugees. This also will help us to expedite giving effect to this measure to give them the relief. We have given some one lakh of rupees or some thousands to a refugee to enable him to start some kind of activity, but it will certainly take time for him to get the required machinery or other material necessary to start an industry of a business activity. But in my view, the industries which are already started here, which are already suffering for want of some kind of help, such industries may immediately start absorbing the refugees as soon as they are given some help by this administration. Therefore, I would urge the House and also the Honourable the Mover of the Bill to take my point into consideration and also include such classes of persons. They may not be strictly displaced persons, they may not be refugees, but they are here with all their material, their machinery already to start and expand and absorb the refugees who immediately need some kind of help. Therefore, Sir, I would like the Honourable the Mover and the Select Committee to take my point into consideration.

Shri Rohini Kumar Chaudhuri (Assam: General): Mr. Speaker, Sir, like my predecessors I also welcome this Bill as one of the beneficent and meritorious acts which this Government has done to help the refugees. I think, Sir, I would go a step further and say that if this Government had done nothing else, but tackle this refugee situation successfully, as they have been trying to do, they would be remembered for the charity and the act of humanity which they have done.

Sir, having said this, I find very little to say by way of criticism of this Bill and if I add anything to what I have said already, I would only make certain points more for the sake of enlightenment. I am rather surprised to find that in this Bill 'the displaced person' has been defined, although in the object of this Bill I do not find any section which speaks or governs this 'displaced person' at all. There is mention of the word 'displaced person' in the preamble itself, but as we all know, the preamble is not part of the Bill itself.

In the definition of 'borrower' nothing is said about a displaced person. The word borrower as defined in this Bill would include anybody. It will include me also, Sir, if I can in any way satisfy the administration and press them to give me some loan. The word 'borrower' means an individual, company, association or body of individuals, whether incorporated or not, to whom a loan has been advanced under this act and there is nothing as far as I have seen, Sir, in the body of the Bill itself to say that the loan shall not be granted by the administration to any person other than a displaced person. Of course, there is an omnibus clause namely clause 18 which says:

"For the purposes of this Act, the Central Government may, from time to time, give to the administration such general or special directions as it thinks fit, and the Administration shall, in the exercise of its functions under this Act, comply any such directions."

This section may be considered in any way. The Central Government may give an instruction sometimes not to give a loan to a particular class of person or to give a loan to a particular class of person. At every stage we have to invoke clause 18.

As regards the definition of "displaced person" what my honourable friend Mr. Tajamul Husain wanted to convey was that the words 'outside India' should be deleted. Sir, we all know of instances and persons who had to leave Delhi on account of, or for fear of, disturbances and settle in U.P. Similarly, a large number of persons had to leave Calcutta during 1946 and settle in Bihar and Orissa. Under the definition of 'displaced person' as it stands these persons will be excluded. The provinces to which these people have migrated are already finding it difficult to find land for their own people. It is too much to expect such provinces to afford accommodation for these 'displaced' persons. I would, therefore, submit, that nothing will be lost by the omission of the words 'outside India' from the definition of 'displaced person'. Any abuse of the provisions of the Bill can easily be prevented by invoking the aid of clause 18, which leaves complete discretion to the Central Government. One of my Honourable friends—if I have correctly understood him—said that if these words were omitted, a person who migrates from one village to another within India may claim the benefit of this Bill. Sir, that is visualising an extreme contingency. Even such a case can be prevented or controlled by the Central Government acting in its discretion.

Then, Sir, it is said that the Advisory Board shall consist of such members, not exceeding fifteen in number, as may be nominated by the Central Government. I would suggest that a certain percentage of the non-official members of the Board to be nominated by the Central Government should be elected by this Assembly.

Then, Sir, I have a very serious objection in regard to clause 7. Clause 7 says that notwithstanding anything contained in section 6, the Central Government may, for any reason which may appear to it to be sufficient, remove any member at any time from the Administration or the Advisory Board. I think, Sir, this is going too far. You can remove a Member of the Legislature even, provided he is guilty of some misconduct. Unless there is any misconduct or moral turpitude, no member who has been nominated by the Central Government should hold office merely at the pleasure of the Central Government. I would, therefore, request the Select Committee to consider whether this clause cannot be more happily worded. Of course, I can see that in certain circumstances, even though a member may not be actually guilty of misconduct, he has got to be changed on account of exigencies of circumstances. In that case the more suitable course would be to request the member to resign from the Administration or Board.

Another matter for the consideration of the Select Committee and later of the House is the charging of interest at a rate which may extend up to six per cent. This I consider to be a very high rate of interest. I would submit that in no case should it exceed five per cent. After all we are actuated by philanthropic motives in bringing forward this Bill. The expenses of the administration are not likely to be much and I do not think it is in the mind of the Honourable Minister that whatever they lose as bad debt, is to be made good in this way.

The other point I want to raise is whether any person who does not come under the category of 'displaced person' would be entitled to the benefit of this scheme. Supposing a company is floated which consists of refugees and some non-refugees would that company be entitled to the benefit under this scheme? I personally feel that it is advisable to encourage the floatation of mixed companies. After all it is going to be a business proposition. The refugees are going to earn profits out of loans advanced by Government. It will prevent competition or business rivalry if we were to associate non-refugees also in the scheme.

Prof. N. G. Ranga: You have got the Industrial Finance Corporation for that purpose.

Shri Rohini Kumar Chaudhuri: There may be other organisations too. From a long-range point of view I consider it would be advisable to make this scheme a mixed one.

Another point I would like to know is whether a single individual will be allowed the benefit of monetary assistance, or there must be an association of people. In this connection I would respectfully draw the attention of the Honourable Minister in charge to the maladministration of the rural agricultural credit system in the provinces, where loans are advanced only to associations of two or three agriculturists. The result is liability becomes unlimited and very often at the time of realisation of the credit the whole amount is realised from one person who is honest and scrupulous. The conscientious man has to pay the debt of his associates too. That has been a great set-back in the distribution of agricultural loans. I apprehend that similar things might happen. If you really want to secure a loan and by way of securing loans you give it to a mixed number of persons, and that too you do not give, then it may have serious consequences to honest and scrupulous people. If you insist on having a number of persons to take the loan, you must not make their liabilities limited but limit it to the amount that they actually take.

Sir, these are my reactions to the Bill. I do not say all this in a spirit of criticism but I wish to be enlightened on these points.

Shri S. V. Krishnamurthy Rao (Mysore State): Sir, in support of the suggestion that this Bill should be made applicable to the agriculturists also I want to place one more suggestion before this House for the consideration of the Select Committee. Of course it is gratifying to learn from the Prime Minister that this Bill will help agriculturists also. The Honourable Finance Minister has not given us figures of agriculturists who yet remain to be rehabilitated. The suggestion I would make about rehabilitating agriculturists is that throughout the length and breadth of India during the time of war number of military camps have been built. Some of them have been dismantled and auctioned for a song; some yet remain and they are going into dilapidation. I suggest that the Ministries of Defence and Rehabilitation may consider the question of how many of these camps could be released for the occupation of these agriculturists and other refugees that have come over to this part of India, and if the waste land round about these camps could not be brought under cultivation.

Mr. Speaker: Order, order. I have been watching the course of the discussion that is going on. It appears that there has been a misconception about the scope of the Bill. Honourable Members seem to be under the impression that the whole question of refugees and the various ways in which help could be given to them is the subject under discussion and that the question of agriculture and its improvement or of the Grow More Food campaign is also open for discussion on this Bill. There is nothing of the kind. As I understand the scope of the Bill, it is a restricted one. It is taking only one of many steps for rehabilitation of refugees and that one step is restricted to help them in business and industry.

(Addressing the Honourable the Finance Minister)

Am I right there?

The Honourable Shri R. K. Shanmukham Chetty: Absolutely, Sir. That is exactly what I have been feeling and I am glad you have elucidated the point.

Mr. Speaker: Therefore Honourable Members will now restrict themselves to the scope of the Bill.

Shri S. V. Krishnamurthy Rao: My submission is that the scope of the Bill, as suggested by many Honourable Members, should be extended for the benefit of agriculturists also. That is a suggestion which the Select Committee may consider. We need not wait for another measure of this kind to help the agriculturists.

Mr. Speaker: I may point out that even if the Select Committee thinks it fit to extend the scope of the Bill in this manner the question will arise here whether the Bill as amended by the Select Committee should be permitted to be proceeded with or not.

Prof. N. G. Ranga: The Select Committee is not permitted to extend the scope of the Bill; it can only make recommendation and nothing more.

Mr. Speaker: When that question arises we will see to it; but if the Honourable Member were to refer to refugee agriculturists, perhaps, the matter would stand differently. What I feel from the Honourable Member's speech is that he wants to extend it to agriculturists generally.

Shri S. V. Krishnamurthy Rao: No, Sir, I want that this Bill should extend to refugee agriculturists, and that is the suggestion that I want to make in this connection.

Sayid Jafar Imam (Bihar: Muslim): Sir, We all know that people have been displaced both in India and outside it, but here we are going to give relief only to those who have suffered outside India and we have ignored those who have suffered in India. I have no objection to relief being given to those who have suffered outside India but I suggest that those who have suffered in India must also have sympathetic consideration and their case must be considered in the Select Committee. People displaced in India must come under the category of displaced persons.

Shri Mohan Lal Gautam: If they themselves are not responsible for it.

Sayid Jafar Imam: Responsibility is not in issue before us. The question is of giving relief to displaced persons; and my submission is that those who have suffered in India and have been displaced also need and should be given relief. The children of the soil cannot be ignored, whoever may have been at fault. We are not here to discuss the faults of individuals or groups; we have to give relief to those who have suffered. People in Delhi, Gurgaon, Bharatpur and other States have suffered and it is only fair that they also should be given relief.

Shrimati Dakshayani Velayudhan (Madras: General): Sir, the object of the Bill is thus stated in the Statement of Objects and Reasons:

"Credit facilities for the settlement of refugees in business and industry cannot adequately be granted by commercial banks and other financing agencies nor can they appropriately be provided by a commercial organisation like the proposed Industrial Finance Corporation. It is also impracticable for the State to give such accommodation direct, as in the case of agriculturists, small shopkeepers, artisans and persons engaged in professions. This Bill therefore seeks to establish for this purpose a Rehabilitation Finance Administration."

From these sentences we understand that the benefit of the Bill is extended to agriculturists, small shopkeepers, etc. But when we come to the 'Notes on Clauses', we find this under clause 2(d):

"The scope of the Administration is confined to financing refugees intending to settle in business and industry, since agriculturists, small shopkeepers, artisans and persons engaged in professions have to be dealt with on personal basis and are therefore best left to Provincial Governments for direct assistance."

[Shrimati Dakshayani Velayudhan.]

These two things are contrary to each other. In the first we find help extended to a portion of the refugees and in the second we find that what is given by one hand is taken away by the other; and we find that the benefit of the Bill is not extended to the people for whom it is said it is also intended. The other day we congratulated the Finance Minister on having brought in a Bill called the Industrial Finance Corporation, and that Bill was evidently meant for giving help to industrialists and industry. In this Bill also we find that help goes only to big industry and business. Thus both these Bills are meant to render help to big business and industrialists.

I can say that most of the refugees with financial resources with them had already settled by purchasing at cheaper rates business and industries left by Muslim refugees who left this place. We all know that the people who really deserve help by this Bill are the agriculturists, the small shopkeepers, the artisans, etc. So I do not think that, when we say that this Bill is meant for such people and in the same Bill we withdraw the help provided by the Bill, it is not going to give any benefit to the poor people—that is to the common people who deserve help. I must ask whether the Central Government is intended only for helping industrialists and big business men. The future India will not tolerate this kind of discrimination. So, I hope there will be some reasonable change in the policy that induced the Finance Member to bring forward this Bill.

This is the only thing that I wanted to bring to the notice of the Honourable the Finance Minister.

Shri V. S. Sarvate (Holker State): Mr. Speaker, coming as I do from Central India, namely, Indore, where a large number of refugees has settled, I welcome this Bill because in that part of the country most of the persons settled there are not agriculturists but business men. But I may point out and suggest that the scope of this Bill should be enlarged so that the word 'business' in clause 2(d) may include small business also so that even shopkeepers who are excluded in the notes should be allowed to take the benefit of this Bill. According to the notes on clauses though the administration would not be incompetent to make advances to displaced persons settled in States, it would be better if the administration could make such advances. Moreover, it should be positively stated so that they may understand that it is within their province to do so, and it is desirable that it should be put in this way.

In order that persons settled in States should get the benefit of this Fund, I would make certain other recommendations.

As regards the "Mode of Recovery", it has been stated that the administration may without prejudice to any other remedy provided by law, recover as arrears of land revenue. This probably refers to the mode, the process and the agency through which these recoveries may be made. They would be the administrative process, through Tehsildars and the Revenue agency. This clause may also mean that the recovery of land revenue may become the first charge. In that case my submission is that there may be a possible conflict which may arise but which should not come in the way of advancing loans to persons settled in the States. The State Law says that the arrears of land revenue of that State would be the first charge. So the charge of the Administration on these loans would be a second charge. That may be the possible conflict which may arise but I am suggesting that provision should be made by the Select Committee that this conflict could not arise and that funds and loans could be made even to persons settled in States.

I support the suggestion that the Members of the Advisory Board—some of them at least—should be elected by this Assembly. My reason for it is this. This Assembly contains members and representatives of States. Therefore if this Assembly elects some of the Members of the Board, the States would have a hand in electing those members. Many of the States have co-operated with the Central Government in settling these displaced persons. It is therefore proper that they should have a voice in the appointment of the members of Advisory Board, and if the procedure of having them elected by this Legislature is not followed then they would have no part in the appointment of the Board.

In Section 16 there is power of inspection and certain powers have been given to ask for statements from the borrowers. In those cases where the refugee is settled in a State, possibly the co-operation of the State would be necessary. In certain cases where the borrower declines to make a statement or makes a false declaration provision should be made by the Select Committee in the directions which are to be given by the Central Government to see that co-operation is secured from the States where these persons are settled.

श्री गोकुल भाई दौलतराम भट्ट : माननीय सभापति जी, इस बिल के बारे में बहुत कुछ कहा गया है लेकिन एक चीज जो हमारे सामने खास तौर से आती है वह यह है कि इस बिल की जो मकसद है, हेतु है, उसको बढ़ाने के बारे में, विस्तृत करने के बारे में लोगों की राय है, क्योंकि इस बिल के रीज़न्स (reasons) में यह बताया गया है कि जो छोटे-छोटे आदमी हैं, और कृषक हैं, उन लोगों को इसमें से मदद नहीं मिलने वाली है, और न उन्हें दी जा सकती है, लेकिन हम जानते हैं, कि यहां जो लिखा गया है "बिजनेस या इन्डस्ट्री" ("business or industry") इसके भी माने यही हो जाता है कि यह जो बिल है उसमें बिजनेस (business) की बात है और इन्डस्ट्री (industry) की; वहां एक जगह भी नहीं बताया है कि छोटे और बड़े उद्योग धंधे भी आ जाते हैं।

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

लेकिन इसके जो रीज़न्स (reasons) हैं उनमें बताया गया है कि स्माल शॉप कीपर्स (small shop-keepers) जो हैं उनको मदद नहीं मिलेगी। जो कारीगर हैं उनको कुछ मदद नहीं मिल सकती है और न किसानों को।

इसका मतलब यह हो जाता है कि जो लोग कई जगह से पैसा ला सकते हैं और प्राप्त कर सकते हैं उन आदमियों को कुछ लोन (loan) देते हैं शायद मन में रहता हो कि छोटे-छोटे आदमियों को हम लोन (loan) दें तो वापस कैसे ले सकेंगे, उनसे हम वसूल कैसे कर सकेंगे यह दलील हो सकती है, मुझे मालूम नहीं है। नियोगी साहब ने कहा था, कि हमने कई योजनाएं बनाई हैं, लेकिन जब

[श्री गोकुल भाई दौलतराम भट्ट]

तक वह योजनाएं हमारे सामने नहीं आती हैं तब तक हमारे मन में रहता है कि वह क्या हैं ? एक ऐसा बिल आता है जो हमारे बिछुड़े हुए भाई, या घर भंगों को याने जिनको घर छोड़ना पड़ा है, ऐसे भाई हैं, उन लोगों को मदद देनी है तो उन लोगों को मदद कैसे देंगे, कितनी मदद देंगे, और कितने आदमियों को देंगे । यहां एक मर्यादा बांध दी गई है और दस करोड़ से ज्यादा रकम हम लोन (loan) में नहीं दे सकते हैं । इसके माने यह हो जाता है कि हम ज्यादा से ज्यादा दस-दस हजार के लोन (loan) दें, बहुत कम दें तो, हम बहुत लोगों को ठीक मदद नहीं पहुंचा सकते हैं, और दस-दस हजार का लोन (loan) देने से कोई ज्यादा फायदा नहीं है । तो यह बात ठीक होनी चाहिये, यह साफ करना चाहिये । जब कि यह बिल सिलेक्ट कमेटी (Select Committee) के सामने जाने वाला है, तब हमारे यहां जो बैठे हैं कुछ उन लोगों के मन में भी जो हो वह जानना चाहिये । और अगर हमें मदद पहुंचाना है, हमारे भाईयों को कुछ देना है मदद के तौर पर, तो उन भाईयों को भी देना चाहिये जिनको जरूरत है और जो इस प्रकार की चीज के लिये दूसरे के पास मांग नहीं सकते हैं, या दूसरे के पास से मांग सकते हैं तो उनकी कोई हैसियत नहीं रही है । कहीं जाते हैं तो उन्हें कोई पहिचानता नहीं है । उनको पहिचानने वाली एक ही हुकूमत है, और वह है हमारी मध्यस्थ सरकार । वह उन्हें पहिचानती है, उनके पास से ही उन्हें मदद मिलनी चाहिए यह बात जरूरी है । तब यह बात है, फाइनेन्स मिनिस्टर (Finance Minister) साहब इसका जवाब देंगे लेकिन इससे हमें तसल्ली होगी या नहीं, यह नहीं कह सकते हैं, मैं नहीं कह सकता अगर इस चीज को इसी तरह से रखें जैसा कि इसमें लिखा है “to enable them to settle in business or industry” । क्या इसके बजाए ऐसे कोई शब्द नहीं इस्तेमाल कर सकते हैं ? जैसे “to settle them in life” इस प्रकार से हेतु विस्तृत कर दें तो यह सब चीजें स्वयम् इसमें शामिल हो जाती हैं । लेकिन यह सोचने की और गौर करने की बात है, और उनके और सिलेक्ट कमेटी (Select Committee) के सामने यह मेरी सिफारिश है । मेरी इतनी प्रार्थना है, वह पेश करता हूं और आशा करता हूं यह स्वीकार होगी, और हमारी भावना यही है सब लोगों को मदद पहुंचाने का तरीका हमें अख्तियार करना चाहिये ।

अब दूसरी बात जो आई है वह यह है कि कानून यह कहा जाता है कि *It extends to all provinces of India*” अब जब कि हमारी स्टेटों का मर्जर (merger) हुआ है और हो रहा है तब हमारी इस भाषा में कोई तब्दीली होनी चाहिये । इस में यह लाजमी है कि अब हमें कुछ ऐसे शब्द इस्तेमाल करने चाहियें जो ला मिनिस्टर (Law Minister) वगैरह इसमें सलाह देंगे और हम वह सलाह

लेंगे, कि “*It extends to the whole of India*” इस प्रकार से कोई शब्द रखेंगे कि इसमें जो जो स्टेट्स (States) मध्यस्थ हुकूमत के अन्दर आ गई हैं उन स्टेटों को भी इसका फायदा फौरन ही मिल जाये । नहीं तो यह होता है कि जो रियासत इस चीज को अपने यहां लागू करती है उस रियासत में रहने वाले लोगों को इससे फायदा पहुंचता है । हम यह भी जानते हैं कि हमारी रियासतों में कितने गरीब बिछड़े हुए भाई हैं जो निर्वासित हैं, जो बात हमारे देखने की है । लेकिन जो इस प्रकार के आदमी हैं उनको मदद पहुंचाने वाली जो रियासतें हैं उनमें रहने वाले अपने इन भाईयों को हम किस रीति से मदद दे सकेंगे ? रियासत की आमदनी या रियासत की ताकत इतनी नहीं है जबकि आपकी ताकत बहुत बड़ी है और बड़ी सरकार सब की बात सुनती है इसलिये मेरा सुझाव है कि इसका रास्ता निकालना चाहिये और यही हम हमेशा कहते हैं । कन्स्टीट्यूशनल ला (Constitutional Law) में दूसरे ऐसे कोई शब्द नहीं रह सकते हैं कि “*All the provinces of India*” आप ही इस बारे में सोच सकते हैं और इसे सोचना पड़ेगा । मैं इस बारे में बहुत नहीं कहना चाहता हूं ।

हां, इस बात पर ध्यान दिलाना चाहता हूं कि यह जो काउन्सिल आफ एडमिनिस्ट्रेशन (Council of Administration) है वह ठीक है । चीफ एडमिनिस्ट्रेटर (Chief Administrator) नियुक्त करने का अधिकार गवर्नमेंट के पास है । इसमें तीन सरकारी सदस्य हैं और तीन गैर सरकारी । मैं यह नहीं समझ पाता कि हमेशा दोनों का बैलेंस (balance) क्यों रखा जाता है ? क्या उनमें कोई झगड़ा हो जाय तो चेयरमैन (Chairman) दोनों का फैसला करेगा । यह क्या है ? मैं यह कहना चाहता हूं कि जो सरकारी सदस्य हैं वह एक तरह के विशारद हों, बस केवल सलाहकार रूप में वहां बैठते हों और उन्हें बैठना चाहिये । लेकिन जो कारोबार चलाने वाले हों वह तो गैर सरकारी सदस्य होने चाहियें और जिम्मेदारी उनके हाथ में आनी चाहिये, नहीं तो पहला सा रवैया चलता रहेगा और जो गैर सरकारी सदस्य हैं वह उन्हीं के कहने के माफिक करते रहेंगे और न स्वयम् भी देखेंगे और न हमें देखने देंगे । जब हम गैर सरकारी सदस्यों के ऊपर बोझ डालते हैं तो वह काम करने लग जाते हैं, लेकिन जब वह इसमें शामिल किये जाते हैं तो इनके ऊपर इतनी जिम्मेदारी डालनी चाहिये जिससे वह ज्यादा काम कर सकें । इसके लिये मेरा सुझाव यह है कि यह जो तीन आफिशियल (Official) और तीन नान-आफिशियल (Non-Official) रखे गये हैं उसके बजाय नान-आफिशियलज (Non-Officials) ज्यादा होने चाहियें । और आफिशियल (Official) अगर कम हों तो कोई हर्ज नहीं है । यह एक बात है ।

दूसरी यह बात है कि (Advisory Board) में जैसा सर्वटे साहब ने कहा है उसकी नियुक्ति होगी । इसके बारे में सिफारिश होगी कि इस वक्त जो स्टैंडिंग कमेटी (Standing Committees) बनाने का तरीका है, वही तरीका इस्तेमाल करना

[श्री गोकुल भाई दौलतराम भट्ट]

चाहिए और वही तरीका सही तरीका होगा। यह एडवाइजरी बोर्ड (Advisory Board) बनाने के लिये एक बात मेरे मित्र सन्यासम ने कही थी कि एडमिनिस्ट्रेटिव काउन्सिल (Administrative Council) यह जो है उनको कभी इस रिहैबिलिटेशन एण्ड फाइनेंस एडमिनिस्ट्रेशन (Rehabilitation and Finance Administration) में किसी-तरह किसी को मंजूर नहीं करना चाहिए। जिनका प्रत्यक्ष या परोक्ष में इससे कोई हिस्सा हो इस प्रकार एडवाइजरी बोर्ड (Advisory Board) के जो सदस्य होंगे उनके लिये भी लाजिम होना चाहिये कि उनका किसी तरह से प्रत्यक्ष या परोक्ष में उनमें हिस्सा या आर्थिक सहायता देने में सम्बन्ध न हो। यह जरूरी चीज है जिसको वह पसंद करेंगे।

एक और बात इसमें लिखी है --“Removal of Members” यह अधिकार दे दिया है सेंट्रल गवर्नमेण्ट (Central Government) को वह अधिकार है। लेकिन मैं यह जरूरी देखता हूँ कि इसमें “Removal of any member after giving him due time” यह ज्यादा बढ़ा दिया जाय। उनको अवसर दिया जाय ताकि वह अपना कन्डक्ट (Conduct) समझाएँ नहीं तो कभी-कभी ऐसा होता है कि किसी भी सदस्य को निकालने के लिये उनके मन में यह हो गया कि यह खराबी है तो काफी कारण है कि उनको निकाल दिया जाय तो इसमें भी मने सुझाई ऐसी तब्दीली हो जाय तो ठीक है।

दस करोड़ रुपये की जो मर्यादा है मैं मानता हूँ कि इस रकम को अगर मर्यादा का ही सवाल है तो बढ़ा सकते हैं। लेकिन अगर मर्यादा रखे बिना भी सेंट्रल गवर्नमेण्ट (Central Government) का काम चल सकता है और अगर मर्यादा जरूरी है तो दस करोड़ रुपया कम है और इसे बढ़ाना चाहिए। अगर मर्यादा का बन्धन जरूरी नहीं है तो मैं मानता हूँ इसको इस रूप में रखना चाहिए :

“The Central Government may from time to time advance money for the business of the Administration.”

पंजाब की तरह सिन्ध से जो शरणार्थी आए हैं उनकी हालत भी ऐसी है कि वह भी छोटे-छोटे धन्धे करना चाहते हैं, वह भी गुजर करना चाहते हैं वह लोग भीख मांगने वाले नहीं। यह मैं मानता हूँ कि जो लोग आए हैं वह मेहनत करके कमाने वाले हैं। इन लोगों से हम सब को हमदर्दी है और हमको उनकी मदद करनी चाहिए।

इस बिल का हम स्वागत करते हैं। लेकिन मैं मानता हूँ कि जो सुझाव हमने दिये हैं वह मानने पड़ेंगे और इस बिल को मुकम्मल बनाना होगा।

(English translation of the above speech.)

Shri Gokulbhai Daulatram Bhatt (Eastern Rajputana States Group):
Speaker Sir, A great many opinions and views have already been expressed on this Bill, but there is one significant point which presents itself 4 P. M. to us. It is that people favour the idea of enlarging the scope of this Bill, its aims and objects, because it has been stated in the ‘reasons’ of this Bill that small business men and the agriculturists will not and cannot derive any benefit from it. It is clear to us that the inclusion of the words “Business and industry” means that the Bill aims at aiding only business and industry. At no place in this Bill is there any mention of small scale business and industry.

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

But in the reasons for this Bill it has been stated that no help will be given under it to petty shopkeepers, artisans and workmen, nor can the peasants derive any benefit from it. This means that loans will be given to those who have got other resources to draw upon. Perhaps the Government think that if loans are advanced to petty shopkeepers it may not be possible or at least it may be difficult to recover the money. This may be an argument, I do not know.

Honourable Mr. Neogy has told us that the Government had chalked out many schemes; but so long as these do not come up before us we remain in suspense. We wait to know what they are. A Bill has been introduced which aims at giving financial aid to those of our brethren who have been forced to quit their hearths and homes. But how are we going to help them, how much help are we going to give them and how many are we going to help? A limit has been affixed which means that loans cannot exceed ten crores of rupees. This means that the maximum grant of a loan will not exceed rupees ten thousand. Small loans will fail to be of real help and a loan of ten thousand will not serve the purpose. It must therefore, be set right and clarified. Some Members who are sitting here may like to say something before we refer this Bill to the Select Committee. If we have to help our brethren, if we have to give them anything as a token of our sympathy and love for them, we must also help those who need it and cannot stretch their palms before others for this kind of help, and those who, even if they may make bold to do that, cannot get it because they have no securities to offer against loans and are not known to people. It is only the Central Government which can recognise them. This Government knows them well and these men must receive help from it. This is important.

There is another thing and it is for the Finance Minister to answer. Whether his reply will satisfy the House or not, is difficult to say at least I think it so, so long as we let these words stand in the Bill, namely “to enable them to settle in business or industry.” Can we not replace these words by some such words as “to settle them in life”? If we extend the scope of the Bill in this way then all these things will automatically be included in it. But this is a thing which requires thought and deliberation. I recommend it to both the Honourable the Finance Minister and the Members of the Select Committee. This is my humble request to them. I hope it will be acceded. It is our desire that we should adopt a policy with which we can help all these unfortunate people.

The second thing which comes before us is that the Act shall “extend to all provinces of India”. Now, when many States have been and are being merged into the Dominion of India, we should change the wording. It is essential that we use now some such words as “it extends to the whole of India” which the Law Member and others may recommend—and we shall welcome their recommendations. We should use such words as can enable

[Shri Gokulbhai Daulatram Bhatt]

even those States which have merged themselves into India to derive immediately the benefits of Indian Laws. Otherwise only those State subjects can enjoy these benefits whose Governments apply Indian Laws to their states. We are not unaware of the fact that there are many of our unfortunate evacuee brethren who are at present living in the states. This is a thing which calls for our attention. But how will we be able to help such persons who come within this category and have settled in the states which have given them relief? The revenue and resources of the States are meagre as compared with those of the powerful Central Government which has got vast resources. Moreover everybody has an access to the Central Government. Therefore, I propose that a way out of this should be found and this is what we always urge.

No such words as "all the Provinces of India" can exist in the Constitutional law. You can yourself consider this and will have to ponder over it. I do not want to say anything more in this respect.

Yes, I would like to draw attention to the fact that the Council of Administration which has been set up is a step in the right direction. The Government reserves itself the right to appoint the Chief Administrator. This comprises of three official and three non-official Members. I fail to understand as to why balance is always kept between these two? Will the Chairman give his ruling in case a dispute arises between them? What is this? I would like to say that the official Members should play the role of experts, they should participate only in purely advisory capacity and function in this manner. But those who are to conduct the working of the Administration, must be non-official Members and responsibility should vest in them. Otherwise the old things will repeat and those who are non-official members shall have to act according to their (official members') wishes. They will neither be able to look into the affairs themselves nor let us do this. When we put pressure upon the non-official members, they discharge their functions. But when they are associated with this Administration, greater responsibility should be thrust upon them which may actuate them to do more work. To achieve this, therefore, I propose that the number of non-officials should be more than the number of three each fixed for both official and non-official members. Moreover there is no harm if the number of officials is reduced. This is one point.

The second point is that the Advisory Board should be constituted in the manner suggested by Mr. Sarvate. Recommendations will be made in this respect that the same procedure which is followed at present in setting up the Standing Committees should be observed and that would only be the right course. The suggestion had been put forth by my friend Mr. Santhanam that while constituting this Advisory Board, some provision should be made that those members who have direct or indirect personal interest should not in any case be nominated to the Rehabilitation and Finance Administration. Similarly it should be made compulsory that the members of the Advisory Board should not be directly or indirectly connected with or take part in financing persons. This is an essential thing which they should appreciate.

The Bill contains another point, viz., "Removal of Members". This authority has been vested in the Central Government. This is an authority; but I feel the necessity that its scope should be further enlarged as such "Removal of any member after giving him due time." They should be given an opportunity to enable them to explain their conduct. Otherwise sometimes it may so happen that once it strikes them to remove a member on account of some defects that may come within their knowledge they will find that sufficient reason exists for his removal. Therefore, I suggest that some modification may be made in this direction.

I realize that in the case of the limit of Rs. ten crores we can increase the

amount, if at all the question of limit only is involved. But if the Central Government can carry on without fixing any limit and if it is considered imperative to prescribe any limit, then this sum of Rs. ten crores is quite insufficient and it should be enhanced. If it is not binding to fix the limit, then I feel that it should be put in this form:

The Central Government may from time to time advance money for the business of the Administration."

Refugees who have migrated from Sind are also placed in the same plight as the refugees from West Punjab. They also want to start some small-scale industry and business. They also wish to earn a living wage. They are not beggars. I know that all these people who have come are hard-working and they are earning their livelihood by dint of their labours. All of us sympathize with the people and we should render them necessary assistance.

We welcome this Bill. But I believe that the suggestions which we have made will have to be accepted and this Bill given a finishing touch.

Shri Satyanarayan Sinha (Bihar: General): Sir, the question may now be put.

Mr. Chairman: The question is:

"That the question be now put."

The motion was adopted.

The Honourable Shri R. K. Shanmukham Chetty: Mr. Chairman, I am glad to note that this Bill has been welcomed on all sides of the House. It is as it should be because this is one of those ameliorative measures intended to do something to enable some of the refugees at least to settle down in useful occupations. A great deal of criticism has been made that this measure does not include loans or any form of assistance to agriculturists. My answer is very simple: it was not intended through this agency to give loans or advances to agriculturists. Sir, I have not introduced a comprehensive measure to set up one agency for dealing with every problem connected with the rehabilitation of refugees. In fact it will not be possible for one agency, however big or powerful it might be, to deal with all the manifold problems that arise in connection with the refugees. I thought after a great deal of consultation with some of the Provincial Ministers, the authorities of the Reserve Bank and my own colleague, the Minister for the Rehabilitation of Refugees and his Officers, that there is a need for a separate agency to give assistance to the middle class people who want to set up some business or industry. Those who think that we are again introducing a measure which will help the large industrialists are entirely in the wrong. Industry does not necessarily and always mean large-scale industry. There are a great many refugees, lakhs of them, belonging to the middle class who are after all the mainstay of the society who require small advances ranging from rupees ten to fifteen thousands in each case. Unless we set up a definite agency which will concentrate its action in giving relief to this large class of persons, whatever you do will be ineffective. I would therefore very strongly suggest that no attempt should be made in the Select Committee to enlarge the scope of this Bill so as to include agriculturists.

My Honourable friend Mr. Neogy gave some account of what is being done in the direction of giving help to agriculturists. What I would submit is this: if it is found that what is being done for the agriculturists already and what is contemplated are not enough and do not go long enough, by all means ask for another Corporation or Administration for this purpose.

Prof. N. G. Ranga: The need has already arisen.

The Honourable Shri R. K. Shanmukham Chetty: If the need has already arisen we will certainly look into it. But if you overlap this agency with this work you are going to fritter away the energies of this organisation. I would therefore very earnestly urge that the scope of this Bill should be strictly limit-

[Shri R. K. Shanmukham Chetty]

ed to what it was intended to be, namely to give loans and to give assistance to the middle class people who want to set up some business. If there is one measure that can be considered to be a non-capitalistic measure, if there is one measure which is purely a nationalistic measure it is this one that I have brought before this House. It is hundred per cent a state concern. It is not intended to benefit the capitalists. It is not intended to enable individuals to accumulate large fortunes. And I think, Sir, I should legitimately take credit that the first measure of that kind to be introduced in this House is by myself.

There was some suggestion made that the rate of interest that we have suggested for the loans, namely six per cent, is too high. Here again I would ask Honourable Members to bear one very important point in view. I hope it is not the intention of this House that the taxpayer should in any case be burdened as a result of the operation of this agency. We want that as far as possible it should be a non-profit-making agency but at the same time a self-supporting agency. If this agency would give three per cent. interest to all the money that it draws from Government, that means Government would cover itself against the interest that it has to pay on loans that it has to borrow from the market. This margin of three per cent is necessary for building up the administrative system necessary for the purpose.

Shri M. Ananthasayanam Ayyangar: Six per cent is only the maximum.

The Honourable Shri R. K. Shanmukham Chetty: That is so. I would suggest if you do not want to put a burden on the taxpayer and if you want this administration to work on a self-supporting basis you should not prevent the fixing of six per cent as the maximum for interest on loans to be advanced.

Some criticism was made about the definition of the word 'displaced persons.' There was also criticism that there is a lacuna in the Bill in that the words 'displaced persons' did not occur in any of the clauses of the Bill. My Honourable friend Mr. Chaudhuri said that he can also obtain a loan through this Administration. But let me tell him that he cannot because if Honourable Members will please refer to another definition, namely clause 2(e), 'loan' means a sum of money advanced by the Administration to a displaced person. In other words, every loan advanced under this Act or any loan referred to in this Act which may be given by a private bank, must necessarily be a loan advanced to a displaced person. Instead of repeating the word 'displaced person' in a number of places we thought it more convenient from the drafting point of view to put it in this form and define 'loan' as meaning a sum of money advanced by the Administration to a displaced person. We shall further examine this point and if we really find that it will enable my friend Mr. Chaudhuri to get a loan I will see that it is prevented.

Another suggestion was made that the benefit of this Administration must also be available to persons who might migrate from one province of India to another. I have got the fullest sympathy with such persons who out of fear may have to migrate from one province of India to another, but I would submit that if you are going to include within the scope of this Bill all persons who may move from one Province to another, or from one place in the same Province to another place, you will be placing upon the Administration a responsibility which it will be very difficult to discharge. How are you going to distinguish a person who moves, for example, from Delhi to Meerut from one who is actually a displaced person in the sense in which we intended? Here again the scope was expected to be restricted. There are, as my honourable friend said, 55 lakhs of people who have been displaced and who have come from another country. Let us look after them. If really there is a case for

giving some help to persons who have to move from one place in India to another for reasons not within their control, then that problem will have to be faced in an entirely different manner.

Shri M. Ananthasayanam Ayyangar: Does a person include a bank?

The Honourable Shri R. K. Shanmukham Chetty: I am coming to that.

With regard to the class of persons who were intended to be benefited, one suggestion that was made by my Honourable friend Mr. Santhanam is that you must give these loans not to individuals but only to public limited companies. Well, I suggest, Sir, that you will entirely defeat the purpose of this Bill if you attempted to do anything of that kind. Is every refugee to take steps to form a public limited company before he comes to this institution for any assistance? Obviously it is impossible.

Again, my friend Mr. Ananthasayanam suggested that this Administration should also be enabled to come to the help of the Banks that have been put to some loss or trouble on account of the disturbances. There again it is a problem which this Administration cannot deal with. We have already taken steps in that direction. As a matter of fact the moratorium that we declared and the undertaking that we gave to supply funds to these banks to meet their obligations for their depositors are evidence of our anxiety to help such banks, and if there are still banks of that category which require further help we certainly would do what lies in our power after a careful examination of the position by the Reserve Bank.

Another question was asked: "How was this figure of ten crores arrived at, and is it adequate?" I am free to confess that it is an arbitrary figure and it is not possible for us to make any accurate estimate of the number of people that may want assistance of this kind and the total amount of money that may be required. I personally think, Sir, that if an administration with resources amounting to rupees ten crores starts its business, a very very large class of persons will be materially benefited, and in the light of the experience that we gain, we may consider further whether we might place at the disposal of this administration further funds. After all when you ask me to place larger funds at the disposal of the administration, Honourable Members should not forget that it is the taxpayers' money that is to be placed in the hands of the administration. No private shareholder is connected with this administration, and when we who are trustees of the public funds have to place such funds at the disposal of a semi-autonomous administration for the purpose of granting loans, we have to be extremely cautious.

I have no doubt that the numerous other points that were referred to in the course of the debate will be looked into by the Select Committee, but I would once again most earnestly urge that whatever might be done, I hope the Select Committee will not try to extend the scope of the activities of the administration and thereby endanger its effectiveness.

Mr. Chairman: The question is:

"That the Bill to establish the Rehabilitation Finance Administration be referred to a Select Committee consisting of Dr. Bakshi Tek Chand, Pandit Thakur Das Bhargava, Shri Jaspat Roy Kapoor, Dr. B. Pattabhi Sitaramayya, Shri Khurshed Lal, Mr. R. K. Sidhva, Shri Bikramlal Sondhi, Prof. Yashwant Rai, Shri T. T. Krishnamachari, Shri Jainarain Vyas, Kazi Syed Karimuddin, Diwan Chaman Lal, Shrimati Sucheta Kripalani, Shri Surendra Mohan Ghosh, and the Mover with instructions to report on or before the 10th February, 1948, and that number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Wednesday the 4th February 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Wednesday, 4th February, 1948

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS

RIGHTS OF CITIZENSHIP OF INDIANS AND CONDITION OF INDIAN LABOUR IN CEYLON

108. *Mr. R. K. Sidhva: (a) Will the Honourable the Prime Minister be pleased to state whether it is a fact that the recent interviews between the Prime Ministers of Ceylon and of India have brought about a satisfactory result as regards the rights of citizenship of Indians now in Ceylon?

(b) If so, what are the terms and conditions of citizenship?

(c) What is the number of Indian labourers in Tea and Rubber Plantations in Ceylon?

(d) Have Government drawn the attention of the Prime Minister of Ceylon to the most unhealthy, and insanitary and ill-ventilated houses provided by tea and rubber planters of Ceylon for the Indian labour class?

(e) Are Government aware that this is one of the main causes of trouble amongst the Indian labourers in Ceylon?

(f) If no discussion has taken place on this subject, do Government propose to draw the attention of the Government of Ceylon to it and have such houses rebuilt providing the necessary amenities for this class of workers?

The Honourable Pandit Jawaharlal Nehru: (a) and (b). As a result of our discussions an agreement on broad principles governing qualifications for citizenship has been reached subject to further examination by the two Governments. As the terms of the agreement have not yet been finalised, it would not be in the public interest to disclose them now.

(c) The total number of Indian estate labourers in Ceylon at the end of 1946 was 4,67,011. No later statistics are available.

(d), (e) and (f). The question of the housing of estate labour was not raised during the discussions which were confined mainly to the question of citizenship of Indians now in Ceylon. The housing of estate labour is, in fact, not as bad as is suggested by the Honourable Member, and the question of its further improvement is already engaging the attention of the Ceylon Government and the Agent of the Government of India in Ceylon.

Mr. R. K. Sidhva: Is it not a fact, Sir, that the British Government four years ago appointed a Commission under Major Oder Brown regarding the condition of houses of labourers in Ceylon and that the Commission reported that land should be acquired by Government for Indian labourers and houses of a better type constructed?

Do Government intend to take up this question with the Ceylon Government to see that the conditions of houses for labour are improved?

The Honourable Pandit Jawaharlal Nehru: These matters are in continuous consideration in consultation with the Ceylon Government. I cannot speak for the exact Report that the Honourable Member refers to—I have not got it before-me. But we are continuing to try to improve those estate conditions and on the whole they are better than they have been and better than in many places.

Shri H. V. Kamath: Sir, is the Honourable Prime Minister's statement to the effect that the housing conditions of labour are not as bad as my friend Mr. Sidhva suggests,—is this statement based on the report of the Ceylon Government or other sources?

The Honourable Pandit Jawaharlal Nehru: Our sources—our Agent there.

Shri Mihir Lal Chattopadhyay: May I know whether there is any recognised trade union organisation of Indian labourers in Ceylon?

The Honourable Pandit Jawaharlal Nehru: I would not call it exactly a trade union organisation, but they are very well organised in various ways; repeatedly there have been strikes on a very big scale which shows organisation.

Mr. R. K. Sidhva: I have seen those houses when I was in Ceylon some years ago and they are decidedly worse than those in India. May I know whether the Honourable the Prime Minister when he visited Ceylon inspected these houses, and whether he feels that the information conveyed is correct?

The Honourable Pandit Jawaharlal Nehru: Last time I went to Ceylon was many years ago. Then I did go to many of these houses and I did protest against the conditions there. I had long talks with the Ceylon Government too. As I said there is a continuous attempt being made there to improve labour conditions etc. The House will remember that we are now in a peculiar phase of transition. The main question before us is whether Indian labour in Ceylon is Indian national or not. If it is not Indian national, if it is Ceylon national, then we have no further say in the matter. If it is Indian national it is an alien in Ceylon and we expect the rights and the best conditions that an alien can have.

That is the fundamental question before us. The question of housing and other questions do not arise in this context. The first thing to be determined is whether those Indian labourers in Ceylon are Ceylonese in nationality or Indian. Once that is settled, and if they are Ceylon nationals as we have been asking them to become, then the question of our protesting about any matter regarding housing matters does not simply arise. If they are not Ceylonese nationals, then as Indian nationals we look after their rights and improve their conditions, minus their citizenship right.

Seth Govinddas: What is the percentage of Ceylon labourers who are Indian nationals and those who are Ceylon nationals? Is there any data kept about it?

The Honourable Pandit Jawaharlal Nehru: I am surprised about the Honourable Member's question. That is the whole question: as to who can become a Ceylon national and who cannot. And the demand on behalf of the Indians in Ceylon is that the doors should be thrown wide open to them to become Ceylon nationals. The question is not decided yet. For instance, on our side it is said that every Indian there who has been resident there for a particular period and who wants to become a Ceylon national should become a Ceylon national. We want the door opened. Once they pass that door they cease to be Indian nationals and we can say nothing about them except for humanitarian reasons.

Mr. Tajamul Husain: May I know how we find out whether those Indian labourers are Indian nationals or not and how long it will take for us to find that fact out?

The Honourable Pandit Jawaharlal Nehru: I must apologise for not being able to make myself understood to the House. Owing to rapid changes in political conditions in India, Ceylon and Burma and other countries, this question of nationality has become very confused. Previously we were all, technically speaking, British subjects, so the question of nationality was not defined. The only questions that arose previously were citizenship rights—not of nationality—and we are still thinking in terms of citizenship rights and that introduces a certain element of confusion. Citizenship rights will naturally follow nationality. Now, we are not thinking of citizenship rights as such but of nationality.

In Burma the position is fairly clear because Burma is an Independent Republic; but what follows from it has not been made clear as to which Indian is going to be a Burmese national and which an Indian national. That matter will probably be settled in the next two or three months. It is complicated matter: millions of people have to choose. Ultimately the person himself will choose—the Indian in Burma or Ceylon will choose whether he wants to be this or that. Of course even if he chooses he may not be allowed to become a Ceylon national because he does not fulfil certain conditions: that is a different matter. Therefore, the question will be settled by the choice of the individual concerned subject to certain conditions.

Mr. R. K. Sidhva: Until the citizenship is defined, may I know if it is not a fact that sixty five per cent. of the labourers are Indians domiciled in Ceylon?

The Honourable Pandit Jawaharlal Nehru: Mr. Sidhva is again getting confused between nationality and citizenship and citizenship rights. I do not exactly remember the percentage, but probably his figure is right.

Mr. Speaker: Diwan Chaman Lall's questions were called out in his absence, but that was due to the fact that the Honourable the Prime Minister was not in his seat, when the first question was called and had to be put off. I think it will not be fair to debar him from putting his questions as he has been present here before the first question has been answered. I will therefore allow him to put his questions.

The Honourable Pandit Jawaharlal Nehru: May I express my regret for my late coming?

Diwan Chaman Lall: I am grateful to you, Sir, for permitting me to put my questions.

REHABILITATION OF TEACHERS, LAWYERS, AND DOCTORS FROM PAKISTAN

109. *Diwan Chaman Lall: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) what plans have been proposed for the rehabilitation of teachers, doctors and lawyers from West Punjab; and

(b) whether Government propose to utilise suitable vacant buildings for opening day schools, night schools and adult literacy schools immediately?

The Honourable Shri K. C. Neogy: (a) *Teachers:* Ministry of Education have already absorbed 300 teachers in Delhi. The possibilities of introducing double shift in educational institutions are being investigated. This is expected to provide employment to more teachers. Lists of names of displaced teachers are being sent periodically to provincial governments and universities with a request to absorb as many as possible. The Ministry of Education are also collecting statistics of displaced teachers. When this information has been collected Government will be in a position to decide whether it is necessary to ask the provincial governments to reserve a certain number of vacancies for displaced teachers so that they might be absorbed in their expansion schemes.

Doctors: Particulars of refugee doctors have been circulated to all Provinces and the larger Indian States with a view to their permanent absorption. Some of the doctors have also been provided employment at various refugee camps.

Lawyers: All Provincial Governments and Ministries of the Government of India have been requested to consider sympathetically applications from displaced lawyers for suitable judicial and administrative posts for which they are eligible. The Ministry of States is also addressing the States to absorb lawyers in the same manner. Provincial High Courts are being approached to relax their rules so as to enable displaced legal practitioners to appear before them and their subordinate courts.

Lawyers and doctors (including Vaid, Hakims, Homeopaths, dentists and radiologists) who wish to re-establish themselves in their professions can be granted loans upto a maximum of Rs. 3,000 per head.

(b) In East Punjab even school buildings are being used to house refugees. Nor in the present situation are such buildings available in Delhi. The Delhi Administration has and is taking steps to open as many schools as necessary for the refugees.

Diwan Chaman Lall: May I ask my Honourable friend whether it is a fact that there are 30,000 refugee teachers out of whom 300 have been given jobs?

The Honourable Shri K. C. Neogy: 300 in Delhi. I dare say more have been absorbed in other places, particularly in East Punjab.

Diwan Chaman Lall: May I ask my Honourable friend whether it is a fact that refugee teachers have got a Provident Fund which amounts to crores of rupees and whether any steps have been taken to give them advances out of that Provident Fund which belongs to them?

The Honourable Shri K. C. Neogy: I understand that the Provident Funds are invested mostly in Postal Savings Banks and my information is that the Minister of Finance is actively considering the question which my Honourable friend has put to me.

Shri H. V. Kamath: Does the term "teachers" include in its scope professors and lecturers in colleges and universities?

The Honourable Shri K. C. Neogy: Yes, Sir.

Shri Deshbandhu Gupta: May I know if the Honourable Minister is aware of the fact that there are certain school buildings lying vacant in Delhi about which Government have so far taken no decision? Also, may I know if Government have taken up this question and whether those buildings will be put to some use?

The Honourable Shri K. C. Neogy: We have addressed the Delhi Administration to utilise, as far as possible, all vacant buildings for the purpose of starting schools for refugee children.

Shri Deshbandhu Gupta: Do I understand that the Government have made up their minds that so far as buildings that have been evacuated and left vacant are concerned, they can be used for this purpose?

The Honourable Shri K. C. Neogy: I should like to have definite particulars about these buildings before I can answer that question.

Shri Deshbandhu Gupta: Many schools and colleges have been evacuated and left vacant. They are lying vacant for the last five or six months. For instance, the Arabic or the Muslim High School. About them, some policy has to be defined. I want to know whether any decision has been taken yet?

The Honourable Shri K. C. Neogy: No decision has yet been taken in this matter.

Dr. B. Pattabhi Sitaramayya: Will Government be pleased to consider or to take concerted measures for ensuring that doctors who have migrated here and who had large practice in Pakistan are given adequate accommodation to carry on their professions?

The Honourable Shri K. C. Neogy: I entirely agree with that view and I can assure my Honourable friend that every possible effort is being made in that direction.

श्री गोकुलभाई दौलतराम भट्ट: पश्चिमी पंजाब से आये हुए निर्वासित आदमियों को जिस प्रकार यह सुविधा दी जाती, क्या उसी प्रकार से सिन्ध से आये हुये निर्वासितों के लिये योजना होगी।

Shri Gokulbhai Daulatram Bhatt: Will the same policy for affording similar facility to refugees from Sind be followed as is done in the case of refugees who have come from West Punjab?

The Honourable Shri K. C. Neogy: The problem of Sind refugees is a recent one and I dare say the policy I have enunciated will apply to refugees from Sind as much as to those from West Punjab.

Shri Deshbandhu Gupta: May I know from the Honourable Minister as to how many doctors have so far been rehabilitated in Delhi and whether it is a fact that for the biggest X-ray plant which was imported from Lahore here we have not been able to find any housing accommodation?

The Honourable Shri K. C. Neogy: The doctors of the type the Honourable Member has in view are in a position to rehabilitate themselves except for such facilities for housing accommodation as may be needed by them. As regards the specific question which he has raised, I should like to have notice of it, so that I can go into the matter and give a definite reply.

Shri S. Nijalingappa: Regarding lawyers, will the Government consider the question of exempting lawyers from payment of enrolment fees?

The Honourable Shri K. C. Neogy: That question has not been examined yet, nor, as far as I am aware, has a suggestion to this effect been made by the lawyers themselves.

Shri Deshbandhu Gupta: Have Government considered the advisability of appointing lawyers as panchayat officers in the villages of Delhi, of which there are about 350?

The Honourable Shri K. C. Neogy: I am afraid that question has not been considered by Government, but I take it the Delhi Administration is fully competent to deal with this question; and my Honourable friend is perhaps rather closely associated with that Administration.

Shri Raj Krishna Bose: Can Government state, from the information they have received till now as to how many of these refugee teachers, lawyers and doctors can be absorbed by the Provincial and India Governments?

The Honourable Shri K. C. Neogy: As regards teachers, if the provinces introduce their educational expansion schemes, I have every hope that all the refugee teachers who possess proper qualifications will be absorbed.

Diwan Chaman Lall: May I ask whether the number of refugee lawyers is about 4,000 and how many out of the 4,000 have been given jobs or have been rehabilitated?

The Honourable Shri K. C. Neogy: I should have notice of that question. All I could answer now is with reference to the Central Government, because I have not got the figures from the Provinces.

Diwan Chaman Lall: May I ask whether it is the policy of Government that teachers and lawyers who are refugees should be given priority as far as appointments are concerned in the various camps and East Punjab?

The Honourable Shri K. C. Neogy: So far as the camps that are directly under the control of the Central Government are concerned, we are giving preference to refugees, whether they belong to the category of lawyers, teachers or doctors. But the question of suitability has to be considered with reference to appointments for camps. As regards the East Punjab, I daresay that the same principles are being observed.

श्री गोकुलभाई दौलतराम भट्ट : जो शिक्षक हैं, उनको नई तालीम के कोर्स में दाखिल कर लिया जाय तो शायद जो नई तालीम के हम स्कूल वगैरह खोलना चाहते हैं उसमें लाभप्रद होगा। क्या इस बारे में गवर्नमेंट ने कुछ सोचा है?

Shri Gokulbhai Daulatram Bhatt: If the teachers are admitted to the study of new course of education, will they prove an asset to the institutions that we want to set up for imparting new type of education? Has the Government considered this matter?

The Honourable Shri K. C. Neogy: This question has not been considered by Government nor has a suggestion to this effect been received from any educational authority as yet.

REHABILITATION OF REFUGEES THROUGH A CENTRALLY CONSTITUTED AUTHORITY

110. *Diwan Chaman Lall: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) whether it is a fact that nearly 80,000 refugees were sent by the authorities to Rohtak district and whether the majority of them have been ordered to shift again to make room for other refugees; and

(b) whether the Government of India have arrived at any decision to undertake the task of rehabilitation through a centrally constituted authority?

The Honourable Shri K. C. Neogy: (a) A report has been called for from the East Punjab Government and will be laid on the table when received.

(b) Government have decided to appoint a Rehabilitation and Development Board whose functions were stated by the Prime Minister yesterday. An official communication on this subject will soon be issued.

FINANCIAL ASSISTANCE TO REFUGEES

111. *Diwan Chaman Lall: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) what progress has been made in respect of providing financial assistance to refugees of various categories; and

(b) whether this assistance will be administered from the Centre?

The Honourable Shri K. C. Neogy: (a) The following schemes of assistance have been sanctioned:

(1) *For agriculturists*—Loans for the purchase of bullocks, seeds and agricultural implements are to be given to those settling on land. Free grants are also to be given for their up-keep for the period from now onwards to the next harvest.

(2) *For urban displaced persons*—Loans are to be given to shop-keepers, traders, artisans, etc. up to a maximum of rupees five hundred; each for medical practitioners, and legal practitioners up to a maximum of rupees three thousand each. In all these cases the Central Government have intimated their readiness to advance the necessary funds to the Provincial and State Governments concerned and to share the free grants and the losses on loans.

(3) For small industrialists, Rehabilitation Finance Administration is being set up which will make loans for rupees five thousand and above onwards. Big industry will be catered for by the Industrial Finance Corporation.

(4) A scheme of loans to students for studies overseas, and to students receiving training or education in India has also been sanctioned. The above schemes have been recommended by the Central Governments to all Provincial Governments for adoption.

(b) Schemes for loans to students and trainees abroad will be administered directly by the Ministry of Relief and Rehabilitation. Others will be administered by the Provincial or State Government or Administrations concerned.

Seth Govinddas: May I ask the Honourable Minister whether steps will be taken to see that as far as the Provinces are concerned, the Centre will meet the expenses of the refugees sent to provinces and that adequate machinery will also be provided to the Provincial Governments so that land which is given to the refugee if it is barren may be cultivated?

The Honourable Shri K. C. Neogy: I do not know, Sir, whether this question arises out of the question which I have just answered, because the question relates to financial assistance to refugees. The question which my Honourable friend has put to me is as regards the responsibility of the Centre in financing Provinces in their schemes of agricultural resettlement.

Seth Govinddas: What I wanted to know is that as far as the refugees who are sent to Provinces are concerned burden will not fall on Provinces. And whether as regards the land which is given to them by the Provincial Governments if found to be barren, the Central Government will give facilities to Provincial Government in respect of machinery, so that the barren land may be used?

The Honourable Shri K. C. Neogy: If specific requests of this kind are received from any Provincial Government, they will be certainly considered.

Shri H. V. Kamath: May I ask the Honourable Minister how many loans have been so far advanced to agriculturists and what is the total amount of loans so advanced?

The Honourable Shri K. C. Neogy: I should like to have notice of this question.

Pandit Hirday Nath Kunzru: Will the Honourable Minister for Relief and Rehabilitation be pleased to say what is the form in which assistance is being given to students in India and trainees abroad?

The Honourable Shri K. C. Neogy: The assistance is generally in the form of loans, but free grants are also not excluded.

Pandit Hirday Nath Kunzru: Are the loans being given to students in India?

The Honourable Shri K. C. Neogy: Yes.

Pandit Hirday Nath Kunzru: Does the Honourable Minister remember that some time ago that the Honourable Minister without Portfolio in answer to a question of mine said that the matter of giving scholarships to the displaced students on the same terms as those given to students coming over from Burma in 1942 would be considered?

The Honourable Shri K. C. Neogy: Well the matter has been considered and we are now not in a position yet to definitely state whether the terms on which these scholarships were granted in the case of the Burma evacuees will be exactly applicable to the terms which may be fixed in the present instance.

Pandit Hirday Nath Kunzru: Is the matter still under consideration or have Government come to any definite conclusion?

The Honourable Shri K. C. Neogy: It is still under consideration.

Diwan Chaman Lall: May I know whether there is any estimate as to the cost to the Central Government of these various schemes of assistance which is mentioned?

The Honourable Shri K. C. Neogy: I am afraid, no definite estimate is yet possible to be made, but I can assure my Honourable friend that these schemes will not suffer for want of funds.

CONFLICT AMONGST AUTHORITIES re RESETTLEMENT OF REFUGEES

112. *Diwan Chaman Lall: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) whether it is a fact that until the 10th January, 1948 not a single refugee from West Punjab had been actually settled in any urban area in Amritsar,

(b) whether it is a fact that instructions are frequently issued and changed from the Head Quarters in Jullundur in the matter of resettlement;

(c) whether there is a conflict of authorities in regard to the orders to be given relating to resettlement; and

(d) whether Government of India have considered taking in hand immediately the plans for resettlement in view of the existing conditions?

The Honourable Shri K. C. Neogy: (a) to (c). A report has been called for from the East Punjab Government and will be laid on the table when received.

(d) The Rehabilitation and Development Board is expected to play an important part in the Rehabilitation of urban refugees. Beyond this, there is at present no intention on the part of the Central Government to directly take in hand the resettlement of urban refugees in the Provinces.

श्री मोहनलाल गौतम : क्या गवर्नमेंट यह बतलाने की मेहरबानी करेगी कि करीब एक लाख आदमियों के जो अलवर और भरतपुर रियासत से निकाले गये हैं उनको रीसेटिल (resettle) करने का क्या इन्तजाम किया गया है ?

Shri Mohan Lal Gautam: Will the Government please state what arrangements have been made to resettle about one lakh of people who have been evacuated from Alwar and Bharatpur States?

The Honourable Shri K. C. Neogy: I am afraid, I must ask for notice of that question and it does not directly arise out of the questions that I have answered.

SUPPLY OF ELECTRICITY GENERATED AT HIRAKUD TO DISTRICT BALASORE

113. *Shri Lakshminarayan Sahu: Will the Honourable Minister of Works, Mines and Power be pleased to state whether Government propose to supply electricity that will be generated at Hirakud to the district of Balasore for the development of the district?

The Honourable Shri N. V. Gadgil: The Hirakud Dam Project as at present visualised is not likely to supply electricity to the District of Balasore.

DIFFICULTIES OF HARIJAN REFUGEES FROM SIND IN KATHIAWAR STATE

114. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether it is a fact that a delegation was sent to Kathiawar State to enquire into the conditions and difficulties experienced by Harijan refugees who came from Sind?

(b) If so, what is the report of the delegation?

(c) Have Government given these refugees any help?

(d) If so, how many have received such help?

(e) Is it a fact that the Cutch States have asked for the appointment of Welfare Officers to look into the conditions of the refugees?

(f) If so, how many officers have been appointed?

The Honourable Shri K. C. Neogy: (a) Two officers of the Government of India were sent to Cutch and the Kathiawar States to enquire into the conditions of Harijan refugees who had come from Sind. They were accompanied by a member of the Constituent Assembly and another public worker.

(b) A few copies of the report are being placed in the Library of the House.

(c) Government have arranged to provide blankets and medical stores to such of the Harijan refugees as are in need of them. Arrangements have also been made to supply looms and yarn to a large number of refugee Harijan families.

(d) Since the receipt of the report there has been further influx of refugees from Sind. Figures are being collected and will be laid on the table.

(e) No request has been received from the Cutch Durbar for appointment of Welfare Officers.

(f) Government of India have appointed a Director of Evacuation for the Kathiawar Region. Special Refugee Officers and Welfare Officers are being appointed at the necessary places. In addition, Mr. A. V. Thakar of the Harijan Sewak Sangh has been appointed as unofficial representatives of the Government of India in Cutch and Kathiawar.

Shri H. V. Kamath: Will the Honourable Minister give the names of the officers deputed by Government to investigate and report about the refugees from Sind?

The Honourable Shri K. C. Neogy: Well, they are officers of my Ministry I do not know whether my Honourable friend would like to have those names.

Shri H. J. Khandekar: May I ask the Honourable Minister whether Government have appointed an officer by name Bhao Rao Gaikwar?

The Honourable Shri K. C. Neogy: I am afraid, I am not in a position to give an answer straightaway. May I know in which capacity he is appointed?

Shri H. J. Khandekar: May I know, Sir, whether Government will enquire if Mr. Bhao Rao Gaikwar of Nasik is appointed as a Refugee Officer and if there was a warrant against him from the C. P. Government?

Mr. Speaker: I do not think I should permit these questions.

Shri H. J. Khandekar: I would like to explain it.

Mr. Speaker: No explanation is necessary.

Shri H. J. Khandekar: What I want to ask is whether any Refugee officer appointed by the Government of India was under arrest by the C. P. Government?

The Honourable Shri K. C. Neogy: I have no information.

Mr. R. K. Sidhva: May I know in which place in Kathiawar this Director of Refugees has been stationed?

The Honourable Shri K. C. Neogy: I think he is posted at Rajkot and he acts in liaison with the States Regional Commission, Kathiawar.

RECOVERY OF ABDUCTED WOMEN IN DOMINIONS OF INDIA AND PAKISTAN

115. *Giani Gurmukh Singh Musafar: (a) Will the Honourable the Prime Minister be pleased to state whether the arrangement for the recovery of abducted women in the Dominions of India and Pakistan, as agreed upon by the representatives of both the Dominions, is working smoothly?

(b) If the answer to part (a) above be in negative, what steps do Government propose to take, to get the agreement effectively complied with?

(c) How many abducted women have been recovered and sent to their relatives in either dominion?

The Honourable Pandit Jawaharlal Nehru: (a) and (b). The recovery of abducted women in the Dominions of India and Pakistan is proceeding but the process has unfortunately been rather slow. Every effort is being made by Government to expedite it. Certain political and other developments have however come in the way and have hampered the effectiveness of the present operations. The Government of India is in continuous communication with the Government of Pakistan in order to expedite the recovery. It is obvious that speedy and effective recovery depends upon the close co-operation of the two Dominions Governments. Both these Governments have repeatedly expressed their wish that everything should be done for this recovery of abducted women. In practice, however obstructions are met with which delay matters. I should not like to say much more on this subject at present except that the Government attaches the greatest importance to this recovery of abducted women and will do its utmost to speed it. In this work they have had the co-operation of non-official agencies and well-known women workers which has been of very great help and Government is grateful to them for it.

(c) There are discrepancies between the numbers of women which the Government of one Dominion claims to have recovered and handed over to the representatives of the other Dominion, and the numbers which the latter Dominion admits having received. A committee has now been established to reconcile the figures. Exact information about the number of women recovered is therefore not available at present.

Shri H. V. Kamath: Have Government got information as to how many women were abducted from India to Pakistan and *vice versa*?

The Honourable Pandit Jawaharlal Nehru: No, Sir.

श्री राम सहाय : क्या प्रधान मंत्री साहब यह बतलाने की कृपा करेंगे कि उन कन्याओं तथा महिलाओं की संख्या कितनी है जिनको उनके गार्डियन (guardian) या पतियों ने नहीं कब्ज़ा किया है ?

Shri Ram Sahai: Will the Honourable the Prime Minister please state the number of those unmarried and married women, who have not been accepted by their guardians or husbands?

آنریبل پنڈت جواہر لال نہرو : جی نہیں - میں نہیں کہہ سکتا - لیکن جہاں تک مجھے علم ہے بہت ہی کم ایسا ہوا ہوگا - کیونکہ خاص تعداد میں ایسی بات سن میں نہیں آئی ہے ۔

The Honourable Pandit Jawaharlal Nehru: No, Sir. I cannot say. But so far as I know there have been very few of such cases; because it has not been so heard in any particular number of cases.

Shri Deshbandhu Gupta: May I know, Sir, whether there is any truth in the rumour that the Pakistan Government insist on handing over Hindu and Sikh women only in case an equal number is handed over from this Dominion?

The Honourable Pandit Jawaharlal Nehru: No, the Pakistan Government has said no such thing. But there is a tendency among the junior officials of Pakistan to work in that direction.

AGREEMENT FOR SAFETY OF EDUCATIONAL AND RELIGIOUS INSTITUTIONS IN INDIA AND PAKISTAN.

116. ***Giani Gurmukh Singh Musafar:** (a) Will the Honourable the Prime Minister be pleased to state whether there is any agreement between the Dominions of India and Pakistan that the property belonging to educational and religious institutions will be kept intact and will not be occupied?

(b) If the answer to part (a) above be in the affirmative, are the terms of agreement observed in the Dominion of Pakistan?

(c) Are Government aware that land attached to all the Gurdwaras in Pakistan, whether historical or otherwise, has been distributed to and occupied by Muslims?

(d) If so, do Government propose to take up the matter with the Government of Pakistan and see that the terms of the agreement are strictly observed?

The Honourable Pandit Jawaharlal Nehru: (a), (b) and (d). The two Dominions have agreed that the properties belonging to educational and religious institutions will be protected and safeguarded, but there is no agreement that such properties shall not be temporarily occupied for any purpose whatever by the Government of the Dominion in which they are situated. The question of the disposal of the properties is still under discussion between the two Governments.

(c) Government have no such information.

Shri Deshbandhu Gupta: May I know, Sir, whether some of the Colleges, e.g., the D. A. V. College, and others, have already been occupied and are being used for other purposes and the Gita Bhavan has been utilised for similar purposes?

The Honourable Pandit Jawaharlal Nehru: So far as the D. A. V. College is concerned, to the best of my knowledge, it is still used as a refugee camp—I do not of course know of any developments in the last few days. I am sorry I am unable to give any information about Gita Bhavan. I can enquire into the matter if the Honourable Member so desires.

Pandit Hirday Nath Kunzru: Is the Prime Minister aware that the Vedic Research Institute which was associated with the D. A. V. College has not been permitted to remove its stock of paper or the press which could be used only for printing Sanskrit books and Sanskrit Books of a particular kind only?

The Honourable Pandit Jawaharlal Nehru: I am not particularly aware of this. But I have no doubt that what my Honourable Colleague says may be correct. There has been certain difficulty in removing things from Lahore and Pakistan as a whole. In fact, we have been concentrating, to begin with, on the removal of small valuables. The fact that they can be removed is not denied; but difficulties come in the way.

Pandit Hirday Nath Kunzru: Will the Prime Minister take some interest in this matter, because the Vedic Research Institute is one of the very few institutions in this country which are engaged in research work on the *vedas* and has been carrying on work in this line for a number of years?

The Honourable Pandit Jawaharlal Nehru: Certainly, Sir, we shall instruct our High Commissioner in Lahore to take special interest in this matter and try to send papers and other materials of the Vedic Research Institute here.

POSITION OF EXPORT OF INDIAN TEA TO KASHMIR, PAKISTAN AND AFGHANISTAN

117. ***Shri Khurshed Lal:** (a) Will the Honourable Minister of Commerce be pleased to state whether it is a fact that the principal markets for tea produced in the Dehra Dun and Kangra Valleys are Afghanistan and Kashmir, and that this tea used to be sent to Afghanistan and Kashmir from Amritsar?

(b) Is it a fact that about sixty thousand maunds of tea worth about Rupees two crores used to be exported annually from Amritsar to Afghanistan via West Punjab and North-West Frontier Province?

(c) Is it a fact that for some time past no tea is being allowed to be exported to Pakistan, with the result that export of tea to Afghanistan is totally stopped and that large stocks of tea have accumulated at Amritsar?

(d) Is the ban on the export of tea to Pakistan due to any order of the Government of India or of the Government of East Punjab?

(e) What steps do Government propose to take to preserve the market for Indian tea in Afghanistan and how do they propose to arrange for the export of tea to Afghanistan?

(f) Are Government aware that large quantities of tea could not be sent to Kashmir also this year, as the Rawalpindi route was closed and that this has also added to the accumulation of tea at Amritsar?

(g) Have Government any plan for sending tea to Kashmir?

The Honourable Mr. C. H. Bhabha: (a) Yes, Sir.

(b) Green tea exports to Afghanistan during the last three years for which statistics are available averaged about 3.4 million pounds worth about Rs. 27.8 lakhs. It is presumed that most of this tea went through Amritsar.

(c), (d) and (e). The Government of India have not placed any ban on the export of tea from India to Pakistan. It is however understood that the East Punjab Government have imposed certain restrictions on the movement of this commodity across the border. The Government of India are fully alive to the need for preserving the market for Indian green tea in Afghanistan and they are accordingly taking up the matter with the East Punjab authorities.

(f) and (g). Government are aware of the transport difficulties affecting supplies to Kashmir but they have not been specifically approached for assistance in regard to tea. If there is a demand for tea from Kashmir, they will consider how it should be met having regard to the priority of other articles and the availability of transport.

Shri Khurshed Lal: Has the Government of East Punjab imposed any ban on the export of tea?

The Honourable Mr. C. H. Bhabha: No ban as such has been placed on the export of tea, but there are certain restrictions with regard to movement of tea.

Mr. R. K. Sidhva: Does it not amount to a ban?

Mr. Speaker: Order, order, that is a matter for argument.

Pandit Balkrishna Sharma: Are Government aware that merchants from Afghanistan were prepared to take delivery of the tea at Amritsar on their own responsibility and take it to Afghanistan, but the East Punjab Government did not see their way to give them this facility?

The Honourable Mr. C. H. Bhabha: Government is not aware of any such thing, but, as I said, we are in correspondence with the East Punjab Government on this issue.

Diwan Chaman Lal: What was the reason that prompted the East Punjab Government to ban the export of tea?

The Honourable Mr. C. H. Bhabha: That is a provincial matter which I am not in a position to answer.

Shri K. Santhanam: Is the Standstill Agreement between India and Pakistan standing still?

SUPPLY OF PETROL, KEROSENE, DIESEL OIL AND OTHER PETROLEUM PRODUCTS

118. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Works, Mines and Power be pleased to state what efforts are being made to ensure adequate supplies of Petrol, Kerosene, Diesel Oil and other petroleum products?

(b) Are there any possibilities of prospecting for and tapping natural oil resources in India?

(c) If so, what steps do Government propose to take to use such resources?

The Honourable Shri N. V. Gadgil: (a) Negotiations are being carried on by the Government of India with the Oil Companies for obtaining adequate supplies of petroleum, kerosene, diesel oil and other petroleum products for India. The India Supply Mission in Washington have been advised to obtain export quotas in respect of certain quantities of petroleum products. Government are also trying to explore the possibility of obtaining supplies from other sources.

(b) Besides the known oil bearing areas which are already being explored no new sources which can be tapped economically have yet been discussed. Possibilities of striking new fields, however, always exist.

(c) The Geological Survey of India is drawing up an intensive programme of geological and geophysical exploration, for oil. Government also propose to encourage private prospecting for oil in India.

Shri Deshbandhu Gupta: May I know, Sir, whether any effort is being made to get some oil products from the USSR also?

The Honourable Shri N. V. Gadgil: A few months ago, we approached the Trade Commissioner of USSR at Calcutta, but so far no reply has been received.

Shri Deshbandhu Gupta: In view of the fact that we have now closer relations with Russia, do Government propose to renew their efforts and try to get supplies from Russia?

The Honourable Shri N. V. Gadgil: As I have already stated, inasmuch as no reply has been received it apparently seems that the USSR is non-communicative.

Shri B. Das: Is it not high time for the Government of India to appoint Trade Commissioners in Moscow so that we can have direct contact with the Moscow Government?

The Honourable Shri N. V. Gadgil: Yes, it is high time.

Shri B. Das: Why not immediately?

Shri M. V. Kamath: Arising out of answer to part (a), which are the oil companies with whom Government are negotiating at present.

The Honourable Shri N. V. Gadgil: There are several, and a detailed reply was given on the 28th of January 1948 to a question asked by Mr. Sidhva. But if the Honourable Member wants the names of the companies, I cannot give them just now; I will give the information later on.

ACTION AGAINST ILLICIT PRACTICES BY IMPORT LICENCEES

119. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Commerce be pleased to state whether Government are aware of the fact that a number of importers possess import licences obtained under false declarations?

(b) Are Government further aware that there is a practice of transferring valid licenses to others?

(c) Has any action been taken by Government against any person or firm for obtaining license under false pretext, and if not, why not?

(d) What steps do Government propose to take to stop such practices?

The Honourable Mr. C. H. Bhabha: (a) It is possible that some importers may have obtained import licences on the production of false declarations and false evidence.

(b) Import licences are not transferable except with the written permission of the authority granting the licence.

(c) and (d). Where it has come to the notice of the Government that an importer has obtained licences under false pretexts action has been taken to debar such parties from getting any further import licences. Unauthorised transfers of licences, when they come to the notice of Government, are also dealt with severely either by confiscation of the goods or the levy of a penalty or by blacklisting both the transferor and the transferee.

Shri Deshbandhu Gupta: Has the Honourable Minister's attention been drawn to the fact that there has not only been unauthorised transfers but public invitations for transfers published by way of advertisements in certain newspapers? For instance, has his attention been drawn to the following advertisement in the *Times of India* of the 9th January 1948:

"U. S. A. newsprint licence available. Interested parties please contact Tavaria Brothers, 'Dhun-Nur' Phirozeshah Mehta Road, Bombay."

May I know whether any action has been taken on this?

The Honourable Mr. C. H. Bhabha: I do not know about this specific case but such things have been brought to the notice of Government, and suitable action has been taken in these cases.

Shri Deshbandhu Gupta: Has the attention of the Honourable Minister been drawn to another advertisement in the *Times of India* of the 29th January as follows:

"Business representation at Delhi undertaken for licences by influential person experienced in import/export trade. Write to Murthi, P. B. 278, New Delhi."

The Honourable Mr. C. H. Bhabha: I do not know about this specific instance, but our attention has been drawn to this thing and we have devised methods to see that such intermediaries are eliminated.

Shri Deshbandhu Gupta: May I know against how many people action has so far been taken for transferring licences?

The Honourable Mr. C. H. Bhabha: I am not in a position to state the exact number but quite a large number of cases have been severely dealt with.

Shri H. V. Kamath: What is the kind of suitable action that has been taken?

The Honourable Mr. C. H. Bhabha: I have explained the action that is taken in such cases; they are:—confiscation of goods, blacklisting of such applicants for the next application quota period and preventing them from entering the C. C. I.'s office.

Shri Deshbandhu Gupta: Has the attention of Government been drawn to this report in the *Times of India* of the 8th January last?

"ALLEGED IMPORT LICENCE RACKET"

ONE MAN ARRESTED

Chamanlal alias Babulal J. Mehta, believed to be connected with a gang engaged in an import licence racket, was arrested by the Anti-Corruption Branch of the Bombay City Police on Saturday on charges of theft, cheating and abetment.

According to the police a merchant in Bombay doing export and import business had in June last applied to the Chief Controller of Imports at New Delhi, for licenses to import steel balls worth Rs. 4,66,400 from the United Kingdom.

The merchant did not receive the licenses for a long time. In December the suspect approached the merchant and introduced to him a person who he said, would be able to secure the licences. The payment for the "deal" was fixed at two per cent. of the total value of the imports, namely, Rs. 9,328.

On December 26 last, Mehta informed the merchant that the licences had been received in Bombay and would be delivered to him on payment of the stipulated money. The merchant became suspicious and informed the Anti-Corruption Branch.

A trap was laid by the police and on Mehta receiving the money after delivery of the licences, he was arrested. The police believe that some persons at New Delhi had a hand in this game and had been responsible for withholding the licences with a view to making money on false representations."

The Honourable Mr. C. H. Bhabha: Government are aware of this case; the matter is under police investigation.

Shri Deshbandhu Gupta: Have any officials connected with the Department been arrested in this connection?

The Honourable Mr. C. H. Bhabha: Some junior assistants have been questioned by the police.

Seth Govinddas: Are Government thinking of prosecuting such parties in the law courts for cheating?

The Honourable Mr. C. H. Bhabha: Where there is definite proof the matter is handed over to the police.

Shri Deshbandhu Gupta: Are Government prepared to lay on the table of the House a statement containing the names of those firms which were not dealing in certain commodities but were given import and export licences and traded in these licenses?

The Honourable Mr. C. H. Bhabha: Government have no such list because most of the applicants merely stated generally that they were importers and exporters. It is very difficult for Government to find out whether a particular merchant is handling a particular commodity for which he has put in the application.

Shri Deshbandhu Gupta: Are Government prepared to set up a machinery now—in view of so many glaring instances of corruption having come to notice—to go into these instances, check up the list, blacklist those persons and publish the names of those to whom these licenses were given?

The Honourable Mr. C. H. Bhabha: Government are working in that direction already. I may inform my Honourable friend that the new import licensing forms seek more information than was given in the previous forms, with the result that Government will be in a better position to judge whether a particular applicant has been dealing in these particular commodities.

Shri H. V. Kamath: Will Government consider the advisability of publicly flogging such offenders?

Mr. Speaker: Order, order; next question.

SHORT NOTICE QUESTIONS AND ANSWERS

ATTACK ON THE PARACHINAR REFUGEE CAMP BY TRIBESMEN

Shri Deshbandhu Gupta: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) whether the attention of the Government has been drawn to the Press Report regarding the attack on the Parachinar Refugee Camp by tribesmen resulting in the massacre of a large number of Hindu and Sikh refugees?

(b) If so, have Government made enquiries about the same and got any information as to the number of refugees killed, injured and abducted?

(c) Have Government asked the Government of Pakistan to explain their failure to discharge their duties in the matter and if so, what reply has been received from them?

The Honourable Shri K. C. Neogy: (a) Yes.

(b) The only information so far available has been supplied by local representatives of the Pakistan Government to our representative at Peshawar. According to the information supplied by them it appears that 180 non-Muslims

living in the Parachinar camp were killed, 81 wounded and 50 abducted. Inquiries made of people who have been evacuated to the territories of the Indian Union, however, indicate that 138 non-Muslims were killed, 223 abducted and 160 injured more or less severely.

(c) The strongest representations have been made to the Pakistan Government indicating the views of this Government on the attitude of the Pakistan authorities on the question of protection and evacuation of the refugees at Parachinar and the necessity of immediate evacuation of other non-Muslims from the N.-W. F. P. and the tribal areas. We have also emphasized the responsibility of the Pakistan Government for the immediate recovery of the abducted persons. An interim reply has been received.

Shri Deshbandhu Gupta: Have Government taken any other measures to find out from other sources the exact number of abducted and injured persons?

The Honourable Shri K. C. Neogy: Statements are being recorded of the survivors who have reached the Kurukshetra camp. I do not suppose there is any other agency available to us for the purpose of making inquiries in this matter.

Shri Deshbandhu Gupta: What is the reply received from the Pakistan Government?

The Honourable Shri K. C. Neogy: It is an interim reply and does not deal with all the facts. A more detailed reply is expected.

Shri Deshbandhu Gupta: Is it a fact that the Pakistan Government had undertaken to protect the inmates of this camp and they were not allowed to be evacuated when they expressed their desire to do so?

The Honourable Shri K. C. Neogy: Yes, that is more or less the position.

Pandit Hirday Nath Kunzru: Is it a fact that a section of the Mongal tribe living in Afghanistan attacked this camp?

The Honourable Shri K. C. Neogy: I do not know exactly the particular tribe involved in this crime.

Pandit Hirday Nath Kunzru: Was it a tribe belonging to Afghanistan?

The Honourable Shri K. C. Neogy: Actually, from what I have heard from the people among the survivors, there is a dispute as to whether the attack was launched by the tribal people or by others. I should not like to make a definite statement on the point just yet.

Pandit Hirday Nath Kunzru: Is an enquiry being made?

The Honourable Shri K. C. Neogy: As far as possible, we are having statements recorded of the survivors who are at Kurukshetra. Meanwhile our representative in Peshawar is busy getting more details for us and again we are waiting for a final and detailed reply from the Pakistan authorities.

Shri Mohan Lal Saksena: Has any representation been made by the Government of India to the Pakistan Government to get compensation for those persons who have lost their lives?

The Honourable Shri K. C. Neogy: No specific demand for compensation has yet been made. Everything will depend upon the final picture that we get from their reply.

گہانی گورمک سنگھ مسافر : کیا یہ ٹھیک ہے کہ پاراچنار کے متعلق پہلے سے ہی آپ

کے دفتر میں یہ اطلاع آئی تھی کہ وہاں کے غیر مسلم بہت خطرے میں ہیں۔

Giani Gurmukhsingh Musafar: Is it a fact that in respect of Parachinar information had already been received in your office that the Non-Muslim residents of that place were in great danger?

The Honourable Shri K. C. Neogy: As a matter of fact, I have been personally looking into this matter for several weeks past, and I have been off and on meeting deputations from Parachinar who have been at Delhi for some time. In a press statement that was issued from my Ministry a few days ago, the full details of the various stages through which these negotiations and representations had proceeded have been given.

Shri M. Ananthasayanam Ayyangar: May I know from the Honourable Minister if non-Muslims include any others other than Hindus and Sikhs?

The Honourable Shri K. C. Neogy: I do not think so. But as the figures separately of Sikhs and Hindus are not available, we use this phrase in such replies.

NATIONALIZATION OF THE RESERVE AND IMPERIAL BANKS OF INDIA

Shri Mohan Lal Saksena: Will the Honourable the Finance Minister be pleased to state:

(a) What steps have Government taken to implement the decision announced in the Budget speech for 1947-48 by the then Finance Member to nationalise the Reserve Bank?

(b) Is it the intention of the Government to nationalise the Imperial Bank of India which manages the treasury business of Government all over the country as Agents of the Reserve Bank?

(c) If the answer to (b) above is in the affirmative, can the Government give an indication of the basis on which compensation will be paid to the existing shareholders of both these Banks?

(d) Is it the intention of Government to nationalise the other Commercial Banks also?

The Honourable Shri R. K. Shanmukham Chetty: (a) Nationalisation of the Reserve Bank can be effected only after the 30th September 1948 when the Reserve Bank ceases to be a common banker for India and Pakistan under the terms of Pakistan (Monetary and Reserve Bank) Order 1947. Government propose to take steps to see that the nationalisation of the Bank is affected as soon thereafter as possible.

(b) Government accept the policy of nationalising the Imperial Bank of India but as the Bank has branches outside India, Government propose to examine carefully the various technical questions that would arise in connection with the nationalisation of the Bank before the policy is implemented.

(c) As regards the Reserve Bank, Government's intention is to acquire its shares at the average of the monthly market value of the shares during the period March 1947 to February 1948 taking the opening quotations for each month and to issue thereof to the shareholders three percent, long-dated stock of equivalent value of appropriate maturity. In regard to the Imperial Bank of India, Government propose to adopt a similar basis for the acquisition of its share capital. The period for which the average of the market value of the shares is to be taken will be determined at the time of nationalising the Bank.

(d) It is not the intention of Government to nationalise other Commercial Banks. The Imperial Bank of India, which has been incorporated by a special Act of the Indian Legislature, stands on a separate footing.

Shri T. T. Krishnamachari: Does the Finance Minister propose to introduce any legislation for the time being so as to amend the Imperial Bank Act and give the Central Government or the Governor of the Reserve Bank such powers of inspection over the accounts of the Imperial Bank so as to ensure that the assets of the Bank will remain intact till such a time when the Government decides to take it over?

The Honourable Shri R. K. Shanmukham Chetty: I have already stated in my reply that since Government have accepted the policy of nationalising the Imperial Bank of India all the various technical and other problems involved in that process will now be taken into consideration and whatever action is necessary will be taken.

Shri B. Das: Will the Honourable Finance Minister advise the management of the Imperial Bank to stop all foreign recruitment and also recruitment in India till the Honourable Finance Minister takes over the Imperial Bank?

The Honourable Shri R. K. Shanmukham Chetty: I think, Sir, that recruitment of foreigners into the Imperial Bank has been stopped now for many years.

Shri B. Das: No, Sir.

The Honourable Shri R. K. Shanmukham Chetty: Oh yes, it has been!

Mr. Speaker: Order, order.

Shri M. Ananthasayanam Ayyangar: In view of the book value of the various assets being lower than the market value, steps will have to be taken to see that assets are not transferred for their book value and that thus loss is prevented to the bank when the Government takes it over.

The Honourable Shri R. K. Shanmukham Chetty: Every possible step necessary to safeguard the interests of the Government and the shareholder will be taken.

Mr. Naziruddin Ahmad: Will the Honourable Minister be pleased to state whether it is intended to take over also the Reserve Fund or allow that to be distributed to the shareholders and take the shares apart from the Reserve Fund?

The Honourable Shri R. K. Shanmukham Chetty: When we nationalise a bank Government takes over the entire assets and liabilities of the bank including the reserve fund, and we compensate the shareholders on the basis that I have explained.

Seth Govinddas: Have the Government received any reports from smaller banks that the Reserve Bank directors, who are entitled to see the accounts of the other small banks, do some such thing that those small banks are harmed? Until the Reserve Bank is nationalised, what steps are Government going to take to see that these Directors may not be able to see the accounts of smaller banks about whom it is said that reports have been made to the Government?

Mr. Speaker: How does it arise out of this question?

Seth Govinddas: Because the Reserve Bank is going to be nationalised at a later date and smaller banks are being harmed. I want to know what steps

Mr. Speaker: I am afraid I must differ from the Honourable Member.

Dr. B. Pattabhi Sitaramayya: Will Government be pleased to ascertain the exact amount of the unclaimed deposits in the Imperial Bank as they stand today and make sure of that figure?

The Honourable Shri R. K. Shanmukham Chetty: As I said, lots of questions will arise about safeguarding the entire assets of the Imperial Bank, and if there is any unclaimed deposits, naturally it will be one of the assets which we will certainly try to safeguard.

Shri B. Das: Is the Honourable Member aware that the Imperial Bank advances overdraft money to foreign firms working in India and discriminates against Indian firms by charging high interest? Will he stop that practice immediately by executive order?

Mr. Speaker: The House will now proceed with the Resolutions.

ESTABLISHMENT OF A PERMANENT FAMINE COMMISSION AT CENTRE.

Shri Mohan Lal Saksena (U. P.: General): In view of the Statement made by the Honourable the Finance Minister, I do not propose to move the resolution in my name.

Shri T. T. Krishnamachari (Madras: General): I do not propose to move the resolution in my name.

Shri M. Ananthasayanam Ayyangar (Madras: General): I do not move the first one. I move the second one.

Haji Abdus Sattar Haji Ishaq Seth (Madras: Muslim): On a point of order. My friend has submitted that he does not want to move the first resolution but the second one. On the agenda that has been supplied to us, it has been definitely stated that my Honourable friend will move the first resolution provided it is not barred. Then again, when he has given notice of the second resolution, he says that it will be moved when the other is barred. Therefore, he is bound to move the first resolution.

Shri M. Ananthasayanam Ayyangar: There are two resolutions in my name. It is open to me to give up one resolution and go on to the other.

Mr. Speaker: I do not follow.

Shri M. Ananthasayanam Ayyangar: Another point was raised by my friend. We will assume both these were tabled in my name. It is open to give up one and go to the other resolution. I cannot see any point of order in this.

Mr. Speaker: There is force in the argument of Mr. Ishaq Seth, but it is absolutely a matter of volition on the part of the Honourable Member to move or not to move a resolution. As the House would have noticed in the case of the first two resolutions, the Honourable Members concerned got up and said that they did not want to move them.

Haji Abdus Sattar Haji Ishaq Seth: It is particularised here. It says "if the above is barred".

Mr. Speaker: I think the Honourable Member Mr. Ananthasayanam Ayyangar is perfectly in order.

Shri M. Ananthasayanam Ayyangar: Sir, I beg to move:

"This Assembly is of opinion that with a view to offer quick and adequate relief to famine stricken areas where a famine has begun and to take steps by developing the areas so as to avoid famine recurring, a permanent Famine Commission shall be established at the Centre, charged with the duty of affording relief during actual distress and developing the areas industrially, economically and agriculturally so as to avoid famine conditions appearing."

Sir, India has been the home of famines. The history of India can be written according to the number of famines that have occurred from times immemorial and have ravaged this country from end to end. We find that as early as the period of the Upanishads there was a twelve years' famine. Viswamitra had to live on dog's flesh. Later on we find that even during the days of the Ramayana, Dasaratha brought Rishyashringa from the jungle during a twelve year famine and there was plenty of rain in the 13th year. This state of affairs has not since improved considerably or adequately. Science has progressed so far in Western countries that man has been able to conquer the laws of nature. But we have not, unfortunately, been able to utilise all the progress that science has made and we have not been able to use this scientific progress in avoiding famine conditions.

Agriculture in this country is mostly dependent upon rains and these rains come by way of monsoons. The South-West monsoon which starts in May and ends only in October covers a large area of this continent. The North-East monsoon covers the southern portion of the Madras Presidency and Eastern Bengal. In the Gangetic valley the winter rains commence in December normally and go on till February. If they fail for any reason draught comes in

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immediately. In various parts of the country rainfall varies from a maximum of 15 inches in Rajputana to 30 or 40 inches maximum in the Deccan plateau. In the Western Ghats and the Western Coast the rainfall ranges from 70 to 150 inches. In the eastern part of Madras Presidency it is 50 inches, in Eastern Bengal it is higher and at Chirapunji the rainfall is the highest in the world. So far as the Gangetic valley is concerned it does not suffer from draught so often as the Southern plateau but now and then it also suffers for want of rains.

Let us see in what cycle of years famines have set in. I would only read the dates as I have been able to gather them from the chronicle given in some of the Famine Commission reports. After the Moghul Empire let me come to the time when the Britishers came to occupy this land. In 1770 Lower Bengal and Bihar were afflicted with famine. Ten million people are said to have died in 1784. Upper India was afflicted with famine in 1781-82; Madras in 1791-92; Hyderabad and North Madras in 1802-4; Hyderabad, North Madras and Bombay in 1837. The northern parts of Madras, viz., the Guntur district, were, so seriously afflicted with famine that large number of *langar khana*s were opened in Madras by charitably-disposed people. In 1812-13 and 1824-25 again Bombay and Madras were seriously afflicted. In 1833 there was the worst famine in Guntur district. Two lakhs of people died out of a total population of five lakhs. In 1837 there was the first severe famine in upper India which extended from Allahabad to Delhi. In 1854 Madras was once again afflicted with famine and at this time Bellary district was affected. There were famines in 1837, 1866, 1867, 1880, 1875-76, 1898 and then we had the latest famine in Bengal which was partly man-made and partly God-made. I cannot say that there is famine in any particular part of the country, for there is famine all throughout the country and it has been in existence for a number of years. But for the imports from foreign countries we would have disappeared from the land. It is common knowledge that we have been living on rations. Though decontrol has been introduced there is no increase in the quantity of foodgrains that is available. Some rich men may be able to get more but the rest of the population are not able to get anything at all. Even with a normal rain-fall of 15 inches in some parts and 30 to 40 inches in others, even when the monsoons do not fail 30 per cent. of our population are under-fed. The production of food in our country even with the best of rainfall has been enough to provide food for only 70 per cent. of the population. When the crop yield is 50 per cent. there is immediately a draught and lots of people suffer. The people that suffer most are the lower classes. The moment the monsoons fail there is no more work for the agricultural labourers who have to depend on agriculture. They flock from there to the towns, as they have no money to purchase food with. Artisans migrate gradually one after another and soon other sections of the population get affected. The lower ranks of the labour population die like flies. Fortunately on account of easy communication with the rest of the world and good communications and other transport facilities in India we have avoided large scale deaths in this country.

How long we are to put up with this state of affairs. Hitherto all that has been done was to relieve distress not by way of prevention but by way of protection. After the famine of 1880 a Commission was appointed which went into the matter closely and tried to find out the causes of famines. The scientific cause of famines was said to be the occurrence of sun spots but nobody has discovered why monsoons fail or why they occur. It has been said that after a cycle of ten or fifteen years the same place is affected and that the whole country is afflicted once in 50 years. That is what appears from the statistics that have been gathered and the various reports that have been published. As early as 1880 they said that protective relief is not so important as preventive relief and they suggested that the various irrigation projects must be immediately taken in hand by the Government. They said that the Godavari delta

must be improved and that the Tungabhadra project must also be started. I am interested in the Tungabhadra project because in the previous Assembly I represented the five districts of the Madras Presidency which are notoriously famine-stricken. That was in 1880 and it is 1948 and it is only now that the Tungabhadra project has been taken on hand. I am glad to see that a Bill has been introduced in regard to the Damodar Valley Project to bring into existence a corporation to improve that valley. This is not at all adequate.

The food that we are producing at present is not at all sufficient even to give ten ounces per head by way of cereals. Cereals are recognised as the staple food of the country. Our country is not rich and therefore we have not got plenty of meat, egg and fish which in other countries are available in plenty. In our country non-vegetarians are not able to get sufficient quantities of these, with the result that both vegetarians and non-vegetarians alike live largely on cereals. Therefore increase in the production of cereals should be the first desideratum or the first requisite to keep body and soul together in this country. The total acreage under cultivation of cereals in this country was 182 millions in 1943-44 and the yield was to the tune of 53.7 million tons. On an average of sixteen ounces per head of the population we require 65.1 million tons. We are therefore in deficit to the tune of nearly twelve million tons per year. We were deficit even before the war and we were importing a million and half tons of rice from Burma. That has stopped. What steps are going to be taken to supply this deficiency?

After the Bengal famine a Commission was appointed to enquire into the causes of that famine. The Commission went into the matter and submitted two reports, one exclusively confined to Bengal, setting out the causes of the Bengal famine and suggesting what steps ought to be taken with reference to Bengal to increase the food production, and another Report in general relating to famine conditions in the whole of India, suggesting preventive measures and also protective measures regarding famine relief. They urged that district committees ought to be appointed in the Provinces for increasing production. They said that in each Province at Cabinet level the Prime Minister with the Agriculture Minister and two other Ministers must form themselves into a Committee with local district Councils and that the departmental officials must take to the work of increased production. The first thing that has to be done is all sources of water supply ought to be tapped. As agriculture mainly depends upon water supply we may take it that monsoon will fail as it has been failing for a number of years. Therefore every source of water supply ought to be tapped. There are perennial rivers in Northern India and in Southern India also. Every effort ought to be made to have a number of canals and utilise all the water that is now flowing into the sea for the purpose of agriculture. It has been estimated that on an average only seven per cent. of the water that flows through the river Godavari is utilised for the purpose of irrigation and 93 per cent. of the water goes away into the sea. Similar estimates have been made with respect to the other rivers also. Therefore large canal projects ought to be undertaken by the Central Government.

My Resolution is that at the Centre a Famine Commission ought to be established—a permanent Commission—for the purpose of developing sources of irrigation and improving agriculture. That is my intent. From 1880 till 1919 the Central Government was financing famine relief works. After 1919 they handed over famine relief to Provincial Governments. As during the Bengal famine the Provincial Government was not able to cope with the magnitude of the relief works that had to be undertaken, rupees eight crores were given by the Centre. It is now common knowledge that for the past two or three years the Centre has been spending Rs. 19 to 20 crores per year by way of subsidy on foodgrains in the country. Instead of spending these amounts sporadically and spasmodically as and when famines occur all this money may be conserved and entrusted to a Central Government corporation whose sole

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business will be to develop the sources of irrigation, to tap all kinds of sub-soil water where there is no river by boring tube wells, during the time of floods to divert the water in small rivers which are not perennial into tanks and keep storage supplies, in the case of perennial rivers to dam those rivers and divert the water through various channels. These are the ways in which the Central Commission ought to address itself for increasing production.

Shri H. V. Kamath (C. P. and Berar: General): On a point of clarification, Sir; will it not be more appropriate to call the proposed body as the 'Anti-Famine Commission' or the 'Famine Relief Commission'?

Mr. Speaker: Order, order.

Shri M. Ananthasayanam Ayyangar: Sir, I only want the substance. Let it be called by any name. If I say Preventive Famine Commission instead of saying Famine Commission in general it will exclude the possibility of relief when actually famine sets in, and I do not want to exclude that. I am trying to make it as general and as comprehensive as possible. I am not sticking to any particular term or nomenclature for this Commission. I want the Commission to have these functions in general. It must be a Commission which must take all steps to increase production. Even in the absence of rainfall and assuming that monsoons will fail it must make all preparations to see that water somehow comes in for the purpose of agriculture. Sub-soil water can be tapped, water can be stored in tanks at the time of floods and used for crops of non-monsoon seasons. For ordinary season crops wherever water is available in perennial rivers it may be dammed and diverted through canals. Waste lands may be brought under cultivation and cultivation thereby extended. There should also be intensified cultivation. It must be the duty of this Commission to supply manure, good seeds, implements of husbandry, to carry water to the very doors of the agriculturist wherever sub-soil water can be tapped, to supply mechanical appliances—these are the functions which I expect the Commission to undertake.

Inasmuch as it is a Provincial subject 50 per cent. of the funds of this corporation or board may be supplied by the Provincial Government and the other 50 per cent by the Centre until India makes itself self-sufficient. We can even go without clothing but not without food. For want of cloth men will not die, but the first need is that they must have sufficient food. This must have the first priority and the Central Government cannot be indifferent about it. I am not however accusing the Central Government at all. As occasions arose the Central Government has been coming to aid. But it has not addressed itself to all the problems that arise and taken a comprehensive view of establishing a corporation like this. The Central Government ought not to sleep until we make ourselves self-sufficient in the matter of food. That is the object with which this Commission should be established.

The Central Commission may be entrusted with the power of producing or increasing the production of other kinds of food also, for instance Milk. It is said that a normal balanced diet should consist of ten ounces of milk per day, of so many ounces of protein which eggs can give, of two ounces of fats and oils etc., all of them coming to 44 ounces for an average individual per day. But we do not have even ten ounces which give only 1,000 calories whereas the normal requirement is about 2,000 to 2,500 calories. We are thus absolutely deficient.

As regards acreage under cultivation, it has been estimated by an American expert that 1.23 acres of land must be cultivated to grow sufficient cereals for the consumption of a normal individual whereas, per head of the population in this country, the acreage under cultivation is only 0.73 which is only 50 or 60 per cent of the area required to be cultivated with cereals. We are absolutely deficient in this.

Cereals may not be able to solve the problem. Therefore milk production ought to be increased, and also fish. Trawlers, boats and machinery for deep sea fishing must be made available. I am a vegetarian, but 75 per cent of the population, if not 80 or 85 per cent, are non-vegetarians. They ought not to be allowed to die and the life of an individual should certainly have preference over the life of a fish.

Shri H. V. Kamath: Are you an egg-vegetarian?

Mr. Speaker: Order, order.

Shri M. Ananthasayanam Ayyangar: I said fish production must be increased in large quantities. Cattle wealth must be increased, there must be more milch-cows, dairy farms must be established. There is a model farm at Pusa, practically the one dairy farm that I have been able to see in Northern India. Similar dairy farms must be established all over the country.

If individuals are not able to purchase the breed of cattle from here at the prices that are offered, they may be given some remission, and at half the price the cattle may be supplied to persons who are intending to have dairy farms. In various ways the Central Government and the Provincial Governments can help. The Central Commission naturally must have branches all over the provinces with equal powers or acting under the terms of the Central Commission. These are some of the ways in which a Central Commission can work both for preventing famines and also for giving relief when famine conditions prevail.

I am glad that the Honourable Minister, with a lot of experience in politics and in social service is in charge of this administration, and is equally capable like his predecessor Dr. Rajendra Prasad who was in charge of this administration. I am sure that he will take note of the suggestions that I have made and would very soon initiate and bring into existence, with such modifications as may be necessary, a corporation of this kind with all powers so that in a couple of years or three years, India may be made self-sufficient in respect of foodgrains all through the year.

There is one more function for the corporation. Till we make ourselves self-sufficient in food, I would suggest that this Development Corporation must have what may be called a Grains Bank. Just as the Reserve Bank controls the economic life of this country—whenever there is plenty of money in the country, when there is surplus, it withdraws, and when there is deficiency, it puts money in trade and industry—likewise I suggest they must now import as much grain as possible by entering into separate arrangements with Burma. By way of barter or exchange, they should give them cloth and other things that might be necessary and enter into an agreement for a period of five years and build up granaries in this country to the tune of two or three million tons, so that whenever there is failure of monsoon and dearth of grain, grain may be released to the market: whenever there is a plethora, the grain may be withdrawn and prices may also be controlled. These are some of the suggestions made by Sir V. T. Krishnamachari's Committee which sat over this matter. I suggest that one of the functions of the Famine Commission should also be to establish a bank of that kind, to regulate prices and also to see that abnormalities in either production or scarcity may be done away with.

I hope that the resolution will be accepted by the Government and will be implemented as early as possible.

Mr. Speaker: Resolution moved:

"This Assembly is of opinion that with a view to offer quick and adequate relief to famine stricken areas where a famine has begun and to take steps by developing the areas so as to avoid famine recurring, a permanent Famine Commission shall be established at the Centre, charged with the duty of affording relief during actual distress and developing the areas industrially, economically and agriculturally so as to avoid famine conditions appearing."

Kazi Syed Karimuddin (C. P. and Berar: Muslim): Sir, it is not necessary for me to go into the details of the problem. There is no doubt, Sir, that bumper crop or failure of crops in India depends on the caprices of weather, and it is also a fact in the history of India that there have been several famines. Therefore the establishment of a Famine Commission is both urgent and necessary because famines in the past have had very devastating effects on the population, the after effects were very serious and the mortality was very high. We have seen, Sir, that a famine broke out in Bengal in the year 1942-43, and the Government and the people or those who were in charge of the administration were not ready to meet that evil. Why? Because there was no permanent body as suggested by my Honourable friend Mr. Ayyangar to meet the evil. The medical services were not in a position to cope with the demand; the transport was not in a position to bring goods as soon as possible, and there was no administrative machinery to cope with the supply and demand of the grains. In the absence of such a permanent body, it is not at all possible to keep any reserve in point of grain or in point of services. People forget the rigours of famine and their sufferings very soon after the famine is over. There is hardly any permanent body left in the country to meet the evil in any province or in the country as a whole, and in the absence of this, it is not at all possible to meet the rigours of any famine in India. In Bengal it was found that the Provincial Government was not prepared to meet all these eventualities. Supply and demand could not be adjusted and medical services could not be organized because they did not have any permanent body either in India or in Bengal to meet these eventualities.

Shri Mihir Lal Chattopadhyay (West Bengal: General): But that famine was created deliberately by the Government as a matter of policy?

Kazi Syed Karimuddin: You must be knowing it better.

A permanent body, Sir, could maintain an efficient system of intelligence, an effective programme, leave reserve of establishment, reserve of tools and plant, irrigation schemes and extra medical services. I therefore support the motion and submit that the establishment of a permanent Famine Board in India is an urgent necessity as famines in India are frequent and past history has shown that the Central Government or the Provincial Governments have not been able to meet the eventualities.

सेठ गोविन्ददास : सभापति जी, मैं इस प्रस्ताव का समर्थन करता हूँ। जहाँ तक कृषि का सम्बन्ध है वह प्रांतीय विषय है। परन्तु कई ऐसे निर्धन प्रांत हैं जहाँ अभी तक कृषि का पूर्ण विकास नहीं हुआ है और दुष्काल को रोकने के लिए भी उन्हीं प्रांतों पर भार रख दिया जाय तो इस परिस्थिति में सुधार क्रम से कम बहुत शीघ्र होना सम्भव नहीं होगा।

हमारी आर्थिक उन्नति के सम्बन्ध में बड़ी २ योजना बनाई जा रही हैं। जहाँ तक हमारे देश का सम्बन्ध है, चाहे हम कल कारखाने बढ़ाने का कितना ही प्रयत्न क्यों न करें, जब तक हम कृषि की उन्नति नहीं करेंगे तब तक आर्थिक उन्नति करना संभव नहीं होगा। अभी मेरे माननीय मित्र, आर्यगर जी ने अपने प्रांत का दृष्टान्त दिया और उन्होंने बतलाया कि उनके प्रांत में कई जिले ऐसे हैं जहाँ पर लगातार दुष्काल रहता है। मैं अपने प्रांत का दृष्टान्त देना चाहता हूँ, हमारा एक छोटा और निर्धन प्रांत है वह प्रांत ऐसा है जहाँ अति वृष्टि और अनावृष्टी दोनों से

हानी होती है। वहाँ पर आबपाशी सब प्रांतों से कम होती है और अति वृष्टि के कारण भी बहुत हानि हो जाती है। मैं माननीय सदस्य को यह बताना चाहता हूँ कि जबलपुर और उसके आस पास के स्थानों पर आज लगातार १७ वर्षों से अति-वृष्टि के कारण अच्छी फसल नहीं हो रही है। तो हमको केवल आबपाशी का ही प्रबन्ध नहीं करना है बल्कि साथ ही साथ इस तरह की योजनाओं पर भी विचार करना है जिस से अति वृष्टि होने से हम फसलों को बचा सकें। हमारे यहाँ जो एक विशेष प्रकार की बीमारी होती है उसकी ओर मैं माननीय सदस्य का ध्यान आकर्षित करना चाहता हूँ। वह जबलपुर और उसके आसपास के स्थानों पर होती है। उस बीमारी को 'गेरुआ' यानी 'रस्ट' कहते हैं। जब जाड़ों में बहुत अधिक पानी पड़ जाता है तब यह होता है। मेरे कहने का मतलब यह है कि जब तक कोई ऐसी केन्द्रीय कमेटी न बने जो सब स्थानों की परिस्थिति को देख कर यह निर्णय करे कि दुष्काल को रोकने के लिए क्या हो सकता है जो बड़ी २ आर्थिक योजना बनाई जा रही है उन योजनाओं में क्या किया जा सकता है तब तक हम पूरी आर्थिक उन्नति नहीं कर सकते इसलिए मैं इस प्रस्ताव का समर्थन करता हूँ।

मैं यह भी आशा करता हूँ कि यह कमीशन इस देश में उन स्थानों को भी देखेगा जहाँ कि लगातार दुष्काल होता है और यह भी देखेगा कि इन दुष्कालों के होने का क्या कारण है। अन्न उत्पन्न करने के लिए कहां पर पानी की जरूरत है और अति वृष्टि के कारण कहां पर उस पानी को नालियां आदि द्वारा निकालने की जरूरत है। आबपाशी के सिवा वह यह भी देखे कि जहाँ अति वृष्टि होती है वहां नाली आदि की कैसी व्यवस्था हो सकती है जिस से उस जमीन की उपज ठीक हो सके। हमें उस जमीन का भी विचार करना चाहिए जहाँ पर खेती नहीं होती है, जहाँ उपजाऊ जमीन है पर आबपाशी न होने के कारण वहां की उपज कम होती है। जहाँ अधिक पानी बरसता है वहां उसके कारण उपज कम होती है।

इसके साथ ही साथ हम को यह भी ख्याल करना चाहिए कि बीज किस जमीन के लिये कौनसा उपयुक्त होगा। अक्सर देखा गया है कि एक बीज एक किस्म के खेत में अच्छा अन्न देता है और दूसरी जमीन के ऊपर वह अच्छा अन्न नहीं देता जिस जमीन में पानी अधिक है और नमी अधिक है वहां पर एक प्रकार का बीज कम देता है और दूसरी जगह दूसरे किस्म का बीज। बीज की भी बहुत अच्छी व्यवस्था करनी चाहिये। केन्द्रीय व्यवस्था को इस बात का भी ध्यान रखना चाहिये कि किस स्थान पर किस तरह का बीज उपयुक्त होगा।

इसके साथ ही साथ खाद की ओर भी देखना होगा। हमारे देश में इस चीज की बहुत कमी है और हमारे किसान बहुत निर्धन हैं और वे इसकी अच्छी तरह से व्यवस्था नहीं कर सकते हमको खाद के लिए इस तरह की योजना तैयार करनी

[सेठ गोविन्ददास]

चाहिये जिससे किसान उसका उपयोग कर सकें। इसके लिए हमको वैज्ञानिक खंज की जरूरत होगी। इसके साथ-साथ ही जैसा कि आयरंगर जी ने कहा है, हम दूध भी अधिक उत्पादन कर सकेंगे जो हम दुष्काल के समय में लोगों को दे सकते हैं यदि हम गोबर की खाद तैयार करें। मेरा कृषि से सम्बन्ध रहा है, हम लोगों के कुटुम्ब का सम्बन्ध कृषि से रहा है जमींदार होते हुए हम लोगों ने खेती की है। हमारे मध्य प्रांत का यह सौभाग्य है कि यहां के जमींदार संयुक्त प्रान्त और बिहार के जमींदारों के सदृश नहीं जो खेती न कर किसानों से केवल लगान लेते हों। हमारे प्रान्त के जमींदारों को खेती का बहुत अनुभव है।

मैं माननीय मंत्री जी को कहना चाहता कि ऐसी केन्द्रीय व्यवस्था की आवश्यकता है कि जिस केन्द्रीय व्यवस्था और प्रांतों का घनिष्ठ संबन्ध हो सके और यह केन्द्रीय व्यवस्था जो हो, वह प्रांतों से सम्बन्ध रख कर, हर प्रांत की परिस्थिति को देखकर उस पर ध्यान रखकर, एक बड़ी योजना तैयार करें जिससे कि दुष्कालों का होना बन्द हो जाय। यदि दुष्काल कहीं हो ही जाये तो कम से कम हमारे प्रान्त के सदृश जो गरीब प्रान्त हैं, उनको यह केन्द्रीय व्यवस्था पूरी सहायता दे सके। मेरा यह मत है कि हमारे मध्य प्रान्त को केन्द्रीय सहायता मिलने का पहला अधिकार होना चाहिये, मद्रास और बम्बई प्रान्त जैसे धनवान् प्रांतों से पहले।

मैं आशा करता हूं कि माननीय मंत्री यदि दुष्काल हुए ही तो उन दुष्कालों में सब से पहले गरीब प्रांतों की ओर दृष्टि रखेंगे न कि बम्बई और मद्रास जैसे धनवान् प्रांतों की ओर।

मैंने कल अपने अनुभव माननीय सदस्य के सामने रखे हैं। मैं यह मानता हूं कि स्वराज्य के बाद यदि हमारे देश में सबसे पहली कोई आवश्यकता है तो वह कृषि की उन्नति की। इस देश में १०० में से ८० आदमी कृषि पर निर्भर हैं। आज कल अधिकतर हम लोग उद्योग धर्मों, कल कारखानों की बात करते हैं। हमें उनकी भी आवश्यकता है लेकिन उन से पहले हमें आवश्यकता है भोजन की इस बात की कि हमारे यहां दुष्काल न हो, दुष्कालों को हम रोकें और दुष्काल में हम गरीब प्रांतों की पहले सहायता करें। हमारे माननीय मंत्री का जो महकमा है वह सबसे प्रधान महकमा है। मैं आशा करता हूं कि उनकी देख रेख में इस तरह की केन्द्रीय व्यवस्था हो सकेगी जिसमें केन्द्र और प्रांतों में सच्चा सहयोग होगा यह दुष्काल रोके जायेंगे। और यदि यह पड़ ही जाय तो दुष्काल पीड़ित लोगों की हमें पूरी सहायता कर सकेंगे।

(English translation of the above speech)

Seth Govinddas (C. P. and Berar: General): Mr. Speaker, Sir, I support this Bill. So far as farming is concerned, it is a matter for Provincial Governments. But there are many poor provinces where it has not been fully developed. If we load these provinces with the responsibility of fighting the famines, I don't think, we can expect quick improvement in the present circumstances.

Many schemes are being prepared for ameliorating the economic condition of this country. So far as India is concerned it will not be possible for her to better her economic state without improving her agriculture, increase as she may her mechanised factories. Just now my Honourable friend Mr. Ayyangar quoted the name of his province as an illustration to show how many of its districts continually suffer from famines. I want to give the example of my own province which is small and poor. It is a province where rains either fall heavily or do not fall at all and bothways they prove harmful. It is comparatively less irrigated than other provinces and excess of rainfall causes much damage. I want to point out to the Honourable Member that due to excessive rains crops have not been good at Jubbulpore and surrounding areas for the last seventeen years. We have not only to make arrangements for irrigation but along with that we have to devise such schemes by which we may be able to protect our crops against too much rain. I want to draw the attention of the Honourable Member to one peculiar disease which is prevalent in and around Jubbulpore. This is known as "rust"; it breaks out in winter when there is heavy rain. What I mean is that so long as we do not have a Central Committee, to survey the conditions all over India and to advise us what can be done for preventing famines, and which may examine the new big economic schemes that are under way and give its opinion on them, it will not be possible for us to achieve real economic progress. I therefore, support this Bill.

I also hope that this Commission will also be able to pay its attention to those places which have remained famine stricken for long periods, and study the causes of these famines. It will also be able to find out which places need irrigation for growing more food and which places require better drainage for water that collects there due to excessive rains. Apart from irrigation, this Commission should also find out what sorts of drains are required to be constructed in places having heavy rain falls so that they may be properly cultivated. We should also not ignore the land which remains untilled, places which do have a fertile soil but where absence of proper irrigation causes scanty crops, and places where an excess of rainfall does not allow better harvests.

Along with that, we should also see what seeds will be best sown in different soils. Often it has been seen that one kind of seed thrives well in one farm but it fails to yield the same kind of crop in another field. Damp soil requires one kind of seed and dry soil needs another. Thorough study should be made of seeds. The Central Commission should also study what places will require what kind of seeds. Over and above that we should also devote our attention to manures. Our country is very short of this thing; and our poor farmers cannot afford it. We should have a scheme for manures which a farmer should be able to utilise. For this purpose we require scientific research. As Mr. Ayyangar has said we should be producing more milk with which we can help people in times of famine, if we use cow dung as manure.

I and my whole family have been connected with farming. In spite of our being landlords we have been ploughing the land with our own hands. Our Central Provinces are fortunate in that the landlords here are not like the landlords of U.P. and Bihar who never put their hands to the plough but only receive rents from the farmers. The landlords of our province are well experienced in farming.

[Seth Govinddas]

I want to request the Honourable Minister that there is a need for such a Central Commission as should be able to establish intimate relations between the Centre and provinces. This Central Commission should remain in touch with the provinces and should study the conditions of individual provinces, and, keeping that in view, should prepare a big scheme to avert famines; and if at all a famine occurs at any place this Central Commission should be able to give real help to the sufferers, at least to poor provinces like the C. P. I believe that the Central Provinces should be the first to receive the Central aid; it should receive priority over rich provinces like Bombay and Madras. I hope that, in the event of famines, the Honourable Minister will attend first to poor provinces rather than to rich provinces like Bombay and Madras.

I have placed some of my personal experiences before the Honourable Minister. I believe that the first thing which our country needs after the attainment of 'Swaraj' is agricultural progress. Eighty per cent of Indians depend on agriculture. These days we talk mostly of industrial labour and factories. We do need them; but before that we need food; we have to avoid famines and, in the event of any famine occurring in the country, we should be able to attend first of all to the poorer of our provinces. The Ministry of Agriculture is an important Ministry. I hope under the present Minister it will be possible for us to have a Central Committee which should be able to establish an intimate relation between the provinces and the Centre, to avert famines, and if at all there is any famine in the country, it should be able to rush proper help to the famine, stricken areas.

Mr. Speaker: I find there are amendments to the Resolution from two Honourable Members. One is by 'Pandit Thakur Das Bhargava. Does he wish to move his amendment?

Pandit Thakur Das Bhargava (East Punjab: General): No, Sir. I do not wish to move it.

Mr. Speaker: Then there is the other one by Shri Biswanath Das. Does he wish to move it?

Shri Biswanath Das (Orissa: General): Yes, Sir.

Mr. Speaker: It is better that he moves the amendment, so that the discussion may be both on the motion and the amendment.

Shri Biswanath Das: Sir, I beg to move:

"That after the words 'and agriculturally' the following be inserted:

'in supplementing resources and activities of a Provincial Government or of Provincial Governments concerned'; and at the end of the Resolution the word 'again' be added."

This amendment is formal in the sense that it makes the Resolution to come within the scope of the activities of the Central Government. It is a matter well known to the Honourable Members of this House that famine relief is an activity which comes under the purview of the Provincial Government. To bring it up for a discussion in this House. It is necessary to have this amendment, so that the activities that are contemplated in this Resolution make it a supplement to the activities of the Provincial Governments and also a supplement to the resources of the Provincial Governments.

Sir, before the Act of 1919 famine relief was a Central responsibility. The Government of India was wholly and solely responsible for conducting famine relief operations in different parts of the country. Under the Act of 1919 the responsibility devolved on the provinces and the result is that in the Devolution Rules a Famine Fund has been created. Certain specified amounts have been fixed and laid down for each Province under Schedule IV of the Devolution Rules framed under the Act of 1919. It is clear from the Devolution Rules

that famines occur in Provinces like Madras, Bombay, U.P., Punjab, Bihar, Orissa and C. P. Therefore, those Rules have not only constituted a Famine Insurance Fund but they have also made it compulsory on the Provincial Governments to contribute annually out of their resources certain amounts for famine relief and have also laid down that these contributions should go on for a certain period till certain amounts have been accumulated. All these, Sir, go to show that famine relief is a matter of necessity and devolves on the Provinces.

I am glad that the Honourable Member who has moved the Resolution has given a clear indication of the scope and the enormity of the problem. In a country like India, after it has become free, the responsibility for it has devolved upon us. The enormity of the responsibility devolves not only on the Provinces but also on the Centre. The Provincial sources of revenue are not very elastic; they are very slender. Therefore the Provinces are not able to meet the needs of the seriousness of the famine conditions that prevail in the Provinces. My Province has also had to face the worst of famines time and again. I am glad that the Hirakud project will go to relieve famine to a certain extent in certain specified areas, but other areas are there. Not only Orissa, but in Madras you have certain specified districts which have always famines staring at their faces. Similar is the case with Bengal. So also with C. P. and other Provinces. Famine has become a plague to this country. If we have to fight against famine, if we have to insure the country against famine, if we have to provide food and clothing for the people of this country, then I think it is time that the responsibility should be divided and clearly conceived and understood, namely, that there should be a short-term programme and a long range programme, policy and planning. Even in the short-term programme, the enormity of the problem makes it difficult for Provincial Governments to cope with the situation. In a famine in my District in 1918-19, the Government of Madras had to spend Rs. 60 lakhs which is beyond the scope of a province like Orissa which is unable to meet even from its famine insurance fund and also from its resources. You have got certain famine insurance moneys in the hands of the Government of India, but they are very small and the contribution that Provinces receive in years of famine are very very small indeed. Therefore, with the changed conditions and circumstances, a planning and a programme are necessary. I would therefore appeal to the Government and to the Minister in charge of Agriculture to plan the whole thing properly and well and face the problem which is really formidable.

Under the circumstances, I move the amendment and let me hope that it will be accepted by the Mover and also by the Government.

Mr. Speaker: Amendment moved:

"That after the words 'and agriculturally' the following be inserted:

'in supplementing resources and activities of a Provincial Government or of Provincial Governments concerned'; and at the end of the Resolution the word 'again' be added."

श्री राम सहाय : सभापति महोदय, मैं इस प्रस्ताव के बारे में केवल इतना कहना चाहता हूँ कि जहाँ इस किस्म का कोई सर्वे (Survey) की जाय, या इस तरह का कोई कमीशन या कोई दीगर स्कीम तैयार की जाय तो उसमें स्टेट्स (States) को भी शामिल रखने का ख्याल रक्खा जाय। हालाँकि स्टेट्स (States) ऐसे कार्य के लिये फाइनेंस (Finance) करने में कोई सहयोग सेंट्रल गवर्नमेंट को नहीं दे रही हैं जिससे इस तरह की कोई स्कीम तैयार की जा सके जो वहाँ के लिये भी काम कर सकें, लेकिन

[श्री राम सहाय]

मेरा यह ख्याल कि स्टेट्स की जो हालत है और जो आराजी बेकार पड़ी है। और काश्त के काम में नहीं आ रही है उसके इसी तरह पड़े रहने से उसका खमियाजा सेंट्रल गवर्नमेन्ट को ही भुगतना पड़ता है। जैसा हमने देखा कि जब वहां जरूरत हुई तो सेंटर से वहां गल्ला सप्लाई (Supply) किया गया। अगर वहां हो तो सेंटर (Centre) में भी आ सकता है। इसलिये मेरा निवेदन यह है कि जहां इस क्रिस्म के असरात स्टेट्स के खामियों की वजह से सेंटर पर पड़ता है, जो कमीशन या बोर्ड कायम हो ऐसा हो कि वह इस विषय में स्टेट्स पर भी अपना प्रभुत्व रखें और वहां की आराजी व दीगर हालात तरक्की काश्त के जराए की देख रेख करे और वहां के मुतालिक अपने सजेसन्स (Suggestions) दे सकें।

मैं यह बतलाना चाहता हूं कि जैसा और भी कई साथियों ने बतलाया है कि अतिवृष्टि के कारण भी फैमीन (Famine) हो जाता है। मैं भी एक ऐसी रियासत ग्वालियर से आया हूं जिसके कई जिलों में बारिश होने के कारण से कई सालों से फैमीन (Famine) होता आ रहा है। उसका मुख्य कारण यह है कि अतिवृष्टि के कारण जमीन ठीक नहीं जुत पाती है, इसलिये गेहूं नहीं हो पाता है। कहा जा सकता है कि अतिवृष्टि जहां होती है, वहां चावल हो सकता है, लेकिन उस इलाके में चावल आम तौर पर नहीं हो पाता। क्योंकि जब चावल पकने का वक़्त आता है, तब जमीन सूख जाती है। वहां पानी बरसात में इतना हो जाता है जिससे गेहूं के लिये जमीन ठीक नहीं हो पाती और वह पानी इतना काफी नहीं होता कि बरसात के बाद जब चावल पकने का वक़्त आता है तो वह उसके लिये उपयोगी हो सके। उसी तरह से जहां अतिवृष्टि होती है, वहां भी मेरे ख्याल से अगर इरीगेशन (Irrigation) का इन्तजाम आवपाशी का इन्तजाम हो तो ऐसे वक़्त में जब अतिवृष्टि हो चावल इत्यादि की फसल की जासके, इरीगेशन (Irrigation) के साधन मुहय्या हो सके। वहां की आराजी की हालत इस क्रूरद खराब हो गयी है कि वहां कोई भी फसल अच्छी तरह से नहीं हो पाती है। खरीफ़ की फसल ज्वार मक्की, बाजरा अच्छी तरह से नहीं हो पाती हैं। कांस बहुत ज्यादा बढ़ गया है। वहां मशीनों के साधन बिल्कुल भी नहीं हैं और बैलों की कमी की वजह से वहां जमीन भी अच्छी तरह से हंक नहीं पाती है। इसलिये मेरा यह कहना है कि इस क्रिस्म के प्रस्ताव द्वारा सेंट्रल गवर्नमेन्ट की तरफ़ से कोई साधन मुहय्या किया जा सके तो बहुत ही उपयुक्त होगा।

(English translation of the above speech)

Shri Ram Sahai (Gwalior State): Mr. Speaker, Sir, in connection with this Resolution, I would like to say this much only that while undertaking any survey or setting up a Commission or planning any other scheme of this nature, the question of associating the States with it should also be kept in view. Although the States are not co-operating with the Central Government in financing such

projects for the purpose of evolving such a scheme which may also be executed there, yet I hold the view that the Central Government has to bear the consequences resulting from the conditions prevailing in the states where the fallow land is lying waste and thus not utilized by being brought under cultivation. Just as we have seen, whenever the states felt the necessity, foodgrains were supplied to them by the Centre. If these are available there, then the Centre could also be supplied. Therefore, my submission is that where such a state of affairs occurs as a result of the negligence on the part of the States, the Commission or Board so constituted should also exercise its authority over them in this respect. Moreover it should also supervise over the cultivation of land and explore means for the development of irrigation projects, and offer its suggestions on the conditions existing there.

I would like to say just as many other friends have already stated that excessive rains also bring about a famine. Coming as I do from the State of Gwalior, where certain districts are constantly affected by famine for the last so many years on account of rains, the main reason for this is that the land cannot be properly ploughed due to excessive rains, and therefore, wheat cannot be grown. It can be argued that rice can be produced in the regions of heavy rain-fall, but generally rice does not grow in such places, because when the time for the reopening of the rice crop approaches, then the land becomes dry. During the rainy season, the water accumulates there to such an extent that it renders the land unfit for the sowing of wheat. The water also is not quite sufficient so as to be utilized after the rainy days when the time for the ripening of the rice crop comes. I am of the opinion, therefore, that if arrangements for irrigation are made in other similar areas which are affected by heavy rain-fall, it would help the growth of rice crop in such contingencies. Irrigation facilities may therefore be provided in such places as the condition of the land there has deteriorated to such an extent that no crop can be properly grown there. The kharif crop viz., jawar, bajra and makki (millet and maize) does not also yield good harvest. Long grass has grown there in abundance. No facilities for the use of agricultural implements are available there and this coupled with the scarcity of buls renders it difficult to plough the land properly. Therefore, I daresay that it would be quite appropriate if facilities are provided by the Central Government by means of such a Resolution.

Mr. A. Mahboob Ali Baig Sahib Bahadur (Madras : Muslim): Mr. Speaker, Sir, I am in entire agreement with the substance of the Resolution moved by my Honourable friend Mr. Ananthasayanam Ayyangar, though I would like that the Commission may not be called 'Famine Commission', but it might appropriately be called 'Food Commission.' My friend has traced the history of famine from Upanishads and there cannot be two opinions about the position of food in India. There has been chronic famine all through. With the growth of population in the world, it is an universal problem how to meet the requirements of food, but with this difference that while other countries have been able to produce food in proportion to the increase of population by methods which though available to us have not been employed by us. It is no doubt true that in previous years some attempts were made by the previous Governments for constructing irrigation projects and anicuts across rivers, so that the water of the rivers might be taken into the fields by canals. No doubt some attempts were made in the past, for instance in the area to which I belong, i.e., Andhra Desa, where there are two big rivers flowing, Kistna and Godavari and across these rivers as early as 1850, anicuts were constructed and those areas which are irrigated by water through these sources have been prosperous and have been producing to a larger extent than the other parts of the country. But similar efforts were not made in the case of other areas. I do not know the reason why the Government of the day had not extended the same sort of facilities in the other parts of the country. If only the Government had done

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that and brought into existence these irrigation projects throughout the country, there is no reason why India should suffer from famines at all. It is no doubt true that monsoons often fail and the failure of monsoon has been responsible to a great extent for the scarcity of food. But where the conditions are such that the failure of monsoon is rather not occasional but universal, i.e., has been failing every year, Government ought to have taken care to see that other facilities are employed. There have been no doubt Agricultural Departments set up and Public Works Departments have been established, but they have not done what they ought to have done in order to prevent these famines. It is no doubt true, Sir, that for the last two or three decades the Provincial Governments have been vested with powers to spend money on constructing irrigation projects. There have been agricultural departments also working all these two or three decades. But what is the result? The Agricultural Departments have not been able to bring home to the ryots improved methods of production. In fact very few people in the villages know that there is any Agricultural Department at all and the activities of the Agricultural Departments have been such that neither the ryots take advantage of these Departments nor the Departments take care to see that any improved methods are adopted by these ryots.

There are two ways in which these famines can be averted. One of them is the production of food which can be accomplished by both intensive and extensive cultivation. As to intensive cultivation it is the duty of Government to teach the *raiya*s how more food can be produced by improved methods of cultivation. Our *raiya*s have been ploughing the land in the same old fashion and manuring their fields in the same old method. It is therefore no wonder

that they cannot produce more. Then there are extensive tracts of 1 P. M. land which could be made to produce more food if they can be brought under the plough. But no effort has been made by Government as yet to extend cultivation. It is true that it means expense when you try to bring fallow land or forest land under cultivation, but it is the duty of Government to encourage the *raiya*s and help them to bring all this land under cultivation. No effort has been made by Government in this regard also. I know that during wartime on account of scarcity of food for various reasons Government programmed what is called the Grow More Food Campaign. But in my own province of Madras it was admitted by the Minister of Food and Agriculture that there has been no appreciable increase of food as a result of that campaign. What is the reason for that? My submission is that our Governments in the past have not taken this matter very seriously.

It is admitted that our country is deficit in foodgrains and in the past we used to import them from other countries. But when during and after the war imports from countries like Burma and Siam ceased we had to adopt measures for the control and distribution of food. Now that the war has ended the same conditions prevail. We thought—that is not my personal view—but some provincial Governments and the Central Government also thought—that the *raiya*t has kept a surplus to himself and is not bringing it to market because the prices are not sufficiently attractive, and that therefore if the control is removed these surplus stocks will be forthcoming. It is yet to be seen whether there was any surplus at all. But whatever it is, it is an admitted fact that we are deficit in foodgrains, specially in some provinces like Madras. Therefore the Governments—both provincial and Central and the Central Government is also responsible for the well-being of the people—must take this up seriously and adopt measures to produce more food instead of depending upon imports from outside. How long are you going to depend on these foreign imports? That is the question that the Food Minister must ask himself. If he does not want to depend on imports and if he also does not want millions here to die, what

should be the programme that he should adopt? That is a question that must be considered very seriously. It is not true that we have not got any facilities; we have got lot of water and very good lands. But the reason why we are not able to produce more food is that we are not able to harness the rain-fall and also to employ the right scientific methods to utilise the resources of the country for the production of food. There is no reason why we should not be able to produce the food that is necessary for us.

This proposed Famine Commission may with a little effort on the part of the people be of some help to Government and so I welcome it. There have been Commissions in the past which produced no results. I hope this will not go the same way and now with a responsible Government there is no reason why it should not give better results. Sir, I support the Resolution.

Shri T. A. Ramalingam Chettiar (Madras: General): Sir, I think I should take some part in this discussion because I feel that certain matters have not received the attention they should. In the case of famines it is not really want of foodgrains that matters; the country may have all the grains required and even more. But the people have got no occupation and no money with which to buy these foodgrains. That is the problem that takes place in every famine. I may say, Sir, that I had to investigate this matter twice: once as the Chairman of the last Famine Committee appointed by the Madras Government when famine took place in the area, which is represented here by my friend Mr. Ananthasayanam Ayyangar. All the experts of the Government were members of the Committee. After more than a year of investigation, we found that unless there is more than one occupation—the occupation they have now got is only agriculture—it is not possible to prevent famines. There ought to be diversified occupations which will give work to the people all through the year and that will make it possible for the people to live even if one monsoon fails. That is the sort of problem that will have to be met. It is necessary that the occupation of agriculture should not fail simply because there has been one failure of monsoon. We found, Sir, after investigation into the several famines that took place in that area that one failure of monsoon never brought famine at all to the area. It is the second failure that brought famine. Somehow when the first failure took place, people were able to get on with some work and also with the stores of grains they had. But when the second monsoon failed then the trouble arose. The area from which my friend is coming is subject to famine. Once in every five years there is a bumper crop. The other four years are either deficient or absolute famine years. That is how that particular area has been affected, time after time once every five years, with famine.

As I said, what we found was this. It is no doubt necessary that irrigation projects ought to be taken up. But when there is a failure of two monsoon continuously all water sources also get dried up. Water for irrigation works we may have only from the bigger irrigation works like Tungabadra. Others like tanks, wells and things like that get dry. Even if we have these smaller irrigation works, they would not supply the occupation that is necessary or produce the foodstuffs which we want. No doubt, when there is the first failure these tanks have some water left and with that water you can raise probably a crop. But that will not be sufficient for the second crop and the next crop, and when the next crop season comes, and there is a second failure of monsoon all the people are thrown out of employment and they are practically in the streets. That is the sort of thing that occurs.

So we found that it is necessary to get employment for the people and provide for them not to depend entirely on agriculture and agricultural pursuits. The Government should arrange to get other walks of life provided for the people

[Shri T. A. Ramalingam Chettiar]
like industries, small and big, mining and things like that for which in the particular area I refer to there was ample scope. Government had neglected the whole thing for very nearly 150 years with the result that the area was suffering.

Mr. Speaker: I believe the Honourable Member will take some time. The House will now adjourn and re-assemble at 2-30 P.M.

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

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

Shri T. A. Ramalingam Chettiar: Sir, while I agree with all the previous speakers that the country should be self-sufficient with reference to food and all possible schemes for increasing food production such as harnessing the big rivers and otherwise should be undertaken, I want to impress on the House that so far as famine is concerned it is a local affair. The remedy for famine is found in the locality itself. Take for instance Rayalaseema. If Rayalaseema is to be saved from famine, it is not by increasing food production in the Godavari or in the Gangetic valley. In former famines we found no difficulty whatsoever in getting food supply from outside but there was difficulty if people could not get employment and they have to go to the camps to earn even the one anna nine pies which we were giving them by way of wages. As regards Rayalaseema we wanted to harness the Tungabhadra and we were also thinking of having another scheme at Sangameswaram. So far as minor irrigation works are concerned they help only in the first year when there is a sort of partial failure. As I said before, it is only when there is a second failure of monsoon that the famine actually sets in. During the first failure there is not the same intensive famine which requires outside help. Minor irrigation works help to get a crop in the first year, though in the second year this source will get dry and there is no possibility of getting any crops from that source. It is on that account that we stressed the point that there should be diversified employment in the locality by encouraging cottage industries, by establishing larger industries or having recourse to mining and things like that. The whole thing has to be worked out as a comprehensive plan and for that purpose we wanted the establishment of a Development Board. After a long delay of nearly ten years (we sent our report in 1939). Only a short time back the Government thought of appointing the Development Board. Only two days ago I saw the report of the proceedings of the Development Board. They have just taken the report on hand and are trying to meet the situation.

So the question of famine is a local affair and has to be dealt with locally and what we require from the Centre will be financial help. For instance the last famine in Rayalaseema cost the Madras Government between two and three crores. It is not for actually working the famine relief that we want the help of the Government of India, because it has to be worked locally. It is a question of opening camps, giving employment to the people and getting food supply from outside. Nobody dies for want of food supply but the difficulty is to get it for them and they have to purchase it with their wages. That is the difficulty we have. So it is a local affair which each local government will have to provide for and especially in a province like mine, where as I said Rayalaseema gets a famine almost once in five years, we have to have a comprehensive policy with the help of a body which will work from day to day not during the famine alone but before and after, so that the famine may not actually come. There will be some sort of scarcity anyway once in five years but the people should not be left without any occupation as they are now, because

there is at present no other occupation except agriculture and agriculture fails when there is no rain. So I would request the Government to consider the question and to see that every local government has some agency to study and work continuously so that the intensity of the famine may not be felt. It may be called scarcity but it need not involve the opening of camps and all the suffering that is involved in the opening of camps such as people crowding there, living on such small wages as they get and living on only half a meal or one meal a day or once in two days. That is what we have to avoid and for that we want a development board like the one we have just started in Madras and there should be a continuous study of all these problems. There should be help from the Centre so far as finance is concerned and if necessary the Centre should get also food supply from other places where it may be available.

The Honourable Shri Jairamdas Doulatram (Minister for Food and Agriculture): Sir, I am intervening in the debate at this stage because as I have been listening to the speeches of the Mover and other speakers one thing that has struck me is that on most points they seem to be expressing my own thoughts. I have therefore been feeling whether it is necessary to prolong the debate beyond the present stage. I have welcomed the moving of the Resolution and I have also welcomed the debate because I feel that the food problem of the country is a subject on which we cannot have sufficient discussion if we want to help the country out of the difficulty in which it finds itself. Speaking generally I feel that there are three propositions which stand out prominently as a result of this debate. One point is that food ought to be given a very high priority when we are dealing with the problems of our country.

Shri Ramnarayan Singh (Bihar: General): First priority.

The Honourable Shri Jairamdas Doulatram: I would welcome the decision that food ought to be given the first priority. That is my view. If it becomes the view of the Provinces and of the Assembly then I have no doubt that we shall be able to solve all our difficulties much earlier than we may expect. The second more or less common idea expressed was that we should endeavour to make our country self-sufficient with regard to food. In this also I find myself in complete agreement with the opinion of the House. The third point that has been made out is that in some manner, and in some measure the Centre ought to take a more active hand in dealing with the food self-sufficiency question and certainly in dealing with the famine question. It is not yet clear to me as to what exactly is the extent to which the Central Legislature would wish the Government of India to take up the responsibility with regard to famines and also the production of food. There is a certain amount of difference of opinion expressed today. But on the whole, apart from the difference of opinion as to the extent and measure of responsibility which the Centre should take up there is a unanimous expression of view that the Centre ought to take, as I have said, a more active hand in the matter. Except one or two speakers other have more or less omitted any reference to the very great work which the Provincial Governments have to undertake and have undertaken whenever local famines occur. As I suppose most of the Honourable Members know, we have got a very extensive and detailed Famine Code which has been functioning for many many years. Under that Famine Code the Provincial Governments are expected and empowered to anticipate and prepare for meeting the situation whenever they find that famine has overtaken any part of the Province. I have no evidence to indicate that the Provincial Governments have not risen to the occasion whenever this distress has come. But it may be that that matter also may need a little more examination. Somehow most of the speakers made no reference to the first part of the Resolution and most of the speakers contented themselves with elaborating their ideas on the second part. The second part deal with permanent or final remedies. It is with regard to that aspect of the question that I think we might go a little into detail. Whether

[Shri Jairamdas Doulatram]

today is the occasion for going into detail I cannot say. I wish we could sit through and have a full dress debate on various methods of developing those special famine areas which year in and year out or once every four or five years have to meet this calamity. But probably the procedure that I am going to suggest may find some favour with the House.

I find also one very promising and interesting feature of today's debate and that is that the representatives of some of the States also want that the Central Government should help them in regard to famine and that the States should not be isolated in this matter from the rest of India. I am glad that on every occasion and on every question the Indian States feel that no difference now exists between their territory and the territory of the Indian Dominion, I am only too glad, and willing and anxious to do the utmost I can as Food Minister to help our States, to win their co-operation and in conjunction with them deal with the situation inside their own territory. With regard to the desire of the moves that Government should adopt the resolution moved. What I feel on the whole is that if I accept it as it is it means that there is to be a permanent Commission dealing with the immediate problems arising from famine and also putting forward and executing schemes of development which will prevent famine. If this Commission is to prevent famine there can be no permanence in its own tenure because it must dissolve itself once it has succeeded in achieving its objective. Therefore, I have hesitation in accepting this Resolution in this form. I have also a feeling that much as I wish that the Central Government should have an active hand in dealing with famine in India wherever it takes place, I am doubtful whether the time is ripe for the Centre more or less to assume complete responsibility. If the Central Government has to function in terms of this Resolution all that it will mean is that the Development Board must completely replace the Agriculture Departments of the Provinces and also the Agriculture Department at the Centre. I am therefore anxious to find some kind of *via media* and I propose to make a brief statement—suggest a kind of formula which may enable the Centre to function, which may enable the Provinces also to share the responsibility and yet which may provide some kind of quick machinery both to deal with famine when it occurs and also to inaugurate those schemes of development which will prevent famine hereafter in this country. I expect that after I have stated my position the Mover of the Resolution and also the Mover of the Amendment will both withdraw their motions.

This is what I propose to do. I propose to set up at the Centre some special machinery capable of speedy action to deal with the immediate problems of famine relief in co-operation with the Provinces. I also propose, in consultation with the Provinces, to examine the question of creating special machinery to bring to early fruition schemes of development calculated to prevent the recurrence of famine conditions. I am not able at this stage to commit myself to details, but I will discuss this question with Members of the Assembly who have participated in the debate and later with representatives of the Provincial Governments, and I hope to evolve an arrangement which would give general satisfaction, my idea in proposing this *via media* is that by adopting this special procedure of consulting Members of the Assembly off the debate hour and in an informal way, probably a suitable solution might be discovered.

In view of the statement that I have made I hope the Honourable the Mover of the Resolution would withdraw his Resolution and so also the Mover of the Amendment.

Mr. R. K. Sidhva (C. P. and Berar: General): The Honourable Minister said that he would consult the Honourable Members of the Assembly who participated in the debate. There is a Standing Committee of the Food Ministry. It has been the practice established here that whenever such an occasion arises that Committee is to be invited.

The Honourable Shri Jairamdas Doulatram: That Committee also will be consulted. What I proposed was an extra facility to Members of the House, to influence my decision.

Shri H. V. Kamath: Why should Consultation with Members of the Assembly be considered out of the way?

Mr. Speaker: Order, order. That is a debatable point.

The Honourable Shri Jairamdas Doulatram: What I meant to say was that when Government do not accept a resolution, make a statement and request the Mover to withdraw the motion, then usually the final action is taken by the Government in its own way. What I suggested was a special procedure adopted by me because I want to represent the views of the Assembly, as fully as I can.

Shri Biswanath Das: I congratulate the Honourable Minister for his splendid response and I withdraw my amendment.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly withdrawn.

Shri M. Ananthasayanam Ayyangar: I am glad that Mr. Das, who tabled his amendment, has enabled me also to withdraw my resolution.

I only want to say that other institutions like the research institutions also may cooperate and be brought under the control of the Development Board. I wanted to refer to growth of forests and prevention of inundation in my speech, but I omitted to do so. I am sure that the Honourable Minister who certainly wants to be an absolute representative of the Assembly and who has gone, according to him, out of the way in inviting Members of the Assembly, will certainly evolve a nice scheme which will do away with famine in the course of at least the next five years.

The Honourable Shri Jairamdas Doulatram: These suggestions will also be considered.

Mr. Speaker: So the Honourable Member wishes to have the permission of the House to withdraw his motion. The amendment has already been withdrawn.

The Resolution was by leave of the Assembly, withdrawn.

Shri Basanta Kumar Das (West Bengal: General): I do not wish to move the resolution standing in my name.

Mr. R. K. Sidhva (C. P. and Berar: General): I do not desire to move the resolution standing in my name not because it is not important or urgent but because I have been advised to discuss this matter with the Minister in charge of the Department. And after discussing, none would be more glad than myself if the Government themselves bring forward a Bill to that effect. Therefore I do not move my resolution.

Mr. Speaker: I am not concerned with the reasons why the Honourable Member does not want to move his motion. The Honourable Member is not moving his motion.

That brings to a close the business of the day.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 5th February, 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Wednesday, 5th February, 1948

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

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

TECHNICAL TRAINING OF INDIAN STUDENTS IN FOREIGN COUNTRIES.

120. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Education please state how many scholars are intended to be sent to the United Kingdom, the United States of America and other foreign countries for technical training in the year 1948?

(b) Are the selections made province-wise or otherwise?

(c) Has the attention of Government been drawn to a statement issued on the 12th December, 1947 from London by Miss Shanti Ranga Rao, the Indian Educationist, who was sent to the United Kingdom on special Government deputation?

(d) Are Government aware that she deprecated the idea of sending students to foreign countries for training?

(e) Are Government aware that she strongly recommends to Government the building and development of universities in India without any further delay?

(f) Do Government propose to accept the suggestions made by her?

(g) If not, what is Government's future policy?

آنریبل مولانا ابولکلام آزاد: (a) گورنمنٹ نے ایک کمیٹی اس غرض سے بنوائی تھی کہ اورسٹیز اسکالرشپ اسکیم کے تمام پہلوؤں کی جانچ پڑتال کر کے اپنی رپورٹ پیش کرے۔ کمیٹی کی رپورٹ گورنمنٹ کو مانگئی ہے اور گورنمنٹ اس پر غور کر رہی ہے۔

(b) کچھ اسکالروں کے چلتے ہیں کچھ اسکالروں سنٹرل گورنمنٹ ڈائریکٹ چلتی ہے اس بتوارے کے اندر یہ بات کام کرتی ہے کہ کون اسکالر ایسے ہیں جو صوبے کی حکومتوں میں کام کرینگے اور کون ایسے ہیں جو سنٹرل حکومت میں کام کرینگے۔

(c) ہاں مئی سنہ ۴۷ء میں چھ مہینے کیلئے مس رنگا راولو کو لندن بھیجا گیا تھا تاکہ عارضی طور پر ہائی کمشنر کے ایجوکیشن ڈپارٹمنٹ میں کام کریں۔ اس وقت وہاں استغاف کافی نہ تھا۔

(d) اور (e) ہاں جو کچھ پریس میں آیا ہے اس سے گورنمنٹ بے خبر نہیں ہے۔ (f) اور (g) گورنمنٹ کی یہ پالیسی ہے کہ یونیورسٹیوں کی تعلیم کے پھیلاؤ اور ترقی کیلئے جتنی مدد بھی دیجی سکتی ہے اور انکی تعلیم کی طاقت بڑھانے کیلئے جو کچھ بھی کیا جا سکتا ہے اس میں کسی نہ کیجئے لیکن ساتھ ہی گورنمنٹ یہ بھی محسوس کرتی ہے کہ کچھ عرصے کیلئے چنے ہوئے ہندوستانی اسکالروں کو باہر بھیجئے گا سلسلہ جاری رکھنا ضروری ہے اکسپریٹ کمیٹی نے جسکا حوالہ اوپر دیا گیا ہے گورنمنٹ کو بھی مشورہ دیا ہے۔

The Honourable Maulana Abul Kalam Azad: (a) The question is still under consideration in the light of the interim report submitted by the Overseas Scholarships Committee, which was appointed to examine the Overseas Scholarships in all its aspects.

(b) Some scholars are selected by Provinces and others by the Central Government directly according to whether they are intended to serve a Provincial Government or the Central Government on their return.

(c) Yes. Miss Ranga Rao was sent to London in May 1947 for six months to provide temporary assistance in the High Commissioner's Education Department, which was inadequately staffed.

(d) and (e). Yes, as far as her views are indicated by the press report referred to by the Honourable Member.

(f) and (g). It is Government's policy to give every possible assistance to the expansion and improvement of facilities for University education in the country, but Government have been advised by the expert Committee, referred to in part (a), that it is necessary for some time yet to send selected students abroad for advanced studies and training.

مسٹر آر۔ کے۔ سدھوا: میں جناب وزیر صاحب تعلیم سے یہ سچھنا چاہتا ہوں کہ سارا خرچہ سال میں کتنا ہوتا ہے۔

Mr. R. K. Sidhva: I want to enquire from the Honourable Minister for Education what is the annual expenditure?

آنریبل مولانا ابولکلام آزاد: جو فائنڈشل برس ابھی چل رہا ہے اس میں ۲۷ لاکھ ۵۰ ہزار روپیہ خرچ ہوا ہے۔ اور نئے برس کیلئے ۲۸ لاکھ ۵۰ ہزار ہے۔

The Honourable Maulana Abul Kalam Azad: The expenditure incurred during the current financial year is Rs. 27,50,000, and Rs. 28,50,000 have been provided for the ensuing year.

مسٹر آر۔ کے۔ سدھوا: کیا یہ ٹھیک بات ہے کہ جن سبجیکٹس (subjects) کی تعلیم ہندوستان میں مل سکتی ہے۔ انکو بھی دوسرے ملکوں میں بھیجا جا سکتا ہے یا صرف انہیں سبجیکٹس (subjects) کی تعلیم کے لئے باہر بھیجا جانا ہے۔ جنکا کہ یہاں انتظام نہیں ہے۔

Mr. R. K. Sidhva: Is it a fact that scholars are being sent to foreign countries for training in subjects for which training facilities are available in India; or they are sent for training in those subjects only for which no arrangements exist here?

آنریبل مولانا ابولکلام آزاد: ابھی جو اسکیم غور کر کے منظور کی جا رہی ہے۔ اس میں بات سامنے رکھی گئی ہے جس سبجیکٹس (subjects) کیلئے ہندوستان میں انتظام ہو سکتا ہے اسکے لئے اسکالر کو باہر نہ بھیجا جائے۔

The Honourable Maulana Abul Kalam Azad: The scheme which is being approved after careful consideration will provide that for subjects for which arrangements can be made in India, scholars will not be sent abroad.

مسٹر آر۔ کے۔ سدھوا: کیا یہ بھی ٹھیک ہے کہ نرسیز کی ٹریننگ کیلئے باہر بھیجا جاتا ہے۔ جبکہ اسکی ٹریننگ ہندوستان میں مل سکتی ہے اور انکو وہاں یونیورسٹیوں کے ہسپتال میں ایڈمیشن نہیں ملتا ہے۔

Mr. R. K. Sidhva: Is it a fact that training for nurses is given abroad which facilities for such training exist in India. Moreover they are not able to secure admission into the University Hospitals there?

آنریبل مولانا ابولکلام آزاد: سنہ ۴۵ اور ۴۶ میں چند اسکالر اسی غرض سے بھیجے گئے تھے لیکن آئندہ کیلئے گورنمنٹ اسپر غور کریگی۔

The Honourable Maulana Abul Kalam Azad: Some scholars were sent for this purpose during the years 1945-46, but the Government will consider this matter for future.

श्री गोकुल भाई दौलतराम भट्ट: क्या विद्यार्थियों का चुनाव करने में रियासतों में से भी पसन्दी की जाती है ?

Shri Gokulbhai Doulatram Bhatt: Is any selection made from States as well while selecting scholars?

آنریبل مولانا ابولکلام آزاد: چناؤ میں صوبوں اور سلٹر کا چناؤ ہوتا ہے۔ ریاست کے لئے الگ سرکار نہیں ہے۔

The Honourable Maulana Abul Kalam Azad: The selection is made from Provinces and the Centre. No separate circulars are issued for States.

सेठ गोविन्ददास: क्या माननीय सदस्य इस बात को देखेंगे कि पहले इन विदेशों में सिर्फ उन्हीं विद्यार्थियों को भेजा जाय जिनका अभी तक चुनाव हो गया है और जब तक यह न भेज दिये जायें, तब तक नये विद्यार्थियों का चुनाव न किया जाय ?

Seth Govinddas: Will the Honourable Minister please see that first of all only those scholars should be sent to foreign countries who have upto now been selected, and until all of them have been sent, no fresh scholars should be selected.

آنریبل مولانا ابولکلام آزاد: بند کیا جا چکا ہے۔

The Honourable Maulana Abul Kalam Azad: This has been stopped.

مسٹر تجمل حسین: میں یہ جاننا چاہتا ہوں کہ جتنا روپیہ طالب علموں پر خرچ کیا جا سکتا ہے۔ کیا حکومت کے پاس ایسی اسکیم نہیں ہے۔ کہ جب وہ پاس کر کے آئیں تو ان سے روپیہ وصول کر لیا جائے۔

Mr. Tajamul Husain: I would like to know if the Government have got any such scheme under which the entire amount that is spent over the training of scholars may be recovered from them when they return after completion of their training.

آنریبل مولانا ابولکلام آزاد: اس سکیم میں یہ بات نہیں رکھی گئی تھی۔ یہ اسکیم اس بنا پر شروع کی گئی تھی۔ کہ ہمیں ملک کی آئندہ طاقت بڑھانے کے لئے تعلیم پر روپیہ صرف کرنا چاہیئے۔ آئندہ گورنمنٹ اس پر غور کریگی اور غور کر رہی ہے:

The Honourable Maulana Abul Kalam Azad: No provision to this effect was made in this scheme. This scheme was introduced with a view to spend more

money on education so as to increase the resources of the country. In future the Government will consider over this matter which is already under consideration.

श्री एच. वी. कामथ : क्या माननीय वजीर साहब बतला सकेंगे कि कुछ स्कालर इंग्लैंड और अमरीका को छोड़ कर योरोप के मुल्कों में जैसे रूस और फ्रांस में भी भेजे जायेंगे ?

Shri H. V. Kamath: Will the Honourable Minister please state if apart from England and America, some scholars will also be sent to other European Countries such as Russia and France?

अनुरिबल مولाना अबुलकलाम आज़द : میں نے ابھی آپ سے کہا ہے - کہ اسکیم پر نئے سرے سے سوچ وچار کیا جا رہا ہے ان تفصیلات کے لئے میں ابھی کچھ نہیں کہہ سکتا -

The Honourable Maulana Abul Kalam Azad: I have just informed you that this scheme is being considered *de novo*. I cannot give any detailed information in the matter at the moment.

Prof. N. G. Ranga: Are any steps being taken to see that these scholars on their return to India after the completion of their studies are suitably employed in Government Departments?

अनुरिबल مولाना अबुलकलाम आज़द : یہ چیز سامنے رکھ کر چلاؤ ہوتا ہے - پراؤنس سے بھی بھیجے جاتے ہیں - جو کام ڈیپارٹمنٹ کے ان کے سامنے ہیں - وہ کن کن سبجکٹس کیلئے چاہتے ہیں - یہ بات غور کر کے سنکر اس کے بعد بھیجتا ہے -

The Honourable Maulana Abul Kalam Azad: The selection is made after keeping this thing in view. The scholars are sent from Provinces as well. The subjects in which they want training are considered over by the Centre before they are sent abroad.

مسٹر آر۔ کے۔ سدھوا : کیا یہ بات صحیح ہے - کہ برٹش یونیورسٹی نے فیصلہ کیا ہے - کہ جتنی ویکنسز (vacancies) ہوں اسیں ۹۰ فیصدی ایکس سروس میں (ex-Servicemen) کو دی جائے -

Mr. R. K. Sidhva: Is it a fact that the British Universities have decided that out of the total vacancies, ninety per cent. thereof should be allotted to ex-servicemen.

अनुरिबल مولाना अबुलकलाम आज़द : یہ ٹھیک ہے - وہاں اس طرح کا فیصلہ کیا گیا ہے - اس بنا پر آئندہ گورنمنٹ اس پر غور کریگی -

The Honourable Maulana Abul Kalam Azad: This is correct. Such a decision has been arrived at there. The Government will consider over it in future in this light.

सेठ गोविन्ददास : क्या मननीय सदस्य एक बात को देखेंगे कि जब इस काम पर प्रतिवर्ष २७-२८ लाख रुपया खर्च किया जाता है और उसमें बहुत सा रुपया यूनी-वर्सिटीज को इसलियें दिया जाय कि वह ऐसे डिपार्टमेंट्स खोल दे जो उनके वहां अभी तक न हों ओर इन विद्यार्थियों को बाहर भेजने की अपेक्षा यहां पर उनको तालीम दी जाय ।

Seth Govinddas: Will the Honourable Minister please consider that when Rs. 27-28 lacs is annually spent over this work and a major portion of which is given to the Universities for opening of new Departments not already existing there, these scholars should be provided with necessary training facilities here instead of being sent abroad.

अनुरिबल مولाना अबुलकलाम आज़द : یہ چیز گورنمنٹ کے سامنے ہے -

The Honourable Maulana Abul Kalam Azad: It is already receiving attention of the Government.

Shri M. Ananthasayanam Ayyangar: Sir, is it not a fact that in the recent conference of the Central Board of Education it was urged that instead of sending raw graduates or students from here for further studies, persons who are all employed in technical and other professions in this country and have had some experience may be sent instead for getting some further experience by way of refresher courses in foreign countries so that they may be useful?

अनुरिबल مولाना अबुलकलाम आज़द : میں نے جیسا کہا - کہ یہ ساری چیز گورنمنٹ کے سامنے ہے - اور اس پر سوچ وچار ہو رہا ہے -

The Honourable Maulana Abul Kalam Azad: Just as I have stated the whole matter is before the Government and receiving consideration.

Shri M. Ananthasayanam Ayyangar: May I know, Sir, whether in the selection Board sufficient representation was given to Members of this House so that they also sit along with them and evolve or carry out any schemes based on the suggestions made on the floor of this House?

अनुरिबल مولाना अबुलकलाम आज़द : اس پر گورنمنٹ غور کریگی -

The Honourable Maulana Abul Kalam Azad: The Government will consider over it.

ALLOTMENT OF LAND BY DELHI IMPROVEMENT TRUST FOR BUILDING PURPOSES.

121. ***Mr. R. K. Sidhva:** (a) Will the Honourable Minister of Health please state how much land under the control of the Delhi Improvement Trust is available for building purpose?

(b) Are all the lands sold by auction or by fixation of upset prices?

(c) Has any Co-operative Housing Society been allotted land?

(d) If not, what is the policy of Government as regards the fixation of price and other conditions of allotment of plots of such land to Co-operative Societies for construction of buildings?

(e) Do Government propose to grant lands at concessional rates to lower middle class people who can build houses on Co-operative basis?

The Honourable Rajkumari Amrit Kaur: (a) The information is being collected and will be furnished when ready.

(b) Under the land disposal rules of the Delhi Improvement Trust, plots of land are ordinarily put up for sale at competitive rates by tender or auction. In each case the reserve price of a plot is fixed by the Trust, below which the plot is not sold.

(c) No.

(d) and (e) The question of disposing of land through the medium of Co-operative Societies is under consideration.

Mr. R. K. Sidhva: Arising out of reply to (c), may I know whether any Co-operative Society applied for land and was refused?

The Honourable Rajkumari Amrit Kaur: No Co-operative Society has applied for land so far.

Mr. R. K. Sidhva: Is there any Housing Co-operative Society existing in Delhi?

The Honourable Rajkumari Amrit Kaur: Not that I am aware of.

Prof. N. G. Ranga: Will Government take steps to promote the formation of these Co-operative Societies and allot land and encourage building in every possible manner?

The Honourable Rajkumari Amrit Kaur: The question is under the consideration of the Government.

Mr. R. K. Sidhva: In all Provinces Housing Co-operative Societies exist with the object of giving relief to people who want to build for themselves or on semi-tenement basis. Will Government here also follow the same procedure and relieve the tension of accommodation which exists?

The Honourable Rajkumari Amrit Kaur: The question is under consideration.

Shri Deshbandu Gupta: Is it not a fact that the policy of the Improvement Trust has been positively against giving any encouragement to house-building societies or co-operative societies?

The Honourable Rajkumari Amrit Kaur: That is not correct.

Shri Deshbandhu Gupta: Is it not a fact that the Sub-Committee recently appointed by Government to review the disposal of lands has made certain recommendations on these lines that co-operative societies should be encouraged?

The Honourable Rajkumari Amrit Kaur: That is correct.

RESOLUTION OF BAZAR COMMITTEE OR BOARD, SUSPENDED OR VETOED BY THE DEPUTY DIRECTOR OF CANTONMENTS IN SOUTHERN AND EASTERN COMMANDS.

122. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Defence please state whether any resolutions of a Bazar Committee or Board have been suspended or vetoed by the Deputy Director of Cantonments in Southern and Eastern Commands acting in the name of the General Officer Commanding-in-Chief, within the last 3 months?

(b) If the answer to part (a) above be in the affirmative what was the nature of the resolutions and why were they suspended or vetoed?

The Honourable Sardar Baldev Singh: (a) So far as the Southern Command is concerned, the answer is "no". As regards Eastern Command, one resolution of the Jalapahar Cantonment Board was vetoed while a resolution passed by the Kanpur Cantonment Board was suspended.

(b) I lay a statement on the table of the House.

Statement

(a) Cantonment	(b) Nature of Resolution	(c) Reason, for suspension or veto
JALAPAHAR	Authorising the construction of a latrine on vacant Government land classified as B (4)	This Resolution was first suspended and then vetoed. It was suspended because according to the cantonment Land Administration Rules, 1937, the proposal should not have been accepted by the Cantt. Board without first transferring the land from Class B (4)* to Class "C" (i.e., land which is vested in the cantonment Board) with the sanction of the Central Government. The Resolution was vetoed when the Cantonment Board realising their mistake, selected an alternative site for the construction of this latrine.
KANPUR	Authorising the lease to certain Private persons of Class "C" land (i.e., land which is vested in the Cantonment Board).	The land should have been transferred to class B (4)* from Class "C" before the Resolution was passed. The Resolution was therefore suspended for 3 months on the 4th October 1947 and on the 4th January 1948 for a further period of 3 months. The case is now pending with Government for orders.

*Government land.

NUMBER OF I. N. A. OFFICERS AND SOLDIERS EMPLOYED IN INDIA AND PAKISTAN

123. *Mr. R. K. Sidhva: Will the Honourable Minister of Defence please state how many I.N.A. officers and soldiers have gone to serve in Pakistan and how many of them are employed in the Dominion of India?

The Honourable Sardar Baldev Singh: Government have no information about the number of ex-I.N.A. personnel who have been employed whether in India or in Pakistan.

Mr. R. K. Sidhva: May I know the reason why the Government have no information? After all, they have served in the Army.

The Honourable Sardar Baldev Singh: Sir, this information is not available because not only the Defence Ministry but other Ministries are also concerned. Information will have to be collected from all the Ministries, and as the question is put to the Defence Ministry, I am afraid we have not got complete information.

Pandit Balkrishna Sharma: May I know if the Honourable the Defence Minister is aware of the fact that there are about 100 officers and about 7,000 I.N.A. men still without any employment and whether, in view of the present difficulties, by way of recruitment, the Government will not give them an opportunity to serve in the Indian Army?

The Honourable Sardar Baldev Singh: Well, Sir, I have already said in reply that as far as the Army is concerned, no I.N.A. men or officers have been employed in the Regular Army. The Honourable Member who put the question wants information as to whether ex-I.N.A. men have been employed or not. The information is not available with the Defence Ministry.

Pandit Balkrishna Sharma: Arising out of that very question, Sir, may I know whether the Government will consider the advisability of employing ex-I.N.A. officers as well as ex-I.N.A. men in the Indian Army?

The Honourable Sardar Baldev Singh: That is a question which I replied to in the last session of the House. That is a question of policy and has to be considered by Government.

Pandit Balkrishna Sharma: Do the Government propose to review that policy and arrive at a decision soon?

The Honourable Sardar Baldev Singh: I cannot give any definite reply just now, but as I said in reply to a question in the last session, that question is still under consideration.

Prof. N. G. Ranga: But, Sir, in view of so many things that have happened since the Honourable Minister has given his reply in the last session, will Government consider the advisability of expediting their consideration?

The Honourable Sardar Baldev Singh: That does not arise out of the reply I have given.

Prof. N. G. Ranga: But what is the policy of Government?

(Several Honourable Members rose.)

Mr. Speaker: If there is any heat, I shall have to call the next question. Let the proceedings be orderly and questions be put one by one. I would remind Honourable Members that supplementaries must be within the scope of the question.

Shri M. Ananthasayanam Ayyangar: May I know if at least a few ex-I.N.A. officers have been appointed by the Pakistan Government?

The Honourable Sardar Baldev Singh: I have no information as to what the Pakistan Government has done, but according to best information available with us, no ex-I.N.A. officer has been employed by the Army of Pakistan.

Shri Deshbandu Gupta: May I know, Sir, whether the Honourable Minister is aware that some of the ex-I.N.A. officers are actually leading the tribesmen in Kashmir?

The Honourable Sardar Baldev Singh: That does not arise out of this question.

Seth Govinddas: In the last session when the Honourable Minister replied to this question, is it not a fact that at that time the Supreme Command was not in our hands, and in view of the fact that now the Supreme Command is in our hands, will the Government revise this policy and employ these I.N.A. officers and men?

The Honourable Sardar Baldev Singh: As I have already said, the whole question is under consideration.

Prof. N. G. Ranga: But for how long will Government go on considering this question?

Shri M. Ananthasayanam Ayyangar: May I know, Sir, if the Honourable Minister or the Government has given any undertaking to the British Government that they would not appoint I.N.A. men?

The Honourable Sardar Baldev Singh: No such undertaking has been given.

Mr. B. K. Sidhva: Is there any objection to these ex-I.N.A. men who are available immediately being employed in the Army? If there is any objection, will the Honourable Minister kindly let us know what that objection is?

The Honourable Sardar Baldev Singh: That does not arise out of this question, but as I have stated, as far as their employment in the Army is concerned, the matter is under consideration.

STOCK-TAKING AND COMMANDEERING OF WAR MATERIALS PURCHASED BY BUSINESSMEN FROM AMERICAN AND BRITISH DISPOSALS.

124. *Shri Biswanath Das: Will the Honourable Minister of Home Affairs be pleased to state:

(a) whether the attention of Government has been drawn to the comments in the *Amrit Bazar Patrika*, dated the 14th January, 1948, on the question of the discovery of considerable quantities of United States Army materials in the godowns of North Calcutta by the Calcutta Police;

(b) whether Government are aware that business men have purchased large quantities of war materials from American and British Disposals, such as Sten Guns, Bren Guns, Scout Cars and similar other important arms and vehicles necessary for war;

(c) if so, whether such materials and vehicles are still held by them; and

(d) whether Government have considered the question of taking stock of these materials and commandeering them?

The Honourable Sardar Vallabhbhai Patel: (a) Yes.

(b) A large number of military vehicles, trailers, etc., were sold to businessmen. Lethal weapons of the kind mentioned have not however been sold to private parties.

(c) The only information Government have is that out of 90 armoured vehicles sold to a certain firm, 68 have remained unsold. The remaining 22 which were sold have been frozen by the Government of West Bengal.

(d) The question is under consideration.

Shri Deshbandhu Gupta: May I know, Sir, if it is a fact that some of the aeroplanes have also been sold to private persons and that some of them are being used for anti-Congress activities?

The Honourable Sardar Vallabhbhai Patel: The matter refers to the Department of Industry and Supply. I have no information on the subject.

APPOINTMENT OF A COMMISSION TO ENQUIRE INTO CASES OF INCOME-TAX EVASION

125. *Shri Mohan Lal Saksena: (a) Will the Honourable Minister of Finance be pleased to state whether a Commission has been appointed to make enquiries into cases of income-tax evasion?

(b) If so, who are the members of that Commission and when is the Commission likely to begin its work?

(c) Have Government prepared a list of cases to be enquired into?

(d) Have Government taken any steps to prevent the destruction of old account books and other evidence by the parties concerned? If so, what and if not, why not?

The Honourable Shri R. K. Shanmukham Chetty: (a) Yes.

(b) The personnel of the Commission are:

Chairman—Sir S. Varadachariar.

Commissioners—

(i) Mr. Justice G. S. Rajadhyaksha.

(ii) Rao Bahadur V. D. Mazumdar.

The Commission began its work from the 1st December 1947.

(c) Yes.

(d) No. Neither Government nor the Commission has any such power.

Shri T. T. Krishnamachari: May I ask the Honourable Minister whether the Commission has already started investigation?

The Honourable Shri R. K. Shanmukham Chetty: Yes, Sir.

Shri T. T. Krishnamachari: Is it holding a sort of court and asking people to appear before it and examining them?

The Honourable Shri R. K. Shanmukham Chetty: The Commission, as I said, started its work on the 1st of December 1947. The Central Board of Revenue has submitted a number of cases to the Government and I think they are now going through the papers and for this purpose I am told that they are visiting Bombay, or have visited Bombay already. Whether they will hold a public court, I am not in a position to say. That is entirely for the Commission to decide.

Shri T. T. Krishnamachari: May I ask the Honourable Minister if the Commission is going to send him any interim report so that the Honourable Minister will take some immediate action thereon?

The Honourable Shri R. K. Shanmukham Chetty: What is contemplated is that as each case is completed by the Commission, they will forward a report and then Government will take action.

Shri Mohan Lal Saksena: May I know how many cases have been referred to the Commission?

The Honourable Shri R. K. Shanmukham Chetty: I am not in a position to state exactly how many cases have been referred to the Commission, but I think it is probably 80 or 90.

Shri T. T. Krishnamachari: Does the Honourable Minister propose to take some action in the direction of amending the Income-Tax Act during this session?

The Honourable Shri R. K. Shanmukham Chetty: I propose to introduce in this session an Act to amend that Income-Tax Act which constituted the Commission.

Shri M. Ananthasayanam Ayyangar: Is it proposed to enlarge the powers of the Commission for getting at accounts which may be suppressed or invest it with other powers to get at material for the purpose of the investigation?

The Honourable Shri R. K. Shanmukham Chetty: The object of these amendments is to make the work of the Commission really effective and to enable the Government to book tax-dodgers.

Shri M. Ananthasayanam Ayyangar: May I know what may be the approximate amount that is involved in these 80 or 90 cases that have been referred to the Commission?

The Honourable Shri R. K. Shanmukham Chetty: That is not possible to say.

Prof. Shibban Lal Saksena: Is it not a fact that many factories present false balance sheets and will the Government see that the new Act will give power to the investigators to find out the accounts of those firms and check the balance sheets?

The Honourable Shri R. K. Shanmukham Chetty: The Honourable Member can see when I introduce my amendment whether it is covered.

Shri M. Ananthasayanam Ayyangar: In view of the fact that more than one year has elapsed after the Act was passed for the constitution of the Commission, may I know whether the Act will be amended so as to increase the period during which or with respect to which they can get into the accounts and make investigation and whether this period of one year will be added to the previous time specified in the provisions of the Act?

The Honourable Shri R. K. Shanmukham Chetty: Suitable amendments are being proposed.

Shri T. T. Krishnamachari: May I ask the Honourable Minister if the Government contemplates including a provision in the legislation for indemnifying and otherwise protecting people who are likely to give evidence before the Commission?

The Honourable Shri R. K. Shanmukham Chetty: When the amendments are before the House, Honourable Members will know exactly what they are.

Shri Mohan Lal Saksena: May I know if any steps are taken by the Government to invite public co-operation in this connection?

The Honourable Shri R. K. Shanmukham Chetty: We have left the entire investigation to the Commission and the Commission can ask anybody to appear before them and they can enquire in any manner. The Commission is being invested to call upon anybody to appear before it.

Shri Biswanath Das: Arising out of the reply given by the Honourable the Finance Minister, may I know whether the tax evasion is confined only to Bombay. What then the reason why the Tribunal is sent only to Bombay?

The Honourable Shri R. K. Shanmukham Chetty: It covers all over India, but they must start with some place.

APPOINTMENT OF ECONOMY COMMITTEE.

126. ***Shri Mohan Lal Saksena:** (a) Will the Honourable Minister of Finance be pleased to state when the Economy Committee will be appointed?

(b) Have Government issued any orders regarding the appointment of new hands and if so, do Government propose to lay a copy of the order on the table of the House?

(c) Are Government aware that in several departments fresh appointments are still being made?

The Honourable Shri R. K. Shanmukham Chetty: (a) The Government of India have constituted an Economy Committee, *vide* Resolution No. F.1(1)-OSD(Econ)/48, published in *Government of India Gazette* (Extraordinary) of the 30th January, 1948.

(b) Yes.

Departmental instructions have been issued to the effect that all further appointments should be on a temporary basis and all proposals for the conversion of existing temporary posts into permanent ones, should be deferred.

(c) Fresh appointments are being made only against posts sanctioned after due scrutiny and with reference to the implementation of approved scheme and activities which are in pursuance of accepted policy. All such appointments will be subject to review by the Economy Committee.

Prof. N. G. Ranga: In view of the fact that in some Departments retrenchment is being carried out and expansion is being effected in other Departments, will Government consider the advisability of reappointing these displaced people, so that no fresh people need be taken in and the earlier people need not be thrown into the unemployment market?

The Honourable Shri R. K. Shanmukham Chetty: That is being followed even now.

Shri M. Ananthasayanam Ayyangar: Is it not a fact that the Military Accounts Office is now threatened with retrenchment of 1,500 people while fresh people are being taken into various other Departments?

The Honourable Shri R. K. Shanmukham Chetty: No, Sir. In the case of the Military Accounts Department I have given very strict instructions to see that as far as possible men that are being sent out are absorbed in other Departments.

Shri M. Ananthasayanam Ayyangar: Thank you. Is the Honourable Minister aware that with respect to many appointments in the Finance Department and also the Military Accounts, though persons have got experience of five or six years, they are asked once again to run a race with fresh incumbents by qualifying in an examination in the matter of appointments for other Departments? If the Honourable Minister's reply means that they will be absorbed would he take steps to see that they are not asked to sit for such examinations once again?

The Honourable Shri R. K. Shanmukham Chetty: I am afraid I cannot give any undertaking. It is quite possible that the recruitment to a particular appointment under the rules and regulations may require that candidates must have passed an examination and we cannot exempt persons who are being retrenched from that application.

Shri T. T. Krishnamachari: May I know what are the terms of reference to this Committee?

The Honourable Shri R. K. Shanmukham Chetty: The terms of reference has been published in the Gazette. It is public property. It has been published on the 30th of January.

Shri T. T. Krishnamachari: Has the Honourable Minister fixed any time-limit for submitting the report to him?

The Honourable Shri R. K. Shanmukham Chetty: I have not fixed any time limit, Sir, but I have told the Chairman of the Committee that I would like the work to be done expeditiously. In fact I have gone still further and I have told the Chairman that they need not wait for 3 or 4 or 5 months to send a consolidated report but as they finish each Department they may send the report, so that action may be taken immediately.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Minister if at least seniority of these men will be considered in other Departments who are retrenched if they pass an examination along with new recruits. Their service already may be counted and seniority may be given.

The Honourable Shri R. K. Shanmukham Chetty: All these are governed by very elaborate rules the understanding of which is very much beyond my capacity.

ABSORPTION IN INDIAN ARMY OF REFUGEE COMMISSIONED OFFICERS FROM STATES' FORCES ACCEDED TO PAKISTAN.

127. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Defence be pleased to state whether Government are aware that a number of Commissioned Officers from States' Forces which have acceded to Pakistan have come back to India as refugees?

(b) Are Government aware that they are mostly well-trained and experienced officers?

(c) Have Government received any representation from those officers to absorb them in the Indian Army?

(d) In view of the pressing need for officers in the Indian Army do Government propose to absorb those officers who were obliged to leave their posts by force of circumstances? If not, why not?

The Honourable Sardar Baldev Singh: (a) Yes, Sir.

(b) Yes, particularly those officers who were trained at an Indian Officers' Training School and those who have had war service with the Indian Army.

(c) Yes, Sir.

(d) Yes, it is proposed to absorb them as far as possible.

Shri Deshbandhu Gupta: Will the Honourable Minister please state the number of such officers who have actually registered themselves as refugees here and who have applied for absorption?

The Honourable Sardar Baldev Singh: I have not got that information available with me, but if the Honourable Member is particular to get that information, I will get that information.

Shri Deshbandhu Gupta: Will the Honourable Minister assure the House that there will be no delay in absorbing as many as possible?

The Honourable Sardar Baldev Singh: I have already stated that as far as possible we will try to absorb all officers who can be absorbed.

Shri H. V. Kamath: To which other States do these officers mostly belong?

The Honourable Sardar Baldev Singh: I am afraid I have not got that information, but they come from several States.

Shri Deshbandhu Gupta: Will the Honourable Minister please state if he has received an application from Captain Surajmal who seems to be a very qualified man?

Mr. Speaker: I do not think I should permit this question.

Shri Deshbandhu Gupta: This is a representation made by him.

Mr. Speaker: It is an individual representation and that question will not be admitted.

Shri M. Ananthasayanam Ayyangar: May I know why all the Gurkha soldiers are not being absorbed and only one or two regiments have been taken now?

The Honourable Sardar Baldev Singh: As far as my information goes, all the Gurkha soldiers have been absorbed.

Shri M. Ananthasayanam Ayyangar: Is it not a fact that some of them have opted for British Army and not the Indian Army, because they are not being absorbed?

The Honourable Sardar Baldev Singh: Yes, Sir. According to the agreement that was arrived at with H.M.G. the Gurkhas belonging to 8 Battalions were given the option to opt out for service with H.M.G. Those who have opted out for service have gone out. The others have been employed by us.

Shri M. Ananthasayanam Ayyangar: Have they voluntarily opted out or because they were not absorbed in the Indian Army?

The Honourable Sardar Baldev Singh: It was voluntary.

Shri Rohini Kumar Chaudhuri: May I know, why the British Government take these Gurkha soldiers? Is it for the purpose of invading India?

Mr. Speaker: I think that is a question for the British Government.

Shri M. Ananthasayanam Ayyangar: May I know where these Gurkha battalions are stationed? Are they in India or in the frontier or in England?

The Honourable Sardar Baldev Singh: They are shortly going to Malaya.

LATE CIRCULATION OF REPORTS OF SELECT COMMITTEES ON CERTAIN BILLS

Mr. Speaker: We will now proceed with the Legislative Business.

Mr. K. Santhanam (Madras: General): I wish to draw your attention to the fact that the Select Committee reports were received by me only yesterday.

Mr. Speaker: This was I understand on the 2nd of February.

Shri K. Santhanam: I received it only yesterday morning. In fact I had not received it when I came to the Assembly and I had to get a copy from the Honourable Minister.

Shri T. T. Krishnamachari (Madras: General): I also received it only yesterday morning.

Mr. Speaker: The dates of circulation of the Reports of Select Committees on different Bills, as supplied to me by office are as follows:

Report of the Select Committee on Pharmacy Bill which was presented to the House on the 28th January, 1948, was circulated to Members with a circular letter on the 2nd February;

Report of the Select Committee on Dock Workers Bill which was presented to the House on the 28th January, 1948, was circulated to Members with a circular letter on the 30th January;

Report of the Select Committee on Minimum Wages Bill which was presented to the House on the 28th January, 1948, was circulated to Members with a circular on the 3rd of February.

Shri K. Santhanam: I received the Report on the Minimum Wages Bill just now. We are not concerned with the dates of the circulars.

Pandit Balkrishna Sharma (U.P.: General): For your information, I may say, Sir, that most of the Members received the Reports of Select Committees according to the schedule.

Mr. Speaker: That, at any rate, is not a subject matter for discussion. There may be various reasons for non-receipt of copies by individual members. If the reports were issued on the dates which I read out just now, there is sufficient ground for the presumption that copies of report have reached members. In exceptional cases there might have been delay, or the reports may have miscarried. But there is absolutely no substantial reason for complaint.

[Mr. Speaker]

about insufficiency of notice. If the Honourable Member has any particular difficulty, I shall, of course, see to it that none of the points that he wants to make are missed on account of the late delivery of the report. He may also communicate with the Secretary.

Shri K. Santhanam: I only request that the Minimum Wages Bill may not be taken up today.

Mr. Speaker: We will see to it when the Bill comes up.

Mr. Naziruddin Ahmad (West Bengal: Muslim): In regard to the Pharmacy Bill I have one difficulty. I was considering some amendments of a drafting nature when I received the notice for consideration yesterday evening. The last week was a very unusual one for us and our mind was completely distracted. I have given notice of my amendments only this morning and I desire that they be considered by the Honourable Minister and others. I would, therefore, urge that the Bill be merely taken into consideration and the rest of the work taken up tomorrow.

Mr. Speaker: We will see to it when the amendments come up. If they are of a substantial character they will certainly be considered.

ADMISSION OF SHORT NOTICE QUESTIONS

Shri M. Ananthasayanam Ayyangar (Madras: General): May I request you to inform me, Sir, as to what has happened to my short notice question regarding the precautions that were taken to protect the life of Mahatmaji after the bomb incident? Has it been accepted by the Honourable Minister?

Mr. Speaker: The question has come to me just now. I am told the Honourable Member presented it last evening. I will look into it and if I admit it, then it will be for the Honourable Minister to consider whether to accept short notice or not.

Shri Rohini Kumar Chaudhuri (Assam: General): Will you permit me to ask, Sir, as to what has happened to certain short notice questions of mine regarding encroachment by Pakistan into Dominion territory?

Mr. Speaker: I think these are matters which Honourable Members should take up with me in my Chamber, not here.

PHARMACY BILL

The Honourable Rajkumari Amrit Kaur (Minister for Health): Sir, I beg to move:

"That the Bill to regulate the profession of pharmacy, as reported by the Select Committee, be taken into consideration."

Sir, I do not think there is any necessity for me to reiterate what I said when I asked leave to refer this Bill to a Select Committee in the last session of the Assembly as far as the urgent necessity of bringing a measure of this nature on the Statute Book is concerned. All Honourable Members are aware of the very unsatisfactory position that exists today in the matter of the practice and profession of pharmacy. But perhaps it might be as well for me, from the point of view of informing the House, just to say something about the Drugs Act which was passed in 1940 and the Drugs Rules framed under it which were brought into force in April 1941. The Pharmacy Bill is really a necessary corollary to the Drugs Act which cannot work effectively until the Pharmacy Bill is on the Statute Book. The Drugs Act and the Drugs Rules prescribe

the standard of the quality of drugs that can be imported into, or manufactured, stocked and sold in India. They also provide for the licensing of import, manufacture and sale in India of drugs under suitable conditions. I would like to inform the House that the necessary machinery for licensing and controlling imports has been set up at the centre. There is also a Central Drugs Laboratory, which has its headquarters at Calcutta, responsible for registering the formulae of patent medicines. The provincial councils enforce the Drug Rules in their respective provinces and the Central Council co-ordinates such action from the centre, to the extent possible. Now, the Drugs Rules regulating the retail sale of drugs stipulate that certain specified poisons and all medicines which are compounded on the prescription of medical practitioners can only be sold by, or under the direct supervision of, a qualified person, that is to say, a qualified pharmacist. The Pharmacy Bill, therefore, when passed, will enable us to put the profession of pharmacists on a satisfactory basis. The Central Pharmacy Council, as will be seen from the Bill, will lay down the minimum standards required for the training of pharmacists and the provincial councils will maintain their register and attend to questions of professional discipline. In this sense also the Bill now before the House is really complementary to the Drugs Act which is already functioning.

The opinions received on the Pharmacy Bill were carefully considered by the Select Committee. Honourable Members will have noted the amendments that have been made and the more important of them have been tabulated in the Report of the Select Committee that has been circulated. I do hope that these will meet with the approval of the House and that the Bill as amended will be passed. Sir, I move.

Mr. Speaker: Motion moved:

"That the Bill to regulate the profession of pharmacy, as reported by the Select Committee, be taken into consideration."

सेठ गोविन्ददास : माननीय सभापति जी, मैंने इस सिलेक्ट कमेटी (Select Committee) की रिपोर्ट को सरसरी तौर पर देखा और इसके अलावा भी इस सम्बन्ध में इसके पहिले जो कानून बने हैं, और जो भोर कमेटी नियुक्त की गई थी उन कानूनों को और भोर कमेटी की रिपोर्ट को भी देखने का प्रयत्न किया। और कमेटी की रिपोर्ट चार जिल्दों में है, और उन चार जिल्दों में जो रिपोर्ट है उसके देखने से, तथा इस सम्बन्ध में जो कानून अब तक पास हुए हैं उनको देखने से, एक बात स्पष्ट रूप से ज्ञात हो जाती है कि आयुर्वेद को कोई स्थान ही इस देश के इलाज में नहीं दिया जाता। अनेक बार इस असेम्बली में इस सम्बन्ध में प्रश्न भी हुये। जो कमेटियां इस विषय में सरकार समय समय पर नियुक्त करती हैं उन कमेटियों में भी यह देखा गया कि जो सच्चे वैद्य हैं उनको स्थान नहीं मिलता। वैद्यों के नाम से जो लोग नियुक्त किये जाते हैं वह अधिकांश में डाक्टर होते हैं और जब यह कहा जाता है कि वह अखिल भारतीय आयुर्वेद सम्मेलन की सिफारिश से क्यों नहीं लिये जाते, तो इस सम्बन्ध में भी सरकार द्वारा कोई सन्तोषजनक उत्तर नहीं मिलता। मैं श्रीमती राजकुमारी अमृत कौर से यह पूछना चाहता हूँ कि आयुर्वेद के सम्बन्ध में वह आखिर क्या करने वाली हैं। एक पर एक कानून, जहां तक विदेशी इलाज का सम्बन्ध है, बनाये जा रहे हैं, इस बिल में भी जो कुछ कहा गया वह सब विदेशी इलाज के

[सैठ गोविन्ददास]

सम्बन्ध में, विदेशी दवाओं के सम्बन्ध में है। अब जब स्वराज्य की स्थापना हो गई है और हम स्वतन्त्र हो गए हैं, तो हम यह आशा करते हैं कि आयुर्वेद के सम्बन्ध में भी कुछ न कुछ किया जाना चाहिये, विदेशी इलाज और विदेशी डाक्टरों से कहीं अधिक। या तो राजकुमारी जी का यह विचार होगा कि आयुर्वेद के सम्बन्ध में वह और कोई बिल लायें, या यदि उन्होंने यह नहीं सोचा है तो मैं इस मौके पर उनसे यह निवेदन करना चाहता हूँ कि आयुर्वेद के सम्बन्ध में भी या तो कोई बहुत बड़ी कमेटी नियुक्त की जाय जिस प्रकार भोर कमेटी नियुक्त हुई थी, जो सारे विषय पर विचार करे क्योंकि भोर कमेटी की रिपोर्ट में जो चार जिल्लों में है, उसमें शायद आयुर्वेद का नाम चार स्थानों पर भी नहीं आया, एक छोटा सा पैराग्राफ है जिससे मालूम होता है कि भोर कमेटी ने इस पर कोई विचार ही नहीं किया तो या भोर कमेटी की जगह कोई दूसरी कमेटी नियुक्त होनी चाहिये जो आयुर्वेद की पद्धति पर पूरा विचार करे और पूरा विचार करके जिस तरह से भोर कमेटी की रिपोर्ट सरकार के सामने आई इसी प्रकार से एक रिपोर्ट पेश करे, या यदि इस कमेटी की आवश्यकता न हो तो कम से कम जो आयुर्वेद के सच्चे प्रतिनिधि हैं, और उन प्रतिनिधियों का पता अखिल भारतीय आयुर्वेद सम्मेलन में मौजूद है, उससे लग सकता है, उनको बुलाकर इस विषय पर परामर्श किया जाय।

जिस प्रकार हम लोग एक विदेशी इलाज को यहां उत्तेजना दे रहे हैं। नित्य नये कानून ला रहे हैं, उसी प्रकार आयुर्वेद के सम्बन्ध में भी हम कुछ करें। यह आयुर्वेद का विषय इतना बड़ा विषय है जो केवल प्रांतीय सरकारों पर छोड़ दिया जाय तो चल नहीं सकता। यह ऐसा विषय है जो केन्द्र से सम्बन्ध रखता है, और इस विषय में मैं यह आशा करता हूँ कि श्रीमती जी कुछ न कुछ हम लोगों को विश्वास दिलायेंगी, क्यों कि बारबार यहां पर यह प्रश्न उठने पर भी मैं यह कहना चाहता हूँ कि इस सम्बन्ध में जो कुछ हो रहा है उससे हम लोगों को घोर असन्तोष है।

जब कि हमारी सरकार आ तब यह हम आशा करते हैं कि जो पद्धति इस गई है देश की आबहवा के अनुकूल हजारों वर्षों से चली आ रही है उसकी उन्नति हो। आयुर्वेद में इस प्रकार के ग्रन्थ आज भी मौजूद हैं 'चरक' 'शुश्रुत' और 'वाग्भट्ट' के समान, जिस प्रकार के ग्रन्थ वैज्ञानिक आविष्कारों के हो जाने पर भी दूसरी पद्धतियों में उपलब्ध नहीं हैं। उसे राजाश्रय नहीं मिला। इसका फल यह निकला कि इस समय के वैज्ञानिक युग में वह पद्धति पूरी उन्नति नहीं रह सकी। मैं आपसे कहना चाहता हूँ कि हमें इस विषय पर पूरा ध्यान देने की आवश्यकता है और यह आवश्यक है कि अब इस विषय में और ढील हम न दें। इस सम्बन्ध में आप जो करना चाहती हैं वह जल्द से जल्द करने का प्रयत्न करें।

मैं इस बिल का समर्थन करता हूँ, इससे हमारा कोई विरोध नहीं है, लेकिन इसके साथ ही साथ मैं यह कहना चाहता हूँ कि आयुर्वेदिक के सम्बन्ध में कुछ न कुछ किया जाना और जल्द किया जाना आवश्यक हो गया है।

(English translation of the above speech.)

Seth Govinddas (C.P. and Berar: General): Mr. Speaker, I hurriedly went through the Report of this Select Committee, and besides this, I tried to consult the relevant legislation passed earlier and the Report of the Bhore Committee which was appointed in this connection. The Bhore Committee Report consists of 4 volumes. From a perusal of the Report contained in these 4 volumes and all the Acts passed in this connection up to now, it becomes quite apparent that the Ayurveda has not been given any place amongst the systems of treatment prevalent in this country. Questions were also asked in this Assembly very frequently in this subject. It was also noticed that the persons who were qualified *Vaidyas* were not represented on the Committees which were constituted by the Government on this behalf from time to time. The persons who are appointed in the name of *Vaidyas* are generally Doctors; and when it is contended why selections are not made on the recommendations of the *All India Ayurvedic Sammalen*, no satisfactory reply is given by the Government. I would like to know from the Honourable Rajkumari Amrit Kaur as to what steps she contemplates to take after all in regard to Ayurveda? So far as foreign systems of treatment are concerned, laws after laws are being enacted. This Bill also relates to the foreign system of treatment and medicine. Now when independence has been achieved and we have won freedom, we do expect that something much more should be done in respect of Ayurveda than what we do for the foreign system of treatment and doctors. Either the Honourable Minister would have thought of introducing any other fresh Bill in regard to Ayurveda or if she has not considered over it, then I would request her that a fairly large Committee similar to the Bhore Committee may be set up which should consider over the whole matter, because the Bhore Committee Report which comprises of 4 volumes hardly mentions the name of Ayurveda at four places even. There is only one small Paragraph from which it is observed that the Bhore Committee did not consider this subject at all. So either another Committee should be set up on the lines of the Bhore Committee which may after bringing the whole Ayurvedic system within its range of deliberations present a report similar to that of the Bhore Committee submitted to the Government; or in case no necessity for this Committee is felt, then at least the real representatives of Ayurveda whose names could be ascertained from the *All India Ayurvedic Sammalen*, should be summoned and consultations held with them in the matter.

Just as we are encouraging here the use of alien system of treatment and introducing new legislation every now and then, similarly we should do something for the cause of Ayurveda. This subject of Ayurveda is so vast, which if left to the care of the Provincial Governments only, cannot be developed. This is a subject which concerns the Centre; and I hope that the Honourable Minister will give us some sort of assurance in this respect. In spite of the fact that this question has been repeatedly raised on the floor of this House, I daresay we feel utterly dissatisfied over what is being done in this direction.

When our own Government has been installed, we do hope that this system which is suitable to the climate of this country and has been in vogue for the past thousands of years should be developed. Books on Ayurveda like those of "*Charak*", "*Shushruta*" and "*Vagbhata*" are available even today, the kind of books which cannot be had on other systems even after all the scientific discoveries. It was not granted Government support. As a result of this the

[Seth Govinddas]

scope of that system could not be fully developed in the present scientific age. I want to impress upon you that there is an over-riding necessity of devoting our whole-hearted attention to this subject, and it is quite imperative that we should not make any further delay in this respect. Whatever line of action you want to follow in this direction, you should try to adopt without the least possible delay.

I support this Bill. I do not mean to oppose it. But along with this, I would urge that it is high-time that we should do something in regard to Ayurveda and that it has become a dire necessity.

Mr. R. K. Sidhva (C.P. and Berar: General): Sir, I associate myself with the remarks of my Honourable friend Seth Govinddas. In the Select Committee before discussing the other clauses we raised this point and we definitely showed our inclination.....

Kazi Syed Karimuddin (C.P. and Berar: Muslim): Sir, the proceedings of the Select Committee cannot certainly be referred to?

Mr. Speaker: The Honourable Member will not be in order in giving details of Select Committee proceedings; he may state his own views if he so likes.

Mr. R. K. Sidhva: I only want to tell my Honourable friend that we are very keen on having legislation with regard to the Ayurvedic and Unani systems. We consulted medical practitioners in all systems, and they were all of the view that the indigenous system of medicine could not be fitted into this Bill. I am sure the Honourable Minister will bring in another Bill for that purpose, as she informed us at the last session. While I endorse every word that my Honourable friend Seth Govinddas said, I feel that there is no scope for the indigenous systems in the present Bill.

Shri Biswanath Das (Orissa: General): Sir, I associate myself with all that was said by my Honourable friend Seth Govinddas. It is an anomaly that in a country where over 90 per cent. of the people depend on the Ayurvedic and Unani systems the Government should spend all its money, resources and activities on a foreign system. That shows that the Britishers who ruled this country wanted not only to thrust their political dependence on us but also their system of medicine. Whatever may have been the conditions before, they changed after the 15th August, 1947. That was a day of freedom also for the great systems of Ayurveda and Unani which stand as an independent system with an illustrious history behind them. These systems have to be renovated and strengthened. I may assure my Honourable friend the Minister that she will not get any help from her medical advisers in this regard. It has been my unfortunate experience in the course of 25 or 30 years in legislatures that the allopathic doctors have absolutely no soft corner for our system. They feel that this is a system which is destined to die and must die. It is our earnest desire that the system should live, and not only live but should be raised to a very high place. Even today it is *manthan* and *mahaushadhi* for which the people of India are anxiously waiting. If you have to give medical help to the rural people you have to restore and renovate your own system of medicine and treatment. Many indigenous drugs are not taken care of and are wasted, while people are dying for want of treatment. In a country where the span of life was 125 years, it has now come down to 27 years. Sir, if you want to prevent this death-rate, if you want to bring health and sanitation to the people of this country, you cannot do anything more than restore the system of Ayurvedic treatment to its ancient status and glory. With a view to this I would not think of appointing committees. Committees mean delay. Committees mean and imply delay and shelving

matters. I know those days are gone but even in this I would appeal to the Honourable Minister in charge of this Department to take effective steps in this regard if she is really anxious to see that this system is restored to its original status.

I do not oppose the Bill. The Bill as it stands makes the British system of pharmacy in India full and complete. Let it be so. But I think she has also a responsibility to discharge in the sense that steps should be taken to restore our own system of treatment and see that the same is developed.

Sir, it is rather unfortunate that even after this national upheaval in this country in the course of these 50 years or more, not even graduate courses have been undertaken in this Ayurvedic system except in the Hindu University of Benares. I do not believe that there is any university in India which has got graduate courses in this regard. Is it too much to expect that the Delhi University should at once institute graduate and post-graduate courses. Cultured and renowned Vaidas are there. We should try and elevate the system and make it useful. Have a register of physicians. Where are your doctors and surgeons? They are a drop in the mighty ocean. Millions of people are suffering from disease and death. If you mean going to their rescue, I would appeal to the Honourable Minister that she at once take up on herself the responsibility of registering also the Ayurvedic physicians and let provinces be financed to set up institutions to give refresher courses so that the people in the mofussil and the rural Ayurvedic practitioners will get the benefit of the Government's action. There are a thousand and one ways if there is a desire. I would appeal to the Honourable Rajkumari to take immediate steps in this regard. I believe that she has gleams of a deep-enough desire to see that our system is restored to its ancient glory and that it is made useful to the people who are yearning for it.

With these words, while supporting this Bill, I insist that my system of treatment, namely the Ayurvedic and Unani system should be restored to the previous glory.

Mr. Tajamul Husain (Bihar: Muslim): Mr. Speaker, I have risen to support the Bill wholeheartedly. The idea underlying the Bill as it appears to me is that there should be qualified compounders to dispense medicine. There have been hundreds and thousands of cases where unqualified compounders who have not received proper minimum education as the Bill says, have dispensed prescriptions and deaths have taken place. This is a very dangerous thing and many accidents have taken place. Therefore, this Bill has been introduced. But this is meant only for the Allopathic system of medicine which was introduced here when the British *raj* came. Now we are independent and this country is a very poor country where the allopathic system cannot sufficiently cope with the needs of its people. For a poor country like this, you must encourage Ayurvedic system, the Tibbi system and the Homeopathic system. After all, they are very cheap for the people of this country. While supporting this Bill, I would request that the Honourable Minister would see her way as soon as possible to bring another Bill whereby she should be able to come to the help of the people by introducing a system so that we could have qualified compounders for the Tibbi system, the Ayurvedic system and the Homeopathic system.

I entirely agree with the remarks made by the previous members who have spoken on this Bill.

Shri H. V. Kamath (C.P. and Berar: General): Mr. Speaker, it will be universally acknowledged that this measure has been long overdue in the interest of public health and welfare in our country, and it has been long recognised that this profession of pharmacy had fallen into the hands of quacks, if not something worse. It is a matter of gratification that our Government of Free India has within six months of taking over, introduced a measure which is calculated to put this profession on a sound footing.

[Shri H. V. Kamath]

Considering that we are planning this profession and practice of pharmacy on a new, regulated and sound basis, it was all the more necessary that our Government had taken into consideration this profession in all its various aspects and in all the various fields in which it operates.

Pharmacy is an ancient profession as my Honourable friend, Seth Govinddas said. The profession of Ayurvedic pharmacy dates back to thousands of years. It is unfortunate that it has fallen on evil days, but today we are in a said. The profession of Ayurvedic pharmacy dates back to thousands of that he had consulted some experts before he arrived at the conclusion that this could not be included—i.e. the Ayurvedic system could not be included within the scope of this Pharmacy Bill. I wonder who were the experts that he consulted. I wish he had given us the names of the experts and the wise men whom he consulted before he arrived at this very sound conclusion that the Ayurvedic system could not be included in the scope of pharmacy. It is all very well to say that we have no university which confers degrees in this science. But I am sure that my friend, Mr. Dhulekar, who is not here would not agree with this. As a matter of fact the *All-India Ayurvedic Sammelan* has done a lot of work in this direction and there are qualified *Vaidas* who work in different parts of the country. I am thankful to my friend Mr. Govind Das for informing me that the Benares Hindu University has got a course in Ayurveda and confers degrees in Ayurveda. As I said a little while ago

Ayurveda is a very ancient science, the very fact that it is called Ayurveda indicates that it is a fifth Veda besides the four acknowledged Vedas. Ayurveda is the Veda of life or longevity and that shows the importance which our ancient doctors and Sages attached to this important science. Now that we have attained our freedom we might resuscitate our ancient culture and heritage. This is one of the fundamentals which should have come up for the consideration of the Government.

Mr. Sidhva said that the Honourable Minister would bring forward another Bill. She made a statement last session, if I remember aright that the whole matter was before a committee and that the committee would report by the end of February. I do not know whether a separate Bill would be introduced to regulate the profession of pharmacy in Ayurveda and Unani. If that were so it would be very welcome and I shall not be so impatient as to press my point today. But if that is not going to be so and if Government thinks that there is no university which confers degrees and diplomas in this line, it is high time that our Government started an Ayurvedic University and encouraged the study of this ancient science.

To come to the Bill, Clause 2, sub-clause (f) refers to the Allopathic system of medicine. If I am not mistaken, any my memory does not betray me I think there are regular courses in Homeopathy and Biochemistry in our country. I believe there is a college of Homeopathy in Calcutta and a College of Biochemistry somewhere in India. I wonder why at least Homeopathy and Biochemistry could not be included within the scope of this Bill which is meant to regulate the profession of pharmacy. I would therefore request the Honourable Minister to let us know in her reply to the debate what action Government propose to take to include recognised *Vaidas* and *hakims* and also doctors who are qualified as homeopaths or biochemists. It is very necessary when we are planning to regulate the profession of pharmacy to include all pharmacists who follow different systems in vogue today in the world.

I would like to say one word more about Ayurveda. I do not mean to say that we do not know the value or importance of Ayurveda ourselves, but in Germany before the last war started there was a pharmaceutical company which used to manufacture Ayurvedic drugs and they were very popular in Germany. If our eyes are not opened already I think this should suffice to inculcate into us, if we have forgotten, the importance of our own ancient

system of medicine. The pharmaceutical company in Germany claimed that a particular drug which they manufactured sold like hot cakes not only in Europe but in America as well and they claimed more therapeutic value for this drug than for any other European or American allopathic drug. It is high time, therefore, not merely from the point of view of resuscitating our ancient system of medicine but also from the point of view of increasing our trade and commerce with European countries that we revive our ancient system of Ayurveda and include in the scope of this Bill our indigenous systems such as Ayurveda and Unani. I would also press for the inclusion of homeopathy and biochemistry. If this Bill could not be improved I would request the Honourable Minister to bring forward another Bill which would include all the different systems so as to make it very comprehensive, which it is not today. But law must be made comprehensive enough to include all the systems in vogue in the world today.

Dr. B. Pattabhi Sitaramayya (Madras: General): Sir, I had not intended to speak on this occasion, because I thought that pharmacy was a simple process, half mechanical and half scientific but some of the remarks made by those who have preceded me tempt me to say a word or two.

I am afraid there is a misconception in regard to the scope of this Bill. It is admittedly a Bill which is designed to regulate pharmacy within the meaning of Allopathy and it would be a misjoinder of subjects to mix up Allopathy with Homeopathy, Biochemistry, Ayurveda, Unani and Tibbi and I challenge anybody to produce a Bill which can cover all these systems and bring into existence a body of controlling directors or members of a Committee who can with equal capacity and equal justice deal with all these systems of medicine. Allopathy is a regular system. It may be that the Government has shown a bias for a particular system but Government has only inherited a certain system as part of the Government machinery. It is dealing with it and is trying to improve the material before it. It is up to any member of this House to plead for the cause of Ayurveda but that pleading must be in its own time and in its own place and for its own purpose. You should not mix it with this. I have often seen Ayurvedic colleges built up but with Ayurvedic walls and Ayurvedic roof upon allopathic foundations. I could not understand how the two things could be pieced together. I have gone to many Ayurvedic and Unani institutions where they have to learn Gray's Anatomy and Haliburton's physiology but on that they build the theory of humours. I have searched all the dead bodies and living bodies that came my way but I have never yet found the humours. I know however where to find them. There is a place where to find them. Possibly one of these days research in Ayurveda or Unani and pharmacy may be correlated, so that the two divergent lines may meet in one common line and carry on the train of knowledge to its own destination by coordinating vitamins and endocrines with humours. To bring in the subject of Ayurveda, Tibbi or Unani in time and out of time and ride this hobby horse is quite out of place.

My friend who has just preceded me has spoken of biochemistry. Does he want a Bill for the regulation of the study of biochemistry and a Committee to sit in judgment as to what should constitute biochemistry. Perhaps he is not aware of the great change that has come over physiology in recent times. During the three years I had spent in the Ahmednagar fort I took the opportunity of revising my knowledge of medicine. I read one book on medicine and two volumes of surgery. I understood everything there. But when I took up a book on physiology, let me frankly confess that I did not understand one page of it. The whole of biochemistry and physiology have become indistinguishable with each other now and there are biochemical laboratories associated with big hospitals, where as soon as the patient goes, his skin is examined, his blood is examined, the blood corpuscles are counted, he is turned

[Dr. B. Pattabhi Sitaramayya]

inside out and outside in, he is sent from one place to another, from the clinic to the biochemical laboratory and finally to the surgery and perhaps last to the mortuary. Whatever it be the fact is that science has become greatly developed nowadays and biochemistry is a part of physiology and cannot be incorporated in pharmacy as a separate subject. But it is up to the Committee to prescribe educational qualifications in such a manner that biochemistry also may be brought within the range of study. The Honourable Member cannot be a judge whether biochemistry should be brought into the range of studies contemplated by the Pharmacy Committee but it is for the Committee that is going to be appointed, which will be in charge of the regulation of educational qualifications to take charge of it. These two suggestions then are, I consider, beside the point. I think the Bill as it is may well go through the House.

The Honourable Rajkumari Amrit Kaur: Well, Sir, I do not think there has been any opposition to the Bill as it stands and everybody has accepted that a measure of this nature should be on the statute book. I think the speakers want to remind the Government of India once again through the Health Department of the need for turning our attention to the indigenous systems of medicine. I have said once before on the floor of this House that we are awaiting the Report of the R. N. Chopra Committee. Owing to his illness that Report has been delayed. When it comes, the questions as to how research in indigenous systems of medicine can be encouraged and how those systems can be brought to give medical aid and relief in a greater measure to the people of this country and all other relevant questions will be considered. As far as the scope of this Bill is concerned Dr. Sitaramayya has quite correctly pointed out that indigenous drugs could not be brought within its scope. The Drugs Act of 1940 deliberately excluded drugs dispensed under indigenous systems of medicine for the obvious reason that drugs under these systems of medicine are not standardized and it is, therefore, not practicable to bring them within the scope of such a Bill. This Bill therefore could only apply to allopathy. That Government is interested in, or will give every consideration to, the development of the indigenous systems of medicine as I have already stated. But Members may not be impatient and I do plead with the House in matters of science to get away from thinking in terms of country or race for science knows no barriers of race or country. It is perhaps pertinent to note here that the best research that has been done on indigenous drugs has been done by an allopath. I do not think I have any more to say on the subject.

Mr. Speaker: The question is:

"That the Bill to regulate the profession of pharmacy, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Mr. Speaker: We might take the Bill clause by clause.

As regards the amendments of the Honourable Member, Mr. Naziruddin Ahmad, I shall consider as to whether I may waive notice.

I am not expressing any opinion on the merits of these amendments—No. 1 which refers to clause (e) seems to refer to drafting neatness: in the alphabetical order I must come after E and therefore clause (c) must come after clause (e). That is the only point there.

Mr. Naziruddin Ahmad (West Bengal: Muslim): Yes, Sir.

Mr. Speaker: If that is acceptable to the Honourable Minister, then he (Mr. Ahmad) will have to renumber all the others: if (c) is shifted, (ee) will not be correct.

The Honourable Rajkumari Amrit Kaur: Sir, I am sorry I cannot accept the amendment.

Mr. Naziruddin Ahmad: I have received a note from the Honourable Minister that she had no time to go through the amendments. These amendments will take very little time to dispose of when properly considered. For the sake of neatness in drafting it has to come in the alphabetical order. May I therefore crave the indulgence of the House.....

The Honourable Rajkumari Amrit Kaur: May I say, Sir, that the amendments of Mr. Naziruddin Ahmad have just been handed to me about five minutes back and I have, therefore, asked him not to ask me to accept them at this stage?

Mr. Speaker: I do appreciate the difficulty of the Honourable Minister. It is really the draftsman who must say as to how far the amendments fit in and the Honourable Minister must have time. The point I was considering was as to whether it will be proper to postpone consideration of them at this stage, when I see almost a unanimity in the House as regards the desirability of passing the Bill as soon as possible. Some amendments, I believe, merely refer to correction of proofs, if I may take it that way; and that can be done at the time of printing when the Bill is sent for assent. For rectifying mistakes in printing and spellings, we need not move any amendment here. So far as commas etc. are concerned they will be a different matter. But I think the particular amendment which I referred to (No. 1), as also amendment No. 5 which refers to clause 3, does not make any substantial change but are drafting ones. Two of his amendments to clause 7 (Nos. 10 and 11) seem to be of a nature, which may more or less be treated as very formal amendments and they may be considered even at the last stage. In the meanwhile, I might suggest that these amendments may be given to the draftsman of the Bill so that he may scrutinize them. We will go through the clause by clause stage of the Bill, and in the case of purely formal amendments which do improve the wording, we will take them up in the last stage as formal amendments—they are not substantial in any sense. In this instance, this amendment, of placing clause (c) after clause (e) and the consequent stepping up of the other two clauses is merely an attempt to set forth the definitions in the alphabetical order, and this can be done even at the last stage as a formal amendment. So, rather than postpone the consideration, I will see as to what is possible in the last stage when the Bill comes in for being passed.

Mr. Santhanam has not moved his amendment.

The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Shri K. Santhanam (Madras: General): Sir, I move:

"That in part (a) of clause 3 of the Bill, the words 'at all times' be omitted;

That in part (b) of clause 3 of the Bill, the words 'at all times' be omitted."

The reason is that the presence of these words may cause difficulty when members resign or die or there is some vacancy.

Mr. Speaker: I take it that the Honourable Member is moving both his amendments—Nos. 2 and 3. I will treat them as one amendment.

Amendment moved:

"That in parts (a) and (b) of clause 3 of the Bill, the words 'at all times' be omitted."

The Honourable Rajkumari Amrit Kaur: I accept the amendment.

Shri H. V. Kamath: On a point of information, Sir. Clause (a) refers to pharmaceutical chemistry, pharmacy, pharmacology and pharmacognosy. May I ask what 'pharmacognosy' means?

Mr. Speaker: I think the Honourable Member may better refer to a dictionary.

The question is:

"That in parts (a) and (b) of clause 3 of the Bill, the words 'at all times' be omitted."

The motion was adopted.

Shri K. Santhanam: Sir, I move:

"That in part (g) of clause 3 of the Bill, the words 'in the Province', be omitted."

Now we are not making provision for Delhi, Ajmer-Merwara, Coorg and other places. The registered practitioners in those places may be allowed to be elected by the neighbouring provinces. It is for that purpose that I have tabled the amendment.

Mr. Speaker: Amendment moved:

"That in part (g) of clause 3 of the Bill, the words 'in the Province', be omitted."

The Honourable Rajkumari Amrit Kaur: I accept that amendment.

Mr. Speaker: I find an amendment by Mr. Naziruddin Ahmad in which he wishes to add the words "in the province concerned". What is the idea? Can one registered in one province be elected from another province?

Shri T. T. Krishnamachari (Madras: General): The idea is that representation should not be tied down to an area. Where Provinces like the Chief Commissioners' Provinces are concerned, it may not be possible to find a person within a province. That is the main idea of the amendment. In fact Mr. Naziruddin Ahmad's amendment will strengthen it further.

Mr. Speaker: The question is:

"That in part (g) of clause 3 of the Bill, the words 'in the Province', be omitted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 3, as amended, stand part of the Bill."

The motion was adopted.

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

Clauses 4 to 6 were added to the Bill.

Shri K. Santhanam: I move:

"That in sub-clause (3) of clause 7 of the Bill, for all the words beginning with the words 'A nominated or' and ending with the words 'the Central Council' where they occur for the second time, the following be substituted, namely,—

"The Central Council may declare the seat of a nominated or elected member vacant if he is absent from three consecutive meetings of the Council without sufficient cause."

I would request your permission to substitute "without sufficient cause" for the words "without its permission".

Mr. Speaker: Amendment moved:

"That in sub-clause (3) of clause 7 of the Bill, for all the words beginning with the words 'A nominated or' and ending with the words 'the Central Council' where they occur for the second time, the following be substituted, namely,—

"The Central Council may declare the seat of a nominated or elected member vacant if he is absent from three consecutive meetings of the Council without sufficient cause."

The Honourable Rajkumari Amrit Kaur: I am sorry, Sir, I cannot accept this amendment for the reason that the meaning that he wishes to bring is already there, and if the amendment is to be accepted, the meaning of the following clause "or if he is elected under clause (a), (c) or (g) of section 3, if he ceases to be a member of the teaching staff" will be wholly defeated.

Shri K. Santhanam: I beg leave to withdraw the amendment.

Mr. Speaker: The Honourable Member wishes to have leave of the House to withdraw his amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. Speaker: The question is:

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

The motion was adopted.

Clause 7 was added to the Bill.

Shri K. Santhanam: I move:

"That in sub-clause (1) of clause 8 of the Bill, for the words 'if deemed expedient', the words 'if so decided by the Council' be substituted."

As the clause stands, it does not state as to who is to decide the expediency, and that is why I have tabled the amendment.

Mr. Speaker: Amendment moved:

"That in sub-clause (1) of clause 8 of the Bill, for the words 'if deemed expedient', the words 'if so decided by the Council' be substituted."

The Honourable Rajkumari Amrit Kaur: I would accept that amendment if the Honourable Mover would accept "if so decided by the Central Council".

Shri K. Santhanam: Yes.

Mr. Speaker: That means the addition of the word "Central".

The question is:

"That in sub-clause (1) of clause 8 of the Bill, for the words 'if deemed expedient', the words 'if so decided by the Central Council' be substituted."

The motion was adopted.

Mr. Naziruddin Ahmad: In this clause, in sub-clause (1), it is provided that the Central Council may appoint a Secretary who may also act as Treasurer. In the proviso it is provided that this officer shall hold office 'during the pleasure of the Central Government'. There is a similar passage in clause 9, sub-clause (2), that a particular person appointed by a particular appointing authority shall hold office during the pleasure of the appointing authority. I submit that this addition is absolutely unnecessary. That is covered by section 16 of the General Clauses Act. It says in effect that any authority which has the power to appoint any person has also the power to suspend or dismiss that person. So, the fact that the Central Government appoints a man implies that the Central Government has also the power to dismiss him, which comes to the same thing as saying that he holds office during the pleasure of the Central Government. So I have tabled amendments to delete these words, because they would seem absolutely superfluous as they are sufficiently covered by the General Clauses Act.

Mr. Speaker: Well, I am not quite sure, but I am afraid that that kind of an amendment will not be purely a formal one; it will be something different which we cannot carry out in the third reading of the Bill. It differs in its nature from the type of amendment which places one section over from one place to another, taken bodily as (c) and placed bodily as (e). This is doing something in the Section itself, not on the ground that the drafting would look better but on the ground that it is a superfluity. So that would be a substantial amendment and it cannot be a third reading amendment.

Mr. Naziruddin Ahmad: At this stage the matter may be considered.

Mr. Speaker: I believe the Honourable Member will find these words in other Sections also.

Mr. Naziruddin Ahmad: Yes.

Mr. Speaker: And those Sections have already been adopted by the House, for example, clause 5 has already been adopted. So, for the sake of consistency it would be better to have those words there; otherwise there will be difficulty of interpretation if the words are there in one clause and not in others. So I presume that the Honourable Member does not persist on that point.

Mr. Naziruddin Ahmad: My suggestion is that it is definitely of a drafting nature.

Mr. Speaker: The question is:

"That clause 8, as amended, stand part of the Bill."

The motion was adopted.

Clause 8, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: Sir, in this clause 9 there is the word "prescribed". According to well known practice in the Legislature the word "prescribed" has always been used in the sense that something is prescribed by rules made under an Act. The word "prescribed" has thus acquired a definite meaning. But in this Bill the word has been used to mean prescribed by regulations and prescribed by rules also. "Prescribed by regulations" would be to make the meaning of the word "prescribed" uncertain. In these circumstances I suggest some drafting amendments may be necessary just to distinguish the word "prescribed" as it is definitely understood so long. Only in its long accepted sense. So, I desire that the draftsman should also consider these matters.

Mr. Speaker: I may point out the difficulty of the Honourable Member, and that is that the word "regulated" or "regulations" has not been defined.

Mr. Naziruddin Ahmad: That has been defined.

Mr. Speaker: No, it has not been, so far as I see the Section.

Mr. Naziruddin Ahmad: But "regulation" is provided for in clause 18.

Mr. Speaker: But that is not defining it. Therefore, it will create a difficulty. The word "prescribed" includes both "regulations" under certain sections and "rules" under certain sections. I believe the definition of "prescribed" is clear. But that is a matter of merits and I should not express any opinion on that. If the draftsman wants to take it into consideration and bring in an amendment, I shall have no objection though I doubt whether it will be an amendment which will be consistent now, after having adopted clause 2.

Mr. Naziruddin Ahmad: It can be reconsidered.

Mr. Speaker: That is a different matter, however, I am not expressing an opinion at this stage.

The question is:

"That clause 9, stand part of the Bill."

The motion was adopted.

Clause 9 was added to the Bill.

Clause 10 was added to the Bill.

Shri K. Santhanam: Sir, I move:

"That in the Proviso to clause 11 of the Bill, all the words beginning with the words 'unless the Provincial Government' and ending with the words 'in the notification' be omitted."

The reason for this amendment is that I do not want to give the Provincial Government more than three years. They should complete the process by three years and a further extension is unnecessary.

Mr. Speaker: Amendment moved:

"That in the Proviso to clause 11 of the Bill, all the words beginning with the words 'unless the Provincial Government' and ending with the words 'in the notification' be omitted."

The Honourable Rajkumari Amrit Kaur: Sir, I am prepared to accept the amendment.

Mr. Speaker: The question is:

"That in the Proviso to clause 11 of the Bill, all the words beginning with the words 'unless the Provincial Government' and ending with the words 'in the notification' be omitted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 11, as amended, stand part of the Bill."

The motion was adopted.

Clause 11, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: Sir, in this clause 12, I want to point out that in two places the draftsmanship is rather inartistic. In one place in sub-clause (1) it is said: "and the Central Council, if satisfied after such enquiry as it thinks fit to make". Instead of that, the more artistic and simpler way would be, "if the Central Council, after making such enquiry as it thinks fit, is satisfied". These remarks also apply with regard to the same expression occurring in sub-clause (2). I have suggested this amendment just to rearrange the words to make the text simpler. I submit that it is a very formal amendment which does not in the least affect the sense or the structure of the sentences.

Shri T. T. Krishnamachari: I do not think that as at present it makes any difficulty regarding understanding.

Mr. Sneaker: The Honourable Member's point of view seems to be that if a piece of legislation is passed in this House, it should not only be correct but also as elegant linguistically as possible.

Mr. Naziruddin Ahmad: Yes, Sir.

Mr. Speaker: The question is:

"That clause 12, stand part of the Bill."

The motion was adopted.

Clause 12 was added to the Bill.

Shri K. Santhanam: Sir, I move:

"That in sub-clause (1) of clause 13 of the Bill, for the word 'may' occurring in line 7, the word 'shall' be substituted."

Mr. Speaker: Amendment moved:

"That in sub-clause (1) of clause 13 of the Bill, for the word 'may' occurring in line 7, the word 'shall' be substituted."

The Honourable Rajkumari Amrit Kaur: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (1) of clause 13 of the Bill, for the word 'may' occurring in line 7, the word 'shall' be substituted."

The motion was adopted.

Mr. Speaker: The question is:

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

The motion was adopted.

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

Clause 14 was added to the Bill.

Shri K. Santhanam: Sir, I beg to move:

"That in clause 15 of the Bill, for the words 'forthwith be', the words 'have effect as soon as they are' be substituted."

Mr. Speaker: Amendment moved:

"That in clause 15 of the Bill, for the words 'forthwith be', the words 'have effect as soon as they are' be substituted."

The Honourable Rajkumari Amrit Kaur: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in clause 15 of the Bill, for the words 'forthwith be', the words 'have effect as soon as they are' be substituted."

The motion was adopted.

Mr. Speaker: The question is:

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

The motion was adopted.

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

Mr. Naziruddin Ahmad: Sir, I have to submit one or two comments with regard to Clause 16. In sub-clause (2), item (b), the words are "at any approved examination". In item (c) also the words used are "attend at any examination". Then again, in sub-clause (3) in line 1, it is stated: "attending at any examination". It seems to me, Sir, that the word "at" is out of place and is not proper. So I have tabled amendments to banish this word in the three different places where it occurs. I should ask your permission to allow the draftsmen to consider this.

Dr. B. Pattabhi Sitaramayya: On this point, may I just say one word, Sir? I am sorry when my friend consulted me, I told him that the word "at" used here is wrong, because I thought the idea is that it is a person attending the examination, but on further examination I see that he is attending at the examination. So "attending at" here means "be present at" and therefore if my friend would excuse me the wrong advice I have given to him, I want to repair the error betimes.

Mr. Naziruddin Ahmad: Doctors have often to change their advice. I am grateful to my Honourable friend.

Mr. Speaker: The question is:

"That clause 16, stand part of the Bill."

The motion was adopted.

Clause 16 was added to the Bill.

Clause 17 was added to the Bill.

Clause 18 was added to the Bill.

Shri K. Santhanam: Sir, I beg to move:

"That in part (b) of clause 19 of the Bill, the words 'at all times' be omitted."

Mr. Speaker: Amendment moved:

"That in part (b) of clause 19 of the Bill, the words 'at all times' be omitted."

The Honourable Rajkumari Amrit Kaur: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in part (b) of clause 19 of the Bill, the words 'at all times' be omitted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 19, as amended, stand part of the Bill."

The motion was adopted.

Clause 19, as amended, was added to the Bill.

Clauses 20 to 24 were added to the Bill.

Shri K. Santhanam: There is an amendment in my name to clause 25. I am not moving it.

Mr. Naziruddin Ahmad: With regard to this, I have to point out one thing. In sub-clause (6), in line 1, page 11, the word "renomination" occurs. There should be a hyphen between "re" and "Nomination".

Mr. Speaker: It is the printer's devil. It may be corrected. It need not be the subject matter of an amendment.

Mr. Naziruddin Ahmad: It may be only a printing mistake, but we are passing the Bill as it is printed and presented to us.

Mr. Speaker: Yes, that is true in a sense, but only to a limited extent.

The question is:

"That clause 25, stand part of the Bill."

The motion was adopted.

Clause 25 was added to the Bill.

Shri K. Santhanam: Sir, I beg to move:

"That in part (a) of clause 26 of the Bill, for the words 'if deemed expedient', the words 'if so decided by the Provincial Council' be substituted."

Here the Provincial Council has to decide.

Mr. Speaker: Amendment moved:

"That in part (a) of clause 26 of the Bill, for the words 'if deemed expedient', the words 'if so decided by the Provincial Council' be substituted."

The Honourable Rajkumari Amrit Kaur: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in part (a) of clause 26 of the Bill, for the words 'if deemed expedient', the words 'if so decided by the Provincial Council' be substituted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 26, as amended, stand part of the Bill."

The motion was adopted.

Clause 26, as amended, was added to the Bill.

Clauses 27 and 28 were added to the Bill.

Shri K. Santhanam: Sir, I beg to move:

"That in sub-clause (2) of clause 29 of the Bill, for the words 'upon its constitution', the words 'as soon as possible after it is constituted' be substituted."

Mr. Speaker: Amendment moved:

"That in sub-clause (2) of clause 29 of the Bill, for the words 'upon its constitution', the words 'as soon as possible after it is constituted' be substituted."

The Honourable Rajkumari Amrit Kaur: I accept the amendment, Sir.

Mr. Speaker: The question is:

"That in sub-clause (2) of clause 29 of the Bill, for the words 'upon its constitution', the words 'as soon as possible after it is constituted' be substituted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, one small submission. Sub-clause (2) contains five parts. There should be the word "and" between (d) and (e).

Mr. Speaker: That relates to sub-clause (2).

Mr. Naziruddin Ahmad: I am sorry I missed it. It is sub-clause (3).

Mr. Speaker: The question is:

"That clause 29, as amended, stand part of the Bill."

The motion was adopted.

Clause 29, as amended, was added to the Bill.

Clauses 30 to 33 were added to the Bill.

Shri K. Santhanam: Sir, I move:

"That for the proviso to sub-clause (2) of clause 34 of the Bill, the following be substituted, namely:

'Provided that a name so removed may be restored to the register on such conditions as may be prescribed'."

[Shri K. Santhanam]:

The clause provides "that provided that a name so removed may be so restored to the register on payment, at any time during the remaining nine months of the year, of double the renewal fee prescribed." The name may be removed twice or thrice. This may require detailed regulations and I therefore think that the clause should not be in this form. I have therefore given a more flexible form.

Mr. Speaker: Amendment moved:

"That for the Proviso to sub-clause (2) of clause 34 of the Bill, the following be substituted, namely:

'Provided that a name so removed may be restored to the register on such conditions as may be prescribed'."

The Honourable Rajkumari Amrit Kaur: I accept the amendment.

Mr. Speaker: The question is:

"That for the Proviso to sub-clause (2) of clause 34 of the Bill, the following be substituted, namely:

'Provided that a name so removed may be restored to the register on such conditions as may be prescribed'."

The motion was adopted.

Shri K. Santhanam: Sir, I move:

"That sub-clause (4) of clause 34 of the Bill be omitted."

Mr. Speaker: The question is:

"That sub-clause (4) of clause 34 of the Bill be omitted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 34, as amended, stand part of the Bill."

The motion was adopted.

Clause 34, as amended, was added to the Bill.

Mr. Speaker: I will put clauses 35 to 40. Are there any amendments?

Shri Rohini Kumar Chaudhuri (Assam; General): I wish to say something on clause 36. I refer particularly to sub-clause (ii) which reads as under:

"36. (i) Subject to the provisions of this section, the Executive Committee may order that the name of a registered pharmacist shall be removed from the register, where it is satisfied, after giving him a reasonable opportunity of being heard and after such further inquiry, if any, as it may think fit to make,

(ii) that he has been convicted of any offence or has been guilty of any infamous conduct in any professional respect, which in the opinion of the Executive Committee, renders him unfit to be kept in the Register, or"

Sir, I do not find any note in the report of the Select Committee to explain why the word 'infamous' has been used in this clause. Formerly the word was 'misconduct' and I do not know if in any legislation the word 'infamous' has been hitherto used. The word may mean anything. It may mean notorious. It may mean something worse than an offence which a criminal may be found guilty of. So, Sir, I think it will be wise to restore the original word 'misconduct' as you find in the Bill of 1946 and if you wish to have the word 'infamous conduct' then you define it in some way or other. It is a very vague word and anything may be said to be infamous or not infamous. So I think some explanation is necessary. What does it actually mean? I do not find, Sir, what is intended to be conveyed by the Select Committee.

Shri T. T. Krishnamachari: It covers quite a large field.

Mr. Naziruddin Ahmad: I wish to say something in regard to sub-clause (4) and (5) of clause 36. The expression is person may appeal. I should like the text to read as "Any person if aggrieved by an order may appeal". Similar remarks apply to the commencement of sub-clause (5).

The Honourable Rajkumari Amrit Kaur: The word 'infamous' is used in the Indian Medical Council Bill. I wish to submit that we took that word from that Bill and it is certainly stronger; the word 'improper' did not convey quite the meaning that the word 'infamous' conveys and I think I should like it to remain. It is a strong word certainly, but I do not think that it is a wrong word in this connection.

Shri Rohini Kumar Chaudhuri: May I ask the Honourable Minister how does she distinguish between the word 'infamous' and the original one?

The Honourable Rajkumari Amrit Kaur: What is the original word.

Shri Rohini Kumar Chaudhuri: "That he has been convicted of any such offence or has been guilty of any such misconduct as in the opinion of the Executive Committee renders him unfit to be". Is this word 'infamous' something very different from 'misconduct'?

The Honourable Rajkumari Amrit Kaur: It is a stronger word. It is more inclusive.

Shri T. T. Krishnamachari: Whatever is incorporated in the Indian Medical Council that need not necessarily apply to this particular measure for the reason that a doctor's conduct is certainly 'infamous' where it is unprofessional. Here is it a pharmacist who does not come in contact with the ordinary public in so far as his particular trade is concerned in such a manner as to result in any serious misbehaviour and I think the code of conduct which probably will apply to him is something totally different from that of a doctor. I therefore think that there is some force in what my Honourable friend from Assam has mentioned.

Mr. Speaker: I do not know what view the Honourable Minister holds on this question. Is it the idea that a little misconduct of an ordinary nature should be excused and it is only in the case of misconduct on a large scale, when it comes in under the expression 'infamous' that it should be punishable? What is the idea at the back of it, I have no knowledge. There are distinctions between "neglect" and "gross neglect". There are certain cases in which ordinary neglect is not held punishable or does not make one liable while gross neglect would do so. Are there any such distinctions?

Shri T. T. Krishnamachari: The moral behaviour of the pharmacists is not called into account at all.

Shri Rohini Kumar Chaudhuri: Is it intended that ordinary mis-conduct will be excused or when it transgresses beyond ordinary mis-conduct and becomes infamous then they will be brought under its purview?

The Honourable Rajkumari Amrit Kaur: That is not so. The clause reads "he has been convicted of any offence or has been guilty of any infamous conduct in any professional respect". The word "infamous" refers to gross neglect or gross misdemeanour in professional conduct and should, in my opinion, remain.

Mr. Speaker: It is not for the Chair now to intervene further in the debate. I will put these clauses to the House.

The question is:

"That clauses 35 to 40, stand part of the Bill."

The motion was adopted.

Clauses 35 to 40 were added to the Bill.

Shri K. Santhanam: Sir, I move:

"That in sub-clause (3) of clause 41 of the Bill, for the words 'the Provincial Council', the words 'the Executive Committee of the Provincial Council' be substituted."

The clause as it stands is very cumbrous and inconvenient and I think that the Executive Committee ought to be authorized.

Mr. Speaker: Amendment moved:

"That in sub-clause (3) of clause 41 of the Bill, for the words 'the Provincial Council', the words 'the Executive Committee of the Provincial Council' be substituted."

The Honourable Rajkumari Amrit Kaur: I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (3) of clause 41 of the Bill, for the words 'the Provincial Council', the words 'the Executive Committee of the Provincial Council' be substituted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I wish to point out a serious error. Clause 41 is a penalty clause and it is provided that if a person is found guilty he shall be 'punishable' on first conviction, etc. I think the more appropriate word should be 'punished'. The word 'punishable' leaves some discretion to the judge or magistrate to punish or not; but if a man is found guilty there should be no discretion and he has to be punished. Apart from my personal feeling I find that the Indian Penal Code—which is a classic example of draftsmanship—uses the same word. Take section 302, for instance.

Mr. Speaker: It will be better if the Honourable Member takes another section. That section—if I remember right—awards death sentence as a compulsory sentence.

Mr. Naziruddin Ahmad: The question is not about the choice of punishment. Section 302 says that if a man has committed murder, he shall be "punished" and the same language occurs in section 304. The entire Code uses the word "punished", and not "punishable" because the latter word leaves some discretion to the court to punish or not to punish. (*An Honourable Member:* "The Penal Code is out of date.") The Indian Penal Code was drafted by Lord Macaulay and revised by a committee presided over by Sir Barnes Peacock, and it discloses an ideal draftsmanship in the matter of criminal legislation. This is not a mere drafting amendment but goes to the root of the matter. There is no exception to the rule that he should be 'punished'. Only in some recent pieces of legislation I find a pleasing departure.

Shri K. Santhanam: Sir, I think my Honourable friend is not quite correct because here the meaning is that the guilty person may be let off by the court with a warning in the first instance or there may be a nominal fine. So I think 'punishable' is the proper word.

Shri T. T. Krishnamachari: If my Honourable friend will refer to some other Bills like the minimum Wages Bill and so on, he will find the same word used.

Mr. Naziruddin Ahmad: I said there is a pleasing departure in recent enactments.

Shri Rohini Kumar Chaudhuri: Sir, my Honourable friend leant on a rather weak statute. The Indian Penal Code was passed in 1860 when the idea was that any Indian who was guilty must be punished. Afterwards came the Criminal Procedure Code where there are several provisions saying that the accused may be let off with a warning. The law does not say that he must be punished; we have progressed a good deal since the days of Macaulay. I think the word 'punishable' should stand.

Mr. Tajamul Husain: Sir, my Honourable friend Mr. Naziruddin Ahmad thinks that the word "punishable" leaves some discretion to the court to punish or not to punish. But the words "shall be punishable" leave no such discretion and I think we should retain those words.

Mr. Speaker: Anyway, there is no amendment before the House and the Honourable Member merely suggested a verbal change for linguistic perfection of the statute in the third reading. The draftsman will consider that.

The question is:

"That clause 41, as amended, stand part of the Bill."

The motion was adopted.

Clause 41, as amended, was added to the Bill.

Clauses 42 to 44 were added to the Bill.

Shri K. Santhanam: Sir, 1 move:

"That in sub-clause (2) of clause 45 of the Bill, for the words 'in a summary manner' the words 'in such manner as it may deem fit' be substituted."

It does not sound proper that we should give a direction that a trial should be made in a summary manner.

Mr. Speaker: Amendment moved:

"That in sub-clause (2) of clause 45 of the Bill, for the words 'in a summary manner' the words 'in such manner as it may deem fit' be substituted."

The Honourable Rajkumari Amrit Kaur: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (2) of clause 45 of the Bill, for the words 'in a summary manner' the words 'in such manner as it may deem fit' be substituted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 45, as amended, stand part of the Bill."

The motion was adopted.

Clause 45, as amended, was added to the Bill.

Clause 46 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

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

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

USE OF THE WORD "GENTLEMEN" WHILE ANNOUNCING THE SPEAKER TO THE HOUSE

Shri H. V. Kamath (C. P. and Berar: General): On a point of information, when you are announced, why are only gentlemen referred to and not ladies?

Mr. Speaker: The Honourable Member, though a legislator, perhaps does not know that 'man' includes 'woman'. That is the General Clauses Act. Of course, since the point has been raised, I may give him an interesting piece of information. I had casually put this question, just as a matter of joke rather than seriously, to my old Marshal and I told him that instead of his addressing the members as "Gentlemen" while announcing me why not say "Honourable Members"? He said that once that point had been raised during the time of my predecessor and it was ruled by him that since 'man' includes 'woman', 'gentlemen' includes 'ladies' in this Assembly!

PHARMACY BILL—contd.

Mr. Speaker: What has been decided about those amendments? Are any going to be moved?

The Honourable Rajkumari Amrit Kaur: I have been through all the amendments that were put forward by Naziruddin Ahmad Sahib. I would like to draw the attention of the House to amendment No. 4 where it is pointed out that the word 'authorized' has been misspelt. He would like it to be spelt with 'a' which is the correct way of spelling it.

[Rajkumari Amrit Kaur]

The rest of the amendments are unacceptable, except the amendment to Clause 21, sub-clause (3), which is really a consequential amendment. Since the words "at all times" have been deleted from every other clause, they should be deleted here too and that would meet his amendment which says:

"For the words 'at all times' the words 'except in the case of a casual vacancy' be substituted."

Mr. Speaker: What is the number of that amendment?

The Honourable Rajkumari Amrit Kaur: The amendment is No. 33 and the clause is 21, sub-clause (3).

Mr. Speaker: Let the Honourable Minister put the motion before the House: "That the Bill as amended be passed" and then we will take this amendment.

The Honourable Rajkumari Amrit Kaur: Sir, I beg to move:

"That the Bill, as amended, be passed."

Mr. Speaker: Motion moved:

"That the Bill, as amended, be passed."

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in part (d) of clause 3 of the Bill, on the word 'authorized' the letter 'z'"

Mr. Speaker: No, no: Clause 21, sub-clause (3).

The amendment suggested is that the words "at all times" occurring in sub-clause (3) of clause 21 be deleted. Do I understand that correctly?

The Honourable Rajkumari Amrit Kaur: That is perfectly correct.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (3) of Clause 21 of the Bill, the words 'at all times', be omitted."

Mr. Speaker: The question is:

"That in sub-clause (3) of Clause 21 of the Bill, the words 'at all times', be omitted."

The motion was adopted.

श्री रामनारायण सिंह : सभापति जी, मैं श्रीमती अमृतकौर को बहुत २ बधाई देता हूँ और उनकी सरकार को भी बहुत २ बधाई देता हूँ कि यह बिल आज कानून होने जा रहा है। इसके साथ-साथ मैं उनकी सरकार का ध्यान आयुर्वेदिक औषधि पद्धति के सम्बन्ध में आकर्षित करना चाहता हूँ। जिस समय इसके बारे में बातें चल रही थी उस समय यह कहा गया था कि इस बात को किसी क्लोज (clause) और किसी सेक्शन (section) और दफा में नहीं लाया जा सकता है। इतना ही नहीं, इसके बारे में जो बातें कही गई हैं और जैसा कि डा० पट्टाभि जी ने आयुर्वेदिक के बारे में कहा उसका मतलब यह है कि यह बातें यहाँ नहीं चलनी चाहियें। मैं इस भवन, सरकार और श्रीमती अमृतकौर के जरिये इस बात की ओर सब का ध्यान आकर्षित करना चाहता हूँ। यह मालूम होना चाहिये कि आयुर्वेदिक का जमाना कब से शुरू हुआ है और कब से चला आ रहा है और इससे हिन्दुस्तान की जनता को कितना लाभ हुआ है जिसका कोई हिसाब नहीं किया जा सकता है। हाँ, यह ठीक

है कि हजारों वर्ष से उसकी उन्नति रुक गई थी। इसके बहुत से कारण हैं और मैं इसके सम्बन्ध में कुछ वर्णन नहीं करना चाहता। लेकिन मैं यह भी कह देता हूँ कि बहुत सी औषधि पद्धतियाँ यहाँ पर आई हैं और किसी न किसी रूप में चल ही गयी हैं। मैं तो यह कहता हूँ कि आपका एलोपैथिक मेडिसिन

Mr. Speaker: Order, order. It is not competent for him to reopen the discussion at the consideration stage now. It seems he is trying to reply to what came from Dr. Pattabhi. He should restrict himself to the Bill. He had ample scope at the consideration stage.

श्री रामनारायण सिंह : सभापति जी, मुझे और कोई विशेष बात नहीं कहनी है।

इतना ही कहना चाहता हूँ कि यह बिल पास होना चाहिये। इसका मैं स्वागत करता हूँ लेकिन इसके साथ-साथ जैसा कि श्रीमती अमृतकौर जी ने कहा कि आयुर्वेदिक के सम्बन्ध में बहुत जल्दी एक कमेटी की रिपोर्ट आयेगी, तो मैं यह कहना चाहता हूँ कि उसमें जल्दी करनी चाहिये। उससे हमें बहुत लाभ होगा। एलोपैथिक जहाँ से आई है उसे वहाँ जाना होगा।

(English translation of the above speech.)

Shri Ramnarayan Singh (Bihar: General): Mr. Speaker, I offer my heartiest congratulations to the Honourable Rajkumari Amrit Kaur and the Government that this Bill is going to become law today. Along with this, I would like to draw her Government's attention to the Ayurvedic system of medicine. During the course of discussion on this subject, it was stated that this cannot be brought within the scope of any clause or section of the Bill. Barring all this, it follows from the statements made in this connection and just as Dr. Pattabhi has pointed out in respect of Ayurveda, this Bill cannot cover all the systems. I would like to draw the attention of the House and the Government towards this direction through the Honourable Rajkumari Amrit Kaur. We should trace the origin of the Ayurvedic age and the course of time through which it has passed and the enormous benefits which it has conferred on the people of India, which cannot be estimated. Yes, it is true that since the past thousands of years, its development had been hampered. There are many reasons for this and I do not wish to go into details about these. But I daresay that quite a large number of systems of medicine have been introduced here and are existing in one form or the other. I say this much that your Allopathic system of medicine

Mr. Speaker: Order, order. It is not competent for him to reopen the discussion at the consideration stage now. It seems he is trying to reply to what came from Dr. Pattabhi. He should restrict himself to the Bill. He had ample scope at the consideration stage.

Shri Ramnarayan Singh: Mr. Speaker, I have nothing particular to say. I would like to say this much only that this Bill should be passed. I welcome this. But at the same time, I would also urge that we should expedite the report of the Committee on Ayurveda (Indigenous system of Medicine) which as pointed out by the Honourable Rajkumari Amrit Kaur is likely to be presented very soon. We will derive great advantage from it. Allopathy will have to revert to its original place.

Mr. Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

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

"That the Bill to provide for regulating the employment of dock workers, as reported by the Select Committee, be taken into consideration."

I do not propose to make any long speech at this stage. As a matter of fact I have nothing to add to what I said while referring this Bill to the Select Committee. The only change that has been made in the Bill in the Select Committee has been to widen the scope of the definition of the words "dock workers". I hope the House will pass this Bill unanimously.

Mr. Speaker: Motion moved:

"That the Bill to provide for regulating the employment of dock workers, as reported by the Select Committee, be taken into consideration."

Shri Harihar Nath Shastri (U.P.: General): Sir, I have great pleasure to accord my support to the present motion. Sometime ago when discussion on the reference of the Bill to Select Committee took place I had the privilege of making detailed observations and to point out the various aspects of this Bill. This is not the occasion to repeat the arguments that I have already advanced. I have no doubt that this measure will be acclaimed with joy and relief by 70,000 workers who are employed in the various ports of this country, who will be benefited by this measure.

It is a pity that very little attention was paid to the problems of dock workers all these years, in spite of the fact that the International Labour Conference more than once adopted Conventions with regard to dock workers and even the Royal Commission on Labour (the Whitley Commission) made specific recommendations aimed at improving the lot of the dock workers. Fifteen years after the publication of the report of the Whitley Commission the Government of India appointed another expert committee whose report was published in the year 1946 and that report revealed that in spite of the lapse of fifteen years between the report of the Whitley Commission and this particular report no improvement had taken place in the working conditions of dock workers. The system of recruitment which was done through the agency of contractors much to the detriment of workers remained intact, the wages which prevailed at that time, in spite of the rise in the cost of living, remained almost the same and in a city like Bombay the minimum wage of a dock worker was eleven annas per day and in certain other ports like Madras and Cochin it was as low as nine annas per day. Then there was neither regularity of employment nor security of employment. The hours of work were unlimited. All these evils which were there at the time of the publication of the report of the Whitley Commission have been continuing up to this date.

The present Bill provides for a scheme for the registration of dock workers with a view to ensuring them regularity of employment. It also provides for regulating terms and conditions of such employment, rates of wages, hours of work, holidays with pay and retainer during the period of unemployment. These are some of the features of this Bill which have been discussed at length on a previous occasion. When this Bill is put on the statute book it will prove a real boon to workers and it will fill up a long-felt gap in the labour legislation of this country. With these few words I commend this Bill to the unanimous acceptance of this House.

Prof. N. G. Ranga (Madras: General): Sir, I also support this Bill but I am sorry to say that there is no time fixed when the scheme outlined here is expected to come into operation, and secondly, there is no definite scheme outlined here. There is only a sort of enabling clause (clause 3), wherein it is

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stated that Government may do various things, viz., all those protective measures which just now my friend Mr. Shastri has detailed. I hope that Government will take early steps to give a practical shape to many of those good things which they themselves suggest ought to be done for the welfare of the dock workers.

Then, Sir, I am anxious that the benefits that can be derived from this Bill, when it becomes an Act should be extended to all those workers who are employed in inland ports. It looks as though this Bill is intended only to benefit those workers employed in ports on sea coasts, where there are regularly constituted port authorities. But there are many more ports on our rivers inland where timber and other commodities are loaded and moved and thousands of workers are employed there. I do not have any information about the total number of workers employed at these places and I doubt very much whether Government themselves have collected any information at all. But I shall not be surprised if it were found that there are nearly as many workers employed in all those places as there are today at these major ports, where there are port authorities and their number is 70,000 workers. Therefore their need for protection is much greater. I therefore request my Honourable friend the Minister in charge of this Bill to try to persuade the Provincial Governments and their Public Works Department which generally is in charge of the management of these local inland ports to extend the benefits of these various schemes that are outlined here for those workers also. There is only one little difficulty. I am afraid which may come in the way of the extension of these schemes themselves for the benefit of these workers because there is a particular mention of what is known as 'port authority' in sub-clause (3) of clause 4. Therefore it will be necessary for the Provincial Governments to take special steps to extend the benefits outlined here to their own workers. I suggest that at the next conference that the Honourable Minister is likely to have with the Labour representatives of the Provincial Governments he should take up this matter with them, consult them and try to do whatever can possibly be done for the benefit of these workers and for their protection.

Shri Krishna Chandra Sharma (U.P.: General): Sir, it is a good piece of legislation for the safety and welfare of the worker. But I do not understand the disability put on the worker against the offender. Under the provisions made in the scheme no Court shall take cognizance of any offence except on a report made by the Inspector. Ordinarily in criminal law anyone against whom an offence is committed is entitled to claim the protection of a Court of law, and if a man or a man's reputation is attacked or if his person is attacked, or if any harm or injury is done to him, he may claim the protection of the Court. But in the case of a poor worker who has simply the question of his stomach and with small wages drags on the burden of his life, if an offence is committed against such a helpless being, the ordinary protection given by a Court of Law is denied except when the offence is reported by the Inspector concerned. I think it is too hard a disability to impose on a helpless man and this disability should be removed.

The Honourable Shri Jagjivan Ram: Sir, I am glad that Honourable Members have supported my motion. No time-limit has been fixed in the Bill itself for the schemes to be formulated and executed, but it is our intention to put this Act into operation as soon as it is passed. It was not possible, and it is not possible, in a Bill itself to include the schemes in detail. The Advisory Committees have been given the widest scope for the formulation of the schemes and the subjects for which the schemes are to be formulated are indicated in the Bill itself.

The point raised by my friend Professor Ranga about the condition of dock workers in any inland ports deserves consideration. But the Bill primarily is meant for the decasualisation of the workers in major ports. Of course I will

[Shri Jagjivan Ram]

bear his suggestion in view and I will take the earliest opportunity of forwarding his suggestion to the Provincial Governments and will persuade them to take parallel action in the Provinces where the number of inland port workers is considerable.

I do not agree with the view that a serious disability is put upon the workers in this Bill inasmuch as they have been denied direct approach to the Courts for any contravention of the provisions of this Act. The provision of the Inspectors in this Bill is primarily to look after the interests of the dock workers. If there is any infringement of the provisions of this Bill the workers or their Unions will be free to make a complaint to the Inspector and the Inspector who is primarily to look after their interests will certainly take those matters to the Court. In this view of the matter I do not think that this will work as a deterrent in getting justice for the workers.

I commend my motion for the acceptance of the House.

Mr. Speaker: The question is:

"That the Bill to provide for regulating the employment of dock workers, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Mr. Speaker: We will take up the Bill clause by clause.

The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Shri K. Santhanam (Madras: General): Sir, I move:

"That in part (f) of sub-clause (2) of clause 3 of the Bill, for the words 'or restricting', the words 'restricting or otherwise controlling', be substituted."

Sir, I find a great difficulty in understanding the scope of the clause. For instance clause (d) says "for regulating the employment of dock workers, whether registered or not, and the terms and conditions of such employment, including rates of remuneration, hours of work and conditions as to holidays and pay in respect thereof". It is difficult to see whether an unregistered worker comes with in a scheme or is outside it. It appears as if, even if he is unregistered, he is also within the scheme and his terms are regulated. But then, clause (f) says "for prohibiting or restricting the employment of dock workers to whom the scheme does not apply and the employment of dock workers by employers to whom the scheme does not apply". Therefore, there are registered workers under the scheme, unregistered workers under the scheme and there are dock workers outside the scheme. Again, the latter half of the clause says "and the employment of dock workers by employers to whom the scheme does not apply". Therefore, even though a worker may be registered he may be employed by others to whom the scheme does not apply. I am afraid the whole clause is rather confusing. My amendment tries to rectify the lacuna here. It is not enough, that, if there are dock workers to whom this scheme does not apply, or if they are employed by employers to whom it does not apply, the scheme should have only powers for prohibiting or restricting such employment. There may be occasions for controlling other conditions of the workers and so I am giving a more general power so that there may be no difficulty in dealing with such workers.

Mr. Speaker: Amendment moved:

"That in part (f) of sub-clause (2) of clause 3 of the Bill, for the words 'or restricting', the words 'restricting or otherwise controlling', be substituted."

The Honourable Shri Jagjivan Ram: Sir, I do not agree that the provisions in this clause are confusing. It may be confusing to my friend Mr. Santhanam but it is quite clear. I feel that the point raised by him is sufficiently covered. But if my friend wants to make it more explicit I have no objection in accepting his amendment.

Mr. Speaker: The question is:

"That in part (f) of sub-clause (2) of clause 3 of the Bill, for the words 'or restricting', the words 'restricting or otherwise controlling', be substituted."

The motion was adopted.

The Honourable Shri Jagjivan Ram: I move:

"That after part (g) of sub-clause (2) of clause 3 of the Bill, the following new part (h) be inserted, and the existing parts (h), (i) and (j) be renumbered as (i), (j) and (k) respectively:

"(h) for health and safety measures in places where dock workers are employed, in so far as satisfactory provision therefor does not exist apart from the scheme."

Shri H. V. Kamath (C. P. and Berar: General): On a point of order, Sir, can the Mover of a Bill move an amendment after the Bill has gone through the Select Committee?

Mr. Speaker: It is perfectly in order though it may look a bit awkward.

The question is:

"That after part (g) of sub-clause (2) of clause 3 of the Bill, the following new part (h) be inserted, and the existing parts (h), (i) and (j) be renumbered as (i), (j) and (k) respectively:

"(h) for health and safety measures in places where dock workers are employed, in so far as satisfactory provision therefor does not exist apart from the scheme."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 3, as amended, stand part of the Bill."

The motion was adopted.

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

Clauses 4 and 5 were added to the Bill.

Shri K. Santhanam: I move:

"That in clause 6 of the Bill, the following new sub-clause be added, namely:

"(4) The Government may, by notification in the official Gazette, prescribe the manner in which, and the persons by whom, complaints regarding contravention of any provision of a scheme may be made to an Inspector, and the duties of the Inspector in relation to such complaints."

It is not clear whether the people concerned have a right to make complaints to the Inspector. Of course, it may be said it is implied in the whole clause, but I want to make it explicit and Government should make rules for this purpose. It is not right that it should be left in a sort of chaotic position so that any individual dock worker or individual employer may prefer complaints so that hundreds and thousands of complaints on the same point may arise. They may say that a particular association for a particular purpose may make complaints, and the manner in which the inspector should deal with those complaints should also be clearly defined in the rules. According to my provision, individuals also may prefer complaints, but the Government should consider the matter and make satisfactory rules.

Mr. Speaker: Amendment moved:

"That in clause 6 of the Bill, the following new sub-clause be added, namely:

"(4) The Government may, by notification in the official Gazette, prescribe the manner in which, and the persons by whom, complaints regarding contravention of any provision of a scheme may be made to an Inspector, and the duties of the Inspector in relation to such complaints."

The Honourable Shri Jagjivan Ram: I accept the amendment.

Mr. Speaker: The question is:

"That in clause 6 of the Bill, the following new sub-clause be added, namely:

(4) The Government may, by notification in the official Gazette, prescribe the manner in which, and the persons by whom, complaints regarding contravention of any provision of a scheme may be made to an Inspector, and the duties of the Inspector in relation to such complaints."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 6, as amended, stand part of the Bill."

The motion was adopted.

Clause 6, as amended, was added to the Bill.

Shri Krishna Chandra Sharma: I oppose this clause (clause 7) of the Bill. It is unnecessary; not only unnecessary, but injurious to the interests of the worker. If anyone is attacked, he has a right to go to the Court of Criminal Law. Take for instance a millionaire who has many things not very creditable to him, but if he is called a *bania*, he can go to a criminal law court and get the man punished for defamation. Calling him a *bania* is an offence and the offender can be punished. But put in comparison the fate of a poor man whose wages are not paid, the convenience allowed by law are not given to him. You shut the door against him. His whole life is affected. What do you give him? His whole life is the problem of his stomach and that stomach you affect. His whole life is imperilled and yet you close the door against him. He cannot go to a court of criminal law and claim justice. I do not think there is any justification for this clause. This hits him hard and goes against the fundamentals of criminal justice. Therefore I respectfully pray that this clause be omitted.

The Honourable Shri Jagjivan Ram: I have nothing more to say.

Mr. Speaker: The question is:

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

The motion was adopted.

Clause 7 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Shri Jagjivan Ram: I move:

"That the Bill, as amended, be passed."

Mr. Speaker: Motion moved:

"That the Bill, as amended, be passed."

Prof. Shibban Lal Saksena (U. P.; General): Mr. Speaker, Sir, This Bill which is intended to relieve the distress of dock workers who number about a lakh in the country is really a great measure, and I heartily welcome it. In the Select Committee I proposed certain amendments, but the Honourable Minister assured me that.....

Mr. Speaker: Order, order. The Honourable Member will not be in order if he is going to mention what happened in the Select Committee.

Prof. Shibban Lal Saksena: I only want to refer to one or two things which have not been incorporated in the Bill and which I wish very much were incorporated. The present system of employing dock labour consists of certain stevedores employing workers to unload and load ships. I went on the 3rd of January to Calcutta to preside over the conference there and I was surprised to find that the profits these stevedores were making were extraordinarily high. I will give some figures, Sir, which will give you an idea.....

Mr. Speaker: Order, order. The Honourable Member knows that we are at the stage of the third reading of the Bill and therefore it is not competent for him now to make any further suggestions for the improvement of the Bill.

Prof. Shibban Lal Saksena: I am not making.

Mr. Speaker: He must either support or reject; if he wants to advance arguments he may do so very shortly; he will not be allowed to cover the whole ground.

Prof. Shibban Lal Saksena: Sir, I have already welcomed the Bill and I support it. I only want to mention certain facts which I think require consideration by the Honourable Minister. I want that the middlemen must be done away with,—the stevedores who are making extraordinary profits. In fact, for every ship which comes to the port they make a profit of about Rs. 10,000 and the labour has to work very hard. What I wanted was that as in the mines and as in the case of the sea-men where they are taken directly by the Seamen's Union, middlemen should be eliminated in the case of dock-workers also. I hope that the Honourable Minister will very soon try to see that the system of stevedores is done away with and all these dock-workers are supplied to the ships directly which arrangement would consist of dock-workers and ship-owners only, saving thereby a huge amount of money. I am sure the Honourable Minister will take the earliest opportunity to remove the existing system which is a blot on the State.

The second thing is that I think that the purpose of this Bill is to have Advisory Committees for each Port. I find that the word "port" has been omitted in clause 5 but I hope that the Advisory Committee will be appointed for each Port. That is all I have to say.

The Honourable Shri Jagjivan Ram: Sir, the only point that my friend Prof. Shibban Lal Saksena has made is about the elimination of the stevedore labour or, so to say, the elimination of the contractor's labour. I for one stand for the abolition of contractor's labour not only in the dockyards but everywhere, where it is possible. Even today there is nothing to prevent the Port Authorities from doing away with the stevedores labour or the contractors' labour. It all depends upon the practicability and feasibility of the proposition at the present state. In this Bill even, there is nothing to prevent a scheme being formulated which will insist upon the elimination of the contractors' labour. That point is covered.

The Advisory Committees will be competent enough to formulate schemes for the elimination of contractors' labour, but that will depend upon the conditions prevailing in the various Ports. It might be possible that somewhere it may be practicable to abolish the contractors' labour whereas in certain other ports it may not be practicable to do so in the near future. So it is better to leave it to the Advisory Committees to examine all these problems and formulate such schemes as they think practicable and feasible.

Mr. Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

COTTON TEXTILES CESS BILL

The Honourable Dr. Syama Prasad Mookerjee (Minister for Industry and Supply): Sir, I move:

"That the Bill to impose a cess on certain cotton textiles manufactured in the Provinces of India, be taken into consideration."

This Bill, Sir, is non-controversial in nature. The House will recall that a few weeks ago Government decided to de-control cloth. The question arose as to what would happen to the large stocks of cloth which were with the

[Dr. Syama Prasad Mookerjee]

mills and with the quota holders. The mills would be given the right to fix the new prices. There has been an understanding between the Government and the mill-owners that the prices will not be increased in an excessive manner but whatever increases in prices may come it was for consideration whether in respect of the stocks which were with the mills and with the quota holders, they should be allowed to have this profit. It was decided that that should not be done and Government would be entitled to get this difference. This would come to a little more than rupees three crores.

Now, the question arose as to whether Government had the legal power to take this from the mills once de-control was introduced. Executive order has been passed but I was advised by the Ministry of Law that it would be safer to take legal power and for that reason I have come before the House with this short Bill. I hope, Sir, it will have the unanimous support of the House. Sir, I move.

Mr. Speaker: Motion moved:

"That the Bill to impose a cess on certain cotton textiles manufactured in the Provinces of India, be taken into consideration."

Prof. N. G. Ranga (Madras: General): Sir, I wish to congratulate the Government upon the steps they have taken in freezing these stocks and in ensuring this additional income of three crores to General Revenues. Otherwise, the Government would have laid itself open to the charge that it was only conniving at the profiteering by the textile magnates and their agents.

At the same time, Sir, I wish to make one little suggestion and that is that a portion of these three crores should be set apart for the benefit of the handloom weaving industry. The Government had imposed a kind of surcharge on yarn that was being sold to the handloom weavers and that surcharge was collected for some months from the handloom weavers. No steps have been taken to refund the handloom weavers to that extent nor could it be possible to refund each one of these handloom weavers which is a practical impossibility.

Secondly, Sir, some time ago Government used to set apart five lakhs every year for the benefit of the handloom weaving industry but during the last two years no such allotment has been made. We have been asking for an increase in that subvention; instead of that it has been completely stopped. Another consideration is that the handloom weavers are now coming in for a lot of trouble what with the competition that they have to meet from the cotton textile imports and also the lowering of prices that is now progressively taking place in cotton goods. Therefore it is most necessary that there should be sufficient funds at the disposal of Government specially earmarked for the benefit of handloom weavers so that whatever steps the Government of India wish to take to protect the handloom weavers in the near future there will be enough money for financing all those steps. Therefore, I sincerely trust that Government will see their way to set apart at least one-sixth of this sum, that is 50 lakhs, for the benefit of the handloom weavers, to be spent within the next five years, or the next two or three years.

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, I heartily support the suggestion that has been made by Honourable friend Prof Ranga that a portion of the money must go to the handloom weavers. The other point is that if this cess were not imposed but higher prices allowed, then in those Provinces where a sales tax is imposed by the Provincial Government, naturally sales tax would be imposed on the amount. I do not know if the Honourable Minister has considered that to that extent the Provincial Government will lose the sales tax. Particularly in the Province of Madras, on account of prohibition they are very short of funds and they depend entirely on sales tax and even the expected return from sales tax has not been obtained. Therefore the due of the Province in this respect must be handed over to that Province.

Some Honourable Members: Only to Madras?

Shri M. Ananthasayanam Ayyangar: No, to all Provinces where sales tax is being imposed. Wherever the sales tax has not been imposed, to that extent it should come to the Centre.

Shri T. T. Krishnamachari: How is sales tax affected?

Mr. Speaker: Order, order. Let there be no discussion.

Shri M. Ananthasayanam Ayyangar: Possibly I am in the wrong. I shall explain as to how I have conceived it. My Honourable friend Shri T. T. Krishnamachari wants to know how sales tax is affected. Now there are no stocks. Under the old regime there were stocks and prices were fixed by Government. Under the new regime, after the de-control, prices are expected to be fixed equitably by the trade itself. Naturally when fixing prices, which job has been left in the hands of the producers and wholesalers, they will fix some thing more, but as is stated in the Statement of Objects and Reasons, Government expect that the prices would not be abnormally high. That is the kind of assurance that has been given to the Honourable Minister.

Now, therefore, there is an increase of price, over the existing price and with a view not to allow the increase which has now come about on account of de-control to go into the pockets of the wholesale dealers and producers, Government are seeking to take away the increase by the imposition of this cess. We will assume that those original persons, those stock holders are ready to sell, but they will take advantage of the higher prices and not the old prices. Therefore, on the higher prices also they will be entitled to sell.

An Honourable Member: But on that too they will collect sales tax after the sale not before.

Shri M. Ananthasayanam Ayyangar: I am sorry. That is a mistake in my argument. I did not want to take it as a charity from the Central Government. That is why I was trying to produce an argument, but I find that it is not correct. Now, even apart from the sales tax, in Provinces whose resources are slender and who will try to take advantage of the sales tax, this portion may be given to them. Let not the Central Government take it. Let it go to the Provinces where these things are used.

Then, as regards the fixation of prices, one of two things must be done. De-control has been effected. Prices are not fixed by Government. You are allowing it to be fixed by the industry itself. They may fix it at a particular rate. Why not allow it also to proceed as much as possible and then the whole thing will work itself out. Unless you are going to continue the rations, the control and the prices must all go together. This is a matter which I think the Government will look into. Now, we have had the Sugar Syndicate. We allowed them to fix up their own prices. What have they done? There is no good allowing them to fix up their own prices. The Government itself must do so or otherwise, leave them a free hand. The whole thing will adjust itself in the open market. That is all I have to say.

Shri H. V. Kamath (C. P. and Berar: General): Mr. Speaker, Sir, while welcoming this Bill and the fine intentions animating it, I wish to say something with regard to the penalty clauses, which as they stand at present might, to a large extent, undo or mar the effectiveness of the measure which has been brought before the House.

Before proceeding to that, I wish to say with regard to clause 8, sub-clause (c) which states:

"Any authority authorised by the Central Government in this behalf may"
(c) Enter and search or authorise any person to enter and search"

The words "any person" are not quite appropriate. It must be "a public servant" who would be "authorised to enter and search the premises or authorise etc." That would be more in consonance with the spirit of this Bill.

[Shri H. V. Kamath]

Coming to clause 9 dealing with penalties and to clause 10 which deals with composition of offences under clause 9, I wish by your leave, Sir, to state that firstly,—of course, this is a minor point no doubt—the marginal note of clause 9, "Penalty for evasion of cess etc." is more or less redundant. It is not necessary.

Mr. Speaker: Marginal note is not part of the Act.

Shri H. V. Kamath: There are two marginal notes. That is why I said it is not necessary.

Coming now to the substantial remark, I think Sir that the sentence that is contemplated for an evasion or an attempt to evade this law is not deterrent enough. We all know that during the war and even after the war standards all over, moral and ethical standards, deteriorated considerably and even where primary necessities of mankind were concerned, such as food and clothing, there was considerable black-marketing and many people reaped very rich dividends out of the deaths of millions. And this state of affairs has still not been remedied and standards are considerably low even today. We have yet to raise these standards in business, commerce and industry, and we have to re-value our values generally. Under these circumstances, I for one feel that the sentences contemplated in this measure are far too inadequate. This morning, Sir, in the Bill which we have just passed into law, the Pharmacy Bill, there was a salutary provision with regard to penalties that for a subsequent conviction there must be an enhanced punishment. That was that for the first conviction there may be fine which may extend to Rs. 500 but at a subsequent conviction the imprisonment must extend to six months or with fine not exceeding Rs. 1,000. I feel that as regards this measure, which deals with cloth in which there has been intense black-marketing during the war and all sorts of corrupt practices even after it, the sentence must be very deterrent. I would say that for the first offence itself the punishment should be public flogging, not inside jails.

As regards clause 10, Sir, I wonder who was behind the drafting of it. It is in some respects very laughable. Sub-clause (i) of clause 10 says:

"The authority authorised by the Central Government in this behalf may accept from any producer or wholesale dealer a sum of money in lieu of prosecution"

You simply say "a sum of money" which is quite indefinite. It does not define the sum of money in lieu of prosecution. I think Sir, anybody can commit a black offence in this commodity by taking advantage of this clause 10 and get it whitewashed by paying a few white pieces of silver. That is the way to whitewash the offence. I suppose this clause is absolutely inappropriate and it detracts from the wholesomeness of the measure and if it can be done at this stage, it must be deleted, because an offence of this nature should not be allowed to be compounded. I think also the prosecution should not be given up just because a man who evades the cess and makes some money is in a position to pay a few thousand rupees. Certainly, Sir, I would not welcome the composition of an offence of this nature for any sum of money and he must be prosecuted and dealt with under clause 9. Later on in the same clause sub-clause (2) says: "On payment by such person of such sum of money to such officer"—what sum of money nobody knows.—"Such a person will be set at liberty and he will be entitled to an acquittal" and this will prove completely ineffective, because we know, Sir, the cloth dealers and producers made tons of money, literally minted money in the past and they will be in a position to compound any offence of this nature by paying any sum of money even to the tune of perhaps a few thousands of rupees. I therefore request the Honourable Minister to clarify what was in his mind when he used these words 'compounding of the offence by payment of a sum of money'.

That is all I have got to say and I want this measure to be really effective. That is why I have made this criticism and I hope that the Honourable Minister will take it in the spirit in which I have made it.

Sbri T. T. Krishnamachari: (Madras: General): I wanted to interfere in the debate only for eliciting one information, but the course that the discussion has taken has provoked me to make a few more remarks. My Honourable friend Mr. Kanga asked that some portion of the income derived from this measure be set apart for hand-loom weavers. I would like to tell him that I am one of those who sympathize with the hand-loom weavers and I believe in a Province like mine where nearly ten per cent. and over of the people are dependent on that economy, something substantial must be done for them, but that cannot be done by asking for doles and certainly not by treating every additional revenue to Government in the nature of a windfall, which should be made to contribute for the benefit of the hand-loom weavers. That ought to be treated on a more permanent basis and something substantial must be done for them if need be by means of a statute. Actually, Sir, the position is this. There is no use considering this as a mere windfall for the Government because the Government has spent crores of rupees on textile control in the past and have got nothing out of it. If there is any chance by which the Government can do something to equalize the disequilibrium that will arise by the raising of controls and take over some portion of the profit that comes into the hands of the wholesaler or producer for that purpose, it should rightly go to benefit the taxpayer who has been paying all along for the textile control.

Another point was raised by my Honourable friend Mr. Kamath. He was himself a magistrate and must have been aware of the various enactments relating to matters of this post. It is very common for the Government to compound an offence where a large quantum of revenue is concerned. Actually he must have known that income-tax is compounded often by the Income-tax Authorities because the primary factor is not to punish but to get more revenue and that is why in any revenue measure you have this saving clause for the compounding of offences. Ethics for ordinary criminal offence and the evil of the wrongdoer being let off does not apply here because Government gets the money which it would otherwise lose and the taxpayer benefits thereby which is the overriding consideration that determines the law on this subject.

The information that I wanted to ask the Honourable Member is this: This is avowedly a measure for a short temporary period. Perhaps my Honourable friend thinks that the operation of the provisions of the Bill will be over in a month or three or six months, but I do wish he had put in a provision in this Bill that after a year the whole thing will become inoperative. If that had been done it would straightaway assure people that it is a short term measure and it will automatically get repealed. A clause which says the measure will become inoperative after a period of six months or one year will perhaps make the Bill better understood by people and it would really mean that it will come to an end, if not in one month or three months, at least in one year.

Shri K. Santhanam (Madras: General): Sir, I want to make a few observations regarding the actual scheme of the measure. As I understand it, the cess is to be levied on the stocks held on a particular day by every producer or the wholesaler, that is to say, only one cess by one of these persons is payable. But what happens if the producer sells at a price to the wholesale dealer and the wholesale dealer sells at an unconscionably higher price? I think there must be some provision by which the Minister can drain the excess if the wholesale dealers are to be kept under check. Unless he has got a saving provision, the whole thing will be manipulated so that the producer will hand it over at some lower price to his whole-sale dealer who will charge a higher price to the consumer and between the two there will be a deal. This point should therefore be covered. Then, Sir, why should it be only for the

[Shri K. Santhanam]

existing stock? Why should the producers and the wholesale dealers be entitled to all the profits arising from higher prices for the new cloth which is being produced. I think this measure should be applicable to all cloth for the next two or three years in order to see that undue profits are not made by producers. It is said we get three crores. What does it matter if others are going to make 30 crores at the expense of the consumer? Is it not the duty of the Government that if they cannot control the prices, at least a share of the unconscionable prices are taken for the benefit of the taxpayer? I think the cess should be levied not only once, but as many times as may be necessary in order to see that neither the producer nor the wholesale dealer directly or indirectly does make more profit than is considered legitimate and this cess should be levied not only on the cloth in stock at present but also on the cloth produced so long as the cloth is not sold at reasonable prices. They should evolve a standard of reasonable prices and instead of controlling them simply say: "You have sold at such and such a price which is unreasonable and so I am going to collect all the unreasonable share of it." The existence of such a measure may not bring much revenue, but it will ensure at least so far as the wholesale dealer and the producer are concerned that prices are reasonable. This is necessary. Without such sanctions it is no use to expect conscientious action on the part of private interests. There are many producers and wholesale dealers who want to supply cloth to the consumer at reasonable prices, but the worst man dictates the terms of every market. If one man sells at 200 per cent, the next man cannot sell at a lesser price. Therefore I think the scope and the effectiveness of the measure is highly doubtful and I would like the Honourable Minister in charge to think about this point and see if he could not remedy it either by changing this Bill or if he is anxious that this Bill should get through, I suggest he should bring before us a subsequent measure to deal with the points I have mentioned.

Dr. V. Subrahmanyam (Madras: General): I wish to say a few words regarding the three crores of rupees which they are going to get by means of this Bill. My suggestion is that this sum of money should be utilized for the development of *Khadi* scheme in our country. I suggest to our Honourable Minister that he may bear this request in mind as we are going to have our Budget in a few weeks and spend this amount in industrial development and the *khadi* scheme. This is the only suggestion I want to make.

Shri T. A. Ramalingam Chettiar (Madras: General): Sir, there seems to be some misconception about this Bill. It is not a general Bill for stopping black-marketing; it is not a general Bill for the purpose of fixing prices; it is not a Bill for the Government to levy any particular cess for the future as a whole. It is a Bill only to meet a certain contingency that has arisen already. Government used to fix the price of cloth. That went on till the 31st of December 1947. After the 31st December textiles have been decontrolled. They were probably thinking whether they should continue to fix prices or not. In the meantime the trade itself has come in and the Textile Board has undertaken to fix the prices of cloth with reference to the price of raw materials, cost of manufacture and things like that. There is thus a gap between the prices already fixed by Government and the prices that are going to be fixed by the Textile Board. That gap applies only to what has been produced already; it does not apply to what is going to be produced hereafter. So far as future production is concerned, the prices will be fixed by the Textile Board itself and it will be a competitive price.

Shri K. Santhanam: Competition with whom?

Shri T. A. Ramalingam Chettiar: As Mr. Santhanam has already said if there are black-legs among the textile people, they will naturally have to compete with the better men in the market who will be selling at the prices

other way to exercise control. But this Bill so far as it goes has no application whatever to trade generally after decontrol has come into force. It is only to catch the difference between the gap that has been created as a result of decontrol.

Then, Sir, as regards the cess collected, various proposals have been made. I will only make one suggestion. As has been pointed out by Mr. T. T. Krishnamachari, if the Government of India have spent a lot of money in administering textile control, the Provincial Governments have also spent something out of their revenues. It is only just and fair that if a wind-fall were to come to the Central Government, they should share a portion of it with the provinces. That, of course, is a matter of administrative action and no provision of that sort can be made in the Bill itself. I would, therefore, leave it to the Central Government to consider whether a portion of this wind-fall cannot be handed over to the Provincial Governments, in proportion to what they have spent on textile control.

श्रीधरी रणवीर सिंह अध्यक्ष महोदय, मैं इस प्रस्ताव का समर्थन करते हुए सिर्फ इतना कहना चाहता हूँ कि जो कपड़े का स्टॉक (stock) देहात या मुफ्तमिल दुकानदारों के पास पड़ा हुआ है, इस किस्म का प्रयत्न किया जाना चाहिये कि वह जो कपड़ा है वह किसानों को उस कंट्रोल प्राइस पर मिले जो कि पहले थी। जो बड़े-बड़े समायोदार होंगे इसमें कोई शक नहीं कि यह जो बिल आया है उससे उनका मुनाफा हिन्दुस्तान के मजदूरों और किसानों के लिये हिन्दुस्तान की सरकार के पास आ जायगा। और इस तरह से हिन्दुस्तान के मजदूर और किसान फायदा उठा सकेंगे। लेकिन जो कपड़ा देहात के दुकानदारों और मुफ्तमिल के दुकानदारों के पास पड़ा हुआ है, उसके बारे में मैं उतनी प्रार्थना करना चाहता हूँ कि जरूर कोई न कोई ऐसा एमेन्डमेन्ट (amendment) कर दिया जाय या इसमें ऐसा तरीका इस्तेमाल किया जाय कि उसका फायदा किसानों और मजदूरों को पहुँचे।

(English translation of the above speech.)

Chaudhri Ranbir Singh (East Punjab: General): Mr. Speaker, in supporting the Bill, I would like to add that steps be taken to make available to the peasants that stock of cloth which is lying at present in the rural areas or with the shopkeepers in the countryside at the previously controlled prices. I have not the least doubt that with the coming in of this Bill into effect the profits of the capitalists would go to our Government where they could be utilised for the benefit of the labourers and farmers of this country. The labourers and farmers will therefore benefit by this Bill. Regarding the cloth which is now with the shopkeepers of the rural areas and of the countryside, I would submit that some amendment be made in the Bill or some method be followed to make sure that the advantage will go to the labourers and the farmers.

Prof. Shibban Lal Saksena (U.P.: General): Sir, I have carefully read this Bill, but, unfortunately, I find it is not very clear in some respects. Will the prices of cloth be fixed by Government or by the Textile Board. It will be within the recollection of every body that soon after decontrol, the price of sugar rose upto Rs. 35 per maund on account of the fact that the trade was entrusted to the Sugar Syndicate. I would be very sorry indeed if history were to repeat itself in the case of textiles. Sir, there are only two alternatives: either there should be free competition, or there should be proper control. It is rather difficult to visualise a middle course. Every mill should be allowed to produce as they like, and prices should be left to find their level by free play

of competition. As Mr. Santhanam said, if prices of cloth are going to be fixed at a higher rate than the control prices and Government is going to collect the [Prof. Shibban Lal Saksena]

difference as cess, what is going to happen to the cloth which will be produced in the next year. Naturally it will be sold at a higher price. If the cloth is still to be controlled by some syndicate or Textile Board, then there must be some provision to collect the difference by Government. Otherwise, there is no sense in having this Bill only for stocks already held. If on the other hand, prices are going to be left to the free play of competition then, I do not find the necessity of this Bill. I, therefore, think that either Government must see that no such body as a syndicate comes into existence or if such a body crops up, the difference between the price fixed and the price at which is actually sold goes into the public exchequer.

Secondly, I wish to say something on clause 10. My Honourable friend Mr. Kamath referred to it and another Honourable friend said it was a very proper clause. I do not think I have ever seen a clause like this in any enactment. It means that every one is asked to evade and if caught it will be compounded. In that case there is no need to have this clause. Clause 9 provides for six months' imprisonment and clause 10 allows it to be compounded. That reminds me of the old saying that if you steal and are not caught you are a brave man, but if you are caught you are a thief. The same thing will happen here. If you are caught it will be compounded and if you are not caught you will go scot-free. That is exactly what I do not understand. This clause 10 must be deleted and then only will it become a good Bill. I think the points made by Mr. Santhanam and Mr. Kamath are very important and I hope the Honourable Minister will try to improve the Bill in that manner.

Mr. Naziruddin Ahmad (West Bengal: Muslim): Sir, in supporting the motion I also support the suggestion made by Mr. Santhanam with regard to certain drafting points. I do not find the expression "wholesale dealer" defined anywhere. There is much loophole in this ambiguous expression.

Shri M. Ananthasayanam Ayyangar: It is already in another Act.

Mr. Naziruddin Ahmad: But this Act must be a self-contained Act. It may be that whenever a dealer is caught who is believed to be a wholesale dealer he will say that he is not a wholesale dealer. If you try to fix him with reference to the definition in another Act he will say that within the meaning of this Bill he is not a wholesale dealer and therefore he is out of your reach. I therefore think that the expression "wholesale dealer" should for purposes of this Bill be separately defined; or any definition existing in any other Act should specifically be adopted as a part of this Bill.

Then Mr. Kamath raised the point that when a person enters a particular premises to make searches and inquiries he may be resisted, and so he should be given the status of a public servant within the meaning of the Indian Penal Code; so that if he is resisted, the resister could be dealt with under the Indian Penal Code. This provision should be made as has been done in other Acts.

With regard to the punishment clause I agree with Mr. Kamath that the punishment is really of a charitable nature. Mr. Kamath has suggested that for subsequent offences he should be publicly flogged or more severely punished. It has been suggested by my Honourable friend Mr. Krishnamachari that there is here no possibility of a subsequent conviction because it is felt that this is to be a temporary Act. But it may be that a man commits several offences in secret and he is caught in only one of them. He is then convicted for this; and another offence is subsequently discovered; then the question of subsequent conviction comes in. I think Mr. Krishnamachari did not give sufficient thought to this aspect of the case. Clause 9 should be so strengthened as to be really deterrent in its effect.

Then with regard to clause 10 I can say, from long experience in the administration of criminal law, that this is one of the most remarkable clauses I have ever come across. It has already attracted sufficient attention in the House and I will merely say this. In clause 9 the normal punishment is already sufficiently lax. Pious wishes have been expressed in the House about public flogging and so on but the whole thing goes to the wind when you come to clause 10. It is said that the authority authorised by the Central Government of any status—may be of very questionable status—may compound an offence for 'a sum of money'. It looks very much like providing for a corrupt transaction; it is so worded that if it is used by a man who tries to corrupt the public services he would only express himself in this language. He may accept from the producer or wholesale dealer 'a sum of money' and then compound; the sum may be even Rs. 5. A dealer may have cheated Government to the extent of a lakh of rupees; he will be able to compound it by the payment of Rs. 5. It is not even provided that this amount taken will go into the public treasury; it may remain in his pocket. Sub-clause (2) further makes it clearer and says that compounding has the effect of an acquittal, and no further proceedings can be taken by any court even under any other Act with reference to the same facts. It may be that part of the offence may be something like forgery or some other serious offence under the Indian Penal Code; sub-clause (2) will wash out all offences, even though they are not compoundable and should not be compoundable on grounds of public policy. If it is desired to check offences and tax evasions, and the like, clause 9 should be strengthened and clause 10 should be entirely omitted.

To give effect to these suggestions I have submitted certain amendments. But the unfortunate part of the business is that I got the Bill after 2 o'clock yesterday and then we had not the time to look into it during the day. Today came the notice that the Bill is to be considered and passed in the course of the day. So today was the earliest day when notice of amendments could be given but I find that even the earliest moment becomes too late. I submit that these points require careful consideration. Drafting is as important as the contents of the Bill and I submit that the consideration of the Bill, clause by clause, should be taken up tomorrow. We should be given some breathing time to consider the various points involved in the amendments. So while I support the motion for consideration today, I submit that the clauses should be taken up tomorrow.

Dr. B. Pattabhi Sitaramayya (Madras: General): Sir, I rise to make a reference to the last clause. Perhaps it is flogging a dead horse. But in view of the fact that a colleague of ours has tried to support the clause by quoting the instance of income-tax compounding, I am compelled to say a few words

lest they should show the way to the Minister in charge how to support his own case. Income-tax compounding is well known. There is no crime in it. It is prescribed by the law and it is open to anyone to invite the officer to settle up the next three or four years' income-tax. In fact it involves no crime to start with.....

Mr. Speaker: I am speaking from memory and subject to correction. I believe it does give the power to compound even in cases where a false return is made.

Dr. B. Pattabhi Sitaramayya: I beg your pardon. I am not acquainted with the latest income-tax law. I did not know that Government had developed in that direction. I was talking of the old days when I was practising medicine. If that is the kind of progress the British Government has made on the eve of its departure, it is hardly an example to be copied by the National Government. Apart from this I wish to say that I know one or two cases in which services are rendered into money or crimes are compounded. For ins.

tance in the jails, the convict warders who are generally the murderers in the jail, are given a uniform.

[Dr. B. Pattabhi Sitaramayya]

[At this stage Mr. Speaker vacated the Chair which was then occupied by Shri M. Anathasayanam Ayyangar (one of the panel of Chairmen).]

They are given a salary of Re. 1 p.m. and certain powers. First they become mistries, then overseers, and then convict-warders and they earn about Rs. 40-50 after 10 years' term and Government sells every rupee for four days of additional remission. So it is open to this convict to surrender his Rs. 40 and get 160 days of extra remission and the murderer can go home 160 days earlier in order to commit perhaps a second murder by surrendering his Rs. 40. That is the closest example that I can quote. I know of one instance in the Congress Government of 1938 when the Chief Minister of Madras compounded with a Customs Officer by letting him off and taking the Bribe that he had taken, for the Government, and that was about Rs. 13,000 and I am surprised that such a course should have found a place in this Bill. Mr. Saksena has said that if a vendor has committed a crime he tries to escape and if he is caught he is let off by compounding. Really if a vendor has committed a crime and if he escapes he becomes a thief; if he is caught he becomes a gentleman, and then it remains for him to make his way to the Constituent Assembly and join us as a legislator. If this had been in force in regard to the coal trade or the yarn trade, some of the notable prosecutions in the North and South of India would not have taken place. This is a most astounding proposition and I hope the Minister will see his way to deleting the clause.

Then again I support Mr. Naziruddin Ahmed's suggestion that the Bill should be taken more leisurely because I would invite your attention to the strength of the House. It is just 40—now 39 since the Speaker has left. At one o'clock today it was 44, out of a House of about 260. It is extraordinary. We have really given great latitude to the Ministers in not too many speaking. But if you want to hurry up the proceedings, it will be taxing our patience a good deal.

Mr. R. K. Sidhva (C.P. and Berar: General): I have no new points to make on this Bill. Many points raised by the previous speakers require serious consideration. I only rise to emphasize the point that has been brought out by my friend, Mr. Kamath. Sometimes, Sir, if a matter is very important and it has to be emphasized, it needs repetition, even if the repetition is repeated more than once. It is desirable so that the Government may know.....

Diwan Chaman Lall (East Punjab: General): Repetition is always more than once!

Mr. R. K. Sidhva:the sense of the House. Compounding of an offense in this Bill is most objectionable. The Government hereby encourages the evasion of tax and evasion of cess. If you will allow the compounding of this kind of offence, what will happen is that a merchant or a producer will say, "after all this offence is to be compounded. Therefore I must evade payment. Ultimately if I have to pay I will pay. Therefore I will take the risk by not paying it. Thus I will dodge the Government and if I am successful in it I will save that amount to myself. If I am caught then I will give that amount which I originally had to pay." That will be always running in his mind and that is a kind of encouragement which must be avoided. In the illustration that was given about income-tax, that is certainly compoundable for different reasons.

Shri K. Santhanam: He can evade it!

Mr. R. K. Sidhva: He may evade it but there are certain provisions in the Income-tax Act which are not applicable here. In the Income-tax Act there are so many proceedings, and stages and examinations and books which accord-

ing to the income-tax payer may be right: according to the assessee it may be right but not so according to the officials. Here is one issue of cess to be paid. Nothing is to be discussed, nothing has to be verified. There is no discussion and no appeal lies. He pays the difference. If he evades paying and if you give him encouragement for it, then we lose to that extent the revenue to which Government is entitled to. Therefore I do want to emphasize this matter. We feel that Government must get this amount and no kind of excuse should be given to anybody for the purpose of evasion of this legitimate cess. We know that crores of rupees have been spent by the Government for running the Control Department since last four years without any benefit to the consumer. We know what this control has brought to the consumer. On the top of it when a way has been found and we want money, we do not want to give any opportunity to the tax payer to avoid this amount of tax. Therefore, I suggest that this clause should be omitted and it must be made really a penal clause. Not only must a man pay if he has to pay, but he must not only pay double but he must be sentenced to imprisonment for one year.

The Honourable Dr. Syama Prasad Mookerjee: I am thankful to the Members for their various criticisms, although I would like to point out that most of them arise out of a certain misapprehension of the exact scope of this Bill. It has a limited scope. It refers only to the power which Government wants to take to absorb the difference between existing and new prices of cloth which are with the mills or with the quota holders on a particular day. We decided to decontrol on and from 20th January 1948. Stocks of cloth with the mills either on the 31st December 1947 or on the 20th January 1948, whichever may be greater, will be charged at the new rates but the difference is to be paid to Government. So far as quota-holders are concerned we have fixed the date as 20th January definitely. All stocks with the quota-holders on the 20th January, 1948, will come under the operation of this Bill. There is no intention to apply the provisions of the Bill with regard to other stocks.

Now, you may ask why is it that we did not go downwards: why we did stop only with the quota-holders? In fact that question was raised by one of the Honourable members here. The reason was this. We have only records in respect of the mills and of the quota-holders. It is not possible for us to pursue the other stockists or the retailers, who may have with them smaller or larger quantities of cloth. It will be administratively impossible for Government to pursue these agencies and try to get this surcharge in any reasonable manner. Further we do not want to introduce a complicated scheme which might create an artificial scarcity. By passing the freezing order we took upon ourselves a certain amount of responsibility, because we prevented the free movement of cloth for a few days. We have decontrolled and we should not do anything, not even for the sake of getting a few lakhs or crores of rupees, which might prevent the free movement of cloth throughout this huge country and thus lead to artificial scarcity. We therefore decided to take possession only of the cloth stocks which were with the mills and the quota-holders. We were satisfied that there would be no justification to allow the mills to get the advantage of the new prices of cloth in respect of the stocks which were already with them and had been stamped.

Now here the question may arise as to how Government is going to know whether the mills will give a correct return or not. That is a matter which I discussed with the representatives of the millowners. Up to a particular point we have to depend on their honesty and we have also a rough and ready way of scrutinising whether the returns given by the mills are accurate or not. The Textile Commissioner has with him statistics to show the quantities of cloth which are with the mills at the end of each month, say during the last six months and as soon as we get the return from the mills as regards the stocks with them, either on the 31st December 1947 or on the 20th January 1948, we

[Dr. Syama Prasad Mookerjee]

shall be able to verify the return with reference to the previously declared stocks and see whether the mills are deliberately giving us a lower figure or otherwise. In fact the mills have also agreed to co-operate with the Government and are voluntarily prepared to surrender this extra profit which might otherwise have gone to them.

With regard to the quota-holders the position is simpler, because we have a complete record at the Textile Commissioner's Office. We know definitely on the 20th January, 1948 how much cloth is with a particular quota-holder and this surcharge will be levied on such stocks which are to be accounted for by the quota-holders concerned. There is no question, therefore, of our applying it with regard to future transactions.

Mr. Santhanam raised a very important point. In fact that may have to be considered at a later stage, if we find that the mills are charging prices which are exorbitant. As I said yesterday in answer to a question, we have decided that the Tariff Board should continue its enquiry with regard to the fair prices of mill-made cloth. Once Government has full information with regard to such price structure, we will be in a better position to satisfy ourselves whether the prices that the mills will charge in future are fair or not. As you know, a part of our scheme is that in future every cloth will bear the ex-mill price and also the retail price stamped on it, so that in future we shall be able to know at any time whether the mills are charging more than what is justified or not.

With regard to the penal clauses of the Bill they do not really matter.....

Prof. Shibban Lal Saksena: Who will fix the price? Will it be by some syndicate?

The Honourable Dr. Syama Prasad Mookerjee: The price will be fixed by the mills. There is no syndicate as such. But of course, so far as the millowners are concerned, they have their Millowners' Association and that Association will fix the price structure.

Now here I agree with several Honourable Members who have spoken this afternoon that ultimately prices will adjust themselves. It will all depend on production. In the debate on the floor of this House during the last session of the legislature it was pointed out that the mills are producing much more cloth than what actually comes into the open market. Whether cloth is hidden or not will now be proved. If there is anything lying hidden that will immediately come into the open market. Mills also will have sufficient incentive to produce all that they can, because control has now been withdrawn. In such circumstances I expect that if the cotton supply does not suddenly become extremely difficult, the production will increase and prices will adjust themselves. All that Government wanted to see at this stage was that prices did not shoot up immediately with the promulgation of the decontrol order. But there also Government did not want to take the entire responsibility. Government wanted to throw the responsibility on the millowners themselves and the millowners have assured the Government that the ex-mill price will not be beyond a certain percentage—about 20 or 25 per cent—so that the fear which many of the members of this House and many more outside have, viz., that immediately on the decontrol of cloth prices may shoot up by 50 or 100 per cent, need not be entertained. Government, I claim, have taken steps to prevent such a rise. What the future price structure will be will depend obviously on the production as also on the prices existing amongst 300 mills operating in different parts of the country. As to what steps the Government will take in future is very difficult for me to announce now but I can assure the House that we shall keep a strict watch on the way in which things move and if we find at a later stage that certain additional legislative powers have to be taken by Government, we shall not hesitate to come before the legislature and ask for such powers....

Prof. Shibban Lal Saksena: Is it compulsory for the mills to join the Mill-owners' Association?

The Honourable Dr. Syama Prasad Mookerjee: If any mill wants to go outside the Association and charges less price I shall not interfere with it but if it charges a higher price I shall take such steps as will make it impossible for the mill to function. That I have already informed the millowners about. If any mill wants to go outside the Association and charges a lower price for its cloth Government will not interfere but if any mill wants to remain outside and charge a higher price, Government will have to step in and take necessary action.

A suggestion was made by Prof. Ranga that part of the money that Government will get might be spent for the improvement of handloom cloth. It is very difficult for me to give that assurance, because the Finance Minister has already desired to take possession of this sum of three crores which I have placed at his disposal. When the Budget is introduced a few weeks later, Prof. Ranga will certainly have an opportunity to place his view point before the House. But so far as the sum which is coming to Government in connection with the Equalisation Fund, taken from yarn is concerned, its utilisation has not yet been decided upon, though we might consider it at a later stage, after we discover what amount exactly will be at the disposal of the Government. The same remark applies with regard to *knadi*. It is very difficult for me to give this assurance asked for on behalf of the Govt. at this stage.

With regard to particular clauses is the Bill I sympathise with my Honourable friend Mr. Naziruddin Ahmad that he has not had sufficient time to give notice of amendments. He had only a few hours and he produced 32 amendments. There are just ten clauses in the Bill and if he had had more time, perhaps there would have been 320 amendments from him. I know how his eagle eyes work. I had occasion to know it when I was his colleague in the Bengal Legislative Assembly but so far as this particular Bill is concerned I do not think there is much scope for any of the amendments proposed. Already Government has taken action, Government has fixed the dates and we want that we should get as much of the money as possible from the mills and the quota-holders. If you delay the passing of this Bill it may create difficulties for Government.

As regards the last clause I frankly say that I also did not like this. But I was told that with regard to all Bills with regard to the imposition of cess that is the usual clause which is to be found. I do not expect that any occasion will arise for compounding any of these offenders because the books are already open and we know more or less what sums we are going to get. If Members feel strongly about clause 10, I shall not mind if clause 10 is deleted. But I would tell Mr. Naziruddin Ahmad that he need not press any one of his amendments. The Bill, as it stands, is all right and will help us to get as much of the money as we possibly can.

I have not made any comments deliberately, lest I should be ruled out of order by you, Mr. Chairman, on the remarks of Mr. Ananthasayanam Ayyangar made on the floor of the House.

Mr. Chairman: The question is:

"That the Bill to impose a cess on certain cotton textiles manufactured in the Provinces of India, be taken into consideration."

The motion was adopted.

Mr. Chairman: I have now to take the Bill clause by clause. There are now no amendments.

Mr. Naziruddin Ahmad: I submit, Sir, that if I make some suggestions

Mr. Chairman: The fact that the Honourable Minister is prepared to delete clause 10 will solve the conscience of the Honourable Member.

Mr. Naziruddin Ahmad: I have a few comments to make and probably the Honourable Minister will accept some of my amendments on the floor of the House.

Mr. Chairman: The Honourable Minister has already said that he looked into the 32 amendments and he is not agreeable to accept any.

Mr. Naziruddin Ahmad: He has seen only the number of the amendments.

Mr. Chairman: I am not allowing any of the amendments to be moved.

Shri K. Santhanam: With regard to clause 3 I had made a suggestion that it should be 'cesses', that is the plural. I made two points. One which related to future production the Minister has answered. The other point I made was this. If the cloth is transferred from the producer to the wholesale dealer and the wholesale dealer makes unconscionable profits the Minister may impose a further cess. I therefore suggest that after the word 'cess' there may be added the words 'or cesses'. It is only a discretionary power. I do not want it to be obligatory. But it should be open to him to impose more than one cess on the cloth with the millowners so that the wholesale dealer will pass it on at the price at which he gets it from the millowner. I think it will be a useful provision.

Mr. Chairman: I will now take the Bill clause by clause. I will first take up clause 2.

Mr. Naziruddin Ahmad: With regard to clause 2 I think the definitions 'cloth', 'yarn' and 'producer' should begin with small letters and not capital letters. They are not proper nouns. This amendment is bound to be accepted.

The Honourable Dr. Syama Prasad Mookerjee: Is it an amendment?

Mr. Chairman: After all these amendments are in the hands of the printer and the devil.

The question is:

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

The motion was adopted.

Clause 2 was added to the Bill.

Shri K. Santhanam: I seek permission to add the words 'or cesses' after the word 'cess'. I want the plurality to give him the power.

Mr. Chairman: Instead of 'at such rate' do you want also 'at such rates'?

Shri K. Santhanam: So far as the rate is concerned it will apply to each cess according to the notification.

Mr. Naziruddin Ahmad: The only objection to the proposed amendment is that it is not necessary because singular includes plural. The real objectionable expression is 'wholesale dealer' which has not been defined. You cannot get hold of a man and say he is a wholesale dealer. This expression requires clarification.

The Honourable Dr. Syama Prasad Mookerjee: As regards the point made by Mr. Santhanam unfortunately we cannot follow the other agents below mill-owners and quota-holders. After all we have decided to decontrol and having once decontrolled we cannot pursue any one if he charges any price which we consider exorbitant. We can only take over the difference in the first stage under the proposed law. Government cannot pursue, when once this is done, the other dealers big or small. Government can pursue them only if Government controls the price structure when anything that is above the prices fixed will become illegal. That was my difficulty. Otherwise the point made by Mr. Santhanam did occur to me.

With regard to the suggestion which Mr. Naziruddin Ahmad has made about wholesale dealer we deliberately kept it vague because we wanted to pursue

all the large wholesale dealers regarding whose stocks we have records. If I define the term as Mr. Naziruddin Ahmad wants some big fish might just go out of our net.

Mr. Naziruddin Ahmad: In other words a wholesale dealer should then be defined as 'any dealer whom the Honourable Minister tries to pursue'.

Mr. Chairman: The question is:

"That clause 3, stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clauses 4 and 5 were added to the Bill.

Mr. Naziruddin Ahmad: I think an amendment is necessary in clause 6. In line 4 of this Clause the word 'dealer' is used where obviously 'wholesale dealer' is meant. We are trying to pursue the wholesale dealer, however vague that expression is purposely made. Still the expression 'wholesale dealer' is necessary. Therefore, in order to clarify it there should be the word 'wholesale' to keep up the prestige of this Bill.

Mr. Chairman: I think clause 6 follows clause 3, where it refers to wholesale dealer. It does not refer to ordinary dealer. Penalty can be imposed only on the wholesale dealer. I shall now put the clause.

The question is:

"That clause 6, stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

Clause 7 was added to the Bill.

Shri H. V. Kamath: I remarked that the words 'any person' are too vague and perhaps may create difficulties later on in the operation of this Act. I think they should be substituted by "public servant". Any person should not be authorized but a public servant should be authorized.

The Honourable Dr. Syama Prasad Mookerjee: Here the difficulty is that quota holders are scattered throughout the country; the stocks of the mills also have to be examined by some experts who may not be public servants. So many considerations may arise which may necessitate the Government to nominate some person to go into a particular shop or mill to enquire into what has happened. I do not think the Honourable Member need pursue his point. He will be a person who will be nominated by us for this purpose and he need not necessarily be a public servant.

Shri H. V. Kamath: If such a person was resisted in the discharge of his duties?

The Honourable Dr. Syama Prasad Mookerjee: The quota-holder will lose his business.

Mr. Naziruddin Ahmad: I propose a few amendments which are in the nature of suggestions. I think they should be accepted. The House will be pleased to note that clause 8 is one complete sentence. It is divided into parts (a), (b) and (c), but these are separated by semi-colons; so it follows that the whole thing is one sentence. But I find that parts (a), (b) and (c) begin with capital letters. I think this is murdering King's English, which is the only kind of murder not punishable by death. So the letters at the beginning of (a), (b) and (c) should be small letters. This amendment at any rate should be accepted. There is no harm in accepting it, and it will make it good English.

The Honourable Dr. Syama Prasad Mookerjee: I think Sir, you have ruled that is not an amendment, but the printer may refer to the dictionary and do the needful.

Mr. Naziruddin Ahmad: That cannot be done. The point is we are passing a Bill as it is presented to the House. The printer has no right to make amendments. There are obvious errors of grammar and the House has got to correct them. The only thing required is for the Honourable Minister to say 'yes' and I believe the whole House will accept it.

Shri H. V. Kamath: When I made my suggestion, the point I wanted to make was, if any person authorised to enter and search, is resisted by the dealer or producer, that should render the dealer or producer liable to prosecution. The Minister said he would lose his business. That is all. But if he resists him, it would not render him liable to arrest and prosecution, which can be done only if the person searching or seizing property is a public servant. Under the Indian Penal Code, he can be arrested and prosecuted.

Mr. Chairman: Naturally the authority contemplated in clause 8 will certainly appoint a responsible person.

The question is:

"That clause 8, stand part of the Bill."

The motion was adopted.

Clause 8 was added to the Bill.

Clause 9 was added to the Bill.

Mr. Naziruddin Ahmad: I have sent in an amendment to clause 10.

Mr. Chairman: Your amendment has been ruled out.

Shri K. Santhanam: I agree with the sentiments of many of my friends who have said that this compounding is bad, but they forget that it does not follow that the people will be prosecuted. Generally Government servants are not very anxious to put millowners or producers in jail. They are not bound to compound. It is only giving them optional power and therefore let us not lose public money under the false hope that they are going to be put in jail. They are not going to be put in jail and you are freeing them from the liability to pay a heavy charge.

Mr. Naziruddin Ahmad: But the effect of this would be to encourage law-breakers to break the law. It would have a demoralizing effect.

Mr. Chairman: Evidently the idea of Mr. Santhanam is even this punishment is sufficient for the millowner and wholesale dealer. It is for the House to take into consideration. He will get into disrepute if compounding is taken against him. Without it he will go scot-free.

The question is:

"That clause 10, stand part of the Bill."

The motion was negatived.

Mr. Chairman: The question is:

"That clause 1, stand part of the Bill."

The motion was adopted.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Dr. Syama Prasad Mookerjee: I move:

"That the Bill, as amended, be passed."

Mr. Naziruddin Ahmad: I submit only that in clauses 2 and 8, where some common nouns have illegally begun with capital letters, they should be made to begin with small letters.

Mr. Chairman: The Honourable Member has not quoted any authority for his suggestion.

The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

Shri K. Santhanam (Madras: General): May I suggest that the Minimum Wages Bill be taken up tomorrow? We got the Bill only today, and so far as I am concerned, I have had no opportunity even to look through the Bill.

Mr. Naziruddin Ahmad (West Bengal: Muslim): But that is no consideration to the Honourable Ministers. Let us pass it.

Shri K. Santhanam: At the preliminary stage, we have to discuss it.

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): There are 20 minutes in which I am sure my Honourable colleague will have made his speech at the preliminary stage. May I make a suggestion that we utilise even these 20 minutes?

The Honourable Shri Jagjivan Ram (Minister for Labour): I do not propose to make any long speech.

Mr. Chairman: I take it that the Honourable Minister-in-Charge is willing that this matter be left over till tomorrow. Possibly the discussion may be quite short also if it stands over, but it is left to the Honourable Minister.

The Honourable Shri Jagjivan Ram: I am entirely in the hands of the House.

Mr. Chairman: There is no serious objection to its standing over till tomorrow.

The Assembly then adjourned till Eleven of the Clock on Friday, the 6th February, 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Friday, 6th February, 1948.

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

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

INDUSTRIAL CONCERNS IN INDIA OWNED BY NATIONALS OF FOREIGN COUNTRIES.

126. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Industry and Supply please state the names of all the industrial concerns in India owned by nationals of foreign countries?

(b) How many of them in India are owned partly by nationals of foreign countries and partly by Indian nationals and what are their names and what is the capital invested in each?

(c) Have Government received any proposals for starting new industries from the nationals of foreign countries?

(d) If so, from whom were they received and what are the details?

The Honourable Dr. Syama Prasad Mookerjee: (a) and (b). The information asked for is not readily available but is being collected.

(c) and (d). A list showing the proposals received or considered by the Controller of Capital Issues during 1947 is placed on the table of the House.

List

S. No.	Name of the Company.	Business.	Proposed Issue.
1	Goodyear Tyre and Rubber Company (India) Limited.	Manufacture of tyres.	Rs. 300 lakhs.
2	Tribeni Tissues Limited.	Manufacture of Cigarette paper.	Rs. 120 lakhs.
3	Aem Aluminium Rolling Mills Limited.	Manufacture of Aluminium foils and linings.	Rs. 25 lakhs.
4	Parimal Limited.	Manufacture of Textile machinery.	Rs. 150 lakhs.
5	Lewis and Taylor (Mysore) Limited.	Manufacture of Woven beltings and Fire hose.	Rs. 12 lakhs.

N. B.—Besides these there is an inquiry from Sorabji Nowroji and Co. of Bombay in respect of a proposal for establishing a Factory for manufacturing Umbrella Ribs and handles in collaboration with non-Indian manufacturers. Particulars have not yet been received.

Mr. R. K. Sidhva: Can we get any idea as to what the list referred to in reply to (c) and (d) contains, so that we may ask supplementaries.

Mr. Speaker: Is it a very long list?

The Honourable Dr. Syama Prasad Mookerjee: No. I can read it out.

Shri B. Das: In respect of establishing businesses in India, do the Government propose to follow the recommendations of the External Capital Committee?

There was a report of this Committee in 1926 or so which stated that seventy-five per cent. of the capital should be owned by Indians and twenty-five per cent. by non-Indians.

The Honourable Dr. Syama Prasad Mookerjee: In all these cases about fifty per cent. of the capital is owned by Indians.

Mr. R. K. Sidhva: As far as the Goodyear Tyre and Rubber Company (India) Limited is concerned, may I know what is the percentage of capital of Indians and how many Indian Directors are in that concern?

The Honourable Dr. Syama Prasad Mookerjee: As I said just now, all these details are not available now. I have asked for these details and I can supply them as soon as they are received.

Diwan Chaman Lall: May I know whether it is a fact that the Reserve Bank has made an enquiry regarding part (a) of the question?

The Honourable Dr. Syama Prasad Mookerjee: I am not aware.

Diwan Chaman Lall: Will the Honourable Minister kindly look into this matter and if there is an enquiry to expedite this enquiry so that this House may have full information on the subject.

The Honourable Dr. Syama Prasad Mookerjee: I shall make note of the suggestion.

Mr. R. K. Sidhva: May I know from the Honourable Minister as far as these questions are concerned if he will give answers in this House or he will put them on the table or he will supply to me only? Will he place it also in this House?

Mr. Speaker: He will, I presume, place it on the table. That is generally what is done.

PRICE OF SUGAR IN INDIA BEFORE AND AFTER DE-CONTROL.

129. ***Mr. R. K. Sidhva:** (a) Will the Honourable Minister of Food please state what was the prevailing price of sugar immediately after de-control and on 15th November 1947, 15th December 1947 and 15th January 1948 in the following cities:

Allahabad, Cawnpore, Lucknow, Muradabad, Bareilly, Agra, Delhi, Patna, Gorakhpur, Calcutta, Simla, Jullander, Ludhiana, Ambala, Bombay, Poona, Ahmedabad, Madras, Bezwada, Masulipatam, Nellore, Nagpur, Jubbulpore, Cuttack, Gauhati and Shillong?

(b) Was sugar available in sufficient quantity at all these places after de-control?

The Honourable Shri Jairamdas Doulatram: (a) and (b). Sugar was de-controlled with effect from 8th December, 1947. A statement showing the required information is placed on the table of the House.

Statement

S. No.	Name of the Cities	Prices per maund of sugar on			Whether sugar was available in sufficient quantities in all the cities after decontrol
		15-11-47	15-12-47	15-1-48	
1	Allahabad	Rs. 23/2/-	Rs. 50/-	Rs. 35/-	Available in sufficient quantities.
2	Cawnpore	Rs. 23/2/-	Rs. 45/-	Rs. 38/12/-	Ditto
3	Lucknow	Rs. 23/2/-	Rs. 40/-	Rs. 37/8/-	Ditto
4	Muradabad	Rs. 23/2/-	Rs. 40/-	Rs. 35/-	Ditto
5	Bareilly	Rs. 23/2/-	Rs. 40/-	Rs. 37/8/-	Ditto
6	Agra	Rs. 23/2/-	Sugar was not available	Rs. 37/8/-	Ditto
7	Delhi	Rs. 25/-	Rs. 40/-	Rs. 37/8/-	Ditto
8	Patna	Rs. 22/11/-	Rs. 45/-	Rs. 43/-	Ditto
9	Gorakhpur	Rs. 23/2/-	Sugar was not available	Rs. 35/-	Ditto
10	Calcutta	Rs. 28/2/-	Rs. 28/2/-	Rs. 37/8/-	Very limited quantities available.
11	Simla	Rs. 26/9/9	Rs. 40/-	Rs. 35/-	Small quantities available.
12	Jullander	Rs. 25/14/10	Rs. 47/8/-	Rs. 37/8/-	Sufficient quantities available.
13	Ludhiana	Rs. 26/4/-	Rs. 60/-	Rs. 38/2/-	Ditto
14	Ambala	Rs. 25/-	Rs. 45/-	Rs. 39/-	Ditto
15	Bombay	Rs. 23/7/3	Rs. 23/7/3	Rs. 43/8/-	Ditto
16	Poona	Rs. 23/1/-	Rs. 23/1/-	Rs. 41/-	Ditto
17	Ahmedabad	Rs. 23/11/-	Rs. 23/11/-	Rs. 38/-	Ditto
18	Madras	Rs. 23/14/6	Rs. 24/7/-	Rs. 38/3/-	Ditto
19	Bezwada	Rs. 24/-	Rs. 52/5/10	Rs. 39/4/4	Not available immediately after decontrol but available from January 1948.
20	Musulipatam	Rs. 24/-	Rs. 24/-	Rs. 40/-	Available in sufficient quantities.
21	Nellore	Rs. 24/6/6	Rs. 24/6/6	Rs. 42/8/9	Ditto
22	Nagpur	*Rs. 25/-	Rs. 25/-	Rs. 50/-	Ditto
23	Jubbulpore	*Rs. 25/-	Rs. 25/-	Rs. 50/-	Ditto
24	Cuttack	Rs. 25/15/3	Rs. 30/7/1	Rs. 60/-	Not available in sufficient quantities.
25	Gohati	Rs. 29/6/-	Rs. 60/-	Rs. 60/-	Ditto
26	Shillong	Rs. 29/6/-	Rs. 60/-	Rs. 60/-	Ditto

N. B.—*Price of sugar before decontrol and sold under Government control upto 31-12-47.
 †Seized stocks sold at Rs. 32/8/- per maund under Government control.

Mr. R. K. Sidhva: May I know, Sir, what is the position as regards the rates prevailing on the 15th of January and 15th of December compared with the controlled rates that existed? At least this information may be given for Bombay, Allahabad and Cawnpore, if at all.

The Honourable Shri Jairamdas Doulatram: If I am asked for any specific town, then I will be able to give the information.

Mr. R. K. Sidhva: If you do not mind, for Cawnpore and Bombay.

The Honourable Shri Jairamdas Doulatram: Cawnpore on 15th November the price was Rs. 23-2-0 and on 15th December it was Rs. 45. On 15th January it fell to Rs. 38-12-0.

Mr. Tajamul Husain: Since Government are aware that the price of sugar has considerably increased after de-control, what do Government propose to do in this connection.

The Honourable Shri Jairamdas Doulatram: I do not admit that the price has increased. It has increased in some places. It has decreased in other places. It depends upon the movement of sugar. In places where there are proper facilities, the prices are falling and in places where there are not proper facilities, the prices may not have fallen, but sometimes risen.

Mr. Tajamul Husain: Will the Honourable Minister kindly inform the House what was the price of sugar before de-control in Patna and after de-control?

The Honourable Shri Jairamdas Doulatram: In regard to Patna the price has risen. It was Rs. 22-11-0 on 15th of November, Rs. 22-11-0 on 15th of December and it was Rs. 43 on 15th of January.

Seth Govinddas: Is it not a fact, Sir, that the price of sugar is generally falling in every place and sugar which was not available at that time is available practically in every town according to the requirements of the public?

The Honourable Shri Jairamdas Doulatram: That is generally true, but there are cases where as I have said on account of difficulty of movement prices may not have fallen, but on the whole there is a fall in price.

Seth Govinddas: Are Government making arrangements for better transport so that on account of less facilities of transport the prices may not increase in certain places.

The Honourable Shri Jairamdas Doulatram: We tried to upgrade sugar and give it earlier priority for one month and the question of giving the same priority is still under consideration. With regard to increasing transport facilities in general that question is also being tackled by the Department.

Mr. R. K. Sidhva: The Honourable Minister stated that the prices are generally falling down. He just now gave the figure for Allahabad and said it was Rs. 22-2-0 for November whereas on 15th of January it is Rs. 38. May I know in view of the other reply he also gave, how does he reconcile the statement that the prices are falling down. Does he state that the prices are falling as compared with black market or controlled prices?

The Honourable Shri Jairamdas Doulatram: In some cases black-market prices and in some cases controlled prices.

Mr. R. K. Sidhva: May I know in which cases are they compared with controlled prices.

The Honourable Shri Jairamdas Doulatram: I will require notice to this question and I will find out.

Mr. Speaker: I think there should be no argument about it.

The Honourable Shri Jairamdas Doulatram: I am sorry, I must correct myself. Prices have not fallen below controlled rates.

Shri H. V. Kamath: Will any action be taken against those who concealed so much sugar which became readily available after de-control?

The Honourable Shri Jairamdas Doulatram: I suggest your legislation about it.

Dr. B. Pattabhi Sitaramayya: Is there any proposal, Sir, to import Cuban sugar and stock it in order to control and regulate the prices?

The Honourable Shri Jairamdas Doulatram: I am not aware of it.

Dr. Pattabhi Sitaramayya: Is it not a fact, Sir, that in Calcutta Cuban sugar is selling at Rs. 40 a maund though it is obtained at Rs. 10 a maund?

The Honourable Shri Jairamdas Doulatram: I am not aware of it.

Shri M. Ananthasayanam Ayyangar: Will Government consider the desirability of collecting large quantities of Cuban sugar so that it can be released to the market to supply the consumers?

The Honourable Shri Jairamdas Doulatram: I will go into the matter.

Shri L. Krishnaswami Bharathi: Is it not a fact that the rise in price of sugar is due to the action of the U. P. Government who entered into a deal with the Sugar Syndicate agreeing to purchase sugar at the control price and fix the selling price Rs. 35-4-0 immediately after de-control?

The Honourable Shri Jairamdas Doulatram: I do not admit, Sir.

Shri L. Krishnaswami Bharathi: It was in the papers.

Mr. Speaker: Order, order. No arguments please.

Shri B. P. Jhunjhunwala: Was it merely due to transport difficulties that the price rose from Rs. 22 in November to Rs. 40 in January, or were there some other causes which led to the increase?

The Honourable Shri Jairamdas Doulatram: There were two factors. One was the need for giving higher wages to labour. The other was the increase in the price of sugarcane.

Shri B. P. Jhunjhunwala: If there were these two factors, what should be the correct price of sugar after allowing for them, say Rs. 40 or something more or less?

The Honourable Shri Jairamdas Doulatram: Rs. 35-7-0

Shri Deshbandhu Gupta: May I know if Government have been able to secure sugar for its own requirements, I mean military and other, at the controlled rate?

The Honourable Shri Jairamdas Doulatram: Yes.

Shri Mohan Lal Saksena: Is it not a fact that after making allowance for the rise in wages etc. the actual price will come to about Rs. 28 only per maund?

The Honourable Shri Jairamdas Doulatram: No. Because the increase in wages and in sugarcane prices makes a difference of about Rs. 14.

Dr. B. Pattabhi Sitaramayya: May I know, Sir, how the difference in price, as it stood at Rs. 21 on the day before sugar was frozen and the price at Rs. 35 fixed by the Sugar Syndicate namely, Rs. 14 is disposed of?

The Honourable Shri Jairamdas Doulatram: Rs. 5 for the industry and Rs. 9 for the labour.

Prof. Shibban Lal Saksena: Is the Honourable Minister aware that the increase in the cost of sugarcane and the labour increase only comes to Rs. 10 including the increased cess?

The Honourable Shri Jairamdas Doulatram: That is not my information.

Dr. B. Pattabhi Sitaramayya: Have Government taken care to see that the Rs. 5 which was intended for the producers of sugar was made over only to those Companies which had made a loss in the previous five years or was it taken also by those Companies which had made a profit?

The Honourable Shri Jairamdas Doulatram: I will require notice of that.

Shri Mohan Lal Saksena: May I know whether the income-tax which was to have been deducted out of the profit which has been given to the industry has been deducted or is it to be deducted at a later date?

The Honourable Shri Jairamdas Doulatram: I will require notice of that.

Shri Mohan Lal Saksena: May I just repeat this question? It was pointed out to us that out of Rs. 5 which was given to the industry, more than half will come to Government as income-tax. I wanted Government to make sure whether it has been so deducted.

The Honourable Shri Jairamdas Doulatram: I expect it must have been deducted, but if he wants definite information, I require notice.

Shri Rohini Kumar Chaudhuri: Does the Honourable Minister mean to say that sugar is available in sufficient quantities in Gauhati and Shillong?

The Honourable Shri Jairamdas Doulatram: I cannot say straightaway.

CEMENT FACTORIES IN INDIA

130. **Mr. R. K. Sidhva:** (a) Will the Honourable Minister of Industry and Supply please state (i) the total quantity of cement manufactured by various Cement factories in India during the years 1939—1947;

(ii) the names of the Cement Factories and (iii) their average total daily output during the above period?

(b) Is it a fact that all the factories do not manufacture to their maximum capacity?

(c) If so, why?

(d) What is the total requirement of the whole country?

(e) How do Government intend to make up the shortage of supply?

(f) Has any new concern applied for licence for starting cement factories?

(g) If so, what are the details?

The Honourable Dr. Syama Prasad Mookerjee: (a) (i) and (iii). The installed capacity is 2,075 million tons per annum. Information regarding the actual output during the years 1939-47 is being collected and will be laid on the Table as soon as it is ready.

(ii). A statement is laid on the table of the House.

(b) Yes, Sir.

(c) Transport difficulties, inadequate supplies of coal for want of wagons and labour unrest are the causes of inadequate production.

(d) About 3 million tons per annum.

(e) By taking steps to secure production up to existing capacity and by installing additional capacity.

(f) Yes, Sir.

(g) A statement is laid on the table of the House.

Statement

Cement Works in India.	Rated daily out-put of factories in tons.
KYMORE	834
KHALARI	334
CHAIBASSA	334
DALMIANAGAR	500
SOME VALLEY	666
KALYANPUR	120
JHAJHA	40
KISTANA	266
MADUKARAI	600
DALMIAPURAM	234
ANDHRA	100
DWARKA	600
LAKHERI	750
BANMOR	200
SHAHABAL	666
DALMIA DADRI	133
BHADRAVATI	66
SURAJPUR	333
PORBANDAR	140
Total	6916

Statement

S. No.	Promotor.	Location.	Capacity in tons.
1	Associated Cement Co.	Bihar	1,00,000
2	"	Patiala State	1,00,000
3	"	Bombay	1,00,000
4	"	Bombay	1,00,000
5	"	Madras	1,00,000
6	"	Assam	1,00,000
7	"	Porbandar	1,00,000
8	"	Madras	1,00,000
9	Dalmias	Madras	1,50,000
10	"	Bihar	1,50,000
11	Shri Digvijay Cement Co.	Jamnagar	1,00,000
12	Anthra Cement Co.	Madras	70,000
13	India Cements Ltd., Tinnevely	"	1,00,000
14	R. B. Shesha Reddi (Kurnool)	"	50,000
15	Mysore Iron and Steel Works	Mysore	30,000
16	Travancore Cements Ltd.	Travancore	50,000
17	J. P. Srivastava & Sons	Bhopal	1,00,000
18	Bird & Co.	Gangpur State	1,00,000
19	Sirmur Traders	Sirmur State	1,00,000
20	National Cement Mines and Industries Ltd.	U. P.	1,00,000
21	C. C. Mankiwalla	Bombay	1,00,000
22	Deccan Cement Co.	"	1,00,000
23	Mr. Christensen	"	1,00,000
24	New Hindustan Cement Co.	C. P.	1,00,000
25	Tehri Garhwal State	Tehri Garhwal State	1,00,000

In addition to this, one unit of 1,00,000 tons capacity each has been allotted to Madras and Orissa. Names of the parties are under consideration. Government of India also are setting up a factory of 2,00,000 tons capacity in Bihar (Sindhri).

(b) Proposals received during 1947 for setting up new cement factories. (These will be considered after the new cement plan is drawn up).

S. No.	Promotor.	Location.	Capacity in tons.
1	Janjira Darbar	Jafarabad	2,00,000
2	Bhavnagar Darbar	Bhavnagar State	not known
3	Shree A. S. Murthy	West & East Godavari (Madras)	50,000
4	Sri S.S. Natarajan	South Arcot (Madras)	50,000
5	Madras Government	Near Thungabhadra (Madras)	30,000
6	"	Near Godavari project	30,000
7	New Industrial Enterprise Ltd., Poona	Bombay	1,00,000
8	Mr. M. N. Dalal, Bombay	Palaupur State	1,27,750
9	Bihar Limestone and Mineral Co.	Demu (Bihar)	1,00,000
10	Rewa State	Rewa State	3,20,000

Mr. R. K. Sidhva: May I know whether in view of the greater necessity of building materials and cement in future, the Government intend to have their own cement factories where it is possible in India?

The Honourable Dr. Syama Prasad Mookerjee: There is a proposal to have a cement factory at Sindhri which will produce about 2,00,000 tons per annum.

Mr. R. K. Sidhva: What is the result of that proposal?

The Honourable Dr. Syama Prasad Mookerjee: If cement is produced it will be available. What else?

Mr. R. K. Sidhva: But my question was not that. I asked whether Government intend to start this factory in Sindhri.

The Honourable Dr. Syama Prasad Mookerjee: That is what I said. Along with the Sindhri fertiliser factory, there will be a cement factory owned by Government.

Shri M. Ananthasayanam Ayyangar: May I know what steps are being taken to meet the deficiency by encouraging private industries to come forward, and if there is a particular scheme, where are those factories going to be located, and whether they are distributed over the whole of India or concentrated in a particular place?

The Honourable Dr. Syama Prasad Mookerjee: I have answered that question in (g). A statement is laid on the table of the House. Roughly, the position is this. About two years ago, a plan for expansion of cement for about 3 million tons per annum was approved by the Government of India. The Associated Cement Companies were permitted to instal eight new units. Dalmias were permitted to instal two new units. Besides this and the expansion of two other small factories, thirteen concerns in India were permitted to establish cement production. A new A. C. C. unit is already in production at Chaibasa, and another in Surajpur. So also three Dalmia concerns. The Travancore Cements limited is under erection and is expected to be in production by the end of 1948. Dalmias and A. C. C. have placed orders for some other of their schemes and we have also received a scheme from the Andhra Cement Company and the Mysore Iron and Steel Works. All these schemes I expect will materialise in the course of 1948 and 1949. The remaining concerns to which Government of India have granted licence have been unable to carry forward their schemes and I am now considering whether these licences should not be cancelled and granted to other applicants who are in a better position to establish factories.

Shri H. V. Kamath: Arising out of answer to parts (a) and (b), how much labour is employed in the cement industry and what are the causes of the labour unrest in this industry?

The Honourable Dr. Syama Prasad Mookerjee: I cannot say exactly what the number is. About the causes, the main cause is that they are dissatisfied.

Shri H. V. Kamath: What are their demands?

The Honourable Dr. Syama Prasad Mookerjee: I cannot say exactly what their demands are, probably more wages and more facilities.

Shri Biswanath Das: Arising out of the reply given by the Honourable the Minister for Industry and Supply, may I know what has become of the scheme to instal a cement factory at the Hirakud Dam site which was recommended by the experts and which was, I believe, accepted by the Government of India and also the Government of Orissa, and also whether there is the possibility of its being started immediately so as to come into production this year?

The Honourable Dr. Syama Prasad Mookerjee: One lakh tons unit has been allotted to Orissa and I believe it will be possible to help in the materialisation of that scheme.

Shri Biswanath Das: When is it proposed scheme to be taken on hand for production by installing the machinery, etc.?

The Honourable Dr. Syama Prasad Mookerjee: That stage has not yet arrived. We shall have to discuss it with the Orissa Government and also take up with the promoters.

Shri Biswanath Das: May we have more information on this score, Sir, because I understood that the installation of the factory is going to materialise soon, because of the fact that the Dalmias are going to take it up and supply the machinery that they have on hand?

The Honourable Dr. Syama Prasad Mookerjee: I shall collect the latest information and give it to the Honourable Member.

Seth Govinddas: The Honourable Minister said that the licences of those parties who have not yet started the work will be cancelled and new licences may be given. Will the Honourable Minister see that if the new licences are to be given proper advertisements are issued in the papers so that any one wishing to apply may do so?

The Honourable Dr. Syama Prasad Mookerjee: I do not think that will be necessary. If a particular party wants to produce cement the party itself will be anxious to come to Government and ask for help. But we shall see that proper publicity is given.

Dr. B. Pattabhi Sitaramayya: May I know if there is allotment of a cement factory for the Ramapadasagar project in the Godavari district?

The Honourable Dr. Syama Prasad Mookerjee: Not to my knowledge.

AGREEMENTS ENTERED INTO BY INDIAN INDUSTRIALISTS WITH FOREIGN FIRMS

131. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether it is incumbent on industrialists to disclose to Government the terms or agreements entered into with foreign industrialists?

(b) Are Government aware of any secret agreements entered into by some Indian industrialists with foreign firms?

The Honourable Dr. Syama Prasad Mookerjee: (a) Firms desirous of establishing industries in India with the help of foreign industrialists are required to state what percentage of the capital proposed to be issued will be reserved for non-Indians. Disclosure of the other terms of agreement entered into with foreign industrialists is not insisted upon.

(b) No.

Shri Deshbandhu Gupta: Is the Honourable Minister sure that there are no other clauses in the agreements which may be prejudicial to national interests?

The Honourable Dr. Syama Prasad Mookerjee: The whole question is now being re-examined by Government, as to how far foreign capital should be allowed to be invested in India and under what conditions. In fact this matter was considered by the Industries Conference last December and certain specific recommendations have been made which are now before Government.

Shri Biswanath Das: As this relates to a very important matter of policy for this country, will the Members of this House be taken into confidence before a financial decision is reached?

The Honourable Dr. Syama Prasad Mookerjee: I am already discussing our draft proposals with the Standing Committee of the legislature.

Shri B. Das: Is the Honourable Minister aware of the negotiations by promoters of Indian chemical industries with Imperial Chemicals and American combines to start huge chemical industries in India? And will the Honourable Minister, in view of his reply to part (a) of the question, examine those secret agreements between these combines, because we are aware that Imperial Chemicals American Cartels and Weishers of Germany have all along been enjoying the benefits of the last war and made huge profits and shared those profits.

The Honourable Dr. Syama Prasad Mookerjee: I shall try to get some more information. But if the Honourable Member has some secret information already he may pass it on to me.

Shri B. Das: Is the Honourable Minister aware that certain Indian promoters are promoting twenty crores worth of company in partnership with Imperial Chemicals? In view of the freedom of the new Indian Government now, is it necessary that Indian chemical promoters should combine with the U. K. combine—Imperial Chemicals—and manufacture destructive chemicals for the destruction of humanity?

Mr. Speaker: Order, order.

Shri Rohini Kumar Chaudhury: Is there any ban against joint business by Indians and Europeans resident in India either as a firm or as a company?

The Honourable Dr. Syama Prasad Mookerjee: There is no ban as such.

Shri Deshbandhu Gupta: Is it the intention of Government to go into the agreements already entered into or will they only lay down the procedure for future agreements?

The Honourable Dr. Syama Prasad Mookerjee: Once we lay down our policy it will certainly be our endeavour to see that even existing concerns come within its scope as soon as possible.

EXTENT OF INDIAN AND FOREIGN CAPITAL IN MATCH INDUSTRY IN INDIA

132. ***Shri Deshbandhu Gupta:** Will the Honourable Minister of Industry and Supply be pleased to state:

- (a) the extent of Indian capital and control in match industry in India;
- (b) the extent of foreign capital and control in the same industry; and
- (c) the production percentage of Indian concerns as against that of foreign controlled match factories?

The Honourable Dr. Syama Prasad Mookerjee: (a) and (b). Government have no information in regard to the extent of foreign and Indian capital invested in the Match industry. Five large units are operated by a Swedish Match Company whose Board of Directors is composed of four Indians and 3 non-Indians. Besides these, there are 160 factories run as cottage industries, which are believed to be entirely Indian.

(c) About 60 per cent. by the Swedish Match Company and 40 per cent. by the rest.

Shri M. Ananthasayanam Ayyangar: With regard to parts (a) and (b), will Government agree to collect the necessary information on the point?

The Honourable Dr. Syama Prasad Mookerjee: I have already issued directions to that effect.

Shri H. V. Kamath: Among foreign match makers—I mean, manufacturers are there none but Swedish?

The Honourable Dr. Syama Prasad Mookerjee: I suppose they are the best.

Shri M. Ananthasayanam Ayyangar: Is there any proposal on the part of Government to have this match industry as a monopoly for fiscal purposes?

The Honourable Dr. Syama Prasad Mookerjee: That has not been considered; but I will remind the Honourable Member that there are 160 factories which are owned by Indians and most of them are run as cottage industries. So if Government take them over they will be hitting a section of Indian small industrialists themselves.

Shri H. V. Kamath: May I know who controls WIMCO? Whose capital is invested there?

The Honourable Dr. Syama Prasad Mookerjee: So far as my present information goes, half of this company's capital is subscribed by investors in this country. But I have not been able to get the exact proportion of Indian capital.

PRODUCTION OF TEXTILES, SUGAR AND PAPER IN INDIAN AND FOREIGN OWNED FACTORIES

133. ***Shri Deshbandhu Gupta:** Will the Honourable Minister of Industry and Supply be pleased to lay on the table of the House a statement showing production figures for textiles, sugar and paper in the factories under the management of Indian industrialists and in those under foreign management for the years 1945-46 and 1946-47?

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

Material	Year	Total Production			Remarks
		Under Indian Management	Under foreign Management	Grand Total	
TEXTILES— Yarn	1945 (Calendar year)	...	...	1,025,351,000 lbs.	Separate figures of production of mills under Indian and foreign management not readily available.
	1946 " "	...	...	1,396,496,000 lbs.	
	1947 (January to June)	...	...	645,382,000 lbs.	
Cloth	1945 (Calendar year)	...	...	4,687,589,000 yds.	Production in Indian States not included as liable figures not available.
	1946 " "	...	...	4,002,787,000 yds.	
	1947 (January to June)	...	...	1,891,094,000 yds.	
SUGAR—	1945-46 (April to March)	809,814 tons	140,598 tons	950,412 tons	
	1946-47 (April to March)	787,776 tons	137,777 tons	925,553 tons	
PAPER— Paper (Excluding Boards and Kraft)	1945 (Calendar year)	18,666 tons	52,356 tons	71,022 tons	
	1946 " "	17,980 tons	50,904 tons	68,884 tons	
	1947 " "	15,494 tons	36,860 tons	52,354 tons	

ADVERTISEMENT IN THE *Indian Trade Journal* INVITING TENDERS FOR LIQUID METAL POLISH

134. *Shri Deshbandhu Gupta: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) whether it is a fact that the advertisement inviting tenders for 25,000 lbs. liquid metal polish from the Director of Civil Supplies was published in the *Indian Trade Journal* on 10th July, 1947 and the due date for opening tenders was fixed as 22nd July 1947;

(b) whether Government are aware that the *Indian Trade Journal* was received in Calcutta on 18th July, 1947 and there were only four days left to get the forms from Bombay and send them duly filled;

(c) whether Government are further aware that no tender forms were available at Calcutta office; and

(d) whether the Director of Supplies, Bombay, received any complaint about this inconvenience?

The Honourable Dr. Syama Prasad Mookerjee: (a) Yes, Sir.

(b) The *Indian Trade Journal* is published in Calcutta and accordingly the Journal of 10th July 1947 should be available to the Calcutta firms on the same day. The firms had, therefore, 12 clear days to submit their tenders.

(c) According to usual practice, tender forms are sent to other circles for sale in their area, and the same was done in this case also. However, enquiries made show that Calcutta Office had not received the tender forms sent by the Director of Supplies, Bombay, and the forms are presumed to have been lost in post.

(d) Yes, Sir.

Shri Deshbandhu Gupta: May I know if in the event of such miscarriage by post or something else a telegraphic tender could not be accepted in future?

The Honourable Dr. Syama Prasad Mookerjee: In fact in this case a tender by telegram was received and was considered, although the tender was not accepted.

POST-WAR RECONSTRUCTION PLAN FOR TRAINING OF GRADUATES AND FACILITIES FOR ANDHRA GRADUATES.

135. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Agriculture be pleased to state the various post-war reconstruction plans for training an adequate number of graduates in agriculture, dairy-farming, veterinary, animal husbandry and allied sciences?

(b) What are the facilities the Government of India propose to give to the Andhra University to train Andhra graduates?

(c) What is the number of students sent to foreign countries for higher training in the above subjects?

The Honourable Shri Jairamdas Doulatram: (a) The Training Schemes of the Central Government already in force or to be brought into force in the near future are as follows:

1. *College of Agriculture, Delhi.*—To meet the immediate needs of candidates drawn from the Centrally Administered Areas and from those Provinces and States which have no Agriculture College of their own, the Central Government have set up at Delhi (Qarol Bagh) a College of Agriculture as an *ad hoc* measure.

2. *Indian Agricultural Research Institute*.—The arrangements for post-graduate training at the Indian Agricultural Research Institute, Delhi have been extended so as to accommodate 100 students per year as against 24 of the pre-war period.

3. *Botanical Survey of India*.—A two-year course for the training of students in Botany and allied subjects has been started under the Botanical Survey of India, Calcutta.

4. *Institute of Fruit Technology*.—The Central Government have under consideration a proposal to set up an Institute of Fruit Technology for the post-graduate training of students in fruit preservation, horticulture, etc. A small training class is already being conducted at Delhi by the Indian Council of Agricultural Research.

5. *Central Drilling School, U. P. (near Roorkee)*.—The Central Drilling School set up near Roorkee by the Central Government is meant to train engineering graduates etc. in the drilling of tube-wells (by modern mechanical equipment) for irrigation purposes.

6. *Training in Fisheries and Zoology*.—The Central Government have set up Inland and Marine Fisheries Research Stations at Calcutta and Madras where arrangements will be made shortly for the training of graduates in Inland and Marine Fisheries and Zoology.

7. *Training in Veterinary Science and Animal Husbandry*.—These subjects are already being taught at the Indian Veterinary Research Institute, Izatnagar to students nominated by the Provinces and States. It is proposed to extend the training facilities at the Institute as early as possible.

8. *Training in Dairy Farming*.—There are at the moment limited facilities for the training of students at the Dairy Research Institute of the Central Government located at Bangalore.

To meet the growing requirements of the country, Government have under consideration schemes for setting up a Central Research Institute and College and Centres for training of technicians.

(b) The Government of India are prepared to consider with an open mind any proposals which the Andhra University submits on the subject.

(c) The number of scholars (nominated by the Central and Provincial Governments) sent abroad for training in various subjects is as follows:

		Nominated by	
		Central Government	Provincial Governments
(i)	Agriculture and Allied subjects	43	54
(ii)	Dairy	13	4
(iii)	Animal Husbandry	14	10
(iv)	Fisheries	18	5
(v)	Zoology	1	2
(vi)	Forestry	4	2
(vii)	Soil Conservation	—	6
(viii)	Poultry	—	3
(ix)	Horticulture	12	7
(x)	Veterinary	—	3

Seth Govinddas: In view of the fact that the Central Government is going to invest a few crores of rupees for opening a dairy in Jubbulpore, will it not be advisable to have some sort of an institution for imparting training to students in the same place, so that they may have some practical knowledge?

The Honourable Shri Jairamdas Doulatram: This matter is under the consideration of Government.

Mr. Tajamul Husain: May we know, Sir, what is the annual cost of sending students for higher training to foreign countries?

The Honourable Shri Jairamdas Doulatram: I require notice of that question.

Shri V. C. Kesava Rao: Will Government consider the question of inclusion of veterinary science as a compulsory subject in the curriculum of agricultural colleges to enable agricultural demonstrators working in the villages to give necessary help to the cultivators?

The Honourable Shri Jairamdas Doulatram: Government will certainly consider that matter.

Shri M. Ananthasayanam Ayyangar: May we know, Sir, why the Agricultural College was located at Delhi which is a city and not given a rural atmosphere and located in a village?

The Honourable Shri Jairamdas Doulatram: Delhi may be a town, but round about it are villages.

NUMBER OF TELEPHONES IN ANDHRA DISTRICTS AND POLICY FOR INSTALLATION

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

- the number of private telephones in the Andhra districts;
- the number of applications received during 1947-48 for installation of new telephones;
- the number of telephones granted to the public; and
- the policy of Government in the matter of installation of telephones and the priority list, if any, in the installation of the same?

The Honourable Mr. Rafi Ahmed Kidwai: (a) 907 direct connections and 122 extensions.

(b) 596.

(c) 446 installed and 90 under installation.

The balance of 60 are awaiting expansion of systems.

(d) In the Presidency Towns and other important towns where Telephone Advisory Committees have been formed, it is left to those Committees to determine the order in which telephones should be given to the applicants on the waiting list. In other places, the following order of priority is observed:

(1) Restoration of telephones disconnected during the war under the Defence of India Rules,

(2) Doctors and nurses,

(3) Banks,

(4) Public Institutions, such as hospitals, schools, colleges, clubs, important political organisations, etc.,

(5) Members of the Legislature, and

(6) Accredited Press Correspondents and daily newspapers.

The Telephone Advisory Committees also show preference to these classes of applicants.

Seth Govinddas: Will Government be pleased to state by what time they expect to reinstall the telephones disconnected during war-time?

The Honourable Mr. Rafi Ahmed Kidwai: As soon as new connections are available.

Pandit Balkrishna Sharma: In the list of priority read out by the Honourable Minister, poor legislators have been put down in the 5th category. Will he try to promote them?

The Honourable Mr. Rafi Ahmed Kidwai: They have only recently been added to the list. They will have to wait for their promotion.

Shri M. Ananthasayanam Ayyangar: May we know, Sir, in how many of the places which are served by telephone system, trunk facilities are available?

The Honourable Mr. Rafi Ahmed Kidwai: So far as the Andhra districts are concerned, there are fifteen telephone exchanges; six new exchanges are to be installed under the new scheme; then there are sixteen other places where new installations are contemplated.

Shri M. Ananthasayanam Ayyangar: Sir, my question does not appear to have been properly understood. The existence of a telephone exchange in a town does not necessarily mean that it is connected with the trunk. I want to know—particularly so far as the Andhra districts are concerned—how many of the telephone exchanges are on the trunk line?

The Honourable Mr. Rafi Ahmed Kidwai: I think the number is six; but I require notice of that question.

Shri H. V. Kamath: Is the Honourable Minister aware that the latest telephone directory of Delhi was published as far back as January 1947?

Mr. Speaker: That question does not arise.

Shri Deshbandhu Gupta: Can the Honourable Minister give an assurance to this House as to the approximate date by which the general shortage of telephones in the country will be over?

The Honourable Mr. Rafi Ahmed Kidwai: I think a statement was made in reply to a question about two days ago—I think it was on the 3rd of this month. I would refer the Honourable Member to that.

Shri Deshbandhu Gupta: Is it not a fact, Sir, that in Delhi it has not been possible for Central Advisory Committee appointed by the Honourable Minister, to give not even ten connections, since it was appointed?

The Honourable Mr. Rafi Ahmed Kidwai: I thought, Sir, the question was about Andhra and not about Delhi.

Mr. Tajamul Husain: May I know, Sir, how long will it take for Government to publish a new directory, in view of the fact that the present directory is dated January 1947?

Mr. Speaker: That does not arise out of this question which relates to Andhra.

NUMBER OF TEXTILE MILLS IN ANDHRA DISTRICTS AND FACILITIES TO HANDLOOM WEAVERS

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

(a) the number of textile mills for which licences have been granted and their location in the Andhra districts;

(b) whether Government propose to consider fresh applications for setting up textile mills in the Andhra districts;

(c) whether Government propose to arrange for allotting enough yarn to the handloom weavers in the meantime, in view of the fact that most of the labourers and the middle class people in Andhra area are living mainly on weaving; and

(d) what facilities Government propose to provide for the Handloom Co-operative Marketing Societies to contact prospective buyers of handloom cloth overseas especially in Malaya, South Africa and West Indies?

The Honourable Dr. Syama Prasad Mookerjee: (a) Nine; at Adoni, Kamalapuram, Bellary, Tadpatri, Peukonda, Kurnool, Rajahmundry, Masulipatam, and Guntur.

(b) Government are prepared to consider fresh applications from any prospective promoters who can show that they can obtain suitable machinery within a reasonable time.

(c) The responsibility for the allotment of yarn to handloom weavers in the Andhra Districts rests with the provincial Government.

(d) The Deputy Chief Controllers of Imports, and Indian Trade Agents and Commissioners abroad, provide any information which prospective exporters in India desire for establishing contacts with foreign importers. Exports to South Africa are, of course, not allowed at present.

POST-WAR RECONSTRUCTION PLAN FOR OPENING NEW RAILWAYS IN ANDHRA DISTRICTS AND CONSTRUCTION OF LOCO SHED AT BEZWADA.

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

(a) the post-war reconstruction plans for opening new railways in Andhra districts; and

(b) whether Government propose to consider the question of constructing a loco shed on the lines of Perambur Workshop (Madras) at Bezwada?

The Honourable Dr. John Matthai: (a) The only new railway project proposed by the Madras Government for inclusion in the Post-war Reconstruction Plan of Railways in Andhra Districts was the construction of the Ellore-Saveri Valley Branch. This has not yet been surveyed and in view of limited resources, the Central Board of Transport have decided that work should not proceed on this project at present.

In addition to the above, a survey is in progress for a direct line between Nagpur and Vizagapatam of which a portion will lie in the Andhra Districts.

(b) There is no proposal to open a Locomotive Workshop at Bezwada.

Shri V. C. Kesava Rao: Is the Honourable Minister aware that due to the language difficulty, most of the Andhras are not going to the workshop for training.

The Honourable Dr. John Matthai: I have no information on that point.

Mr. Tajamul Husain: Do Government propose to construct a railway bridge across the Ganges to connect Patna and Hajipur in Bihar as a post-war reconstruction measure?

Mr. Speaker: I am afraid it does not arise from this.

POST-WAR PLAN re CONSTRUCTION OF HIGHWAYS AND CLASS I ROADS IN ANDHRA

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

(a) the post-war plans of the Government of India in the construction of highways and class I roads in Andhra Desa;

(b) the present mileage of highways and class I roads in Andhra; and

(c) whether the Government of India propose to give any assistance to the Provincial Governments and local authorities in the construction of class II, III and IV roads and if so, the nature of the proposed assistance?

The Honourable Dr. John Matthai: For the purposes of this question and in the absence of any guidance given therein, the region called 'Andhra Desa' is assumed to comprise the following districts, namely: Chittoor; Cudapah; Anantpur; Kurnool; Bellary; Nellore; Guntur; Kistna; West Godavari; East Godavari; Vizagapatam South and Vizagapatam North.

(a) The Government of India propose to accept financial responsibility for certain roads in this region called National Highways totalling some 900 miles on which, subject to budget provision being available, it is proposed to spend Rs. 124 lakhs or so during the next five years.

(b) As "roads" is a provincial subject this Ministry have not full information concerning roads other than National Highways, but from the statistical information available, which may not be quite up-to-date, the mileage of the remaining roads is about 9650 surfaced and 5100 unsurfaced. These figures ignore village roads and village tracks, full information concerning which has not been available.

(c) Yes. All classes of roads other than National Highways are provided for in the Provincial Development plans which receive substantial assistance from the Government of India by way of the block grants made for development purposes. Provincial Government's have also available for road development the moneys allocated to them from the Central Road Development Fund.

NEGOTIATIONS FOR THE LEASING OF NORTH ANDAMANS FORESTS.

140. *Shri T. T. Krishnamachari: (a) Will the Honourable Minister of Agriculture be pleased to state whether the negotiations for leasing the north Andamans forests have been concluded?

(b) If the answer to part (a) above be in the affirmative, who are the parties with whom the arrangement was finally concluded?

(c) What was the nature of the previous experience in such business of each one of the parties to this arrangement?

(d) What are the commitments of Government in this matter?

(e) Are the lessees to pay any royalties to Government on the timber taken out by them from the forest and if so, how does the scale of royalties fixed compare with the scales already in vogue in the matter of exploitation of Government forests by private lessees?

(f) Was any survey of the forest resources of the Andamans conducted by Government?

(g) Was the decision of Government to lease out the forest arrived at by reason of expert advice obtained by Government being in favour of this method of exploitation?

(h) Do Government propose to place on the table of the House the text of the agreement, or in the event of the agreement not having been completed, a copy of the draft agreement, which has been given to the parties who are to be the lessees?

The Honourable Shri Jairamdas Doulatram: (a) The negotiations were concluded on 7th January 1948.

(b) The parties are the Government of India on the one hand and the following four firms on the other: (i) Messrs. Hind Constructions Ltd., (ii) Messrs. Dalmia Jain Ltd., (iii) Messrs. Himatsingka Timber Ltd. and (iv) Messrs. Anamallais Timber Trust Limited.

(c) A statement No. I containing the information required is placed on the table.

(u) Out of the authorised capital of Rs. 2½ crores fifty one per cent. of the shares will be held by the Government of India, nine per cent. by the public and forty per cent. by these companies. The other commitments of the Government of India are set forth in a statement No. II a copy of which is placed on the table.

(o) Yes: As the Andamans forests have not so far been leased out to private agency, a comparison cannot be made.

(f) A survey was undertaken by the Government of India just before the war broke out, and a working plan was nearing completion; but the records were destroyed during the Japanese invasion of the Islands. A new working plan of the area to be leased out is under contemplation.

(g) Yes.

(h) The terms and conditions of the Lease are contained in Statement No. II placed on the table. The draft Agreement is being drawn up in consultation with legal experts.

REVIEW EXPERIENCE IN TIMBER TRADE OF THE FOUR FIRMS:

Statement I

1. Hind Construction Ltd.,
2. Himatsingka Timber Ltd.,
3. The Anamallais Timber Trust Ltd.,
4. M/s. Rohtas Industries Ltd., (Dalmia Jain Ltd.)

Name of Firms Managing Agents	Previous experience	Present equipment	Marketing experience
1. Hind Construction Ltd. 8, Royal Exchange Place, Calcutta.	Have fabricated country boats for Bengal Government worth twenty lakhs through Messrs. Girhardass, Maheswari & Co., Calcutta; annual turn over regarding construction of industrial undertakings worth Rs. one crore per year.	No equipment at present but negotiating for purchase of plywood factory in Bombay. Propose to manufacture building items on a large scale.	Sold timber for the Indian market to the value of Rs. 30 lakhs through allied concerns during 1945-46.
2. Himatsingka Timber Limited, 6, Old Post Office Street Calcutta.	30 year's forest experience. Experience in Saw-milling, preservation and seasoning of timber, construction of large-scale industrial undertakings.	Possess one Saw-Mill at Chittagong. Can arrange to import mill at any moment.	Possess extensive organization in India. One of the agents to the Government of India for Andamans timber. Exporting timber to U. K. and Egypt, &c.
3. The Anamallais Timber Trust Ltd., Chalakudi.	(a) Have done very large timber extraction work in Cochin, Travancore and British India, extracting on an average about 15,000 tons of timber per annum. (b) Erected various Saw-Mills. The Herbert Saw-Mills at Chalakudi erection & running of Government Saw Mills at Ghoripore—Setting up and running of U. K. S. Mill at Calicut. (c) Have been in charge of erection and running of the Seasoning Plant at the Ghoripore Saw Mills. Well acquainted in Creosoting and ascu-treatment. (d) Director and partner in the Managing Agency of the Western India Plywoods—fully equipped and modern plywood factory—the capacity is 30,000 sq. ft. per day. (e) In a position to undertake the large-scale exploitation and fabrication of timber products	The Herbert Saw Mill is the best mill on the Coast with a capacity of 2200/2500 tons intake, equipped with breakdown Band Mill, Re-saws, Cross-cuts, &c. The plywood Factory has three peelers, hot and cold press, a dryard of the most modern type and all other auxiliary machines capable of producing 30,000 sq. ft. of finished products.	Engaged in timber work for the last 25 years and have connection all over India. Have been doing export business in timber to the U.K., Germany, France, Italy, & America. Messrs. Duncan Ewings have agreed to serve as Sales Agents in all important centres of the world.

4. Messrs. Rohtas Industries Ltd., Dalmianagar. (Messrs Dalmia Jain Limited.)

- (a) Working for the last 6 years in the forests of Bihar for soft and hard timbers, bamboos, ballies &c. for plywood factory, saw-mills, ground wood-mill paper, pulp and construction work.
- (b) Possess an efficient saw-mill at Dalmianagar.
- (c) Doing seasoning of sawn timber in hot air circulation kilns for the last 5 years as per design of Forest Research Institute, Dehra Dun.
- (d) Have an efficient American as well as Indian Veneer and Plywood plant and are working for the last 14 years manufacturing all types of plywood sheets, tea-chests and other boxes materials, tea trays, carromboards and other stuff. Possess a small pressed board plant and a big toys and furniture making plant.
- (e) Possess experience of construction of large-scale industries such as paper, cement, sugar plywood, vegetable ghee, chemical factory sulphuric acid chambers, &c.

Possess an upto-date American and Indian Veneer Plant for manufacturing veneers and plywood. This plant comprises of the following machinery.

1. Three Cross cut-saws.
 2. American Peeling lathe.
 3. 4 Peeling lathes.
 4. 2 knife grinders.
 5. 1 Veneer clipper.
 6. 1 Cyclone Drier.
 7. 1 Jointer.
 8. 1 Panel sizer.
 9. 1 Tapper.
 10. 1 Hot hydraulic press.
 11. 2 Cold hydraulic press.
 12. 2 Glue spreaders.
 13. 2 Glue mixers.
 14. 2 Saws (American)
 15. 6 Saws (Indian).
- (b) Possess one Saw-mill with the following equipments—(1) 2 band saws; (2) Circular saw benches; (3) Frame saw; (4) 2 Planning Machines.
- (5) 1 Saw Sharpener.
- (c) Small plant for press-boards.

Marketing experience in timber, timber products such as plywood, pressed boards, tea chests, other packing boxes and furniture, &c.

Statement II.

Terms and Conditions of the lease of the North Andamans Forests

(1) The four promoting firms and the Government with shareholders from the public will form a Corporation with an authorised capital of 24 Crores rupees of which 51 per cent. of the shares will be held by Government, 40 per cent. by the firms and 9 per cent. will be issued to the public; the name of the Corporation will be The Andamans Forest Industries Limited.

(2) The articles and memorandum of Association will be approved by Government and will not be altered without the consent of Government.

(3) The Board of Directors will consist of a Chairman and six Directors. Of these, the promoting firms collectively and Government will each have one nominated Director. As regards the other five who are to be elected under the law it will be agreed between Government and the promoting firms by exchange of letters that their combined votes will be so exercised that three more of the Directors will be the nominees of the promoting firms and another Director a nominee of Government.

(4) The Chairman of the Board of Directors will be one of the 2 Government Directors and he will be nominated by the Government.

(5) The promoting firms, in return for expert administrative and executive supervision, will be entitled to 5 per cent. of the net profits subject to a minimum of Rs. 36,000 per annum.

(6) The Company cannot at any time allocate for dividend an amount in excess of 6 per cent. of the paid-up capital and all reserves. For the purposes of this calculation, the amount of all reserves built out of the profits on which taxes have been paid will be taken into account.

(7) The Corporation will enter into an agreement with Government for working the forests in North and Middle Andamans subject to the following conditions:—

(a) The period of the agreement will be for 25 years.

(b) The management of the forests as well as the formulation of the working plan for it will continue to be the responsibility of the Forest Department. The Corporation will be concerned only with the actual felling, removal, conversion and sale of timber and other forest produce earmarked for such exploitation by the Forest Department according to the terms and conditions of its working plan.

(c) The Corporation will have no right whatsoever over land except such permissible rights as are given from time to time for making clearance to erect temporary huts, building of roads, clearing of waterways, etc. For erection of permanent or semi-permanent buildings and other installations of a capital nature approved by Government the Corporation should get lease from the Chief Commissioner in accordance with the rules in force in the Island for the settlement of land.

(d) The Corporation will be allowed to have the sole right to establish such industries as are agreed to by Government to be ancillary to the exploitation of the forests and which will be considered as capital assets connected with such exploitation. The Corporation should establish and run an up-to-date saw mill with a capacity of about 11,500 tons sawn outturn per month and a pressure creosoting plant capable of treating about 7,000 to 8,000 E.G. sleeper units a month within two years from the date of leasing the North Andamans Forests. If the Corporation desire to establish any other industry for utilisation of forest produce or for any other purpose, it will be in the same position as any other firm which has to apply to the Chief Commissioner for permission, each such application being considered on its own merits.

(e) Royalty for the timber will be charged at the rates given below:—

(i) Padauk, Zebrawood and Chooi 0-12-0 per cft. in log.

(ii) Gurjan and Pynma and Silver Grey 0-6-0 per cft. in log.

(iii) Misc. Spp. Badam, Lachini, Mohowa, etc. (Hard-wood spp.) 0-4-0 per cft. in log.

(iv) Match logs, Dhup, Papita, Lambapati, Didu, Bakota, Letkok 0-3-0 per cft. in log.

Royalty for any other forest produce removed by the Corporation with the approval of the Government will be charged at rates which may be agreed upon by Government.

(f) In addition to royalty, out of the net profits after paying all working expenses, commission to the promoting firms and taxes, an amount equal to 6 per cent. of the paid-up capital of the Company shall be deducted and the remaining surplus will be divided in equal proportions between the Company and the Government.

(g) The Corporation will work the forest only according to the Instructions from time to time issued by the Chief Forest Officer. In case of any dispute the matter would be referred to the Inspector General of Forests whose decision will be final.

(h) The Inspector General of Forests will fix up a phased programme for extraction for the first five years. If the Corporation fail to follow this programme, provision will be made for a penalty at varying rates.

(i) The Corporation should supply timber (a) to the Forest Department for use in the area of operation at cost plus royalty; (b) for Government or public use as approved by the Chief Commissioner, Andamans, in the North Island, at cost price plus royalty plus a nominal (4 per cent.) profit; (c) for all timber supplied to Government or to such industries declared to be essential by Government up to 50 per cent. of the total felling at cost plus royalty plus a fixed profit (10 per cent.). This option of taking up to 50 per cent. of the felling will include, besides other demands, logs for match industries, and acceptable hard-wood sleepers for Railways. The match logs will be disposed of as per orders of the Government (and it must be remembered that match logs whether from North Islands or from South Island should be sold to match industries at the same price irrespective of the cost of production). The sleepers will be restricted to 10 per cent. of the quantity earmarked as coming under the 50 per cent. option by Government. In the case of sleepers the price will be cost plus royalty plus profit subject to the maximum of the ruling price in Calcutta minus freight and handling charges.

(j) The Corporation should not interfere in any way with the existing rights of the aboriginal population of the Island or the customary rights granted to cultivators and other inhabitants of these Islands for collection of the forest produce required for their local needs. In all these matters the Chief Commissioner shall be final authority.

(k) The Corporation will abide by any directions issued by Government from time to time regarding the prices at which varieties of timber can be sold in the various markets.

(l) All proposals for capital expenditure of Rs. 24 lakhs and above will require the prior sanction of Government. Government's approval will also be necessary to the appointment of any person on a salary of Rs. 1,500 per month or more.

(m) The Corporation will, as far as possible, employ only Indian personnel and use Indian materials.

(n) In the event of any dispute between the parties regarding the working of any term of the agreement, the matter shall be referred to arbitration in an agreed manner.

(o) On the termination of the full period of the agreement, if Government decide to continue to exploit the forests through commercial firms, this Corporation would be given the first refusal.

(p) On termination of the agreement after the full term, if the Government take over the work of future exploitation, compensation will be paid for all capital assets considered to be ancillary to the working of the forests. In valuing the assets depreciation on the actual cost will be calculated as in the Income-tax rules.

(q) Government or the Corporation can terminate this agreement after two years' notice by assigning sufficient reasons.

Shri T. T. Krishnamachari: May I ask the Honourable Minister, if two of the parties—Hind Constructions Limited and Dalmia Jain Limited have had any previous experience?

The Honourable Shri Jairamdas Doulatram: With regard to Dalmia Jain, they have been working for the last six years in the forests of Bihar for soft and hard timbers, bamboos, *ballies* etc., and have a plywood factory, sawmill, and ground woodmill.

With regard to Hind Constructions Limited, they have fabricated country boats for Bengal Government worth twenty lakhs and they are putting up a plywood factory in Port Blair.

Shri T. T. Krishnamachari: May I ask the Honourable Minister if he considers fabricating boats as enough experience for this firm to be included in this list, where such large and vital interests of the Government of India are concerned?

Mr. Speaker: Order, order. That is a matter of opinion. That is not asking for information.

Shri T. T. Krishnamachari: May I ask the Honourable Minister if he has no data to go upon as regards royalties e.g. royalties fixed in regard to the previous exploitation of Government forests in India which can be compared with the royalties fixed for payment by this corporation?

The Honourable Shri Jairamdas Doulatram: Numerous rates prevail ranging from half an anna per cubic foot to Rs. 2/13 per cubic foot. It all depends on the area and the local conditions.

Shri T. T. Krishnamachari: May I ask the Honourable Minister if the information that I have, that the royalties that are fixed for this firm are 25 per cent. of the normal fixed for a similar type of timber taken out of forests in India, is true?

The Honourable Shri Jairamdas Doulatram: There is no one rate with which these rates could be compared. The rates vary from half an anna to Rs. 2/13. There are over six categories of these rates.

Shri T. T. Krishnamachari: May I ask the Honourable Minister if this firm is to be given ten per cent. of the profits as part of its remuneration, or is there any other fixed amount to be payable to them for a period of years in the initial stages?

The Honourable Shri Jairamdas Doulatram: Well, I believe after the Honourable Member has studied the statements which I have placed on the table, most of his doubts will be cleared.

Shri T. T. Krishnamachari: The doubts can be cleared now.

The Honourable Shri Jairamdas Doulatram: I shall read out some of the terms of the contract:

"Royalty for the timber will be charged at the rates given below:

(i) Padauk, Zebra wood and Chooi As. 12 per cft. in log.

(ii) Gurjan and Pynma and Silver Grey As. 6 Ditto.

Shri T. T. Krishnamachari: I did not ask that question.

The Honourable Shri Jairamdas Doulatram: I am giving you information.

Shri T. T. Krishnamachari: It is gratuitous, and I am not in need of it. I wanted an answer to the other question, namely, whether ten per cent. of the profits is to be assigned to this firm or any sum fixed during the initial stages?

The Honourable Shri Jairamdas Doulatram: I shall read out the clause relating to profits:

"In addition to royalty, out of the net profits after paying all working expenses, commission to the promoting firms and taxes, an amount equal to six per cent. of the paid-up capital of the Company shall be deducted and the remaining surplus will be divided in equal proportions between the Company and the Government."

Shri M. Ananthasayanam Ayyangar: Were all tenders broadcast throughout India before the agreements were entered into with these firms?

The Honourable Shri Jairamdas Doulatram: Tenders were invited and thirty three firms applied and after a very careful scrutiny only four could be selected. One of the principal considerations was the financial standing of the firm. The other was the capacity to organize labour to the extent required in a far off place like Andamans.

Shri M. Ananthasayanam Ayyangar: Who are the Managing Agents of the Hind Construction Limited?

The Honourable Shri Jairamdas Doulatram: Birla's.

Shri T. T. Krishnamachari: What is the total commitment of Government in this regard?

The Honourable Shri Jairamdas Doulatram: I shall require notice of that.

Shri T. T. Krishnamachari: What is the nature of the expert advice Government had before leasing out the forest to this firm?

The Honourable Shri Jairamdas Doulatram: I shall require notice of that.

Shri T. T. Krishnamachari: It is a part of the question. The question is there. Notice has already been given.

Mr. Speaker: The Honourable Member requires details of that expert advice.

Shri T. T. Krishnamachari: It is presumed that the nature of the expert advice should also be disclosed.

The Honourable Shri Jairamdas Doulatram: I think I might give a little fuller reply to clear some of the points and give the background of this whole contract.

About 1939 or 1940 our predecessors in office wanted to give this contract to a European firm and during the war the matter remained in suspense. At the end of the war the whole question of exploiting the Andamans was considered

and Government came to the decisions that they must have a determining voice in this enterprise. Therefore there are a number of clauses, as will be clear from a study of the agreement, which have guaranteed that Government have got the dominant voice in this contract. The management of the forests has to be by the Government. The working plans have to be planned out by the Government. The Chairman of the Board of Directors has to be the nominee of the Government. 60 per cent. of the shares are to be held by the Government and the public, 51 per cent. out of this to be held by Government. The profits that can be earned by the firms are fixed. All these matters were very carefully considered. As a matter of fact the syndicate will continue to work under the instructions of Government. It is open to the Government to terminate the agreement after two years notice. All these precautions have been taken to see that the public interests are guaranteed. The whole matter was thoroughly discussed and some kind of principle laid down as to the conditions under which we can allow such firms to exploit the timber in Andamans. The only thing they have got to do is the process from felling to selling but the plans have to be laid down by the Government.

Shri T. T. Krishnamachari: As Government is engaged in the exploitation of the forest resources directly in other parts of India, and as in this instance there being only a very small residue of the actual work of exploitation left to the firm, may I know whether, after taking into account the conditions that have been mentioned by the Honourable Minister, Government could not undertake this responsibility completely?

The Honourable Shri Jairamdas Doulatram: It was considered that in the public interest the best way of exploiting these distant areas would be through private firms which had plenty of organising capacity, financial standing and experience in this timber exploitation.

Shri T. T. Krishnamachari: Is it the conception of the Minister that public interest is best served by the Government if certain financiers are given a large portion of the profits that are legitimately due to the Government?

Mr. Speaker: That would be entering into an argument.

Prof. N. G. Ranga: Is it not a fact that for a large number of years the Government of India themselves had been exploiting these forests, before the war and they had the requisite knowledge as also the experts?

The Honourable Shri Jairamdas Doulatram: You mean the Andamans Forests?

Prof. N. G. Ranga: Yes.

The Honourable Shri Jairamdas Doulatram: I am not aware.

Shri B. Das: Are Government aware that some of the most rare timbers in the world are only to be found in the Andamans and therefore the scale of royalty that has been announced by the Honourable Minister is very low? Is the Honourable Minister aware that such timber has so much value in European countries for furniture and other purposes that he will have to revise the scale of royalties for these rare timbers which the Andamans produces?

The Honourable Shri Jairamdas Doulatram: The royalty that has been fixed has been so fixed on the consideration as to what is fair and after due consideration of the conditions in distant Andamans.

DEFECTS IN THE PASSENGER AND MAIL TRAINS RUN BY ASSAM RAILWAYS.

141. ***Shri Rohini Kumar Chaudhuri:** (a) Will the Honourable Minister of Railways be pleased to state whether Government are aware that the passenger and mail trains run by Assam Railways have the following defects even now:

(i) that the water closets are not provided with lights in the mail trains;

(ii) that some inter and third Class compartments in mail trains and almost all such compartments in passenger trains are not provided with light;

(iii) that the water cisterns in water closets leak and water supply is stopped after about three hours of journey from the terminal stations;

(iv) that most of the roofs of compartments leak and great inconvenience is caused when it rains; and

(v) that third class passengers have to travel on footboards?

(b) If so, what steps are being taken to remove these defects?

The Honourable Dr. John Matthai: (a) (i) and (i'). It is possible that, on occasion, some of the water closets and compartments may run without light due to the bulbs being stolen. Since the formation of this Railway, almost all the rakes have been fitted with electric lights, but in spite of anti-theft fittings being used, theft of bulbs has continued, though probably not to the former extent.

(iii) Coaches are not allowed to proceed from starting stations with leaking taps and pipes, but most of the coaches are old and have not been adequately overhauled for a long time, and it is possible that during the journey some taps and pipes develop leaks.

(iv) Rail coaches on this Railway are not in a good state of repair, as during war they were not sent to shops regularly due to pressure of military traffic. This has resulted in heavy arrears of repair and overhauling work. Since the Railway was partitioned adequate workshop capacity has not been available. Endeavours are made to carry out, in sick lines, certain types of repairs including attention to roofs, but progress generally is slow.

(v) Government are aware that unhappily overcrowding in railway trains on the Assam Railway continues and that a few passengers do take recourse to the dangerous practice of travelling on footboards. Unfortunately more trains or bigger rakes cannot be provided due to shortage of rolling stock. Accommodation will be increased as coaching stock becomes available.

(b) Everything possible is being done to restore normal travel facilities, but the position cannot be entirely satisfactory until adequate workshops are provided. A senior officer has been placed on special duty to draw up a scheme for a fully mechanised workshop for the Assam Railway.

Shri Rohini Kumar Chaudhuri: May I know what efforts have actually been made by Government to meet these difficulties, when these were made and when Government expect that their efforts will bear fruition?

The Honourable Dr. John Matthai: This is a matter to which we have given a good deal of attention. As regards the question of lights to which the Honourable Member has made special reference, it will interest him to know that on the Bengal and Assam Railway before the war we used to provide 26,000 bulbs a year. Last year we provided about 2½ times that number. In spite of it lighting facilities have not been adequate and it seems to me therefore that unless we are in a position to counter effectively the pilferage that is going on, on a large scale particularly on the Assam Railway, it would not be possible for us to meet this problem satisfactorily.

As far as the general condition of the coaches is concerned the Honourable Member is aware that as the result of the partition, the arrangement which we made was that the Saidpur workshop should do repairs for the Assam Railway. Unfortunately this arrangement has not worked satisfactorily and therefore the whole of that work now has to be done in the Dibrugarh workshop, which has very little capacity. Therefore unless we are in a position to provide fresh workshop facilities the present unsatisfactory situation is likely to continue.

Mr. Speaker: I think all this was explained in the last budget debate.

Shri Rohini Kumar Chaudhuri: As nothing has been done since the last budget session, this question has been put.

INCONVENIENCE TO PUBLIC ON ACCOUNT OF INSUFFICIENT BUSES PLYING BETWEEN NEW DELHI AND DELHI.

142. *Shri Rohini Kumar Chaudhuri: Will the Honourable Minister of Transport be pleased to state whether Government are aware that there are not sufficient number of City buses plying between New Delhi and Delhi and that a great deal of inconvenience is therefore caused to the public?

The Honourable Dr. John Matthai: Government have received complaints regarding the inadequacy of the service and the question of improving the present transport arrangements is under consideration.

Shri Deshbandhu Gupta: What has happened to the proposal for taking over the G. N. I. T. by Government? Has the agreement been completed and when will it become effective?

The Honourable Dr. John Matthai: The position at present is that negotiations are still continuing. I said, in answer to a question sometime ago, that Government were thinking of acquiring a controlling interest in the G. N. I. T. That was the basis on which negotiations proceeded for a long while. But recently they have made another proposal, that instead of Government acquiring a controlling interest, Government should acquire the whole of the assets of the concern. On that basis therefore the negotiations have got to continue for sometime yet. In any case as far as we are concerned we propose either to buy the whole of the G. N. I. T. or, at any rate, to acquire a controlling interest.

Shri Deshbandhu Gupta: How long have these negotiations been in progress? Is it not a fact that the Honourable Minister's predecessor gave an assurance to this House during the last Budget session that the agreement would be concluded soon and that Government will have a controlling interest in the company?

The Honourable Dr. John Matthai: Last October I thought the arrangements were going to be finalised on the basis that Government would acquire a controlling interest. I had a series of discussions with the parties concerned finalised but just a fortnight ago a further communication has come from them and I thought that we had reached a stage where the arrangements could be that they would rather have the whole interest bought by Government. So it is necessary for us now to examine the matter again on that basis.

Shri Deshbandhu Gupta: Will the Honourable Minister fix a date line within which to conclude the agreement, whatever it be, because any delay would be to the detriment of the public-interest.

The Honourable Dr. John Matthai: I am as anxious as the Honourable Member to conclude the negotiations at the earliest possible date.

CARRIAGE OF ASSAM MAIIS TO AND FROM CALCUTTA BY AIR

143. *Shri Rohini Kumar Chaudhuri: (a) Will the Honourable Minister of Communications be pleased to state whether Government are aware that ordinary mails i.e., letters and packets, for which extra postage for conveyance by air are not paid, are not carried by air from Calcutta to Gauhati, despite the assurances given to that effect by Government on the floor of the House in the last Autumn Session and the public announcement made by the Director of Posts and Telegraphs, Assam, on the day of opening the Service?

(b) Are Government aware that mails to and from Assam are not carried regularly by Pakistan Railways even now and if so, do Government propose to direct the Postal authorities to carry Assam mails to and from Calcutta by air?

The Honourable Mr. Rafi Ahmed Kidwai: (a) No surcharged airmails and first class unsurcharged mails are being given air conveyance between Calcutta and Gauhati.

(b) Does not arise.

(b) WRITTEN ANSWERS

DETAILS OF WAR DISPOSAL MATERIAL LYING AT VARIOUS CENTRES AND THAT SOLD TO ALLEN BERRY AND CO.

144. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to state the names of centres at which War Disposal material is still lying?

(b) Do Government propose to place on the table of the House a statement giving details of the articles lying at these centres with their approximate values?

(c) Do Government propose to give a complete list of articles sold to Allen Berry and Co. together with the price for which each lot was sold giving details of all the lots?

The Honourable Dr. Syama Prasad Mookerjee: (a) A statement I showing the various important Depots and Engineering Parks at present housing surplus material is placed on the table of the House.

(b) The compilation of such a statement would involve time and labour out of proportion to the purpose it would serve. If information in respect of any particular Depot is required I shall be glad to obtain and furnish it to the Honourable Member.

(c) A statement II giving details of the lots and prices at which Vehicles etc. were sold to Messrs. Allen Berry & Co. is placed on the table of the House.

Statement I

LIST OF MAJOR ORDNANCE, VEHICLES AND MEDICAL STORES DEPOTS AS WELL AS E.I.N.Cs PARK AND DEPOTS, Q.M.G., S. FOOD STORE DEPOTS AND USASS DEPOTS.

Engineering Parks

1 Krishnarajapuram	10 Chandil
2 Secunderabad	11 Waltair
3 Bombay	12 Barrackpore
4 Deolali	13 Lucknow
5 Vizagapatam	14 Allahabad
6 Arkonam	15 Jhansi
7 Avadi	16 Jubbulpur
8 Coimbatore	17 Delhi Cantt.
9 Ghorpuri	

Engineering Stores Depots

18 Cochin	22 Calcutta
19 Raipur	23 Kandivelli
20 Panagarh	24 Kankinara
21 Poona	25 Kurla

Vehicle Depots

26 Avadi	32 Delhi Cantt.
27 Nirsa	33 Ranchi
28 Bombay	34 Secunderabad
29. Pawai Sub. Depot	
30 Dhanbad	35 Dhanbad
31 Panagarh	

Ordnance Depots

36 Kanpur	46 Ramgarh
37 Allahabad	47 Agra
38 Muthra	48 Jubbulpur
39 Shahjahanpur	49 Bombay (Nasik Road)
40 Kandivelli	50 Panagarh
41 Avadi	51 Chheoki
42 Kirkee	52 Fort William, Calcutta
43 Ferozepur	53 Dehu Road.
44 Jamalpur	54 Secunderabad
45 Mokara	

STARRED QUESTIONS AND ANSWERS

Medical Store Depots

55 Paipur	58 Bombay
56 Panagarh	59 Madras
57 Poona	

Depots Holding QMG's Foodstuffs

60 R. S. D. Avadi	74 Mily. Farm, Ranchi
61 R.S.D. Panagarh	75 S. S. D. Trimulgherry
62 S. S. D. Madras	76 Mily. Farm, Ferozepore
63 S. S. D. Bangalore	77 Mily. Farm Dudwa
64 S. S. D. Bairagarh	78 Mily. Farm Sunaripore
65 S. S. D. Poona	79 Mily. Farm Lucknow
66 S. S. D. Eastern Command	80 S. S. D. Bombay
67 S. S. D. Dehra Dun	81 No. 1 Ghee Centre, Agra
68 S. S. D. Calcutta	82 S. S. D. Delhi Cantt
69 Mily. Farm, Allahabad	83 S. S. D. Delhi Fort
70 S. S. D. Jhansi	84 S. S. D. Mhow
71 S. S. D. Kalyan	85 S. S. D. Vizagapatam
72 Mily. Farm, Jullundar	86 S. S. D. Coimbatore
73 Mily. Farm, Ambala	87 Mily. Farm, Meerut

USASS, Depots

88 Taratola Depot, Calcutta	102 Kamarhatty Hangar, Calcutta
89 H. E. Yard & Grade Mills Siding, Calcutta.	103 Coesipore Signal Depot, Calcutta
90 Lothian Depot, Calcutta.	104 Paharphur Signal Depot, Calcutta
91 Albion Depot, Calcutta,	105 Alipur Air Strip and Brooklyn Depot, Calcutta
92 Bhagawathi Depot, Calcutta	106 National Jute Mills, Calcutta
93 Brooklyn Depot, Calcutta	107 Upper Union Docks, Calcutta
94 Lehyon Depot, Calcutta	108 Belguriah Depot, Calcutta
95 Kalighat Tanks, Calcutta	109 Kalighat Depot, Calcutta
96 Pharpur Timber Depot, Calcutta	110 Lekhapani Depot, Assam
97 Lansdowne Depot, Calcutta	111 Margherita Depot, Assam
98 Belghuriah G. E. S. Calcutta	112 Tinsukia Depot, Assam
99 Hoboken G. E. S. Calcutta	113 Titabar Depot, Assam
100 Kalaikunda Depot, Calcutta	114 Nakachari Depot, Assam
101 Kamarhatty W/House, Calcutta	115 Makum Depot, Assam
	116 U. S. A. S. S. Depot, Factory Rd., New Delhi

Depots Under Tata Aircraft, Ltd.

117 Titaghar Depot, Titaghar	120 Agra Depot, Agra
24 Parganas.	121 Allahabad Depot, Allahabad
118 Panagarh Depot, Panagarh	122 Jodhpur Depot
119 Ranaghat Depot, Ranaghat	123 Salawas Depot

Statement II

SHOWING THE DESCRIPTION AND SALE VALUE OF AMERICAN SURPLUS STORES SOLD TO MESSRS. ALLEN BERRY AND COMPANY

Stores	Quantity	Sale Price
(1) Motor Cars	153 Nos.	
Motor Cycles	352 Nos.	
Tractors	678 Nos.	
Trailers and Semi trailers	9,134 Nos.	
Trucks of various sizes	22,282 Nos.	
	32,599 Nos.	4,30,00,000 (Two bulk deals of Rs. 1.80 crores and Rs. 2.50 crores).

Note.—Quantities are approximate. Sale was on the basis of whole Depots and not according to specified numbers.

(ii) M. T. Spare parts at Rs. 250 per ton nett	16,000 tons nett (approx)	40,00,000
(iii) Vehicle Assembly and reconditioning plant	1 No.	15,00,000
(iv) Jeeps	200 Nos.	91,32,500
Dodge Trucks	991 Nos.	
Tractors	200 Nos.	
(v) Hangars	3 Nos.	1,12,500
(vi) Brake fluid Hyd'n 53 gallon drums	25 Drums	419
(vii) Subsistence Stores		1,332
(viii) Spare for drum plant		13,000
(ix) 1 Steam Launch		30,000

POLICY re DISPOSAL OF WAR MATERIALS

145. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to state the policy regarding disposal of war materials that is in vogue?

(b) Has the policy undergone any change since 2nd September, 1946? If so, what?

(c) Have any cases of corruption in the disposal of war materials been brought to the notice of Government and if so, how many?

The Honourable Dr. Syama Prasad Mookerjee: (a) The general policy regarding disposal is that the requirements of the Central and Local Governments should have first claim; that disposal of commodities which are subject to a Government control should be effected in the same way as obtains under the control system in operation; and that otherwise all Disposals articles should be sold by auction or through open methods of tender with fixed reserve prices.

(b) The new Government, shortly after they took office on the 2nd of September 1946, appointed a Disposals Enquiry Committee. A copy of the Resolution setting up this Committee is tabled. Under the previous disposals policy, speed of disposals and the obtaining of the maximum price were the chief considerations, and considerable quantities of stores were sold on the basis of negotiation. As a result of the recommendations of the Enquiry Committee, the method of negotiation has been to a large extent give up, and the policy now is to give the greatest possible publicity to the stores available. The prime objective of present disposals policy is to ensure the most beneficial use of surplus goods. For that reason disposals have recently been considerably slowed down to enable Government to ensure that the maximum use of surplus stores is made for the purpose of relief and rehabilitation. In order to assist Government in ensuring that suitable use is made of disposals stores for industrial purposes, it is proposed to establish a committee to inspect and examine surplus plant, machinery and raw materials and advise Government on the best methods of their utilisation in industry.

(c) There have been many vague allegations of corruption. But the Disposals Enquiry Committee reported that they found no definite indications of it, and Government are satisfied that the revised methods of disposal now being adopted have reduced the possibilities of corruption to the minimum possible. When complaints of corruption are received they are investigated, but so far no case has ever been substantiated.

Resolution.

GOVERNMENT OF INDIA

DEPARTMENT OF INDUSTRIES AND SUPPLIES

New Delhi, the 12th October, 1946

No. D-1 (265).

RESOLUTION

In order to have the advantage of some outside study of the problems and difficulties so far encountered in the disposal of war surpluses, the Government of India have decided to

appoint a small Committee which will operate on the terms of reference below:

- (i) To review the problems of the Department and to advise whether the organisation, personnel, and class of officer and staff are adequate and suitable for handling these problems.
 - (ii) To advise whether the methods of disposal in themselves are suited to producing results which are:
 - (a) in the interests of the public,
 - (b) expeditions.
 - (iii) To advise whether, in their view, there are definite indications of corruption.
 - (iv) And in general to suggest methods of improving the performance and standards.
2. The Committee will be called the Disposals Enquiry Committee and will consist of Sir Maurice Gwyer and Dewan Bahadur Sir T. Vijayaraghavacharya, Mr. S. Bhoothalingam, O.B.E., I.C.S., will act as Secretary to the Committee.
3. It is expected that the Committee should be able to report within one month.

INVESTIGATION INTO THE CONDUCT OF TEXTILE COMMISSIONER SERVING IN CENTRAL PROVINCES AND BERAR

146. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to state the name of the Textile Commissioner serving in Central Provinces and Berar?

(b) Is it a fact that the Police have discovered some evidence against him?

(c) Do Government propose to lay on the table of the House a statement containing the information?

(d) What stage has the investigation reached?

(e) From what date has this Textile Commissioner been working in Central Provinces and Berar?

The Honourable Dr. Syama Prasad Mookerjee: (a) to (e). The Provincial Textile Commissioner is an officer of the Provincial Government and this question should properly be put in the Provincial Legislature. However information has been called for.

CLASSIFIED LIST OF VARIOUS FACTORIES LOCATED IN WEST PUNJAB AND SIND BEFORE PARTITION.

147. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to lay on the table of the House a classified list of various factories located in West Punjab and Sind before partition?

(b) How many of these belong to people who are now in India?

The Honourable Dr. Syama Prasad Mookerjee: (a) and (b). The information is being collected and will be laid on the table of the House.

GOVERNMENT SUBSIDY ON SUGAR USED BY FRUIT PRESERVATION ASSOCIATION

148. *Diwan Chaman Lal: Will the Honourable Minister of Food be pleased to state:

(a) whether it is a fact that the quantity of sugar frozen was 90,000 tons in all;

(b) whether it is a fact that the frozen price was Rs. 16/8 per maund;

(c) whether this sugar was available ex-factory at about Rs. 21 per maund;

(d) whether Government propose to set aside 10,000 maunds for the benefit of the Fruit Preservation Association; and

(e) whether Government have decided to give a subsidy to the Association of at least Re. -/3/6 per pound on sugar used for the purpose of Jams, Canned fruits, Squashes, etc., applicable to factories producing more than 600 tons per year?

The Honourable Shri Jairamdas Doulatram: (a) The quantity of sugar frozen is 89,740 tons.

(b) and (c). The frozen price was not Rs. 16/8/- but the ex-factory price, which was Rs. 21/4/- per maund for the standard grade.

(d) The matter is under consideration.

(e) A proposal to this effect has been made by the Fruit Preservers' Association, and is under examination. At present the price of sugar which may be made available to the Fruit Preservation Industry by Sugar Millers is under discussion between them, the Fruit Preservation Industry and Government, and after the outcome of their discussions, a decision will be taken whether any subsidy should be given or not.

BREACH OF CONVENTION IN GIVING PUBLICITY TO SHORT NOTICE QUESTIONS IN THE PRESS BEFORE BEING ANSWERED IN THE HOUSE

Mr. Speaker: Before I call upon Shri Ananthasayanam Ayyangar to put his short notice question, I have to invite the attention of the House to an important breach of the conventions of the House in the fact that, I

12 Noon found that this question got publicity in the press yesterday. I might just invite the attention of Honourable Members to the desirability and the necessity also, of no question or motion finding publicity in the press before not only these are admitted but, so far as questions are concerned, before they are answered in the House. It is fair both to the House as also to the Government that the question and answer should go to the public together. I only wanted to invite the attention of the House, and also of the Press, to this fact.

Shri M. Ananthasayanam Ayyangar: Sir, I was equally surprised to note that there had been a reference to the question in the press. That is why I asked the question yesterday whether the question was admitted or not because when once it had appeared I wanted to be clear about it. I am extremely sorry it got publicized and I do not know how it got publicized. It is equally a surprise to me.

SHORT NOTICE QUESTION AND ANSWER

PRECAUTIONS AGAINST ATTEMPTS ON LIFE OF MAHATMA GANDHI AFTER BOMB EXPLOSION

Shri M. Ananthasayanam Ayyangar: (a) Will the Honourable Minister of Home Affairs be pleased to state, whether, in view of the fact that there was a bomb explosion in the prayer ground at the residence of Mahatma Gandhi a few days prior to his being shot at, any precautions were taken by Government to prevent a repetition of the incident? If not, why not?

(b) If necessary precautions were taken, do Government propose to disclose them, without affecting public interest or the investigation relating to the Assassination of Mahatma Gandhi?

(c) Are sufficient steps being taken to protect the lives of the Honourable Ministers of Government against such attacks?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). Prior to the bomb explosion the guard at the Birla House where Gandhiji was staying consisted of one Head Constable and 4 Foot Constables. After the bomb outrage, the guard placed at Birla House and their respective duties and functions were as follows: (i) One Assistant Sub-Inspector of Police, two Head Constables and sixteen foot constables were employed at the entrance and at various important points near the main building and at the place where the meeting was held. They had instructions to stop all persons who appeared to be doubtful characters.

(ii) A plain clothes staff of one Sub-Inspector, four Head Constables and two constables, all armed with revolvers, were deputed for personal protection. Their duty was to watch suspicious characters at the prayer meeting and act promptly in the event of any indication of trouble or threat to life. They were posted mixed with the crowd at the prayer meeting.

(iii) Three plain clothes men were stationed on the path leading from the main building to the place where prayer meetings were held. They were to deal with suspicious characters or to prevent any of the crowd from attacking Gandhiji while he was on his way to the platform at the prayer meeting and back.

(iv) A small detachment of troops consisting of one N. C. O. and above twenty men were placed on duty for patrolling the compound and preventing ingress of visitors from over the boundary walls.

The Police considered that to make these precautions more effective they should search every stranger going into the compound for attending the prayer meetings or at other times. The Superintendent of Police, New Delhi, approached Gandhiji's staff with this proposal but was told that Gandhiji would not agree to this. The D. I. G. also approached Gandhiji's staff but with the same result. The D. I. G. then saw Gandhiji and personally represented to him that there was danger and they should be allowed the facilities asked for, otherwise they would be discredited if anything untoward happened, but Gandhiji would not agree. He said that his life was in the hands of God, that if he had to die no precautions could save him and that he would not agree to anybody being restricted from coming to the prayer meetings or anybody being allowed to come between his audience and himself. I myself pleaded with Gandhiji for allowing the Police to do their duty in regard to his protection, but without success. To my profound regret and utter sorrow and to the irreparable loss of all of us, the nation and the world, the weak spot, both I and the police had apprehended, was deceitfully and successfully exploited by the assassin and Gandhiji's prophetic words that "if he had to die no precautions could save him" came true.

(c) As far as possible and consistent with the wishes and inclinations of the Honourable Ministers concerned, sufficient precautionary measures have been taken to protect their lives.

Pandit Balkrishna Sharma: Is it a fact that any Superintendent of Police was asked to be present at the time of the prayer meeting and that on this fateful day the Superintendent was not there?

The Honourable Sardar Vallabhbhai Patel: There were plenty of armed police but I have no information whether the Superintendent was or was not there. But I will make enquiries.

Pandit Balkrishna Sharma: On the day of the explosion of the bomb Hotel Marina was searched and some clothes were found marked with the initials 'N. V. G.'—Nathuram Vinayak Godse—and on that information the police went to Bombay and asked the Bombay police to find out this man. The Bombay police returned our police saying that they were on the track of that man but somehow they lost the track. Is it a fact that they had lost the track of Nathuram Godse?

The Honourable Sardar Vallabhbhai Patel: It is difficult, or rather it is inadvisable to disclose all the facts that are under investigation. I can only say this that an officer was sent to Bombay immediately after the arrest of the first offender who threw the bomb and after taking his statement, to contact the Bombay C. I. D. As a result of their discussions it was thought that some persons should be arrested. But then it was considered inadvisable to have the arrests made immediately as officers who were involved in the conspiracy might get a clue and go underground or run away. Therefore, both the Bombay Police and the Delhi C. I. D., after consultation, came to the

conclusion that the conspiracy should be further pursued and a little more time might be taken. It is also true that they were on the track of these people, but they were not all in Bombay.

Pandit Balkrishna Sharma: If the information is not in any way going to affect the investigation of the case may I ask if it is true that Nathuram Godse travelled back to Delhi by aeroplane?

The Honourable Sardar Vallabhbhai Patel: I do not think that it is proper to disclose matters under investigation.

Shri Deshbandhu Gupta: Was it not possible for the Delhi C. I. D. to procure photographs of the assassin from Bombay if it is correct that he was named by the person arrested earlier, and to have supplied the photographs to the people who were on the watch at the prayer meeting so as to make it easier for the watch and ward people to identify the assassin and arrest him in time?

The Honourable Sardar Vallabhbhai Patel: What the Delhi police did in pursuance of the information received was to trace these people. But all of them were not at one place and it was not possible to take photographs of people who were not in Bombay.

Shri L. Krishnaswami Bharathi: Is it a fact that this Government was informed by the Bombay police that a desperate character had left Bombay in pursuance of this conspiracy?

The Honourable Sardar Vallabhbhai Patel: That is not so.

Shri H. V. Kamath: Are Government aware that as a sequel to the great tragedy that has overtaken us, certain groups and individuals are foisting the entire blame on the Home Minister alone, thus trying to sow discord in the Government's ranks and creating confusion in people's minds?

Mr. Speaker: Order, order. Next question.

Shri Rohini Kumar Chaudhuri: May I know if it is customary for the police to consult the convenience of the person whom they are commissioned to protect? As a matter of fact they never consult the Governor General or Governor in this matter.

The Honourable Sardar Vallabhbhai Patel: In the present case the person concerned was a different person and it was not possible for the police to do anything without consulting him.

Shri Rohini Kumar Chaudhuri: But in view of what has happened, will the Honourable Minister please see that the entire question of protection is left in the hands of the police?

Mr. Speaker: Order, order. It is entering into argument.

Shri Rohini Kumar Chaudhuri: I am only saying that in future the matter should be left to the discretion of the police.

Mr. Speaker: That will obviously depend on the person concerned.

Pandit Balkrishna Sharma: As a matter of fact that Honourable the Home Minister has said in reply that arrangements for the protection of our Ministers have been made consistently with their wishes. There are some of our Ministers whose wishes in the matter, I submit, should not be taken into consideration because . . .

Mr. Speaker: That is not asking for information. That is arguing the matter.

Shri Rohini Kumar Chaudhuri: May I know, Sir how is it that one Raghu, Mali, grappled with the assailant first and that the police came only some time afterwards? Where were the police at that time?

The Honourable Sardar Vallabhbhai Patel: I cannot say whether the police came first or the mali came first. It is merely newspaper report.

Mr. Speaker: I think it is better not to enter into the question in greater detail. It is neither advisable nor in the public interest.

MINIMUM WAGES BILL

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

"That the Bill to provide for fixing minimum wages in certain employments, as reported by the Select Committee, be taken into consideration."

This Bill, Sir, had a very chequered career. It was introduced by my predecessor, the Honourable Dr. Ambedkar, in the old Legislative Assembly in the year 1946. It was referred to a Select Committee the same year, but in the meantime the old Legislative Assembly ceased functioning and the Bill had again to be referred to a Select Committee or rather the Select Committee had to be reconstituted in November last. The Select Committee since then has considered the Bill and reported as I presented on the 28th of January. The necessity for a piece of legislation of this nature is paramount in our country, especially in those employments where the workers are not in a position to organize themselves and get their grievances removed and their legitimate demands fulfilled by the employers. In those industries where a large number of workers are employed or where there are facilities and conveniences for trade union workers to organize the labourers in those concerns, it is not so desirable as in the case of those workers who are scattered mostly in the rural areas where the trade union workers do not find it convenient to go and organize them and do something tangible for them. The inevitable result of all this has been that the workers in a very large number of industries, mostly situated in rural areas or in small towns, get wages which are not at all consistent with the labour that is put in in the operation of their work, and these industries are popularly known as sweated industries. The Bill provides that something might be done to improve the lot of the workers in these sweated industries. The schedule in which certain industries have been enumerated is not exhaustive. I would say the schedule is simply illustrative. But while including the various industries in the schedule, we had to take into consideration the factor that many of the provincial governments will not be in a position to take many industries at the same time, more so when we are limiting the period for the provisions of this Act to be put into execution only to two years in respect of Schedule I and to three years in respect of Schedule II. But there is provision that the Provincial Government concerned, if they so choose, may include in the schedule any number of industries which they may find they are in a position to take into their hands as early as possible. The provisions of this Bill are not so complicated and there have been definite improvements made in the Select Committee over the original Bill. The Provincial Governments will set up Advisory Committees which, after making investigations, will make recommendations to Provincial Governments for the fixation of minimum wages in the industries given in the schedule. The Provincial Governments may, on their own initiative, also fix the minimum wages. This piece of legislation is very necessary. As a matter of fact, Sir, this should have been on the statute book long before. I hope that the House will unanimously adopt this legislation.

Mr. Speaker: Motion moved:

"That the Bill to provide for fixing minimum wages in certain employments, as reported by the Select Committee, be taken into consideration."

Shri Harihar Nath Shastri (U. P.: General): I rise just to speak a few words in support of the motion. It is one of those few measures that have long been overdue in this country and for which the working class has constantly been agitating for the last 20 years. In fact the question of setting up a minimum wage fixing machinery came to the forefront and it aroused considerable interest in this country as far back as 1928, when the International Labour Conference adopted a convention which contemplated the creation of such a

[Shri Harihar Nath Shastri]

machinery in case of trades in which no arrangements existed for the effective regulation of wages by collective bargaining and where wages were exceedingly low. The question as to the nature of such machinery and also the trades to which it may apply was left by the I.T.C. to the Member States. This Convention has been ratified and is in operation in almost all the European countries, but so far as the Government of India is concerned, they came to the conclusion in the year 1929 that they could not give any indication of the possible ratification of this Convention at that moment until a thorough enquiry as regards the practicability of such ratification had been held. The subject was carefully examined by the Royal Commission on Labour in the year 1930 and it opined that machinery for fixing minimum wages should be created in trades in which wages were exceedingly low. The Commission, however, could not suggest any such trades as it felt that in the absence of reliable information as regards the rates and earnings it would be unwise to attempt any legislation on the lines of this Convention. It recommended that a selection be made of the industries in which there was a strong presumption that wages were exceedingly low and that conditions warranted detailed investigations and that after the investigations took place, necessary legislation in that direction should be undertaken. For full 12 years the Government of India overlooked this important subject and made no effort in that direction. It was only in the year 1943 that the subject was opened by the Tripartite Labour Conference of the Government of India, where a Resolution was passed urging on the Government, the advisability of setting up a Committee to investigate questions of wages and earnings with a view to provide adequate materials on which to plan a policy of social security to the country. In pursuance of that Resolution, the Government of India set up an Expert Committee and that Committee made enquiries into 38 selected industries and trades whose Reports on the subject were separately published by the Government of India. The final Report was published in the year 1946. I am grateful to the Government and particularly, to the Honourable Minister for Labour, that he took the earliest opportunity after the publication of these Reports to take up the question of introducing a Bill relating to the fixation of minimum wages.

Out of the 38 trades in which investigations were carried out by the Committee, the Government prepared a Schedule of 12 trades where the wage fixation machinery should apply in the first instance. So far as the Schedule goes, I must say this has been very carefully prepared and not one superfluous item has been added. In each of these, wages are scandalously low and for the information of the House I shall just quote a few instances.

In the *Beedi* industry, minimum wages to children are 4 as. to 6 as. in Bengal and 3 as. to 4 as. in C.P. and Berar. As for adults, the minimum in South India is Rs. 18-4-0, in C.P. and Berar Rs. 13, in Bombay though the minimum for men is no doubt Rs. 30 the minimum for women is only Rs. 16.

In the Tanneries, the minimum wage in Madras is 8 as., in Bengal 8 as. and in Cawnpore 6 as.

In the Carpet Weaving Industry in Mirzapur situated in U.P., the wages are Rs. 15. In Srinagar it is Rs. 12 and in Amritsar it is Rs. 10-8-0.

In the Shellac Industry in Bihar, the minimum wages are Rs. 5, in C.P. 8 as. per day and in Mirzapur 8 as.

In the Mica Mine Industry in 1944 the wages of an unskilled cooly were 8 as. and that of females 7½ as.

In Plantations, the average monthly cash earnings in the Assam Valley in the year 1944 was Rs. 9-10-3 and in the Surma Valley Rs. 7-13-7.

In Rice Mills, the minimum wages in Madras were 8 as. and 7 pies, in C.P. 8 as., in Bihar 8 as., and in Orissa 6 as.

From the above figures it would be seen that conditions in these industries are most disgraceful. Workers employed there—especially those who are unskilled—are on the verge of starvation and if any legislation is urgently needed for them, it is for them. The present measure no doubt will prove a blessing to workers employed in these industries.

Along with the Select Committee Report, there is a note attached from my esteemed friend Diwan Chaman Lall. I fully endorse his viewpoint that minimum wage should be fixed on the basis of a living wage. In fact, this is one of the basic demands that the working class of this country is agitating for. I do appreciate that it will not be possible at the present moment to realise the objective of a living wage to industrial workers in most of the industries. From the opinion expressed by eminent economists of this country, the living wage of a worker having a wife and two children should be somewhere near Rs. 140.

It is obvious we cannot have it in every industry at the present moment. All the same it is clear that the worker cannot put up with the present deplorable state of affairs. He is willing to reconcile himself to a position in which he is a victim of the worst kind of exploitation. A fair wage, a wage that may enable him to lead a decent standard of living in conformity with the economic standard of our country must be assured to him. In certain bigger industries minimum basic wages on this basis have already been fixed and I am sure there will be a general and substantial rise in wages of workers employed in industries that this particular Bill seeks to cover.

There is just one word that I should submit before I finish. There are certain industries that in my opinion should have been included in the Schedule. Conditions of workers employed in them are as bad if not worse as in those trades that have been included in the Schedule. It was from that point of view that I gave notice to move certain amendments in this connection. But I have only just now very carefully heard the speech of the Honourable Minister in which he says that the Schedule is not exhaustive, but it is simply illustrative, and in view of that assurance and in view of a separate clause in the Bill which empowers the Provincial Government to revise the Schedule and to add new industries in it, I do not propose to press my amendment.

With these few words, Sir, I congratulate the Honourable Minister and offer him on behalf of myself and the working class of this country its gratefulness and I am sure this Bill will prove a boon to the working class of this country, who have been expecting since this Government came into power that ameliorative measures will be brought forward to advance their welfare.

Kazi Syed Karimuddin (C. P. and Berar: Muslim): Mr. Speaker, Sir, by bringing this Bill, the Ministry of Labour deserves our sincere congratulations. The Labour problem in India was greatly neglected in the days of the foreign domination and it was left to private enterprise and private enterprise took unfair advantage of the weakness of the labour when they had no power to sustain and to hold out against the capitalists. I am also, Sir, very much satisfied at the rapidity with which the recommendations of the International Labour Conference regarding the minimum wages have been implemented by this Government.

The speaker who preceded me, Sir, has cited the standard of wages in C.P. regarding the *beedi* factories. In my opinion, I do not think what he has given out is an authoritative figure about the standard of wages in these factories. In 1947 and 1948 the wages are more than what he has cited today.

In regard to 2 or 3 provisions of this Bill, I want to draw the attention of the Minister in charge of this Bill. In clause 22 it has been laid down that no complaint will be taken cognizance of without a formal complaint by the Department; secondly not without sanction; and thirdly the complaint should be lodged within 6 months from the date of the commission of the offence;

[Kazi Syed Karimuddin]

but in clause 23 exemption of employer from liability in certain cases is provided. What is stated in clause 23 is this: if an employer is prosecuted and he comes in court, he can make application to the court that somebody else has committed the offence and not he and he be brought to the court and on summoning him the offence will be laid against the second accused and the first trial will wait till the second trial is acquitted.

On a perusal of clause 23 as it stands I think this is just like a case that if a man is prosecuted for murder, he makes an application that somebody else be prosecuted and be brought before the court and tried first. In my opinion this is inconsistent with both Criminal Law and Procedure. In the case of the employer making an application against the other man the provision of sanction is dispensed with and the period of 6 months is dispensed with, and a complaint can be lodged by him. The result will be that such complaints will be vexatious. Suppose there is a rich employer and he asks his servant to admit and accordingly he will prosecute him. He will come to the court and accept the mistake and the employer will be acquitted. In my opinion this is a very peculiar provision of law which is inconsistent with the laid down principles of criminal jurisprudence. Therefore, I would like before this Act is put clause by clause that the Labour Minister considers this and takes away this clause 23.

In regard to the provisions of clause 19 there is no penalty provided at all in the Act. In sub-clauses (b) and (c) of clause 19 it is laid down that 'the Inspector may examine any person whom he finds in any such premises or place and who, he has reasonable cause to believe, is an employee employed therein or an employee to whom work is given out therein; and require any person giving out work and any outworkers, to give any information, which is in his power to give and take copies of any register etc.' Suppose the employee refuses to give the information, what is the penalty provided in the Bill? Therefore, my submission is that there should be a penal clause if there is an offence contravening the provisions of clause 19. This is all that I want.

Shri B. Das (Orissa: General): Mr. Speaker, Sir, I congratulate the working classes of India and their external labour leaders for obtaining the Utopia which they have all along been dreaming and which they have not accomplished, but which may now be achieved through the kindness of my Honourable friend Srijut Jagjivan Ram. Sir, I was against nationalisation of industry, but after reading the Select Committee report on the Minimum Wages Bill I am wholeheartedly for nationalisation of all industries in India. Not only that; I am also for nationalisation of Government in the sense that only the working classes and those who are working with them and claiming the Utopia of which they have been reading and dreaming should be members of Government so that they can work these nationalised industries properly in their own light. I cannot visualise any one can work this Minimum Wages Bill when it is passed. I am grateful to my Honourable friend Mr. Shastri for giving us the background of minimum wages, how people were cautious and wanted to go slowly. In 1944 the Government of India appointed Committees and they came to a decision and that decision was implemented by my Honourable friend Dr. Ambedkar. That Bill contained 19 clauses and the new Bill which has emerged from the Select Committee contains 30 clauses. These two Labour Ministers are also Ministers in the present National Government. They are great patriots; they have conceived the Utopia of the working classes in such a way that I can predict that it will be unworkable. The industries will not survive, the cost of living will go up. The working classes may aspire to the minimum standard of wages of Rs. 140 a month as my friend Mr. Shastri would want. I hope that day will come but that is a day which even Mr. Shastri who is a much younger man than myself may not envisage.

Prof. Shibban Lal Saksena (U. P.: General): Are you opposing the Bill?

Shri B. Das: I am just making certain observations. Unfortunately the Select Committee did not have any one from the employers' side. There were one or two but they were silent, e.g., Shri Rohini Kumar Chaudhuri, Shri Ramalingam Chettiar, Mr. Ishaq Seth, etc.

Prof. Shibban Lal Saksena: They were converted.

Shri B. Das: I am glad, and I wish to be converted too. But allow me, while you have got your Utopia, to register my views. I am not an employer but just an industrial brain who feels and says what he feels sincerely and righteously.

Sir, I congratulate my very good friend Prof. Ranga who has attained what he conceived and dreamed as his Utopia for agricultural labour. My impression is—I may be corrected if wrong—that agricultural labour in India is something like 75 per cent., and I think it will come to 10 crores or a little more. My Honourable friend wants to fix minimum wages for them. Of course the Central Government and the Select Committee which consisted of labour leaders from all over India have dressed up the baby that was left over by Dr. Ambedkar, and we will have to nurse it. The Central Government have no responsibility nor the labour leaders in this House who may perhaps find themselves as members of the Central Advisory Board. Then who will do it? The appropriate Government. The appropriate Government now means the nine Provincial Governments. I do not know if State labour comes in at any stage. The Bill is silent about that. Although in clause (1) it is said that the Bill extends to all provinces of India, the Bill is drafted in such a way that it may apply to States. As to how far by legislation or by agreement or by concurrence the Central Government will be able to persuade the States to adopt this Utopian condition of living for the working classes in the States I have my own doubts. But, as I was saying, the appropriate Governments have been asked to nurse this foreign baby. We are all Indians and have our Indian ways and social conditions. To nurse this baby conceived at Geneva it took the Government of India all the years from 1929 to 1947 to produce this Bill. How can the Provincial Governments, pre-occupied as they are and most of them ignorant of labour administration except the Government of Bombay, frame these rules? How can they carry out these millions of obligations and responsibilities that are thrust on them? They are of average mind and average standard of culture and intellect as any one of us here. I do not know how the dreams of the working class leaders which have been concentrated and given shape and form in the Minimum Wages Bill will be practised by the Provincial Governments. Unfortunately the Central Government takes no responsibility in any matter at all. It leaves it to other Governments and to the great leaders of the kisans and mazdoors—like my Honourable friend Prof. Ranga—to go to every province and demand that agricultural labour should be paid so much. It is not the low scale of 1944 as read out by my Honourable friend Mr. Shastri; we know what has happened in 1948, when we are paying thrice the previous wages everywhere. I will just quote one instance because I had a letter from my business house at Cuttack. Diesel oil that was sold at Rs. 55 a ton during the war rose to Rs. 130. Then it went down to Rs. 100 in the middle of 1946 and now it has gone up to Rs. 160. Part of it is no doubt due to the agitation of the working classes in the U.S.A. who want higher wages. It is a vicious circle that we live in. The working classes want more wages and a higher standard of living. At the end of every war labour wants better conditions of living. But we in India are not so vicious that our employers and workers would fight like dogs and cats. We are all one people with one mind. But in the U.S.A. and the U.K. and other foreign countries the two live in water-tight compartments and no one understands the other. My Honourable friend Mr. Kamath says he does not understand farm labour and

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it is Prof. Ranga who advises him as to what wages are to be paid. But do I not understand my own farm labour—though I have only a few acres of land—that I will be advised by an extraneous agency from Bombay City that will advocate salaries and wages which my Honourable friend's province will never be able to bear in industry or in agriculture? Sir, I may be asked why I did not give any amendments to the clauses of this Bill. But when I find that all are agreed that Utopia must be there it is no use my giving any amendments. But I do say that it is the intention of the new draft that has emerged and I find that of the 33 clauses 13 clauses are completely new. This is due to the greed and inhibitions of the labour leaders from the time of the Whitley Commission when my friend Diwan Chaman Lall left it. Its report is voluminous but no action appears to have been taken upto now. It has in this Bill been crystallised and given shape and form, but whether it can be put into action, I have great doubts. I hope my Honourable friend will not bring amendments in a year or two saying that such and such a clause should be changed as it was unworkable.

The Committee has been very clever. Everything has been left to the Provincial Government and it is possible that the Provincial Government may not understand the implications of this Bill.

I am a small employer and I am wondering why the clerical section has been included in the definition as part of the workmen. What pertains to Bombay and Calcutta we should not put into practice all over India. The clerk is as much part of the Managing Agent and Employers as the Managing Agent himself. There is nothing sacred in the management of any industrial concern. The moment anything is written in the book the clerk goes to his trade union and tells everything to the working classes. I am a non-violent man and I want my clerk to be non-violent and not steal a march on the employer and try to manufacture grievances where perhaps no grievances exist.

I went over the schedule with regard to which my Honourable friend, Mr. Shastri with his weighty consideration made the observation that it includes every profession. I am speaking on behalf of the employers. I wish there were a clause here that the employer could have minimum wages. After this has been given effect to the employer will not be left even with bread and butter!

Prof. N. G. Ranga (Madras: General): We have offered them 5 per cent. and yet they are making so much noise!

Shri B. Das: That 5 per cent. offered by the Congress Economic Committee will come later on. I am getting old. I have yet to see one gentleman who advocated the cause of labour and socialism in India write a book on the socialist economic structure of the working classes of India. It is all right to say that the industry will be satisfied with 5 per cent. but let Prof. Ranga, a great economist, and Prof. Saksena and others see how their theory, when applied in practice, will work the national economics which they trot out at times without thinking. I am not advocating a capital system of economics but I would say that we are just part of that machinery that is continuing: that the life of employers is a little bit capitalistic in design and thought. That machinery has its economics worked out. It is going on maintaining certain standards of life. Though Prof. Ranga may be an important member of the Working Committee, yet I, as a Congressman, am entitled to examine and see how that 5 per cent. basis will work and how India will be prosperous. The other day I made the same observation. The labour demand cannot be satisfied if industry dies out and if nationalisation is worked out according to a plan which nobody barring the working class leaders can work out in the way they are thinking of.

I am very sceptical as the Provincial Governments are left with Himalayan tasks which are beyond their comprehension or their ability to discharge.

I respectfully ask my friends the working class leaders and the Honourable Minister of Labour to take away the clerical staff from the definition of "workmen". We do not want fifth columnists in our offices, who will be sitting in their office and thinking out mischief.

Pandit Balkrishna Sharma (U. P.: General): Whether you keep them or not, they are already there as fifth columnists.

Shri B. Das: I want my friend to come and work this Bill here or in the province. The old conception that this Government is here and will nationalise industry will not do. You nationalised the railways and got nothing out of it!

One remark I will make on (h) in Clause 2 about the new definition of wages. The working classes get many advantages such as housing accommodation, supply of light, medical attendance, gratuity and various other things. It says wages means all remuneration but does not include—and it gives a list of these things. If the working classes get certain benefit from industry let them acknowledge it. Sometimes these benefits—housing, lighting, medical benefit and all these things—come to a huge amount. There is no need of giving the dog a bad name: and in this case the employer seems to be the worst rascal and scoundrel on the earth. If the working classes derive direct and indirect benefit, why should it be excluded from the wages. When the new economy comes, i.e., the socialist economy, that will decide the prosperity of the country, they will have to take account of the 20 per cent. extra benefit which labour gets but does not acknowledge. Really, I do not know why it has been introduced.

All these suspicions, all these inhibitions of important labour leaders in India have been incorporated into language which I wish, in a free India, we should not have thought out and given shape to.

The Bill will be passed. I do want minimum wages to be fixed, but I do not want the Geneva scale nor the U.K. scale. At least here the working classes have been contented before discontent was introduced by the socialist leaders after studying a few pages of Karl Marx and similar books. Would that Prof. Ranga write a book and I will uphold it as the "Rangaian" theory.

Mr. Speaker: Is the Honourable Member likely to take a long time?

Shri B. Das: I am about to finish.

I am sorry that the Bill has been made so intensely harsh and suspicious of the employer. We have no animosity against the working class. We want to live as brothers and I ask the working class leaders to speak of us employers with the same brotherly feeling.

Mr. Speaker: There is one more announcement that I have to make. As the 12th February 1948 is to be a public holiday, the House will not be sitting on that day.

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

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

Diwan Chaman Lall (East Punjab: General): Sir, let me begin by congratulating the Honourable the Labour Minister for bringing this measure before this House. The measure is so simply conceived, after a great period of gestation, that I do not think it is necessary to make long speeches either in support or against it. Nevertheless, I am very glad to hear the voice of my very old friend Mr. B. Das, who in his usual and customary manner, has condemned any labour legislation that may be brought forward for the amelioration of the working classes, in a speech which I seem to remember having

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heard repeatedly since the year 1924. There is nothing new in what my friend Mr. Das has said, because, in spite of the protests that he has been making repeatedly on the floor of this House against measures of this nature and attempting to make our flesh creep with the dire consequences that might follow the passing of labour legislation and suggesting that such labour legislation will never work, yet the repeated attempts made by the Government to put on the statute book labour legislation have proved that labour legislation has worked. My Honourable friend may rest assured that there is every intention, I hope, on the part of the Central as well as the provincial governments to make this particular piece of legislation work in the manner in which it has been conceived.

One must not be led away by these extravagant arguments, forgetting the fact of the necessity for protecting the men, women and children who are unable to protect themselves. There is a responsibility which rests not only upon those of us who have advocated this type of legislation but upon every member of the legislature, no matter to which particular ideological party he may belong, to do his level best to protect the interests of such people who are, as I said, unable to protect themselves. My Honourable friend must not forget that when we are wanting more production in this country, further industrialisation and the best machines that we can get hold of, it is equally necessary that we must get hold of the best human material that is available and try to protect not only our industry but also those who are employed in industry.

This measure may be looked at from three broad points of view. There is first of all the brief history, which my Honourable friend Mr. Harihar Nath Shastri touched upon very briefly and very ably. There is the structure of the measure before us and finally there is the content or the value of the measure, what it sets out to do and that has to be considered.

In regard to the history of this measure I happened to have been present at the particular conference of the International Labour Office in 1928, representing the workers of India, when this particular matter was brought up and finally the recommendation was made and a Convention was adopted, which was brought before this House. We were then living under an absolute regime, a regime which was all out to help industry, a major portion of which in those days was in the hands of foreigners, and therefore any measure of this nature which would help the indigenous people to safeguard their own interests was anathema to the powers that be on that occasion. Therefore from 1929 onwards no steps were taken by the then Government to implement this measure or to give support to the recommendations and conventions adopted by the International Labour Conference in this particular respect. Later on the Royal Commission on Labour sat for a period of a year and a half and I had the honour of being a member of that Commission. Although strictly speaking this particular matter was not within the terms of reference of the Labour Commission, yet the Labour Commission in its report recommended that an enquiry should be made, a precise enquiry as far as possible, to find out what particular industries should be brought within the purview of minimum wage legislation and the particular direction given by the Labour Commission was in respect of the *beedi* making industry, the mica industry and similar industries, where, keeping in view the over-riding principle laid down by the Convention passed at Geneva, namely that where workers were unable because of the lack of organisation to protect their own interest and where wages were low, they should be protected, minimum wage fixing machinery should be established. Many years later this matter was taken up and now as a result of the enquiry that has been held into such industries, where labour is unable to protect itself and

where labour is ill-paid and wages very low, the Government has come forward with this Bill for enactment.

The structure of this measure is desirable. The structure is so simple that there can be no dispute as to the form in which it has been brought before us. The Bill itself deals at present with two classes of workers which are specified in the two schedules attached to this measure, that is the type of worker who will be protected by minimum wage fixing machinery to begin with. Then it is stated that in regard to the first lot of workers in Schedule No. I the period within which this legislation will come into effect will be two years, that is to say workers who are employed, let us say, in woollen carpet-making or shawl-weaving establishments, rice mill, flour mill or *dal* mill, tobacco (including *bidi* making) manufactory, plantations, oil mill, local authority, road construction or in building operations, stone breaking or stone crushing, lac manufactory, mica works, public motor transport, tanneries and leather manufactory. We do not in Schedule I, except in the matter of plantations, touch agriculture. That has been left to Schedule II, because of the very serious difficulties, administrative and otherwise. A longer period has been given in respect of workers engaged in that particular employment. I hope Government will not wait for the full period of two years. This is the maximum period fixed and it will be incumbent upon the Central and provincial governments to bring into force legislation of the type envisaged in this measure. In regard to Schedule II, as I have stated, within three years they are bound to bring in legislation but I do hope that both Central and Provincial Governments will take steps immediately to implement the provisions of this measure, so that there may be no unnecessary delay in bringing relief to those who are urgently in need of relief.

The second portion in regard to the structure of this measure deals with the type of wages that have got to be fixed. These are divided into three parts. Firstly it may be a basic rate and allowance to be adjusted according to the cost of living. Secondly, it may be basic rates with or without cost of living and cash value of concessions in respect of essential commodities which are handed over by employers to workers. Thirdly there may be an all-inclusive rate. The cost of living and cash value concessions will be computed at intervals under the direction of Government. Here there is a bit of a snag which has got to be guarded against. Honourable Members will remember that our own cost of living is not based on any table worked out on a scientific basis. When we are dealing with minimum wages which have got to be based upon the fluctuation in the cost of living it is necessary that the machinery must be fool proof, that there must be no possibility of jugglery as far as that machinery is concerned and steps will have to be taken by my Honourable friend and his colleagues to set up such a scientific machinery available to the Government which will be able to give us the fluctuations of the cost of living from time to time on a scientific basis.

The third point in regard to the structure of the rates is the procedure for fixing minimum wages. The procedure is a very simple one. There will be an enquiry—an *ad hoc* enquiry I presume considering that we have had various types of enquiry already—which will report and thereafter the rates will be fixed.

The fixation of the rates itself—and that is the fourth point in regard to the structure—depends upon another procedure which has been laid down in the shape of advisory committees, sub-committees of advisory committees, an Advisory Board and a Central Advisory Committee. It is necessary that there should be a large number of these committees because it is impossible to centralise work of this nature. Wherever any particular industry is in need of such assistance in the shape of fixing of minimum wages it will be necessary to appoint some sort of committee which will deal with it on the basis on which Trade Boards have been appointed in England to deal with this particular problem.

The last point in regard to the structure of the rates, Honourable Members

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should know, deals not only with the question of wages but also with the question of fixation of hours of work. You may fix wages and not fix hours of work and thereby nullify all the benefits that might accrue through the passing of this particular measure. Overtime is also to be considered and piece rates are also to be considered. For these purposes registers have to be kept regularly and a series of Inspectors appointed so that there is no leakage in the application of this particular measure, and so that the provisions of this measure may not be evaded by any employers of the type that my Honourable friend Mr. B. Das represents. He would possibly like to evade the provisions of this measure because he does not like them, but I do hope that his heart is large enough to look not only to his dividends but to the dividends in human life and happiness and human comfort which in the changed circumstances of today should be the major concern of each one of us.

I must confess that late as we are, this measure is of very great value to the working classes. It is not possibly known how vast the scope of this measure is likely to be. I personally would have liked that instead of detailing, as we have detailed, in schedule I rice mills and so on and so forth, we had also taken all together—the seasonal factories as a whole—in which we witness a great deal of suffering for the working classes. Those who work in these seasonal factories suffer a great deal because of the unregulated nature of the employment and the unregulated nature of the wages that are paid to them. There are no trade unions, as far as I know, among seasonal workers. Therefore the first condition laid down in the Convention passed at Geneva does apply to them. Secondly, in many parts of the country seasonal workers are badly hit as regards the quantum of wages paid to them. I am quite certain that once my Honourable friend has started operating this measure he will be able to extend the scope of the measure on a larger scale than is envisaged in the schedules before us. It is not surprising, Mr. Speaker, that there are today in the year 1948, 300,000 workers in these seasonal factories—of both kinds, partial as well as predominantly seasonal factories. According to the figures that we have been able to collect, although in 1942 there were over 1,088,000 workers in the plantations, in 1944 the figure was—taking tea, rubber and coffee together—about 1,200,000. The actual figure is 1,154,000. In mica, lac, stone and similar employments you may add another 100,000 workers. In carpet making, for instance, it is an extraordinary fact that we found when we went round making enquiries in the various concerns throughout India that the generality of those employed are either children or women. In fact today according to the latest reports, in a town like Gwalior, in the carpet making factories about 71 per cent. of the workers are either children or women. Similarly, if we take for instance the perennial factories which are not covered by the scope of this measure, there has been a tremendous increase in factories during the last few years, let us say from 1939 to 1944. Actually the figures are that the increase in employment has gone up by 46 per cent. in recent years. And with industries spreading and other industries coming up in order to feed these permanent industries there will be a further increase in employment. It is therefore necessary, keeping these vast figures in view, to bring this measure into force as early as possible.

I need hardly add any more in regard to the necessity of this measure than what has already been said on the floor of this House. But I would like to say a word in regard to an objection that has been raised by one of my Honourable friends sitting on these benches in regard to the procedure. He wanted that the penal clause in respect of the employer should be dropped. This has been carefully considered in Select Committee and the reason why the Select Committee accepted this particular position was this. We do not want, and nobody wants, to penalise an innocent man. After all if a place of employment is in charge of a particular individual and if the owner of this particular

place of employment has given every instruction that he could in order that this measure may not be evaded and has shown due diligence in regard to this matter, I see no reason, even though he may technically be held guilty why he should be responsible and why the man who is actually in charge and has disobeyed the orders given by the owner should not be the person to be convicted. After all my Honourable friend knows that a large number of people may be arrested for a particular crime, but if any one of them can prove that he is innocent then he cannot be punished for the particular crime. And this is all that this particular penal clause sets out to do. If a man can prove that he himself is not guilty, that he has taken every precaution in order that this measure may not be evaded and that he showed due diligence in this respect, then surely I do not see how my Honourable friend wants that that particular individual should also be convicted whereas the formalities of the law would be complete and the crime could be punished properly by punishing the proper man who is really in charge of the place of employment; and that is the reason why this particular provision was accepted by the Select Committee.

I commend, Mr. Speaker, the provisions of this measure, late as they are by at least twenty years, to Honourable Members of this House.

An Honourable Member: Only twenty years.

Diwan Chaman Lall: My Honourable friend says only twenty years. It is a long period particularly in my life. Having struggled for this particular measure for more than twenty years myself I am very glad to see that under a free government my Honourable friend has brought this measure before this House and asked the consent of this House that it should be passed into law.

Mr. R. K. Sidhva (C. P. and Berar: General): Sir, it is an undoubted fact that this government is alert for the welfare of the workers is proved by the instance, that within a short session of seven days, three legislations for the benefit of the workers have been brought. Two have been passed into law, and one will be passed today, namely, the Dock Workers Bill. Another very important Bill, consolidation of the law relating to factory labour, has been referred to the Select Committee. Sir, to that extent Government certainly deserves praise, and particularly the Honourable Minister in charge of Labour, who takes keen interest in ameliorating the conditions of the labouring class in this country, and that is the reason why he brings in so rapidly measures which he feels sincerely are in the interests not only of the labourers but also of the country as a whole and of producers. I was really surprised to find the other day, on a similar measure, my friend Mr. Das, protesting against the measures which are being brought for the good of this class of people. From the smashing reply that the Honourable Minister gave—unfortunately the Honourable Member was not present—he must have seen that the arguments advanced by him were very hollow. Today also he repeated most of the arguments in the same breath saying that these measures would not be beneficial for the expansion of industry and production. Sir, I have been associated with some of my industrialist friends for fifteen years and I have been telling them since then that in the interests of their own industry, the time has come when they must by themselves protect the interests of the labourers employed in their factories. They would not listen to it. The result has been that when the time came for them to accede to the demands of the labourers, the labourers' demands were far greater. I am sure my Honourable friend Mr. Das is a well-wisher of the industrialists, and I can tell him that the arguments advanced by him are very harmful to them. If he is a well-wisher, he must tell them that the time is so rapidly changing that if the industrialists themselves, instead of compelling government to intervene, brought these measures into their own industries, India will be happy and production will be greater. But, Sir, friends like Mr. Das would go and tell the industrialists in the manner in which he

[Mr. R. K. Sidhva]

has been telling us. I can tell him that he is not serving the friends whom he represents. I have led many strikes in the past but today I am against strikes, because I want increased production, but that does not mean that the labourers' legitimate interests should not be safeguarded. These are the main points that we have to bear in mind. Mr. Das' voice is the voice in the wilderness in this House but if outside this House he tells the industrialists that they must fall in line with times he will be doing a service to the country.

Now, coming to the provisions of this Bill, while I congratulate the Government, let me tell them that I am not satisfied with the provisions of the Bill. My friend Mr. Chaman Lall, has stated that a scientific process has been suggested under the Bill for fixing up minimum wages. First of all two years have been given to the provincial governments to rise from their slumber to consider what will be the minimum wage for the class of people in schedules I and II. Now, Sir, times are rapidly changing. We know how rapidly conditions in the country as far as labourers are concerned, are moving, and in this Bill it is stated in two years—they may do it earlier—the provincial governments should frame a law. But do we feel that provincial governments will be in a mood by themselves to frame a law earlier unless somebody goads them and somebody is after them? And then also they require to be thoroughly convinced that it should be done. There should have been a provision that within three months immediately after the passing of this Bill all the provincial governments should move on. Another point is that the procedure is most cumbersome for fixing minimum wages. Sub-Committees are to be appointed; main committees are to be appointed; Provincial Advisory Boards and Central Advisory Boards are to be appointed. I can really not understand why there should be this long procedure. Already labour is complaining of delay and with these committees suggested in the Bill it passes my comprehension to understand how we can proceed with rapidity unless it is intended that things should go on slowly, and ultimately the result may produce zero. I am very sorry for the members of the Select Committee. Some of them are really propounders of the labourers, agriculturists and peasants and they are a party to it. At least Mr. Chaman Lall had a short note to put in. I have been applying my mind for the last two nights as to what should be the minimum wage and I must admit that I cannot come across a solution for suggesting straightaway what should be the minimum wage. With all that, realising the conditions that are prevailing in the country, from the last five years' cost of living we know what it is and some guidance should have been given that it should be Rs. 1.8 or Rs. 2 in certain factories and certain industries. I do not say that mine is really a practical proposition: but the suggestion that has been made by the members of the Standing Committee is also not helpful. Therefore I do feel a drastic change will have to be made in this Bill very soon by the Honourable Minister. I am sure he is very keen for the welfare of the labourers and I am sure he will have no other alternative but to come before this House within six months to say that this measure is not helpful. Again how will he come within six months? He has given two and three years to the provincial governments. He has to wait all that period. Therefore at least in that respect he must make rules. The rules regarding period cannot be against the provision of the act. But he must give directions to the Provincial Governments that it is not the intention of the legislature, nor is it the intention of the Central Government that this minimum wage fixation....

The Honourable Shri Jagjivan Ram: Will the Honourable Member please see section 28?

Mr. R. K. Sidhva: I am very glad that that provision is there to give direction, but I am pointing out specifically that he must give direction in

in this respect that they must not wait for the period that has been mentioned in the Act. The Provincial Government will say "After all, the law has been passed and law is greater than your direction to me." They may argue if they want to evade. Some Provincial Governments who do not want to go with the times might state that "the law has been made. Why did not you make the law binding upon us? Your directions are all right. We will carry them out, but not to the extent that the law has made them do." Therefore I do feel, as I have stated, that the provisions that are made are not very helpful to the workers in regard to the minimum wages about which we are so very anxious to see something definitely done.

In regard to the Advisory Committee also, what should be its constitution? Who should be the members of that committee? We have framed so many Acts and whenever a body is appointed, at least it is mentioned that there will be so many from labour, so many from industry, and so on. There is nothing of that kind here. One does not know whether there will be a 100 per cent. industrial representatives or 100 per cent. labour representatives.

The Honourable Shri Jagjivan Ram: There is section 1.....

Mr. Speaker: Instead of replying in bits, let the Honourable Member speak what he likes and then leave it to the Minister to reply. That would be better.

Mr. R. K. Sidhva: Sir, I was referring to the Advisory Committee's composition. If you will see clauses 6 and 7, they do not coincide with clause 9. Here are two statements, one is "not exceeding one-third of its total number"; the other is "equal number". Also there is the use of the words "independent members" one of whom shall be appointed as Chairman. Well, Sir, it is true that composition has been shown in this Clause 9 and to that extent it is certainly an improvement. But I do feel that when you are having a measure for the benefit of the labourers, you must have a majority of the labourers. The constitution is shown, but today the time has gone when you want to have equality of two classes and on the top of it add number of independent members. Those independent members may override the half of the members belonging to the labour who will be represented here. When you frame a particular measure for the benefit of a particular class, it is an essential factor that that class should be fully represented and therefore, Sir, I would have desired that a larger representation should have been given to the labourers' representatives and certainly some portion to the representatives of the industrialists. I do not know why, for what reason, the "independent members" should be brought into it; because their views are independent? I know that their views are never independent. They go with one or the other. Independents are generally with the upper class, and they never join the smaller class of people, because they are selected from that class. Therefore, I state, the object would be frustrated. I am very clear in my mind that this measure will not bring that kind of satisfaction that the country desires and the labourers desire for the purpose of improving their condition by fixing a minimum wage for which they had been clamouring for a number of years. Mr. Chaman Lall stated that he felt that this is a scientific process that has been suggested and that it will bring about an improvement. Let us hope. I only hope that it will. I have my misgivings in this respect and I hope, I may prove wrong, that the Provincial Governments will immediately frame laws falsifying my views and prove that what I stated was incorrect. I only hope to find that Provincial Governments are going ahead in this matter and have brought about measures which will really bring happiness and prosperity to this class of people.

Prof. N. G. Ranga: Mr. Speaker, Sir, some of our friends seem to be somehow in a querulous mood this afternoon. They seem to be more anxious to find fault with this very good Bill than really to read it carefully as has

[Prof. N. G. Ranga]

been shown just now by my Honourable friend Mr. Sidhva and his speech. I do agree and I do appreciate the services which Mr. Sidhva has rendered to certain sections of our labour in his labour work, but I wish to assure him that this Bill is indeed a revolutionary Bill and it helps us to take the very first step towards the social revolution that we want to achieve so far as the labour world is concerned.

Sir, till now most of our labour leaders have concentrated their attention on the needs of the industrial workers who do not number more than ten millions today. But on the other hand, there have been not less than seventy millions of agricultural workers strewn all over the country and in all our villages, and it is about these people that most of our labour leaders have till now paid so little attention. I would very much like Mr. Sidhva to devote a portion of his time and resources and great gifts for the welfare of these agricultural workers. If you were to pay some attention to Part II in the Schedule, you would realise how great is the scope of this Bill indeed. It seeks to benefit all the workers employed in agriculture, and even if, at a moderate computation, you were to assume that there were only 40 permanent farm servants in every village and about seven lakh and fifty thousand villages there are in our country, we shall arrive at the approximate figure of thirty million permanent agricultural workers who will come to be benefited by this Bill when it becomes an Act. It is true that the Select Committee has proposed that the Provincial Governments should try to give effect to it so far as the agricultural sector is concerned at least within a period of three years. Now this is a sort of maximum time-limit that we have given to them. It does not mean that all the Provincial Governments should have to wait for these three years at all. If friends like Mr. Sidhva and others in all our different Provinces were to exert themselves on the side of agricultural labour and were to organise these people and to bring sufficient pressure to bear upon the Provincial Governments, then it would not be impossible for him and so many of us who are interested in agricultural labour to persuade as many of our Provincial Governments as possible and their legislatures to give effect to the provisions of this Bill so far as the agricultural labour is concerned within this period of three years. After all, all the Provincial Governments are now not only popular but they are also national and Congress-minded.

I know when we consider this particular period in juxtaposition to the needs of the agricultural workers, it does appear to be a very, very long and prolonged period. But after all we have to take into consideration the administrative side of it also. It is not as if we have an irresponsible executive which we are bound to oppose at every moment and on every occasion. We have got our own Governments and they are responsible Governments. The responsibility is now on our own shoulders and we can possibly do it within one or two or three years and therefore we said to ourselves in the Select Committee that we would be doing the right thing indeed for the agricultural workers themselves if we are to fix a maximum period of three years within which the Provincial Government ought to try to give effect to this whole Act. We do not want to give this direction at a much earlier period, but we do not want to place this time limit beyond three years and that is the only explanation which I can possibly give and I hope it will be satisfactory even to my Honourable friend Mr. Sidhva. He has taken objection to the constitution of all these various committees. I can only tell him that if we do not constitute all these committees in various parts of the country with power given to them to appoint their own sub-committees, it will not be possible for them really to give effect to this Bill at all. His own pious wish was that there should be a sort of limit prescribed here alone as one Rupee or Rs. 1-8 or 10 annas or something like that. At the same time at the same breath he confesses also

that it would be rather impractical to make such a suggestion. Now if that is the position of an experienced Labour Leader, what must be the position of the Provincial Governments as well as the various other agencies who have got to give effect to this Bill? That is why we do not want to fix any figure at all. How can you? It is an impracticable thing even today as my Honourable friend Diwan Chaman Lal has already warned the House. We should have proper index figures of the cost of living and the basis on which the present index figures of cost of living had been prepared are themselves defective. It is yet doubtful whether including tobacco in the item that they put in there as food materials is to be justified or not. There is still dispute over it, and whether they should pursue the present sample methods of collecting information from various parts of the country and for various sections of the people and then prepare the cost of living index, over that there is also a dispute. The experts are still considering these matters. In these circumstances how would it be possible for the Provincial Governments or even for this Legislature to straightaway say that it should be one Rupee in Bombay, two Rupees in Madras, three Rupees in Calcutta and so on? Therefore, Sir, it is necessary that these committees should be appointed and the more and more of them, the better it is. In fact I wish I could claim to have been responsible for suggesting to the Government of India in the last Tripartite Conference when Dr. Ambedkar was then in charge of this particular proposal that it would not be enough to have only one Provincial Advisory Committee, but on the other hand there should be district committees in regard to agriculture for every important group in every district, so that as conditions change, as the needs of the agriculturists as a whole both the employing classes as well as the employees. It would be in their interest that these separate rates are fixed for these different groups.

Then, Sir, I wish to say in answer to what fell from my Honourable friend Mr. Das that I am very happy indeed that this Bill has been introduced, not only that it is being introduced as a sort of Minimum Wages Bill, but it is sought to be extended to the agricultural workers. Till now, Sir, the Government of India has been concentrating on Industrial workers alone. They are a microscopic minority. As I have already told you they do not exist more than 10 million people. On the other hand, for the first time the Government of India comes forward with a very important Bill and seeks to extend it to at least 30 more millions of permanent workers in the agricultural industry and still another 40 millions of casual workers who are employed off and on by various employers, but nevertheless permanently on labour and on land. Therefore, Sir, for being the author of ushering in this very first step in social revolution, I should certainly take this opportunity to congratulate our Minister for Labour, Mr. Jagjivan Ram.

My Honourable friend Mr. Das, I wonder whom he represents. He represents the people of Orissa, it is true. I do not think that he has been sent here by the industrialists from anywhere in India and he is not himself an industrialist and I do not know why he wants to come out here and plead for industrialists. It is because he is not himself an industrialist as such, I am afraid he is a danger even to those industrialists as my Honourable friend Mr. Sidhva has put it. If an industrialist were to be here who holds himself responsible for industrial welfare and progress of this country he certainly would not be taking up the stand or the attitude which my Honourable friend Mr. Das is taking up because an industrialist would know the real consequences of such an attitude. Sir, it is that sort of attitude which is responsible for the breaking out of these strikes. This is responsible also for the fall in industrial production. It is also that sort of attitude which prevented also the earlier British Government in not doing enough for industrial labour and that is why today our industrial labour is both unorganized and also inefficient.

[Prof. N. G. Ranga]

Sir, it is in the interests of the industrialists themselves, if I may say so that our labour should be treated properly, should be able to look after themselves, should be helped to become more and more efficient. Then alone it will be possible for the industrialists to serve themselves as well as serve the country. Let them also remember that whenever we talk of industrialists or employers in India it is not only the private industrialist that we have in our mind. The State itself is being a bigger and bigger industrialist as well as an employer. The State today is responsible for employing more than over 2 millions of workers in this country and when the State comes forward with such a legislation, let it be taken that the State should and must have considered all its possible effects upon itself as an employer and as an industrialist and let not the private industrialist arrogate to themselves the privilege of speaking about the interests of the industrialists.

Shri B. Das: The State employer is wholly absent.

Prof. N. G. Ranga: It only means that the State employer is so perfectly satisfied with this and feels himself so completely safe in the hands of my Honourable friend as well as this House that he does bother to rise in his seat and oppose it, whereas my Honourable friend the absentee industrialist is so very keen and so much more keen about the industrialists themselves.

Then, Sir, there is this question of seasonal workers. So far as they are concerned, I am also anxious that the benefits of this Bill should be enjoyed by them, but just when, that is the point. Wherever they are employed they should benefit by this measure in a very short time. If you begin to provide these facilities for all these permanently employed workers you will be well on your way in getting all the information that you want in regard to the seasonal workers and that will help you indeed to extend the benefits of the Bill to the seasonal workers at the earliest possible moment and as you know only the other day the Factory Amendment Bill was introduced and for once indeed it has also made a revolutionary departure. Hitherto in the past in the Factory Act there was a distinction between perennial and seasonal factories and workers employed therein. This Bill seeks to do away with all these distinctions. Therefore it also helps us to get all the necessary information and will enable the Provincial Governments as well as the Centre hereafter to extend the benefits of this Bill to the seasonal workers at a very early period.

Then my Honourable friend Mr. Sidhva took objection to the inclusion of independent members in this Bill. I do not know whether he is acquainted with British labour legislation or its administration. There is an institution called Trade Boards in England. It was brought into existence in order to help and protect the unorganizable labour and they are known as sweated industries. One of the best means the British Government had felt at that time by this unorganizable labour could be organized would be to develop these Trade Boards. Just as it is here provided there is representation provided there for labour and for industrialists. Both of them are equally represented and in addition to that there are in England any how four or five independent members.

Mr. R. K. Sidhva: What about Independent members like Mr. Das? Where will he vote?

Prof. N. G. Ranga: I can only say this much. If my Honourable friend Mr. Sidhva goes to the Committee he will find Mr. Das there, after he has had his *khana* and then after he has enjoyed his *cheroot*, I am sure he would be able to take Mr. Das along with him wherever he wants to go.

Sir, I was telling you about what is happening in England. These independent members generally are those who are themselves interested in labour, who have been helping labour from the point of view of social service.

Take the settlements there,—the adult education centre, the workers' education centre and all these various educational as well as social and welfare organisations. It is these people who are employed in these various organisations who are being brought in there generally as independent members. In addition to that there are one or two experts who are well versed in the administration of these various Labour Acts and also the social institutions that are established by the British Government. Therefore this element of independent members has served a very good purpose in England, and that too not on the side of industrialists but on the side of labour itself. That is why I for one have agreed to the inclusion of these independent members in this particular scheme, and I can assure my Honourable friend Mr. Sidhva that if later on it were to be found that this element does not really work for the benefit of the workers I would be the very first one to join hands with him in asking Government to bring forward an amending Bill to drop this element of independent members.

Lastly, Sir, I have this to say in justification of this Bill. My Honourable friend Mr. Chaman Lal has already told you about the whole system of this Bill; so I need not go into that. And Mr. Shastri has given you the history behind this very idea, and I will therefore not touch on that. All that I have to say is that it is such a revolutionary Bill that any Government—and specially our Government—can surely be proud of it. And I sincerely hope that all the labour workers in this country will try to pay a little more attention to the organisation of agricultural labour, will come to organise them as assiduously and as spiritedly as they have been helping industrial labour till now. And I also wish to make an appeal to all the social workers in this country, particularly the Congress people themselves, to turn their attention to agricultural labour and organise them. And it is not going to be a very easy matter; it is much more difficult to organise agricultural labour than to organise industrial workers. It is indeed very convenient for you to remain in your cushy rooms in the towns and to go in the evening to the chawls and slums and other places of industrial workers and deliver a few speeches and commune with them for one or two hours and thereafter say to yourselves that you have done your duty by industrial labour or labour as a whole. It is not like that when it comes to organising agricultural labour; it is a very painful job. You do not get even proper food or proper matting to sit or lie down upon. These people do not even know what is meant by comfort, and naturally they do not understand your own needs of comfort. You have to put up with all the inconveniences of labour work among agricultural workers. There is caste feeling and there are so many other things also,—the wretched blot of untouchability against which Mahatma Gandhi worked so long and with such splendid results. Even then today there is untouchability strutting about our country and in our villages. You have got to overcome all these troubles and all these impediments and thereafter alone you can possibly bring these people together into one agricultural labour organisation and help them to realise their own responsibilities. And yet if we do not make haste possibly wrong elements are likely to make haste and get hold of these people, capture their minds, pervert their minds also, and turn them perhaps into a sort of menace to our national unity and national progress. Therefore if this measure is to prove really beneficial, as it ought to be and may be expected, to our agricultural labour, it is the duty of every one of us here in this House to do whatever we possibly can to help our agricultural workers to organise themselves.

Shri K. Santhanam (Madras: General): Sir, I have no doubt that the Select Committee have done really a good bit of work. We have in effect got an entirely new Bill and of course under the old usual rules it would have been sent for circulation. But I am not here to suggest that there should be

[Shri K. Santhanam]

any dilatory tactics. Therefore I want to offer certain observations on the merits of the Bill. I may say at once that I concede the necessity and desirability of a legislation for fixing minimum wages. In many parts of the country the wages are so deplorably low that any attempt to bring them up to a minimum is certainly worth making. Therefore I shall try to examine the actual provisions of the Bill, as to how far they will help the country to achieve this objective.

Sir, we have been having a lot of lecturing both by Mr. Chaman Lall and Prof. Ranga. They have spoken as if by this Bill we are enacting a charter of emancipation for the downtrodden workers of this country. I wish I could share their optimism; and if I thought it would really emancipate them as effectively as they expect I would have gone into greater raptures than they over this Bill. But what exactly does the Bill do? It proposes to authorise the Provincial Governments to fix minimum wages and appoint committees for that purpose. I think there is a confusion of ideas running throughout the Bill. They do not know whether they are enacting a measure for fixing minimum wages or for fixing wages. If it is a question of fixing wages we want a very complicated detailed machinery for each occupation, for each sub-occupation, for each village, for each district and for each province. But we do not want in this country one thousand or ten thousand kinds of minimum wages. I can understand a committee saying that there are broad classifications, half a dozen or a dozen, e.g., skilled and unskilled agricultural labour, artisan and semi-artisan labour, skilled and unskilled, etc.,—and then trying to have minimum wages fixed for broad categories, because the very principle of minimum wages is that the workers in each industry or in each locality should negotiate with the employers and get something more than the minimum wages. If the idea is that these minimum wages should be the wages the whole object of the Bill is defeated. But if you say that in each industry, in each occupation and even within each industry for every category of occupation there should be separate minimum wages—Prof. Ranga suggested that with various harvests there should be committees to fix separate minimum wages—the entire labour world and the business world will be more or less atomised. It will prove to be an engine in the hands of employers to defeat the labour world. They will say, "Your minimum is this and that, you have got one anna more than the other minimum, you have two annas more than the third minimum", etc. There will be so many standards and each industry will have a separate standard. I do not think that is the objective we should aim at. We should have broad categories,—urban workers, skilled and unskilled who should have this minimum of Re. 1 or Rs. 1.8 and rural workers getting so much minimum (about 8 or 10 annas) or something like that.

There should be other machinery for the negotiation and fixation of wages. When the Select Committee considered the Bill these two objectives, namely wage fixation and settlement of minimum wages got mixed up with the result that they have produced a very complicated structure, which I think may not ultimately prove very beneficial to the workers; it may, on the other hand, have the effect of dividing them into factions and sections, each vying with the other to get a little more. I think that is a matter which the Honourable Minister for Labour will have to keep in mind.

Then, Sir, Mr. Sidhva has already pointed out the complicated structure of these committees. Take for instance the Central Government. The Central Government is to have a committee of its own for dealing with workers in occupations controlled by the Centre. In addition to that there is going to be another body called the Central Advisory Board. I do not see how the

works of these bodies are going to be co-ordinated. I visualise a lot of confusion; and in a field where simplicity and speed are of the utmost importance we have brought about a very complicated mechanism which is likely to lead to delay and inefficiency.

I do welcome the bringing in of the agricultural workers within the scope of this Bill. In fact, I should have preferred that the whole Bill had been viewed by the Select Committee more from the point of view of the agricultural workers than of the other workers. So far as industrial workers are concerned, their conditions of service are regulated by Factories Act and other enactments. But the agricultural workers—especially landless workers are totally ignored. I, therefore, feel that suitable provision should have been incorporated to safeguard their interests. It is true they have been brought under Part II of the Schedule to the Bill; but in actual operation most of the provisions in this Bill may not be applicable to them. Take, for instance, clause 7, "Wages in kind". It is obvious that wages in kind have to be fixed by some machinery, but in many parts of the country there is no regularity as to whether a worker will be paid in cash or kind. During certain seasons of the year (for example, during harvesting season), he is paid in kind. In other seasons he is paid in cash. There should, therefore, be some flexible machinery by which this transformation of wages into kind and cash can be more or less regulated from day to day, from week to week and from month to month. As I understand the proposed machinery, it is an attempt to fix a particular stereotyped form of payment either in cash or in kind, or partly in cash and partly in kind, for a considerable period of time. I do not think any such rigid regulation will suit many classes of agricultural workers. What is really wanted is a sort of stable, but elastic machinery by which minimum wages can be settled periodically, not a machinery which will fix wages for four or five years. This machinery should also be based on territorial considerations, with a district or a province as the unit. The board (or whatever you may call it) will determine that for a particular period of, say, two or three months, no agricultural labourer shall be paid less than the amount fixed by it, either in cash, or in kind.

My own feeling is that the Bill as such can be easily adapted for the benefit of the agricultural workers. I do not know if this Bill was approved by many of the Provincial Governments which had the interests of the agricultural classes in mind. I would not be surprised if its entire operation were limited to the industries referred to in Part I of the Schedule.

Sir, in spite of all these defects I do support the consideration of this Bill, for we have to start somewhere. As I said it is not too early that a measure of this kind is introduced. I would, therefore, suggest to the Honourable Minister for Labour to have the defects which I have pointed out in view, particularly those regarding the committees. I would also urge that he should try to have separate provision regarding agricultural labourers which will deal with them in a realistic fashion.

श्री गोकुलभाई दौलतराम भट्ट : माननीय सभापति जी, जब से मजदूरों में जागृति आने लगी है और उनके नेताओं में उनसे ज्यादा जागृति आने लगी है, तब से उनके मुनलिक नये नये कानून बनने लगे हैं। और अभी अभी हम जो कि जनताकी सेवा करने वाले यहां आकर बैठे और हमारे हाथों में जबसे कारोबार आया है, तब से हम यह देख रहे हैं कि हमारे प्रतिनिधि जो सरकारी बेन्चों पर बैठे हैं, वह अगर धीमी गतिसे काम करने लगते हैं, तो सारी संस्था पर इलजाम लगता है।

[श्री गोकुलभाई दौलतराम भट्ट]

मैंने पहले ही कहा कि मजदूरों में जो जागृति आई है, उनके नेताओं में उनसे बढ़कर जागृति आई है, तो हमें भी अपनी रफ्तार बहुत तेज करनी चाहिये। और हमें थोड़ा बहुत सन्तोष भी होता है कि हमारे जो प्रतिनिधि और जिनको तर्जुबा है, वैसे प्रतिनिधि यहां बैठे हैं और वह भी अपनी रफ्तार तेज कर रहे हैं। यह एक सन्तोष की बात जरूर है और हम उनको धन्यवाद दें या हम खुद धन्यवाद लें, यह एक अगल चीज है। लेकिन हमें यह देखना है कि जो चीज हमारे सामने रखी जाती है वह मजदूरों के फायदे के लिये है या नहीं। कानून तो बहुत बन जाते हैं, लेकिन इन कानूनों को लागू करते समय, जो उनमें से फायदा पहुंचना चाहिये, वह फायदा सचमुच मजदूरों को पहुंचता है या नहीं पहुंचता है, यह देखना भी जरूरी है जितना कनन बनाना।

मैंने इसके लिये यह बात कही है कि अभी जो हमारे सामने बिल पेश हुआ है वह सम्पूर्ण तो नहीं कहा जा सकता लेकिन बड़े बड़े उद्योग धंधों में जो मजदूर लोग हैं, उनके लिये तो दूसरे कानून पहले ही बन चुके हैं और उनमें तबदीलियां होती रहती हैं। लेकिन जो बिल अब आया है वह ऐसा है कि जिस में छोटे छोटे उद्योग धंधों में काम करने वाले मजदूरों—मजदूर शब्द वहां इस्तेमाल नहीं किया लेकिन काम करने वाले ऐसा शब्द रक्खा है—तो उन छोटे छोटे मजदूरों का ख्याल और उनको कम से कम कितनी तनखाह देनी चाहिये उसका इसमें ख्याल किया गया है। अब जमाना और है। अब हमें छोटे से छोटे आदमी से लेकर बड़े से बड़े आदमी तक पहुंचना है और उनकी सहूलियतों को देखना है सुविधाओं को देखना है। और यह बिल छोटे छोटे उद्योग धंधों में काम करने वालों की तरफ जा रहा है इससे थोड़ा बहुत सन्तोष हमें होता है।

यहां इस बिल में एक चीज खासतौर पर हमारा ध्यान आकर्षित करती है और वह यह है कि सन् १९४६ में डाक्टर अम्बेडकर ने जो बिल पेश किया था, वह ऐसा समझ लीजिये कि एक साधारण नमूना था। लेकिन उसमें जो त्रुटियां थीं, उन सब त्रुटियों को दुरुस्त करने के लिये मिनिस्टर साहब के मातहत जो सेलेक्ट कमेटी बनाई उसमें यह बिल पेश हुआ और वहां बहुत कोशिश के बाद बिल सुधारा गया। सबसे बढ़िया एक दुरुस्ती जो वहां हुई, वह यह है कि “वर्कमैन” (workman) के बजाय “एम्प्लोयी” (Employee) शब्द रक्खा गया है। एम्प्लोयी शब्द अच्छा है। इससे यह हुआ कि जो कारकून था कल्क लोग थे, उनका भी इसमें समावेश होजाता है और मैं यह जरूर कहना चाहता हूं कि आजकल मजदूरों की जो पैदाइश होती है उस के मुकाबले में मध्यम स्थिति के कारकून हैं वह लोग कहीं घाटे में पड़े रहते हैं, और उन लोगों की तरफ हमारी तवज्जह नहीं जाती है। एम्प्लोयी (Employee) शब्द की इस बिल में व्याख्या दी गई है और उसमें ऐसे कारकून लोगों का भी

समावेश किया गया है और यह बड़े सन्तोष की बात मालूम होती है कि हाथपैरों से काम करने वाले, वह तो हैं ही उनको तो उठाना है ही, और उन लोगों की सहूलियतों को देखना है, लेकिन उसके साथ साथ यह जो कारकून लोग हैं और जो थोड़ा बहुत दिमागी काम करने वाले हैं और उनको तनखाह भी कम मिलती है उनकी तरफ हमारी नजर अभी तक नहीं गयी थी इस “एम्प्लोयी” (Employee) शब्द से उनकी तरफ जा रही हैं और उनको भी हम सहूलियत देने की कोशिश कर रहे हैं। तो यह एक खास बात है जो मैंने आपको बतलाने की कोशिश की है।

और ज्यादा क्या कहूं। हां यह बात ठीक है कि जो काम करने वाले हैं, उनकी तरफ ज्यादा ध्यान नहीं रखा जाता था, उनकी तरफ तो लापरवाही बरती जाती थी। अब थोड़ा सा वक्त के साथ यह पेन्डुलम (pendulum) दूसरे सिरे पर चला गया है और ऐसा मालूम होता है कि इसमें एम्प्लोयर के साथ बहुत कड़ी रख रखा गया है। तो बात यह है कि आजतक जो काम देने वाले हैं उन्होंने मजदूरों की तरफ कड़ा रख रक्खा है और अब समय आगया है कि जब उनकी थोड़ी चिमकी लेनी चाहिए और शायद इसी बात को मद्दे नजर रख कर उनके लिये कुछ ज्यादा सजा देने की बात बतलाई गयी है और इसी लिये ज्यादा थोड़ा कड़ा रख रक्खा गया है कि वह जल्दी से सीधे हो जाय और बदली हुई परिस्थिति को समझ लें।

इस बिल के बारे में काफी कहा गया है और मैं इस बिल को जरूर पसन्द करता हूं और इसका स्वागत करता हूं यह कहते हुए कि यह बिल मुकम्मिल और सम्पूर्ण तो नहीं है, लेकिन पूर्णता की तरफ जा रहा है।

श्री सन्तानम् ने कहा है कि इसमें कमेटियों की बहुत कुछ उलझनें हुई हैं, जब कमेटियां नहीं बनती हैं, तो हम इनके लिये चिल्लाते हैं और जब वह बनती है, तो हम यह कहते हैं कि हम कहीं इनके जाल में न फंस जायें। हम देखते हैं कि हमारा तर्जुबा क्या होता है और हमारे लेबर मिनिस्टर साहब देखेंगे और उसमें मुआफिक दुरुस्ती जरूर कर देंगे।

यह बिल जो हमारे सामने आया है, उसका हम स्वागत जरूर करते हैं। यह बिल छोटे छोटे धंधों में काम करने वालों के लिये मध्यम स्थिति वालों के लिये है और इसमें काफी गुंजाइश है। मैं मानता हूं कि हम जितना आगे जाना चाहते हैं, उसी मुआफिक हम आगे जा रहे हैं और इससे भी बढ़कर हमारी रफ्तार तेज होगी। यह बिल व्यापक है, जरूरी है।

मैं यह आशा करता हूं कि यह बिल मददगार होगा और हम इस बिल का स्वागत करते हैं, लेकिन बाहर की दुनियां और जो मजदूरों के नेता हैं, वह लोग क्या कहते हैं। हम तो यहां एक दूसरे की प्रशंसा करते हैं, लेकिन बाहर की दुनियां में अगर इससे सन्तोष होगा, तो सचमुच इससे जरूर फायदा होगा।

(English translation of the above speech)

Shri Gokulbhai Daulatram Bhatt (Eastern Rajputana States Group): Mr. Speaker, Sir, ever since the time of awakening amongst the labourers and their leaders who have relatively become more awakened, fresh legislations are being framed for their benefit. We people who are servants of the public have just occupied these seats and since the time we have assumed office, we are noticing, that if our representatives sitting on the Treasury Benches move slowly, the whole Administration is blamed.

I pointed out at the very outset that the labour leaders are far more awakened than the labourers, and consequently we should also move quickly. Further we do feel somewhat satisfied that those of our representatives who are present here and possess the requisite experience are also moving faster. It is surely a matter of satisfaction and it is a different matter whether we congratulate them or congratulate ourselves. But we have got to see whether the measure that is placed before us is at all beneficial to the labour or not. Quite a good number of laws are enacted. But it is all the more imperative that we should see whether any benefits envisaged in the Bills really accrue to the labourers or not. In this connection I have pointed out that this Bill which has been placed before us cannot be said to be a complete one. Many other legislations for the benefit of labourers employed in large factories have already been previously framed and changes are made into these from time to time. But the Bill which has now been presented provides that the labourers—the word ‘labourer’ does not occur anywhere, but the word ‘workman’ has been used, i.e., those workmen employed in small factories should be paid the specified minimum wage. Now the times are different and we have to look to the convenience of the highest and the lowest and to provide them with facilities. This Bill covers the case of workers employed in small factories and this gives some consolation. When we look into this Bill our attention is drawn to the Bill brought forward by the Honourable Dr. Ambedkar in 1946 which had no special features about it. This Bill was referred to the Select Committee under the guidance of the Honourable Minister for removing certain anomalies existing in it and after strenuous efforts, it was set right. The most important amendment carried out in this Bill is the substitution of the word ‘employee’ in place of ‘workman’. The word ‘employee’ is appropriate. This brings the office workers or clerks also within its scope. Further I would like to say that the office workers who fall within the category of middle class people generally remain at a loss, compared with their contemporaries who belong to the labouring class. Our attention is not drawn to them. The word ‘employee’ has been amplified in this Bill so as to cover the case of office workers also. Further it is a matter of great gratification that though they are not manual workers, their condition has got to be ameliorated, and this fact has to be looked after. But along with this we had not paid any attention to this category of office employees who more or less do brain work, and get less wages. This word “employee” covers their case and we are trying to give them this benefit. This is a special feature which I have tried to explain. I have nothing to add further. Of course, it is quite apparent that adequate attention was not being paid towards those who really work and were altogether neglected. Now with the lapse of this short period, the pendulum has swung to the other side and it now appears that a stiff attitude is being adopted towards the ‘employer’. The reason for this is that the employers have until now been treating the labour harshly and now time has come when they should be rigidly dealt with and it is probably after keeping this thing in view, that provision has been made to inflict severe punishment upon

them, and a serious view taken in the matter, so that they may soon be put on the right path and be made to adapt themselves to the changed environments.

Much has been said in connection with this Bill and I surely commend this and welcome it, with the feeling that though this is not a complete one, yet it is going towards perfection.

Shri Santhanam has stated that there are some complications in regard to the Committees. We clamour when the Committees are not set up, and when these are formed, we apprehend we may not be entangled. Let us see how things fare; Honourable the Labour Minister will surely look into it and make necessary changes. We do welcome this Bill which has been brought before us. The Bill covers the case of those employed in small factories and middle-class people and there is sufficient scope in it. I admit this that we are advancing as we ought to have and intend to accelerate our speed further more. This Bill is an obvious necessity. I hope that it will prove useful and we welcome it. But what are the reactions of the foreign countries and labour leaders? We indulge here in mutual praise, but if it satisfies the outside world, then surely it will prove beneficial.

Shri Biswanath Das (Orissa: General): Sir, I very heartily congratulate the Honourable the Minister for Labour for having piloted this Bill. My only difficulty is that the Bill has not been properly considered in Select Committee. My Honourable friend, Prof. Ranga, has already given an indication of the enormity of the scope and the expected functions of this Bill. While you were thinking for days and days together of labour or ordinary legislation affecting a few lakhs or of one or two millions of people, this is a legislation which affects crores. My friend, Prof. Ranga underestimated when he said that it might at best affect six or seven crores. I believe, Sir, being a person who first started Ryot organisations since 1920 feel that even in India, after the division of Pakistan and Hindustan, this Bill will affect no less than 10 crores of people.

A Bill of these dimensions and importance, I believe should have been considered more closely and more thoroughly than it has been done by the Select Committee. The Select Committee had hardly one month. I was a member of the Select Committee and I need not state the circumstances which prevented me from attending the meetings of the Select Committee.

Coming to the second point, that the Bill is the joint responsibility of the National Cabinet as a whole, I assume that the Government has launched this Bill, knowing its full implications. If you have to make it very useful and helpful to agricultural labour, then I am afraid, not only the Minister for Labour but also other Ministers will have to put their heads together and evolve something which will really help agriculturists and agricultural labour, because these are indivisible. The railways in India have not been helpful to agriculture. The trade policy of the Government of India was not helpful to agriculture and above all the financial policy of the Government of India had ever hardly helped agriculturists much less agriculture.

Need I also state that the Reserve Bank and the Imperial Bank of India have only helped to take away the raw materials as cheaply as possible without helping our biggest industry—agriculture.

Therefore, unless all these Ministers put their heads together, I do not believe that they have launched this Bill with a realization of its full implications contemplated in this legislation.

I welcome the measure as I have welcomed three other measures that my Honourable friend has launched.

[Shri Biswanath Das]

For the first time in India an attempt has been made by Government to give some protection to agriculture and agricultural labour. When you want to protect agricultural labour you are bound to protect agriculture. In that view, though not directly, but indirectly, agriculture, I feel sure, is bound to be benefited and to that extent also I congratulate my Honourable friend for having thrust indirectly upon his colleagues the need for the protection of agriculture.

There is one question which I am unable to understand. You conceive and produce a child and throw it on the provinces for nursing. I must confess that I fail to see the implications of this. As I have already said when you talk of agricultural labour you necessarily talk and think of the agriculturist and that in its turn implies agricultural production. If you have to fix minimum wages you have to realise the difficulties under which you are labouring. The country is mainly agricultural: there are not many industries. Even in agricultural areas you cannot have equality of wages, not even in a sub-division. Wages of agricultural labour means that it is the land that will have to bear the burden of the wages. Therefore all these problems ought to have been discussed before a Bill of this magnitude is launched. I would be sorry if my Honourable friend has not consulted the provincial governments. I have not got the views which the provincial governments have placed before him. Even after passing this Bill there is a lapse of two or three years and I would appeal to the Honourable Minister to take the provincial governments into his confidence. I do not at all share the view of my Honourable friend Mr. Sidhva when he does not want to confide in the provincial governments. There is no reason for me to feel that I am more patriotic and my friends in the provincial legislatures or the provincial ministers are less. It is absurd and a position which is untenable. I would appeal to my Honourable friends in this House and also to you, Sir, not to be swayed away by such suggestions. They are as patriotic, need I say, may be more patriotic than myself. They are the people who have to face the difficulties. They should therefore be consulted and taken into confidence. This Bill makes the provincial government the arbitrator between labour and the ryot, if I may describe him as such. I know in certain provinces there is a tendency to have small holders. Some have on the anvil legislation to break up the bigger holdings, not only to liquidate the zamindars but also to discourage concentration of holdings and to see that smaller peasant proprietors are encouraged. If that is so, the ryot himself becomes the labourer. That is so already in most cases. To illustrate my point—in agriculture seasonal rain counts for every thing, though it may sometimes disappoint us. In the case of six or seven weeks of continuous rains the smaller cultivators finish transplanting their lands and become labourers themselves in other fields. Even the middle-sized farmer, after finishing his own, goes to help others. I know of villages where exchange of labour comes in as a sort of barter. This Bill brings in revolutionary changes. In the first place it supplants fixed wages for customary wages and customary service.

Shri M. Ananthasayanam Ayyangar (Madras: General): It is optional.

Shri Biswanath Das: You may say today that it is optional but things will act and react soon once the Bill is passed. That being the position, this will necessarily break up the existing state of things. Break will come and is bound to come. It is a social revolution which you have to face and I am not at all unwilling to face such a situation. I have made my position very clear to the Honourable Minister and I quite appreciate his views. That is the reason why I said that the Nehru Ministry is more socialistic than the socialists themselves. I admire and advocate social legislation. I want to see the status of the ryot and the agriculturist improved. No one was happy when the foreigners carried away our raw materials very cheap in the name of trade.

To that end I would support any legislation that goes to improve the condition of labour and the agriculturist. Here again you have to make a distinction in the sense that there are certain commodities which we produce and export and certain other commodities which we consume ourselves. In regard to those commodities which we export this Bill is a boon, in the sense, that it will raise the cost of production and add to the wealth of the country. I want the Government of India to take a fair share of their responsibility. It is they and they alone, not the provincial government, who can say what is the fair price or the fair wages in such cases. No provincial government has machinery to know that. The Government of India have this information which the provincial governments have not. Why do not you therefore face the situation yourself? Having conceived and produced the child, nourish it yourself. That is my position.

As a Minister in charge of land legislation, I had to take statistics. I took a census of certain specified areas, where there were settlement officers. Calculations and accounts revealed that holders owing and cultivating land 10 acres or less constituted about 85 per cent. and holders of 20 acres and less constituted about 95 per cent. If that is the picture, there is hardly any difference between the agriculturist and agricultural labourer.

[At this stage Mr. Speaker vacated the Chair, which was then occupied by Mr. Hussain Imam (one of the Panel of Chairmen).]

It is impossible for a cultivator holding 10, 15 or 20 acres to keep accounts. He is neither trained nor accustomed to do it, but you thrust accounting on him. He pays wages to labour. But he pays in kind whenever payment in kind is available, that is in production season. Sometimes he pays even in the shape of the harvested commodities. Very scarcely does he pay in money. That being the position, to expect accounting from him would certainly be cruel. The Act provides penalties. I appeal to the Honourable Minister to consider and see whether the village rivalries, as they exist today, will not be magnified and whether or not resourceful people in the villages will not make use of these provisions to harass one party or the other.

I have one other objection and I should state it. The Bill divides itself into two parts. The first relates to industrial labour. I have no objection about that part of it. I would agree with all my friends so far as industrial labour is concerned. But I believe that a separate legislation, a separate Bill, would have been beneficial to agricultural labour. Even now, let us pass the Bill. But I would appeal to the Honourable Minister in charge of the Bill to keep in mind whether or not he should give more thought to it. I would ask him also to take the Provincial Governments into confidence. Because of its enormity, its usefulness and of the other elements that are necessary he should bring in a separate legislation for it in a shape which you and I would heartily and willingly welcome and co-operate. You have to do this if you mean making this really useful and helpful. In my capacity as Minister some lady friends approached me to pass an anti-dowry legislation. When I approached other institutions they told me "well, it is not anti-dowry legislation that will help us; the need of the hour is finding of bridegrooms for which we have to borrow money from the *sowcar* at a high rate of interest and pay this in instalments". Let not this legislation share the very fate that was depicted to me.

Sir, you are thinking of minimum wages. You are fixing minimum wages. Need I say that this minimum will be your maximum and will be a never reaching maximum unless you take certain other steps? What are those steps? You know your country. You know the conditions. There are certain seasons and agriculture is confined to seasonal rains. For about six months in the year, especially from January to the end of May—say five months—most

[Shri Biswanath Das]

of your people remain idle and have no work. Anything will be acceptable to them. When I am hungry I will go in for any wages. Your legislation will not help me. Therefore Government should take upon themselves a programme of work, as they have already taken a big programme of irrigation, such as those of village industries, hand industries and the like. Unless they do all this in a wider and greater scale to see that employment is offered to the people so that the economic forces are made to act and react to stabilise, settle and effect wages, this so-called fixation will remain only a fixation on paper. I welcome the Bill, but I want Government to take their full share of responsibility. I want Government to provide possibilities and opportunities for labour to find a call everyday so that the employer will go to the worker's home and the ryot will approach the worker. Then the wages will work and re-work, act and react and adjust themselves. Thus could you make this Bill effective and the name 'minimum wages' will justify itself and add to the happiness of the country bringing greatest good to the community. Otherwise it is bound to remain merely on paper.

Mr. Naziruddin Ahmad (West Bengal: Muslim): Mr. Chairman, Sir, I rise to support the principles of the Bill. In doing so I must not be blind to the fact that the Central Government is concerned largely with pious wishes. The real test of the pudding will be the ability of the Provinces to bear the strain. As has been aptly pointed out, the Central Government after a period of gestation for twenty years has produced a child and it is being moved on to the Provinces to nurse. The question does not depend upon pious principles. It is not a fight between Mr. Das on the one side supporting the case of the capitalists and industrialists, and those Honourable Members on the other who support the case of labour. The question depends on the merits of individual industries and concerns. The whole question must depend on the ability of each industry to support the increased cost of labour and the ability of labour to increase production. It is upon the action and reaction of these two forces that the success of this scheme will depend.

Coming to agricultural labour I fear that there might be some difficulties there. We know that agricultural land is a provincial subject. We also know that in the Provinces agricultural laws are being passed. In Bengal, agricultural land is let out to sub-tenants on a half and half produce sharing basis and it is proposed that they would get about two-thirds of the produce. There are other legislations for acquiring by the State land belonging to the middle class tenants and letting it out to sub-tenants. In these circumstances I fear there may be a clash between the present Bill so far as its application to agricultural labour is concerned and the agricultural laws which are developing in the Provinces. In fact it is that which has got to be kept carefully in view and, if necessary, the law amended to suit the circumstances of the case.

With regard to agriculture there is another difficulty namely that most of our agriculturists specially in Bengal are middle class people. They are not like large industrialists with big capital at their command. They are small middle class tenants and the cost of labour has already risen so high that agriculture has ceased for the middle classes to be much of a paying proposition. In these circumstances perhaps we are thrusting upon the middle classes a system which they cannot bear and possibly they will have to go out of existence altogether. The application of the melodious principle of minimum wages to the agricultural labour should be carefully watched and should be adjusted to local circumstances.

There is one clause which has led to some controversy. It is clause 23. It is the exemption of an accused person by his being able to produce a suitable scape-goat. Clause 23 says that if a man is made an accused and if it is proved that an offence has been committed, he will be saved if he can find a

suitable victim or accomplice upon whom responsibility could be successfully fastened. That is a most dangerous principle to enact. In fact an accused person who is going to be convicted, if given the option of buying his immunity by finding a scape-goat, it would amount to asking him to manufacture false evidence. In fact we know such a thing as jail editors. In old times editorship meant some trouble and there was such a thing as a dummy editor who was only to admit editorial responsibility for some editorial mischief and go to jail as the writer's substitute. The real writer remained behind. The effect of clause 23 would be like this: a big employer violates the law and is prosecuted and the case is proved against him; he finds he is in danger and he will employ a dummy, a man of straw and he will manufacture evidence to get him convicted; perhaps the dummy would be a willing partner in the business, and if a fine is imposed, it may be that he is insolvent and the fine could not be recovered, and if he is imprisoned, he goes cheerfully to jail saving the really guilty man. Diwan Chaman Lall, for whom I have the highest respect, has spoken against this view. He says that clause 23 enacts a very good principle. He thinks that if a man is honest, he should be able to prove that somebody else has committed the crime and he should be allowed to go scot-free. The whole thing is begging the question. If a man can show that he is honest or that there is even a doubt about his guilt, he would not be convicted at all. His acquittal must not depend upon his ability to fasten the responsibility upon somebody else. If this principle is once allowed and extended to other spheres, then every murderer, every thief, every dacoit, every robber, should be given the same opportunity because the same argument of honesty and innocence should be made applicable to him also.

Prof. Shibban Lal Saksena: Proxy. It is given in Nepal.

Mr. Naziruddin Ahmad: So an offender, if he is allowed a proxy, as has been pointed out by Professor Saksena, that proxy can be easily procured. If there is a murderer—there is one who committed a murder recently here—if he can show that somebody else has committed the murder, then he will get away scot-free. If we once admit this principle, there is no reason why it should not be admitted to other cases. But the principle is a startling principle altogether. So I submit that clause 23 is a most mischievous clause. It will invite encouragement to the manufacture of false cases. By this law, a man who is going to be convicted, will be invited to manufacture false cases. I do not think that such a thing should be encouraged at all.

I generally agree with the principles underlying the Bill, but much will depend upon the ability of the employer and the employed to bear each other's burden.

Now I have certain other suggestions to make in connection with the Bill of a drafting nature. Unfortunately I have stood up in this House on too many occasions with drafting amendments. But I submit they are as important as amendments of a substantial nature. Yesterday we had the experience of a draftsman who used certain common words in the midst of a sentence beginning with capital letters. They were ordinary common words, common nouns, adjectives and others, but they were spelt with capital letters at the beginning. He capitalised common nouns. Perhaps he was a capitalist. But today we find that there is an opposite tendency. I find there is the expression "appropriate government". The word 'Government' should begin with a capital letter in this case. I have found that on thirty different occasions, the word 'Government' has been used with a small letter.

The Honourable Shri Jagjivan Ram: Beginning an end of capitalism.

Mr. Naziruddin Ahmad: Capitalism is largely gone in this Bill. But I find that in two places he has returned to capitalism and he has capitalised the word 'Government'. This is midway between capitalism and nationalisation which is like mixed economy. There are clauses wherein some other words which should begin with capital letters, as for instance the words 'committee' and 'sub-committee' in clause 5, actually begin with small letters. But the same words in clause 6 and clause 7 begin with capital letters. So here the principle of mixed economy prevails. In these circumstances I shall take the opportunity of making some drafting suggestions. In fact the word 'Government' should begin with a capital letter, if by Government is meant Government established by law. If by the word 'government', we mean the act of governing, it must begin with a small letter. That is common sense. But there has been no uniformity. My suggestion is—either make 'Government' begin in all cases with a small letter—let the Government look small—or, if you like it to begin with a capital letter, then let it begin with a capital 'G' in all cases. There should be some uniformity. The same thing applies to the word 'sub-committees'. Then in certain clauses—clauses 20, 21 and 22—there has been set up an 'Authority'. The word should begin with a capital letter. The word appears many times there, but the word begins with a small letter in all cases. I find in clause 2 the "head of the Department" is mentioned. Here the word 'department' begins with a capital letter. So I find the Department is bigger than the 'government' itself. That also perhaps agrees with the real state of affairs. Some of the heads of Departments are all in all and they dictate policy and somehow or other the Ministers have to support them. The 'government' in this Bill looks smaller than a Department. There is a tendency in the ministerial circles to uphold the dignity and prestige of the draftsman, although they may be wrong. When a mistake is pointed out, no castigation is meant beyond saying that to err is human. The responsibility of draftsmen is very great. This Bill, and the two other Bills where there were similar mistakes, had come through Select Committees.

The Honourable Members' attentions were not drawn to the serious state of affairs. Otherwise, the eminent members of the Select Committees would have been very glad to correct them. They have a right to rely upon the Ministers and Ministers should make it a point to make the draftsmen do their job well and justify their pay. They are drawing fat salaries not for doing the work in the way they have been doing, but they should do their work properly and Bills should be carefully revised. In fact, when an Act goes out to the public they would have a right to expect a high standard of draftsmanship and if there is bad draftsmanship we shall be blamed. I only desire that some humble workers like me—there are a few other workers also—would not like to take the responsibility of bad draftsmanship. I want to wash my hands entirely clean of bad draftsmanship. The effect of bad draftsmanship I have seen. Lawyers, judges and litigants have frequently abused the Legislature for passing badly drafted laws. So I should think this is a time where draftsmanship should be improved. Yesterday we allowed a large number of mistakes willingly to go in without challenge. Perhaps it is all due to hurry. It was explained yesterday that the matter was in consideration stage for twenty years and after long last a Bill has been prepared and the Bill has come out from the Select Committee and then suddenly it is thrown upon the shoulders of the members, as it were. There is hardly any breathing time to go through them. In these circumstances, I shall make necessary submissions in proper time. I hope those will be carefully considered, and if necessary, accepted.

Shri C. Subramaniam (Madras: General): Mr. Chairman, Sir, I welcome this Bill even though I am neither a labour leader nor a Kisan leader. I welcome it because it is a measure which, along with the two other measures that we considered a few days back, gives an assurance to labour that the

Government on their part are doing their best to protect and safeguard their rights, whatever might be the attitude of the employers. With this assurance, I hope the labour would realise that they, also owe a duty to the community, namely, to step up production at this critical juncture when we are short of every essential goods.

Sir, this is the first measure which deals with agricultural labour. Some members thought that as far as agricultural labour was concerned, action might be delayed, and indeed the Bill also tacitly admits it by providing that the time-limit to give effect to this law for agricultural labour will be three years whereas for industrial labour it will be two years. I can tell you, Sir, that the problem of agricultural labour is also becoming more and more acute and difficult. In my own Province of Madras, it is really a big headache to the Provincial Government. Every harvesting season there is a dispute and the labourers refuse to go to work unless a certain amount of wage is paid and either a Minister or a high official of the Government has got to run to that place, bring about an *ad hoc* settlement, fix the wages and ask the labourers to go for work. This is the state of affairs going on in Madras and I suppose it is also the case in other Provinces. As a matter of fact, we have been requesting the Provincial Government that they should set up some machinery to fix the wages of agricultural labour also, but so far they have not taken any action. I therefore feel sure the Provincial Governments would welcome this measure because it creates a machinery by which a minimum wage can be fixed for the agricultural labour in all its categories.

Then, Sir, my Honourable friend Mr. Santhanam pointed out that the procedure laid down in this Bill is too complicated. I respectfully beg to differ from him. The procedure for fixing minimum wages is laid down in Clause 5. Two methods are suggested there for the Provincial Governments. One is, you appoint a Committee to advise you. The other is that by notification in the official Gazette you publish your proposals and ask for opinions from persons affected thereby. In cases where you appoint a Committee, the Clause also says that for different localities there may be different Sub-Committees. On their advice, and in the other case, after the publication of your proposals, you can fix minimum wages. That is all that is laid down. I do not see what complication there is in this procedure. In the case of fixation of wages, especially in regard to agricultural wages, it has to apply all over the country. Therefore, there can be no inflexible rule and flexibility is given in Clause 3, so that in fixing wages various local considerations may be taken into account. Then Clause 6 is there relating to revision of minimum wages and for that purpose there are Advisory Committees and Sub-Committees. Then we come to Clauses 7 and 8 relating to a Provincial Advisory Board to assist the Provincial Government and a Central Advisory Board to advise the Provinces. The other Clauses relate to the mode of enforcement of payment of minimum wages and the penalties for contravening the provisions of the Bill. So I fail to see the complexity in this Bill. I think this is a simple measure which should be welcomed, and welcomed not only by the labourers but also the land owners as far as the agricultural labour is concerned, and also by the other industrialists.

Then some criticism was levelled against the provisions in Clause 23 by the previous speaker. Clause 23 is necessary because of the comprehensive definition of "employer" in Clause 2. Let me read the definition:

"(e) 'employer' means any person who employs, whether directly or through another person, or whether on behalf of himself or any other person, one or more employees, etc., etc."

Now, I own some land in Madras. I am residing in Delhi. If on my behalf, my agent is employing certain labour in Madras, I am an employer under this definition. Supposing my agent is not honest, I may be hauled up and I may be convicted. Supposing I appoint an honest agent, and instruct him to pay the minimum wages and provide him with sufficient money, even in that case,

[Shri C. Subramaniam]

in terms of this Bill, I am liable to be hauled up for the dishonesty of my agent. Then, is it not open to me to say, "As far as I am concerned, I am honest and I have taken the precautions necessary and it is only my employee, the agent there, who has misbehaved"? Therefore certainly it is only in cases where this vicarious liability is sought to be fastened upon a person the saving clause comes into effect and sufficient safeguards are given so that persons may not evade the law because the onus of proving that he has used due diligence to enforce the execution of this Act and that the said other person committed the offence in question without his knowledge, consent or connivance is on the accused person. Further the witnesses produced by the accused are liable to be cross-examined not only by the actual offender but also by the prosecution. In these circumstances the analogy of a murderer and a proxy is misleading. Clause 23 is really necessary considering all these things. I feel it is a very wholesale measure and it would be welcomed not only by the labourers but also by the industrialists and the landlords.

Prof. Shibban Lal Saksena: First of all I congratulate most heartily the Minister in charge of this Bill. The Bill I must point out is a completely changed Bill and I know from my experience in the Select Committees that the credit for this should go to the Minister himself. He is very jealous when an attempt is made to change the Bill. So if the Bill has been changed completely, I am sure the Minister should have agreed to change it and that is why it has been a changed Bill. I must say at the outset that this Bill is one which supplies a very long felt want. The result of the Bill, I am sure, will convince all those friends of mine who have surprised me by criticising it. I never thought that anybody could criticise this Bill but this is a Bill which has been long over due. Everybody knows that there are about 10 crores of agricultural labourers and their condition borders on serfdom and if this Bill is trying now to give them some measure of legal protection by which they can have at least some decent wage, if not a really living wage, I think we are doing something which America did a century ago when it abolished slave labour. Actually so many people in the villages are slaves. For two rupees even now the people work for the whole month and sometimes the accounts go on gathering and when the man leaves the master he will simply be told: 'You will have to pay so much'. In every way he is a slave; he cannot leave; he will not get a single pie, probably only whatever his master pleases to give him in order to keep him alive. So I am very glad that this Bill has come. This Bill will now be said to be the Magna Charta of those people. People have said that it is very difficult to apply it. In fact it is now our work, the work of the workers among the labourers and agriculturists who will see that they are made conscious of their rights and that they get these rights. Now we have got something to hope by and I am sure if this becomes a Law then we shall see that it is enforced. The Government will themselves find that those people who have come to know that they possess rights under the Bill will demand and get them. Some of my Honourable friends here said they were non-violent people and this was a very violent measure. I want to tell them that the Prophet of non-violence whose death we are still mourning, he wrote not today but 12 years ago in 1936 and I would like to quote what he said. It was on February 1, 1936 and he wrote on Sweated Labour. He had seen the article in the *Modern Review* of Mr. Keenan, Manager of Tatas and he pointed out that then the contractor's cost had some fall in the price of ore. The wages were three annas in a concern like the Tatas where millions and millions were employed and to pay three annas to the labourer was something extraordinary. In those days Mahatma Gandhi had introduced an experiment in the All India Spinners' Association. They paid only one anna six pies, or two annas per day. He had made an experiment and had insisted that *khadi bhandars* must pay at least eight annas per day.

MINIMUM WAGES BILL

result was that in the *bhandars* the wages of the sisters were raised up to six annas and he was trying to get it raised to eight annas. In that connection he says:

"The *Modern Review* for December 1935 contains an article by Mr. Keenan, General Manager, Tata Iron and Steel Works, which shows that sweating exists in India in quarters unsuspected by us. *Khadi* movement for the first time revealed the extent of unemployment in the country and the length to which the unemployed were prepared to go in order to earn a wage, no matter how sweated it was. But Mr. Keenan's description of the conditions of the labourers on the iron ore mines shows that even *Khadi* though it gave a sweated wage, offered it under better conditions than those under which the 19,000 odd labourers on those mines are getting it. Writes Mr. Keenan:

"A short time ago, I went on a trip to the Mines. We have saved a lot of money by letting out contracts on the tender system. In fact, the cost of mining ore at one of our Mines had dropped from annas fourteen to annas seven, but I might tell you that I have found out, on enquiry, that the average wages of labour at one of our Mines has dropped to three quarters of an anna per day. The price of rice has dropped a good deal I know. But at the same time I cannot say that the wages that our contractors are paying at the mines is any credit to the Tata Iron and Steel Company and it is high time that we took some drastic action to ensure to the workmen a wage sufficient to keep their bodies and souls together. For the past three weeks, Mrs. Keenan has been impressing this fact on my mind morning, noon and night. While we were at one of the Mines, a girl who was about eighteen years of age, carrying a baby in her arms, who could not be over two months, stopped my wife's trolley. The girl's breasts were not only useless but they were sagging. Although my wife could not understand the *Koli* language, even an amateur could gather that the woman was trying to show that her child was starving and pointing to her belly, that she also was lacking in food and illustrated the child's condition by lifting one of her breasts. Instead of the child being appeased, although it appeared to be receiving milk, it kept on crying, which only emphasised the fact that there was no milk in that breast.

We can cut down our costs in the works. Let us by all means not imitate Mr. Woolworth and have all our goods in display in Jamshedpur but let us also think of the aborigines who live back on the hills many of whom live on top of the ore properties which we now own and whose ancestors have lived there for centuries. Let us realise this fact and ensure that these workmen get a living wage.

Above all, there is a crying need for the awakening of public conscience in the matter of giving wages for all labour. Let everyone, whenever he has directly to deal with labour, voluntarily or involuntarily refuse to accept that labour until the labourer has been paid a living wage for a day's work. Mr. Keenan's article should be an eye-opener not only for the Tatas, but for everyone who should refuse to accept sweated labour of any kind whatsoever."

With reference to my Honourable friend Mr. Das who claims to be non-violent and here he must refuse to take any article if he knows that the labourer has been paid a sweated wage. In fact some friends have said that every industry will have to decide what wage it can pay. I contest that. I say the principle is this. You shall not pay anybody a wage on which he cannot make his living. He must be paid a minimum wage, if not a living wage, a living wage on which he can fill his belly. Mahatma Gandhi has said it must be our moral duty and we must refuse to accept any article which has been made by sweated labour. In fact when the All India Spinners' Association was started many *Khadi bhandars* said we will not sell *Khadi*, but he insisted and ultimately he succeeded and now *Khadi* spinners are getting a much higher wage than they were getting before.

Mahatma Gandhi wrote the following article under the caption "Duty of *Khadi* Wearer":

"Difficulties in the path.—I have before me several letters, some protesting against the constant rise in the prices of *Khadi* and some piteously appealing to me to show the way to poor middle class people for buying dear *Khadi*.

The All-India Spinners' Association exists only for the betterment of the *khadi* producers, the majority of whom are poor women spinners. I hold that the Association cannot be satisfied till every woman who puts in an honest hour in spinning gets one anna per hour. We are on the point of reaching half an anna per hour and if the consumers and the Congress

[Prof. Shibban Lal Saksena]

Governments do their duty, the Association expects to give the anna per hour much earlier than most people expect.

Before the new policy of the Association was laid down, its aim was to cheapen *Khadi* mostly in disregard of the wages of the spinners, the most helpless artisans, perhaps in the world. This continued for nearly a decade. It was a mistaken policy, but the mistake was conscious and based on faulty reasoning. I must take the largest share of the blame for the mistake. *Khadi*-weavers had the sole benefit of the mistake. Is it right for them to complain when the mistake is being repaired and the spinners are gradually being paid what is their due.

The Association has expected hearty co-operation from the *Khadi*-wearers, and I am glad to be able to say that on the whole the increase in the price of *Khadi* has not been resented by them. Many consider it a privilege that they are partners in the tardy justice that is done to the dumb sisters whose need is infinitely greater than that of the wearers of *khadi*."

Therefore, Sir, I wish to point that those people who think there is some new principle are wrong. It is a principle laid down 42 years ago and now the directive to all Governments that they may introduce this legislation has gone and I am glad that they have done it and I hope the whole House will give the Honourable the Minister full co-operation as also I hope those friends of ours who had some fear that it was something new, an Utopia, for the workers. It is not an Utopia and the labour conditions of our country are bordering on slavery and by this Bill we will only be making them a little better. We cannot raise their wages only without raising the general standard of living all along in the country. So we will have to go slowly but I do agree that this Bill is a very important Bill and I know the Honourable the Labour Minister will have the blessings of eleven crores of people—ten crores agricultural labourers and one crore industrial labourers. Another aspect of the case has not been realised. People complain of paying more but people forget that by paying more they will get more work. You know the Punjabis have come from Pakistan and it is surprising what an amount of work they can do. If you employ a Punjabi labourer he will in one day do the work of eight labourers. Of course you will have to pay more, perhaps twice or thrice. But by paying that you will get eight times the work done by an ordinary worker. Therefore if you pay more you will get many times the amount you pay. So in actual practice you will find that it is not dearer but cheaper to give that minimum wage; and with a contented stomach he will turn out better work in eight hours than he would turn out in twelve hours with an empty stomach. I therefore think that this is a very essential measure which will be as good as the measure which abolished slavery in America. It will really abolish slavery here because once we get a charter we shall see that it is applied. Some Honourable friends expressed apprehensions that Government shall not have the machinery to apply it. That is not true. I know the rural areas and all my life I have spent among the agricultural workers; and I know that if only we had some such law all these years there would not have been this difficulty. In the last inquiry committee about sugar while we were fixing the minimum wage the only argument advanced was that if a worker can be had for two or three annas a day we should not pay him five annas. Now that argument will not be possible because agricultural labour will have the same living wage as industrial workers in those areas. And I hope that this argument that has so far been advanced by industrialists will also be advanced no more. In fact if ten crores of our workers who will be benefited by this get even double of what they are getting I am sure we will transform the whole surface of the country. This measure may sound revolutionary today but when it is put into force I know it will really be a very beneficial measure which is worthy of the times in which we live.

Sir, much has been said about clause 23. I also feel that clause 23 should not be here; but one thing has to be considered. This is a new Bill which will apply to about 11 crores of labourers; and I think that at least in the very beginning we may go slowly. So if in the actual working of the Bill we find in the first or the second year that this clause is being abused we can certainly remove it. But in the very beginning I think it should not be objected to as a revolutionary measure of this kind should not be rushed through in a manner which will defeat its own purpose.

I therefore fully support this Bill. I am glad that I am able to support the Honourable Minister in every respect with regard to this Bill. Only one suggestion I have to make. In part I of the Schedule there are about 12 items given. I would like to suggest some more, specially press, paper, pottery, timber, etc. I know that the Provincial Governments are given power to add to the Schedule, and so there is no reason to be very argumentative about it. And I think that if our Provincial Governments are approached by the workers in these industries they will see that these are included. So I hope that these other industries I have mentioned,—paper, press, pottery and timber—will be included.

An Honourable Member: The question may now be put.

Mr. Chairman: The question is:

"That the question be now put."

The motion was adopted.

The Honourable Shri Jagjivan Ram: Sir, the measure before the House has been so closely analysed that my task of giving a reply has been lightened to a very great extent. There are some people in this world who are superhuman, in the sense that it is human nature that if somebody tries to do good to a person, that person tries to do good to him. But there are some persons who even if they are harmed by some one, they try to do good to him. My Honourable friend Mr. Das belongs to this latter category of superhuman beings. He began by saying that the Bill tries to bring in Utopia. I do not know how to characterise my Honourable friend Mr. Das, whether he is after Utopia or Utopia is after him. But in any case he has not only realised Utopia but he has begun to give proofs that he is living in Utopia. I am justified in saying so because my Honourable friend Mr. Das comes from Orissa; I wish he had some knowledge of the condition of labourers in his own province and of the anxiety of his own Government to do something in the matter; specially of his Labour Minister who is so anxious to do something for agricultural workers, more so because agricultural operations in a large portion of his province have practically come to a stand-still. I wish my friend Mr. B. Das has realised that position before blaming the Government off and on for bringing measures before the House which are likely to affect the industrialisation of this country. Some Honourable friends have remarked, and Mr. Das himself said, that he is not an industrialist; therefore when Mr. Das gives proof of his overflowing sympathy for the industrialist class I place him in the category of superhuman beings.

Anyway, Sir, how is this Bill going to effect the expansion of either industry or agriculture in this country; one must analyse that. Some friends remarked that my colleagues who are in charge of the employing departments of the Government are not here. But let there be no misunderstanding that this Bill does belong only to the Labour Minister. It is a Bill of the Government of India. Let there be no misunderstanding that any particular Minister, who brings in a Bill is alone responsible for it. The entire Government and all the Ministers are responsible for that. And if today, I am in charge of this Bill, it does not mean that it belongs to the Labour Minister. It belongs to all the Ministers.

[Shri Jagjivan Ram]

But the Labour Minister's responsibility is not only to see that the condition of the labourers are improved. His responsibility is equally with the other Ministers, who are in charge of the employing departments, to see that the industry in this country expands, and I may assure my friends that it is equally my responsibility to see that the wealth of this country increases because unless the wealth of the country increases, I will not be in a position howsoever might be my concern and anxiety to improve the lot of the working classes to do anything concrete in that direction. So I will be going against my profession and my interest and anxiety for improving the condition of the working classes if I bring forward any measure which is likely, even in the lowest degree, to adversely effect the expansion of either industry or agriculture in this country. But when I support this measure, I am doing this because I am convinced that this measure is bound to help in the industrial expansion and in the increase of products and I wish those friends who are sceptical about it to realise that position. They should appreciate that position.

How is it going to effect industrial expansion? Today there is a cry for more production. For, production certain conditions are necessary. We require efficient machinery; we require implements; we require capital; and above all these things one special factor without which all these factors will be useless, is the human factor. You cannot ignore it. Up till now, even in the matter of agriculture, we have been insisting that there should be facilities for irrigation: there should be facilities for improved implements: there should be facilities for procuring manures for the cultivators: there should be facilities for procuring better seeds for the cultivators. But nobody has so far taken into consideration that human factor without which all these facilities to the cultivators will not add to increased production of agricultural goods.

I wish my friends who raised the question of various tenancy legislation in the provinces could realise one factor which is so important—more important than the products which we manufacture here either for our own consumption or for exports. We can do without export. We can do without certain other manufactured products which contribute to our luxury. But we cannot do without increasing the produce of foodgrains, without which we cannot survive. I do not want to labour this point in greater detail, but in passing I may say that we cannot depend for all times to come on import of foodgrains from other countries. We will have to increase our agricultural products to maintain our country and to survive.

And how is that to be done? I would ask my friends interested in agriculture and who have opportunities to live in villages, to watch two plots of land, one belonging to the person who works in the field himself and the other belonging to a man who engages hired labour to do his cultivation. If statistics were to be collected and if it were to be computed that per acre there is an additional yield of at least one maund in the plot which is cultivated by the owner himself, one cannot imagine what a colossal loss of foodgrains we are incurring every year.

And how and why does it happen? Because the wages we still pay to the agricultural workers is inconceivably low, because he is not interested in the field. He has nothing to do with the produce in that field. He knows whether there is a bumper crop in the field or a famine he is not going to get more than 2 or 1½ seers a day for his hard labour in that field. And in cultivation if a plough goes a few inches deeper there is naturally more yield than if you simply scratch the field. And what interest has the labourer to utilise all his strength in order that the plough-share may go a few inches deeper? He knows that even if he scratches the land he will get the same wages. Then why should he work harder? Thereby we are losing thousands and thousands of tons of foodgrains every year and this is a measure, not in the

Saturday, 7th February 1948

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

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

CONTRIBUTION TO REFUGEE RELIEF FUND BY LONDON OFFICE OF INDIAN RED CROSS SOCIETY

149. *Mr. R. K. Sidhva: Will the Honourable Minister of Relief and Rehabilitation please state:

(a) whether the London offices of the Indian Red Cross Society have contributed any sum for the relief of refugees;

(b) if so, how much;

(c) whether besides monetary help, they have sent any mission for this work; and

(d) in which Refugee camps this mission is working?

The Honourable Shri K. C. Neogy: (a) and (b). The Indian Red Cross Society has no offices in London. The question of its London offices contributing any thing for refugee relief work does not arise. If the Honourable Member means the British Red Cross Society, this Society has sent considerable quantities of urgently needed medical and other supplies to the Indian Red Cross Society for relief work among refugees.

(c) and (d). The British Red Cross Society has not sent any mission to work in the refugee camps.

Mr. R. K. Sidhva: Is there any other Mission that has come to India from abroad for this purpose?

The Honourable Shri K. C. Neogy: I do not think so.

REHABILITATION OF REFUGEES IN KURUKHSHETRA AND OTHER CAMPS

150. *Mr. R. K. Sidhva: Will the Honourable Minister of Relief and Rehabilitation please state:

(a) whether the Government of India have decided to rehabilitate refugees in the Kurukhshetra and other camps;

(b) if so, what are the definite proposals and how many of them have been brought into effect;

(c) whether Government are aware that many of the refugees from urban areas could be useful as artisans, traders, professionals and technicians;

(d) whether Government intend to have a new City built for these refugees or are desirous of absorbing them in other parts of India; and

(e) if so, whether Government have decided on any definite policy regarding the same?

The Honourable Shri K. C. Neogy: (a) Yes.

(b) The Honourable Member is referred to my answers to starred questions Nos. 48 and 49 on the 31st January and also to the statement made on the floor

of the House by the Honourable Prime Minister and by me on 3rd February last during the debate on the motion to refer the Rehabilitation Finance Administration Bill to a Select Committee. The Honourable Member is also referred to the comprehensive statement which I made on the floor of the House on the 29th November, 1947. Most of the schemes so far mentioned are either already in the process of execution or will be taken up shortly.

(c) Yes.

(d) and (e). The Honourable Member is referred to my answer to starred question Nos. 49 and 50 on the 31st January, 1948. All parts of the country will share the burden of rehabilitating the refugees. Allocation of refugees amongst Provinces and States is under discussion.

Mr. R. K. Sidhva: May I ask how many refugees are still in Kurukshetra?

The Honourable Shri K. C. Neogy: The number varies from day to day and I should not like to make a statement straightway. It is over two lakhs in any case today.

Mr. R. K. Sidhva: Are refugees still coming to Kurukshetra or have they been stopped from coming?

The Honourable Shri K. C. Neogy: They are coming. As a matter of fact, those who are now being evacuated from the North West Frontier Province are definitely allocated to Kurukshetra, and they are still coming.

گیانی گورموکھ سنگھ مسافر: زیر بحث سوال کے ضمن (d) کے سیدھے

میں ہیں یہ پوچھنا چاہتا ہوں کہ جو Rehabilitation Standing Committee

نے سارے ہندوستان کے شہری (urban) علاقے میں ریفوجی

(refugee) کو بسانے کا اندازہ لگایا تھا اور جس کے مطابق دہلی میں تین لاکھ

یو۔ پی۔ میں پانچ لاکھ - پی۔ بی میں دو لاکھ - بہار میں ایک لاکھ بمبئی میں

تین لاکھ - اجمیر میں تین لاکھ - ستیس وغیرہ میں دو لاکھ - اوریسہ میں

پچیس ہزار اور مدراس میں تیرہ لاکھ ریفوجی (refugee) بسائے جانے تھے

اس کے متعلق کیا کارروائی عمل میں لائی گئی ہے -

Giani Gurumukh Singh Musafar: Arising out of part (d) of the question under reference; I would like to know what action has been taken to implement the decision of the Rehabilitation Standing Committee in regard to the rehabilitation of refugees in urban areas throughout the whole of India and which had estimated these numbers to be resettled, viz., Delhi, three lakhs, U.P. five lakhs, C.P. two lakhs, Bihar one lakh, Bombay three lakhs, Ajmer three lakhs, States etc. 2 lakhs, Orissa 25 thousand and Madras one and a half lakh.

The Honourable Shri K. C. Neogy: The list to which my Honourable friend has referred was drawn up on a cursory consideration of the requirements and the possibilities of the different areas. The list has since been subjected to a careful scrutiny and it may be necessary to vary the figures in individual cases.

IMPORT AND CONSUMPTION OF PETROL BY GOVERNMENT OF INDIA

151. ***Mr. R. K. Sidhva:** (a) Will the Honourable Minister of Works, Mines and Power please state:

(i) the terms and conditions under which orders for petrol are placed by the Government of India for the use of Government in the Dominion of India; and

(ii) the names of the firms with whom contracts have been made for the purchase of petrol?

(b) What is the carrying capacity of petroleum tanks in Bombay, Madras, Calcutta and other parts of India?

(c) How many tankers arrived in each port of India during the year 1947?

(d) How much petrol is used for Government purposes in the Dominion of India?

(e) From which countries and which ports is petrol imported into India?

(f) What quantity was imported during the year 1947?

The Honourable Shri N. V. Gadgil: (a) (i) Supplies of Motor Spirit to Government indentors, are covered by long-term agreements with the Oil Companies in India. Supplies required from time to time, are drawn by authorised Direct Demanding Officers, who place Supply Orders direct, on the companies concerned against the long-term contracts. Prices are fixed half-yearly by the Government of India, and rebates at varying rates are allowed by the Oil Companies on all supplies made to Government.

(ii) Messrs. Burmah-Shell Oil Storage and Distributing Company of India Limited;

Messrs. Standard Vacuum Oil Co.; and

Messrs. Caltex (India) Ltd.

(b) Government do not consider it to be in the public interest to disclose this information.

(c) As petrol is imported by the Oil Companies direct, Government have no knowledge of the number of tankers which arrived in Indian ports during 1947.

(d) Average monthly offtake by indentors drawing supplies within the Indian Dominion against Government contracts is approximately 2 millions gallons.

(e) From Abadan (Iraq and Bahrein Island).

(f) 59,394,193 gallons—for undivided India; separate figures for the Indian Union are not available.

Mr. R. K. Sidhva: The Honourable Minister has referred to a long-term agreement. May I know the nature of that long-term agreement?

The Honourable Shri N. V. Gadgil: They are long-term agreements.

Mr. R. K. Sidhva: What are the terms of the agreement?

The Honourable Shri N. V. Gadgil: Then I will have to produce the agreements themselves and in that case I require notice.

Mr. R. K. Sidhva: The main points in the agreement I wanted to know were whether there is any period and what are the rates and allowances granted to Government for the purchase.

The Honourable Shri N. V. Gadgil: I require notice for that.

Shri H. V. Kamath: Are Government contemplating to decontrol petrol?

The Honourable Shri N. V. Gadgil: Government always review the position from time to time.

Mr. R. K. Sidhva: The Honourable Minister stated that rebate is being given to Government contracts. May I know how much the rebate is?

The Honourable Shri N. V. Gadgil: The usual rebate.

Mr. R. K. Sidhva: What is the usual rebate?

The Honourable Shri N. V. Gadgil: Usual rebates are usual rebates.

Mr. R. K. Sidhva: The Honourable Minister may say that he does not know. No rebate is given to an ordinary consumer. For wholesale dealers two annas per gallon is given. May I know whether the two annas per gallon as is given to wholesale dealers is given to Government or whether it is something more?

The Honourable Shri N. V. Gadgil: If the Honourable Member wants details I require notice.

Shri H. V. Kamath: Do Government visualize decontrol of petrol in the very near future?

The Honourable Shri N. V. Gadgil: I have already answered that question.

REGISTRATION AND REHABILITATION OF REFUGEES IN DELHI

†152. ***Shri Deshbandhu Gupta:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state the total number of refugees registered in Delhi under Government order?

(b) How many of these refugees have been rehabilitated so far in Delhi and how many of them have been sent out of Delhi?

The Honourable Shri K. C. Neogy: (a) 58,580 families comprising about 4 lakhs of refugees have so far been registered in Delhi.

(b) No definite information is available. Up to the 15th January 1948, the Delhi Employment Exchange found employment for 1,105 refugees and the Transfer Bureau found employment for 1,118. The Delhi police force has employed over 1,200 refugees. Many others have been fixed up in Government and other employment through their own effort, and no figures regarding them are available. Agricultural land in the Delhi Province has been allotted to 131 families. There are some cultivators at the Delhi camps and they could have been absorbed on land outside Delhi, but they are generally speaking disinclined to go out of the city.

REGISTRATION OF CLAIMS FOR PROPERTY LEFT IN PAKISTAN

†153. ***Shri Deshbandhu Gupta:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state how many claims for property in Pakistan have been registered with the Government of India?

(b) How many cases have been disposed of so far?

(c) What is the estimated value of property left behind by refugees and what is the total amount of claims so far made?

The Honourable Shri K. C. Neogy: (a) 50,438 claims have been tendered for registration with the Registrar of Claims, Delhi, upto 28th January, 1948. Similar information in respect of the claims registered in Ajmer-Merwara Province has been called for, and will be laid on the table in due course.

(b) 25,480 cases have been registered upto 28th January, 1948 by the Registrar of Claims, Delhi.

(c) It is not possible to give an estimate of property left behind by refugees until all the claims have been tendered for registration and disposed of. The amount of claims made in Delhi upto 28th January, 1948, is over Rs. 16 crores, and in Ajmer-Merwara about 6 crores.

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

NUMBER OF HINDU AND SIKH ABDUCTED WOMEN RECOVERED FROM PAKISTAN

†154. ***Shri Deshbandhu Gupta:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state how many Hindu and Sikh abducted women have been recovered so far from Pakistani territory?

(b) How many have been so far restored to their families?

(c) How many of them are now in Government rescue homes?

(d) How many Muslim women were restored to Pakistan?

The Honourable Shri K. C. Neogy: (a), (b) and (d). The Honourable Member is referred to the reply given by the Honourable the Prime Minister to clause (c) of Starred Question No. 115 by Giani Gurmukh Singh Musafar on the 4th February, 1948.

(c) There are two rescue homes one at Amritsar and the other at Jullundur. At the former there were 90 recovered women and children on the 6th February and 613 at Jullundur. There is in addition a transit camp at Lahore where there were 222.

MIGRATION OF REFUGEES FROM EAST TO WEST BENGAL

155. ***Shri Rohini Kumar Chaudhuri:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether it is a fact that a large number of refugees have migrated from East Bengal to West Bengal?

(b) If so, what is their total number and what steps have been taken by the Government of India to give them relief and to rehabilitate them?

The Honourable Shri K. C. Neogy: (a) Yes.

(b) No figures are available. The Provincial Government is extending to the genuinely destitute among them the same measures of relief as they normally give to the indigent destitutes. Detailed information has been called for from the Government of West Bengal.

Shri M. Ananthasayanam Ayyangar: May I know the cost of the evacuation from East Bengal to West Bengal?

The Honourable Shri K. C. Neogy: I have no information—at least the Central Government has not had to incur any cost on this account.

Diwan Chaman Lall: Since no information is available regarding the number of these refugees, will steps be taken to register these refugees compulsorily?

The Honourable Shri K. C. Neogy: Not by the Government of India.

Diwan Chaman Lall: Will my Honourable friend make a recommendation to the West Bengal Government in this respect?

The Honourable Shri K. C. Neogy: As I said, we have asked for detailed information. It will be only on receipt of the detailed information that any step can be taken.

Shri Rohini Kumar Chaudhuri: Has the Provincial Government of West Bengal asked for any assistance from the Government of India in this matter?

The Honourable Shri K. C. Neogy: No such request has been received by the Ministry of Relief and Rehabilitation.

Shri M. Ananthasayanam Ayyangar: Is the evacuation due to any trouble that has arisen in East Bengal?

The Honourable Shri K. C. Neogy: Actually I answered a question of this kind on the last occasion. There are certain factors which have facilitated this exodus.

Shri M. Ananthasayanam Ayyangar: Is there any similar exodus from West Bengal to East Bengal?

The Honourable Shri K. C. Neogy: I am not aware of any counter exodus.

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

Shri Mihir Lal Chattopadhyay: Is the Honourable Minister aware of any exodus from West to East Bengal?

The Honourable Shri K. C. Neogy: As I have said, I have no information. I am awaiting information from the Government of West Bengal.

Shri Rohini Kumar Chaudhuri: May I know how Government come to know that actually a certain number of refugees have come?

The Honourable Shri K. C. Neogy: There have been communications, but no definite figures are available yet.

Shri M. Ananthasayanam Ayyangar: Are any attempts made by the West Bengal Government to rehabilitate them or at any rate provide for their accommodation, etc.?

The Honourable Shri K. C. Neogy: All that can be known when we hear from the West Bengal Government. As I said, we are awaiting information from the West Bengal Government.

EMPLOYMENT OF ABLE-BODIED PUNJAB REFUGEES

156. ***Shri Rohini Kumar Chaudhuri:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state what percentage of able-bodied men and women amongst the Punjab refugees have been provided with employment?

(b) What is the nature of such employments?

The Honourable Shri K. C. Neogy: (a) and (b). It is difficult to give any exact figures or percentages of "able bodied men and women" employed gainfully; but roughly twenty lakhs of persons have been settled in rural areas. A fairly large number have also found employment in urban areas.

Seth Govinddas: Is it a fact that some of these refugees who have been sent to different provinces, where the provincial governments wanted to give them certain work, have refused to take that work, and many of them have even left the provinces where they have been actually sent?

The Honourable Shri K. C. Neogy: I have had such reports.

Seth Govinddas: What is the Government going to do in this respect? When these refugees are transferred to different provinces, is it not proper that some definite undertaking should be taken from them that the work which is given to them by the Provincial Governments will be accepted?

The Honourable Shri K. C. Neogy: This will be considered.

Diwan Chaman Lall: Apart from the numbers who have settled in the rural areas, which number is given by my Honourable friend as twenty lakhs, may I ask whether he has any approximate figures of those who have settled in urban areas?

The Honourable Shri K. C. Neogy: I have not got the information at the moment.

Diwan Chaman Lall: May I ask whether there is any machinery available whereby we can get the numbers who have been so settled?

The Honourable Shri K. C. Neogy: I can call for the information. As a matter of fact such information is expected to be supplied from time to time by the Provincial Governments.

Diwan Chaman Lall: My question was whether there is any machinery in existence at the present moment.

The Honourable Shri K. C. Neogy: There is no Central machinery, but then provinces are, I am sure, competent to find out figures.

Diwan Chaman Lall: Is there any machinery in the province itself for this particular purpose?

The Honourable Shri K. C. Neogy: I am sure there is.

Diwan Chaman Lall: What is the nature of the machinery?

The Honourable Shri K. C. Neogy: The machinery, for instance, in the East Punjab Government is an organization which is responsible for the rehabilitation of refugees.

Diwan Chaman Lall: May I ask exactly as to how that machinery operates in order to place in employment urban refugees?

The Honourable Shri K. C. Neogy: That machinery operates in the manner in which it is expected to operate, namely it is expected to resettle people wherever possible.

Diwan Chaman Lall: Do I take it that during these months no information has been made available to my Honourable friend in regard to the numbers settled in the urban areas?

The Honourable Shri K. C. Neogy: Well, I have not got the figures just here. If the Honourable Member wants to have figures, I can produce them.

Diwan Chaman Lall: May I take it that figures have been supplied?

The Honourable Shri K. C. Neogy: Yes, some figures have been received.

Shri Rohini Kumar Chaudhuri: Is it a fact that educated men and women have been employed in relief work in Delhi and elsewhere on an allowance which is much lower than the ordinary scale of pay allowed to government servants doing the same kind of work?

The Honourable Shri K. C. Neogy: It is very difficult to give an answer to a general question of this character. If my Honourable friend were to refer to specific cases, I would be in a position to make enquiries, but I would tell my Honourable friend that to my knowledge some of the refugees have been appointed on salaries which compare not at least unfavourably with the salaries they obtained before they came out.

Shri H. V. Kamath: What are the various occupations that these able bodied men and women have been provided in urban and rural areas?

The Honourable Shri K. C. Neogy: I fear it will be a very long catalogue.

NUMBER OF REFUGEES DIED OF INFECTIOUS DISEASES IN COURSE OF EVACUATION

157. ***Shri Rohini Kumar Chaudhuri:** Will the Honourable Minister of Relief and Rehabilitation be pleased to state the total number of deaths amongst the refugees brought to India during the period 1st September to 31st December, 1947 and how many of these cases were due to infectious diseases, such as cholera, dysentery and small-pox?

The Honourable Shri K. C. Neogy: The figures readily available are the following:

KURUKSHETRA CAMP				DELHI CAMPS			
Period	5th	November, 1947	to 24th	Period	1st	December, 1947	to 5th
			January, 1948				February, 1948
Cholera	.	.	98	Cholera	.	.	Nil
Dysentery	.	.	547	Dysentery	.	.	Nil
Small-pox	.	.	233	Small-pox	.	.	1
Other causes	.	.	2,288	Other causes	.	.	82

Information concerning camps in other provinces is being collected and will be laid on the table when available. Out of the refugees who came to India from Pakistan since the 1st September 1947, large numbers have already been settled on land and many are staying in urban areas and with friends and relations. Separate mortality figures relating to them are not available.

Shri Rohini Kumar Chaudhuri: May I know if the refugees on their arrival in a particular camp are vaccinated or inoculated against cholera?

The Honourable Shri K. C. Neogy: They are, as a general rule.

Shri Rohini Kumar Chaudhuri: But is it a fact that these steps were not taken in the Kurukshetra Camp?

The Honourable Shri K. C. Neogy: I do not think so, but then at earlier stages when the camp had not been properly organized, it is quite possible that vaccination or inoculation could not be undertaken prior to the admission of refugees to the camp.

Shri Rohini Kumar Chaudhuri: Is the Government aware that towards the end of November last, in the Kurukshetra Camp the small-pox patients were living with their relations in the same tent and they were not segregated?

The Honourable Shri K. C. Neogy: I do not think my Honourable friend's information is correct because I had been myself several times to the Kurukshetra Camp and I have seen segregation wards myself. What actually may have happened is that in the earlier stages cases were not detected, but then inspection squads go about the camps and find out the patients and have them removed to the segregation ward.

Shri Rohini Kumar Chaudhuri: May I inform the Honourable Minister that I myself went to Kurukshetra towards the end of November last and there actually received reports that small-pox patients were living together with their relations in the same tents?

The Honourable Shri K. C. Neogy: I am glad my Honourable friend detected such cases and I dare say he took necessary action to have them removed to the segregation ward.

Shri M. Ananthasayanam Ayyangar: May I ask if there are no longer these epidemics prevalent in the Kurukshetra Camp and the other camps here?

The Honourable Shri K. C. Neogy: I should not say that these cases are prevalent in an epidemic form in the Kurukshetra Camp and other camps. In most cases infection had been carried from outside by these patients and it was only after they reached the camps that the diseases were detected.

Diwan Chaman Lal: Is it a fact that adequate steps have now been taken in the Kurukshetra Camp?

The Honourable Shri K. C. Neogy: Definitely. I hope my Honourable friend will find it possible to pay a visit to Kurukshetra Camp.

RELEASE OF GOVERNMENT STORES OF BRICKS FOR USE OF REFUGEES

158. *Giani Gurumukh Singh Musafar: (a) Will the Honourable Minister of Works, Mines and Power be pleased to state whether it is a fact that about eighteen crores of bricks are lying stored at different kilns for the last so many years and have not been brought into use by Government?

(b) What do Government propose to do with these bricks?

(c) If these are of no use to Government because of their inferior quality, do Government propose to release the same for the use of refugees?

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

(b) and (c). Government wish to use them for their own housing schemes in the immediate future, but they are prepared to consider the release of some bricks of inferior quality which are surplus to their requirements. Necessary orders on this subject will issue shortly. Even now in some deserving cases release in small quantities is ordered.

CAUSES FOR INSTITUTION OF ENQUIRY INTO WORKING OF OFFICE OF CUSTODIAN OF EVACUEES' PROPERTY

159. *Giani Gurumukh Singh Musafar: (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state the circumstances which led to the appointment of the Honourable Mr. Justice G. D. Khosla to enquire into the working and affairs of the office of the Custodian of Evacuees' Property?

(b) Has he submitted his report?

(c) If so, do Government propose to lay a copy of the same on the table of the House?

The Honourable Shri K. C. Neogy: (a) The problems of the custody, user and disposal of evacuees' property were unprecedented in their nature and extent. It was, therefore, necessary to review the progress of the work carried out by the Custodian of Evacuees' Property after the initial stages. As there were a number of complaints, both in the Press as well as directly to this Ministry, in respect of the work of the Custodian's organisation, Government decided that an officer of the status of the Judge of a High Court should be appointed to enquire into the allegations as well as into the general working of the office of the Custodian.

(b) Yes.

(c) No. Government do not consider it advisable to do so until after the disposal of judicial proceedings and investigations against some of the officers of the Custodian's establishment.

Shri T. T. Krishnamachari: Am I to understand that the Honourable Minister has initiated proceedings against the officers involved, as a result of that Report?

The Honourable Shri K. C. Neogy: Yes, that is a fact as regards some officers.

Shri Mohan Lal Saxena: May I know in how many cases proceedings have been instituted?

The Honourable Shri K. C. Neogy: Two officers are under arrest; then there are other cases where investigations are proceeding involving a number of officers and other employees.

IMPORT OF BETEL NUTS DURING 1947 AND PROTECTION TO INDIAN GROWERS

160. *Shri S. V. Krishnamurthy Rao: Will the Honourable Minister of Commerce be pleased to state:

(a) the quantity of betel nuts for which import licenses were granted during the year 1947;

(b) the quantity actually imported;

(c) whether Government are aware that the price of betel nuts has gone down by 50 per cent., especially for the inferior varieties; and

(d) If so, what steps Government propose to take to give adequate protection to the Indian grower?

The Honourable Mr. C. H. Bhabha: (a) 86,490 tons.

(b) 43,170 tons.

(c) Details of arecanut prices in 3 markets from December, 1944 as far as available are laid on the table. This statement does not reveal that any serious fall in prices has taken place as suggested by the Honourable Member.

(d) Does not arise.

Average monthly wholesale prices of green and cured arecanuts at Trichur Market (Cochin State)

(Price per Imperial Maund)

Month	Year	Green Nuts	CURED NUTS					
			Arasal	Ailan	Choor	Chalakudi		
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.		
December—January	1944	No Market.	94 5 0	61 8 0	90 10 0	97 3 0		
June—July	1945	13 11 0	92 4 0	61 8 0	86 3 0			
December—January	1945	No market.	102 8 0	75 11 0	95 0 0			
June—July	1946	40 11 0	92 4 0	84 1 0	88 6 0			
December—January	1946	No market.	106 10 0	95 12 0	96 3 0	146 6 0		
June—July	1947	31 13 0	131 3 0	100 13 0	133 12 0	161 5 0		
November—December	1947	30 7 0	149 0 0	128 12 0	138 2 0	148 5 0		

Monthly prices of arecanuts at Mangalore Market

(Price per Standard Maund)

Month	Year	Choll		Koka		New	
		From	To	From	To	From	To
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
June	1946	67 4 0	69 8 0	17 4 0	29 8 0	60 0 0	68 8 0
December	1946	90 8 0	101 8 0	37 8 0	59 0 0	68 0 0	76 0 0
June	1947	93 4 0	108 4 0	30 12 0	49 12 0	81 4 0	95 8 0
December	1947	91 8 0	110 0 0	26 0 0	47 0 0	75 0 0	89 8 0

Average monthly wholesale prices of cured arecanuts of Palghat Market Malabar District

(Price per Standard Maund)

Month	Year	Choor		Ailan		Ottavettu	
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
June	1945	73 2 0	16 4 0			No Sales.	
December	1945	76 6 0	44 5 0			Ditto.	
June	1946	No Sales.	86 12 0			Ditto.	
December	1946	119 10 0	79 10 0			Ditto.	
June	1947	144 10 0	No Sales.			Ditto.	
December	1947	119 13 0	Ditto.			120 11 0	

Shri S. V. Krishnamurthy Rao: Has not the Vice-President of the Arecanut Merchants' Association made representations giving the actual prices in the arecanut market and pointed out that they have gone down by nearly fifty per cent.?

The Honourable Mr. C. H. Bhabha: Some such representation has been received, but the prices that are available with the Government do not corroborate that statement.

Shri S. V. Krishnamurthy Rao: Will Government make any investigation and call for reports from markets?

The Honourable Mr. C. H. Bhabha: The details are already contained in the statement which I am placing on the Table of the House.

Shri S. V. Krishnamurthy Rao: May I know if any maximum is fixed for the annual import quota?

The Honourable Mr. C. H. Bhabha: No maximum is fixed; actually, the quantity imported is less than the quantity for which import licences were granted.

Shri M. Ananthasayanam Ayyangar: Has any limit been fixed below which if prices fall Government will take action by prohibiting imports?

The Honourable Mr. C. H. Bhabha: No, but Government will watch the situation and will review the position periodically.

Shri M. Ananthasayanam Ayyangar: What is the present price of betelnuts as compared to the previous prices?

The Honourable Mr. C. H. Bhabha: I have placed a statement on the Table of the House which shows that there has not been any serious fall in prices.

Shri M. Ananthasayanam Ayyangar: Is it wrong to say that the prices have gone down by fifty per cent.?

The Honourable Mr. C. H. Bhabha: They have not gone down by 50 per cent.

Shri B. Das: Did not the price of arecanut go up ten times the pre-war price during the war and is it not high time that arecanut should be reduced in price so that men like myself and my friend the Honourable Minister for Works, Mines and Power are able to get sufficient arecanuts?

The Honourable Mr. C. H. Bhabha: I have not compared the current and pre-war prices of arecanuts, so I am unable to answer that question.

SMUGGLING OF IMPORTED BETEL NUTS THROUGH PAKISTAN BORDER

161.*Shri S. V. Krishnamurthy Rao: Will the Honourable Minister of Commerce be pleased to state:

(a) whether Government are aware that the price of imported betel nuts is Rs. 12 to Rs. 20 per maund of 28 lbs. after paying an excise duty of Rs. 9/10/- per maund;

(b) whether Government are aware that this is due to the smuggling of imported betel nuts through the Pakistan border as Pakistan nuts;

(c) whether Government propose to impose import duty on Pakistan nuts; and

(d) if not, what steps Government propose to take to prevent the smuggling of imported betel nuts through the Pakistan border?

The Honourable Mr. C. H. Bhabha: (a) The average price of imported varieties at Calcutta in November 1947 was about Rs. 63 per standard maund of 80 lbs. I lay on the table the available information in respect of prices of imported varieties.

(b), (c) and (d). The Honourable Member's attention is invited to the reply which I have just given to his question No. 160. The information disclosed in the statement which I have laid on the table does not support the statement made by the Honourable Member that prices of betel nuts have fallen as the result of imports from Singapore or Pakistan.

Wholesale prices of Arecanuts at Calcutta market

(Price per Standard maund)

Month	Year	LOCAL VARIETIES				Penang		Singapore	
		Hansa	Tathai	Moghai					
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
December	1946	62 4 0	64 0 0	60 2 0					
January	1947	53 12 0	55 12 9	60 3 0	63 9 6	64 14 3			
February	1947	55 14 0	56 4 0	60 3 0	62 8 0	64 6 0			
March	1947	56 2 0	56 12 0	63 0 0	63 14 0	64 8 0			
April	1947	53 8 0	55 8 0	62 5 0	62 12 0	62 12 0			
May	1947	58 6 0	57 12 9	59 3 0	62 1 6	61 11 0			
June	1947	60 2 0	64 0 0	60 0 0	64 2 0	64 0 0			
July	1947	62 1 9	66 3 0	61 12 0	65 0 0	68 0 0			
August	1947	63 4 0	67 0 0	NO	SUPPLY	68 4 0			
September	1947	61 14 0	64 2 0	Nil	60 0 0	61 4 0			
October	1947	61 14 4	62 3 3	59 3 3	61 3 3	59 0 0			
November	1947	59 0 0	59 12 0	57 10 9	63 0 0	63 0 0			

Shri M. Ananthasayanam Ayyangar: Is it a fact that smuggling is going on in the Pakistan border, regarding betel nuts, as alleged in this question?

The Honourable Mr. C. H. Bhabha: Not to the knowledge of Government.

Shri S. V. Krishnamurthy Rao: Is Government aware that after Partition, especially in the South which has nearly 2,27,000 acres out of the total of 2,60,000 acres of arecanut gardens, cultivation had to be carried on very intensively and under very adverse circumstances?

The Honourable Mr. C. H. Bhabha: Government have no such information.

Shri M. Ananthasayanam Ayyangar: Will Government make enquiries?

(No reply.)

DISTRIBUTION OF TRACTORS IMPORTED DURING 1944—47 TO PROVINCES AND STATES

162. *Shri S. V. Krishnamurthy Rao: Will the Honourable Minister of Commerce be pleased to state:

- the number of tractors imported into India during the years 1944 to 1947;
- how they were distributed to the Provinces and States;
- for how many tractors the Government of Mysore had placed orders during each of these years; and
- how many they have been supplied during each of these years?

The Honourable Mr. C. H. Bhabha: (a) to (d). The Honourable Member is presumably referring to tractors imported on Government account. I lay on the table three statements giving the required information.

Statement I showing the number of tractors imported during the years 1944 to 1947 on Government Account

1944	37
1945	65
1946	65
1947	121
	288

Statement II showing distribution as between various Provinces and States of imported tractors

Provinces	No. of tractors supplied	States	No. of tractors supplied
Bombay	79	Rampur	5
United Provinces	39	Baroda	6
Bihar	7	Hyderabad	6
Madras	10	Travancore	2
Sind	25	Mysore	10
Punjab	35	Bindi	1
N.-W.F.P.	3	Bhopal	4
Bengal	16	Patiala	2
Assam	9		
Central Provinces	1		36
Baluchistan	6		
	230	Private Parties	4
			40
Army	9		
Imperial Agricultural Research Institute, New Delhi	2		
Indian Dairy Department, Bangalore	1		
Central Tractor Organisation, New Pusa	6		
	248		

Note.—In addition the Mysore State was supplied with 15 tractors from American Army surpluses taken over by the Ministry of Agriculture. Out of these the State retained 8 and returned the balance as unacceptable.

Statement III showing the number of tractors for which orders had been placed by the Mysore Government and the number supplied to them during the years 1944 to 1947

Year	No. of tractors ordered	No. of tractors supplied
1944	24	Nil
1945	Nil	Nil
1946	2	3
1947	Nil	7
Total	26	10

Seth Govinddas: Is it not a fact, Sir, that the requirements of Provinces regarding tractors were much larger than the actual number of tractors that have been supplied to them? If it is, by what time do the Government think that the requirements of all the Provinces would be met?

The Honourable Mr. C. H. Bhabha: The first part of the question is correct. As regards the second part, I cannot say definitely—it will depend upon the supply position from abroad.

Seth Govinddas: By what time do Government think that the new batches of tractors from abroad will be received, and in how many countries have orders been placed?

The Honourable Mr. C. H. Bhabha: I want notice.

Shri S. V. Krishnamurthy Rao: May I know the answer to (c) and (d) of the Question?

The Honourable Mr. C. H. Bhabha: There is a statement which shows the position clearly. As regards Mysore, so far ten tractors have been supplied; they have ordered for 26 tractors.

Shri T. T. Krishnamachari: May I ask the Honourable Minister whether his Ministry is working in close collaboration with the Ministry of Agriculture who are having under their charge the Central Tractor Organisation, or whether his Ministry acts unilaterally issuing import licences for tractors?

The Honourable Mr. C. H. Bhabha: All import licences are issued by the Commerce Ministry on the recommendation of the Agriculture Ministry who place these orders and the supply is made through the India Supply Mission.

Shri H. V. Kamath: From which countries were these tractors being imported during the last three years?

The Honourable Mr. C. H. Bhabha: I have no definite information, but mostly from America.

Shri H. V. Kamath: Do no other countries manufacture them?

The Honourable Mr. C. H. Bhabha: There are tractors manufactured in the United Kingdom too.

Diwan Chaman Lall: Is it a fact that an order has been placed for 300—400 light tractors?

The Honourable Mr. C. H. Bhabha: I should like to have notice. Actually no orders are placed through the Commerce Ministry and this question should have been put to the Agriculture Ministry.

Shri H. V. Kamath: Does not the U.S.S.R. manufacture tractors?

The Honourable Mr. C. H. Bhabha: I have no information

Seth Govinddas: Have any orders been placed with the U.S.S.R.?

The Honourable Mr. C. H. Bhabha: I do not think so.

Shri M. Ananthasayanam Ayyangar: At what stage do the plans stand to put up a plant for the manufacture of tractors in this country?

The Honourable Mr. C. H. Bhabha: Notice.

Shri S. V. Krishnamurthy Rao: May I know when these ten tractors were supplied to Mysore?

The Honourable Mr. C. H. Bhabha: According to the statement laid on the Table of the House, three were supplied in 1946 and seven in 1947.

Shri H. V. Kamath: When shall we start manufacturing tractors in our own country?

(No reply.)

Shri S. V. Krishnamurthy Rao: Is it a fact that the Government of Bombay "freeze" all the tractors that are imported through Bombay Port, for their own use?

The Honourable Mr. C. H. Bhabha: Some such order was passed by the Bombay Government recently but that was subsequently rescinded.

Raj Bahadur Sri Narain Mahtha: Are Government aware that the Government of Bombay have "frozen" a large number of tractors for which full price has been paid by a number of agriculturists who do cultivation on a large scale?

Mr. Speaker: That has been answered.

The Honourable Mr. C. H. Bhabha: Subsequently that order has been cancelled.

Raj Bahadur Sri Narain Mahtha: I have here a certain number of cases which.....

Mr. Speaker: The Honourable Member may not give information here; he may give it outside the House.

Seth Govinddas: Is it not a fact that if certain alterations are made in the machinery of the Gun Carriage Factory and the Ordnance Factory at Jubbulpore, then tractors can be manufactured in India, and have Government received any information in this respect?

The Honourable Mr. C. H. Bhabha: I have no information on the subject.

Shri S. V. Krishnamurthy Rao: As Mysore is a deficit State in the matter of food-stuffs, and as they have many schemes in view, will Government consider the desirability of supplying these tractors urgently to Mysore? ...

The Honourable Mr. C. H. Bhabha: That factor will be kept in view, Sir.

REMOVAL OF IMPORT CONTROL ON GOODS FROM STERLING AREAS AND BARTER FOR PURCHASES IN DOLLAR AREAS

163. ***Shri V. C. Kesava Rao:** (a) Will the Honourable Minister for Commerce be pleased to state whether it is a fact that import control on certain luxury goods such as motor cars is to be lifted in respect of purchases from the Sterling Area?

(b) Do Government propose to allow the purchase of goods on the barter basis from the Dollar Area?

(c) If the barter system is not generally applicable, do Government propose to prepare a list of commodities that they would allow to be purchased on the barter system and a list of those for which export permits will be granted?

The Honourable Mr. C. H. Bhabha: (a) No, Sir.

(b) and (c). While Government have on occasions themselves entered into barter arrangements for the procurement of food grains from abroad, they do not ordinarily propose to allow the purchase of goods by private parties on a barter basis in view of the difficulties involved and the opportunity for malpractices that such arrangements are likely to give rise to, particularly at a time when the utmost conservation of our dollar and other exchange resources is necessary in the interests of our national economy.

APPOINTMENT OF SUPERANNUATED PERSONNEL IN RESETTLEMENT AND EMPLOYMENT EXCHANGES

164. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Labour be pleased to state whether Government are aware that superannuated personnel are being appointed in the Resettlement and Employment Exchanges?

(b) If so, do Government propose to lay on the table of the House a list of such personnel employed in these offices?

(c) Are not qualified persons available for these posts?

(d) What is the system adopted in filling officers' vacancies in these offices?

The Honourable Shri Jagjivan Ram: (a) On the presumption that the Honourable Member is referring only to the Employment Exchanges under the Director-General of Resettlement and Employment, the answer is in the negative.

(b) and (c). Do not arise.

(d) Recruitment of gazetted officers is normally made through the Federal Public Service Commission.

Shri M. Ananthasayanam Ayyangar: Arising out of answer to part (a) am I to understand that there are no superannuated men at all in the employ of the Resettlement and Employment Exchanges?

The Honourable Shri Jagjivanram: I have already given the answer.

OFFICERS AND OTHER PERSONNEL PROSECUTED FOR CORRUPTION IN MINISTRY OF WORKS, MINES AND POWER

165. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Works, Mines, and Power be pleased to state what is the number of prosecutions connected with corruption that have been launched against officers and other personnel under the Ministry of Works, Mines and Power?

(b) Do Government propose to consider the question of instituting an enquiry into the fortunes of these corrupt officials?

The Honourable Shri N. V. Gadgil: (a) The number of persons who have already been prosecuted and convicted, is three; the number of persons who were prosecuted but acquitted is two and the number of persons, whose prosecution has been sanctioned is fourteen.

(b) Yes.

CAUSES FOR STRIKE IN C.P.W.D. AND NUMBER OF PERSONS INVOLVED

166. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Works, Mines and Power be pleased to state the reasons for the strike going on in C.P.W.D.?

(b) What steps have Government taken to persuade the workers to return to work?

(c) What is the number of persons involved in the strike, trade-wise?

(d) What is the nature of the work which has been held up on account of the strike?

(e) Is it the intention of Government to employ new men in place of the strikers?

The Honourable Shri N. V. Gadgil: (a) No employees of the Central Public Works Department are on strike at present.

(b) to (e). Do not arise.

NUMBER AND NAMES OF TRIBUNALS APPOINTED BY MINISTRY OF HOME AFFAIRS

167. *Shri Mohan Lal Saksena: (a) Will the Honourable Minister of Law be pleased to state how many tribunals appointed by the Ministry of Home Affairs are still functioning?

(b) Is it a fact that many of the members of these tribunals now belong to Pakistan?

(c) If so, what is the position of such members and have any substitutes been appointed in their place?

(d) Do Government propose to lay on the table of the House a statement giving the following information:

(i) the names of the different tribunals;

(ii) the number of cases tried, as well as of those disposed of; and

(iii) the period for which each of the tribunals has worked and the costs incurred by Government in each case?

The Honourable Dr. B. R. Ambedkar: (a) It is presumed that the Honourable Member is referring to the Special Tribunals constituted under the Criminal Law Amendment Ordinance, 1943. The number of such Tribunals still functioning is four.

(b) and (c). There were three Special Tribunals with headquarters at Lahore some members of which now belong to Pakistan. Under the Indian Independence (Special Tribunals) Order, 1947, these Tribunals and the cases pending before them were reshuffled and one of the Tribunals was assigned to West Punjab with members belonging to Pakistan and the pending cases relating to Pakistan. The other two Tribunals with members belonging to India and pending cases relating to India were transferred to India and redesignated as the East Punjab and the Bombay Special Tribunals. One new member who is required to complete the composition of the East Punjab Tribunal has already been appointed by the East Punjab Government and the two new members required to complete the composition of the Bombay Special Tribunal are being appointed by the Bombay Government.

(d) A statement giving the information asked for is laid on the table.

STATEMENT.

Name of the different Tribunals	Date from which each Tribunal is working	No. of cases tried and disposed of	No. of cases pending disposal	Cost incurred in each case
1	2	3	4	5
First Special Tribunal, Calcutta	September, 1943	66	12	Information not available
Second Special Tribunal, Calcutta.	July, 1945	Nil	1	Ditto.
East Punjab Special Tribunal (late third Special Tribunal, Lahore).	May, 1945	54*	79	Ditto.
Bombay Special Tribunal (late 2nd Special Tribunal, Lahore)	February, 1945	6	2	Ditto.

*Including cases disposed of by the First Lahore Special Tribunal set-up in September 1943 which is now designated as the West Punjab Special Tribunal.

Shri M. Ananthasayanam Ayyangar: Sir, how long will the Tribunals take to dispose of the pending cases?

The Honourable Dr. B. R. Ambedkar: I am quite unable to give any definite reply.

Shri Mohan Lal Saksena: Is it a fact that a number of cases are pending before these tribunals?

The Honourable Dr. B. R. Ambedkar: I believe it is true.

Shri Mohan Lal Saksena: Is the Honourable Minister for Law taking any steps to expedite their disposal?

The Honourable Dr. B. R. Ambedkar: Well, it is very difficult for a Minister of Government to expedite disposal of cases before the Tribunals. The main reason for the delay in the disposal of cases is the adjournment obtained by parties on various grounds. It is very difficult to prescribe any hard and fast rules for the grant of adjournments.

Mr. R. K. Sidhva: Are there legitimate grounds for these grant of adjournments?

The Honourable Dr. B. R. Ambedkar: I cannot say.

Shri Mohan Lal Saksena: Is there any definite periods for which these tribunals have been appointed?

The Honourable Dr. B. R. Ambedkar: No, Sir.

NUMBER AND CAPITAL OF LICENSED FIRMS IMPORTING MACHINERY, EQUIPMENT, ETC., DURING 1947

*168. **Shri Deshbandhu Gupta:** (a) Will the Honourable Minister of Commerce be pleased to state the number, classification and capital of new industrial undertakings to whom licenses have been issued for import of machinery, equipment and components before and after August, 1947?

(b) What is the standard by which priority of a new industrial undertaking is judged?

The Honourable Mr. C. H. Bhabha: (a) I lay on the table a statement showing details of the licences granted before and after the 15th August 1947, for the import of capital goods required by various industrial undertakings. Information relating to the capital of these undertakings is not, however, readily available and the time and labour involved in the compilation of these figures would scarcely be commensurate with the results that are likely to be achieved.

(b) Applications for import of capital goods are decided as and when received and in scrutinising these applications a distinction is made only in respect of those industries for which expansion plans have been approved by Government. In the case of these planned industries, licences are granted only if the proposed undertaking fits into the approved plan of industrial expansion. Other cases are considered on the basis of their general essentiality and the usefulness of the undertaking to the country's economy.

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

Statement showing number of licences granted for import of Capital Goods required by New Industrial undertakings connected with various Industries before and after August 1947

Industry	Number licensed before August 1947	Number licensed after August 1947
Iron and Steel Industry	4	..
Non-Ferrous Metal Industry	3	..
Machine Tool Industry	4	..
Electrical Power Machinery	3	1
Electrical Equipment	7	..
Automobile	3	..
Shipbuilding	1	..
Road Building	1	..
Cotton Textile Industry	39	4
Rayon	6	..
Jute	2	..
Other Textile	13	..
Hosiery Machinery	5	..
Chemical Industry	31	..
Drugs and Pharmaceuticals	1	..
Paper and wood pulp	8	1
Cement	8	..
Leather	5	..
Cinema	4	..
Soap	11	..
Paint	2	..
Ceramic	4	..
Glass Refractories	15	..
Miscellaneous Industries	90	8
Printing	3	..
Edible Oil Industry	55	..
Mining	8	..
Food & Drink Industry	24	..
Alcohol	3	..
Refrigeration and Ice Plants	83	8
Sugar Machinery	9	..
Match Industry	1	..
Plastic Industry	20	3
Agriculture Implements	13	..
Dairy Machinery	1	..
Fertilizer Machinery	..	1
	490	26

SHORT NOTICE QUESTIONS AND ANSWERS

ENCROACHMENT ON WESTERN BORDER OF KARIMGANJ SUB-DIVISION IN ASSAM BY PAKISTAN GOVERNMENT

Shri Rohini Kumar Chaudhuri: (a) Will the Honourable the Prime Minister be pleased to state whether it is a fact that the Government of Pakistan have encroached on the Western Boarder of Karimganj Sub-Division in Assam?

(b) If so, what action has been taken by the Government of India to clear the encroachment and to check their further progress?

(c) Have Government received any information on the subject either from the Premier of Assam or the Secretary of the Karimganj Congress Committee?

The Honourable Pandit Jawaharlal Nehru: (a) and (b). The Honourable Member is presumably referring to the boundary dispute between Assam and East Bengal at Patharia Reserve Forest. We were informed by the Assam Government on January 26 that forces sent by the East Bengal Government

have trespassed into this forest which has been allotted to Assam by the Radcliffe Award and which is clearly shown within the territory of Assam in the map attached to the Award. We at once telegraphed the Pakistan Government asking them to withdraw their forces from this area and stated that failing withdrawal of the party, the Government of India may have to consider other action. We also suggested that until the boundary had been demarcated by a Joint Survey Commission consisting of the representatives of the two Governments Assam Government should be in undisturbed possession of this area. We have repeated the demand in a subsequent telegram dated February 2, 1948 and are waiting for reply from the Government of Pakistan.

(c) No communication on the subject has been received from the Secretary of the Karimganj Congress Committee.

Shri Rohini Kumar Chaudhuri: Has the attention of the Honourable the Prime Minister been drawn to the telegram, dated the 29th January 1948 from the Secretary of the Karimganj Congress Committee which reads as follows:

"Pakistan Government encroached about 42 square miles border Karimganj. Interviewed Assam Premier this morning. Pray immediate intervention."

Has the Prime Minister received a copy of this telegram?

The Honourable Pandit Jawaharlal Nehru: As I have stated in my reply, I have not been able to trace the telegram which the Honourable Member has mentioned. The Honourable Member will remember that in the course of the last few days we have received some thousands of telegrams. In fact, it has been difficult even to sort all of them—so many thousands have come—and it is quite possible this telegram may have come. Anyhow the facts are as given in my reply and we are fully alive to the situation. We have received full reports from the Premier and the Governor of Assam.

Shri Rohini Kumar Chaudhuri: Did the Honourable the Prime Minister have any opportunity of discussing this matter with the Governor of Assam during his recent visit to Delhi?

The Honourable Pandit Jawaharlal Nehru: Yes, we had a full discussion with the Governor of Assam on this matter during his recent visit to Delhi.

Shri Mihir Lal Chattopadhyay: Is the Honourable the Prime Minister aware of the fact that recently there have been instances of trespass by Pakistan troops into the Eastern frontier of Bengal.

The Honourable Pandit Jawaharlal Nehru: So far as I am aware, there has been no trespass by troops. I suppose my friend is referring to the Eastern border of India. There have of course been instances where armed police have trespassed into the territory of India. In fact, these minor incidents on the border occur from time to time on both sides and it is very difficult to keep a record of them. The House is aware of the fact that the boundaries have not been clearly demarcated, with the result that it is very difficult to say where they end, except with the aid of survey maps.

Seth Govinddas: As far as these borders are concerned, was there no such attack on the border of Jaisalmer and what has happened to that attack?

The Honourable Pandit Jawaharlal Nehru: That is another question. I think, which my colleague the Defence Minister will deal with. We were talking about the Eastern Pakistan, not the Jaisalmer border. There was a raid on the Jaisalmer side and it was repulsed.

Shri Mihir Lal Chattopadhyay: May I know whether the Armed Police are still in possession of the territories there?

The Honourable Pandit Jawaharlal Nehru: In this case,—Pataria? Yes.

PATHAN RAIDERS ATTACK FROM PAKISTAN ON INDIAN BORDER IN JAISALMER STATE

Mr. Speaker: There is a Short Notice Question by Mr. Deshbandhu Gupta. I find he is not present. Will any other member put the question?

I may read the question and the Honourable the Defence Minister may answer it.

(a) Will the Honourable Minister of Defence be pleased to state whether the attention of Government has been drawn to the fact that a number of villages near Jaisalmer were attacked by Pathan raiders from Pakistan on the 23rd January 1948?

(b) If so, what is the total number of casualties suffered and the amount of property looted?

(c) Why were the Government of India unable to prevent the raid in time?

(d) What steps are being taken by Government to prevent repetition of such incidents on the Indo-Pakistan border?

The Honourable Sardar Baldev Singh: (a) Yes.

(b) Exact details are not available but it is understood that 3 villages were attacked resulting in the death of 31 persons and the looting and burning of 136 houses.

(c) and (d). It is not in the public interest to disclose this information. I might say, however, that it is not always possible to prevent minor raids across the best guarded frontier in any country, but I should like to assure the House that Government are fully alive to their responsibilities in this regard and are taking all necessary precautions.

Shri T. T. Krishnamachari: May I ask the Honourable the Defence Minister whether his attention has been drawn to an information appearing in the newspapers today that the East Bengal Government are raising a volunteer Army of 150,000 and whether he can give an assurance to the House that the position in regard to the Indo-Pakistan frontier on the east is also adequately safeguarded by the Government of India.

The Honourable Sardar Baldev Singh: I have seen that report. I cannot say whether it is correct or not, but as far as the Government of India is concerned, we are taking every possible precaution for protecting the country.

Seth Govinddas: Have the Government received any information with respect to the Jaisalmer raid from the Maharajah's Government there, and, if so, what have they said as far as that raid is concerned?

The Honourable Sardar Baldev Singh: The information that I have given to the House is from all possible sources. It also includes information from the States Department.

Seth Govinddas: As far as the deaths are concerned, the Honourable Minister has said that 31 persons have died in that raid. May I know whether any compensation being paid by the Jaisalmer State Government to the bereaved families?

The Honourable Sardar Baldev Singh: I have no information.

Seth Govinddas: Will the Government move the Jaisalmer State Government to see that adequate compensation is given to the families of the persons who have died?

The Honourable Sardar Baldev Singh: I will make enquiries, Sir, but I am not sure whether the Jaisalmer State Government will give any compensation.

Shri H. V. Kamath: What is the total length of the Indo-Pakistan border, Sir, in the west?

The Honourable Sardar Baldev Singh: I do not remember off-hand, but I can give the information if my Honourable friend will ask for it later.

Shri H. V. Kamath: Is there any proposal to build fortifications on the border?

The Honourable Sardar Baldev Singh: The question as a whole is under examination and whatever precautions, whether by fortification or otherwise, are necessary they will, I am sure, be taken into consideration.

Shri Mohan Lal Saksena: Has protest been lodged with the Pakistan Government with regard to this raid, and if so, have they given any explanation for that?

The Honourable Sardar Baldev Singh: We did make a protest to the Pakistan Government and I think the reply received from them said that they were making enquiries.

Shri Mohan Lal Saksena: Do the Pakistan Government admit the fact that that raid was made by the soldiers and nationals of Pakistan?

The Honourable Sardar Baldev Singh: I have no information. They say that some people did go into Jaisalmer.

Shri Mohan Lal Saksena: Will the Government of India represent to the Pakistan Government to make a thorough enquiry about the persons who made that raid and also to see that the Pakistan Government gives them an undertaking that no such thing would be repeated in the future.

The Honourable Sardar Baldev Singh: The matter is under negotiation with the Pakistan Government and I do not know what reply has been received. As soon as a reply is received, I will inform my Honourable friend.

Shri M. Ananthasayanam Ayyangar: May I know whether the Government has any information regarding the number of raiders?

The Honourable Sardar Baldev Singh: I am afraid this information is not available.

Shri M. Ananthasayanam Ayyangar: May I know if any steps are being taken to raise a local militia or Home Guard to protect these borders and to see that no such raids occur hereafter?

The Honourable Sardar Baldev Singh: Those proposals are under consideration.

The Honourable Pandit Jawaharlal Nehru: May I add to the information given by the Defence Minister? So far as we know, these raids, especially this raid at Jaisalmer, was conducted by certain tribal people called Pavindas and others coming from the tribal area and Avan side. They were not regular soldiers nor were they normal inhabitants of the border. At the present moment, a vast number of these Pavindas and other tribal people are spread out over Pakistan areas and it seems that the Pakistan authorities are not easily capable of controlling them anywhere within even their territory, much less their border. So far as we know, a few hundreds of these Pavindas came down across the Jaisalmer border. These people, as the House will be aware, in the winter months, a large number of them, spread out all over India, doing some petty trade—money lending and sometimes misbehaving in extracting money from people and so on. Now these people have been prevented from coming to India this year. They have been concentrated in West Punjab and may be in Sind and they have misbehaved a great deal all over the place. There has been another big difference in that normally these people when they come down from their summer homes down to India in winter, they are deprived of their weapons. This time they have not been deprived of their weapons, so that they have got their rifles with them and it is easy for them with these rifles and with the general disorder that prevails round about to make these raids.

Seth Govinddas: My family have migrated from Jaisalmer State and I have got relations also there. From them I have received information that out of the people who invaded Jaisalmer border there were certain Pakistani soldiers belonging to the Pakistan Army. May I know whether the Jaisalmer State Government has written to the Government of India that some of the raiders were actual soldiers and there were not merely tribesmen?

The Honourable Pandit Jawaharlal Nehru: I am afraid I do not know.

The Honourable Sardar Baldev Singh: I too have got no information like that.

Shri Mohan Lal Saksena: May I know whether the raiders were soldiers or tribesmen and have the Indian Government written to the Pakistan Government that they are responsible for them or not?

The Honourable Sardar Baldev Singh: Of course, for all the raids that take place from Pakistan side, the Pakistan Government must be responsible.

Shri Mohan Lal Saksena: May I know whether the Government of India have made any claim for compensation and damages for the loss of life and goods suffered by those on the Indian border.

The Honourable Pandit Jawaharlal Nehru: Yes, Sir. We have made several claims in regard to this particular matter and we are still in correspondence. No particular claim has been put forward for compensation, but we had previously pointed on several occasions that we demand compensation whenever such a thing occurs.

Seth Govinddas: Will the Government make enquiries, Sir, from the Jaisalmer Government and find out whether out of the raiders some belong to the Pakistan Army?

The Honourable Sardar Baldev Singh: We are prepared to make enquiries.

Shri Ramnarayan Singh: May I know whether the raiders were driven back and whether they were pursued into the Pakistan territory and if so, how far?

The Honourable Sardar Baldev Singh: They were not pursued. They were driven out of Jaisalmer State by Jaisalmer Police, but they were not pursued into the Pakistan territory.

Shri Ramnarayan Singh: Why not?

Mr. Speaker: Order, order.

Shri Rohini Kumar Chaudhuri: Are there any casualty amongst the raiders.

The Honourable Sardar Baldev Singh: Not to our Government's knowledge.

Dr. B. Pattabhi Sitaramayya: May I enquire if Government are fully satisfied about the co-operation of the Prince of Jaisalmer State in this respect?

The Honourable Sardar Baldev Singh: Yes, Sir.

Shri M. Ananthasayanam Ayyangar: The Honourable the Prime Minister just now said that the raiders were there strewn over the entire Province of Pakistan and the Pakistan Government itself feels unable to check them. May I know what steps are being taken by the Pakistan Government to prevent these raiders and how it has become impossible for them? Is it only an excuse or is it a policy for them to dissociate these raiders along with their own troops and to raid and cause a lot of inconvenience and hardship to the border countries in the Indian Union?

The Honourable Pandit Jawaharlal Nehru: I do not know if my Honourable friend wants me to tell him what Pakistan Government's policy is in regard to this. We can make our own guesses from such information as we possess. Our policy naturally is to defend our frontiers and to repel any raid that occurs.

Mr. Speaker: The House had passed the motion for consideration of the Bill to provide for fixing minimum wages in certain employments as reported by the Select Committee. We will now proceed with the clause by clause consideration of the Bill.

Shri T. T. Krishnamachari (Madras: General): Sir, I beg to move:

"That in clause 2 of the Bill, for the words 'have been' wherever they occur, the words 'may be' be substituted."

Actually, Sir, these words have occurred six times in clause 2. The position really is that the time factor has not been taken into account and it may not be that this definition comes into operation only after the wages have been fixed but before that happens. Therefore I have suggested the words "may be" which only removes the probability of a lacuna. Sir, I move.

Mr. Speaker: Amendment moved:

"That in clause 2 of the Bill, for the words 'have been' wherever they occur, the words 'may be' be substituted."

The Honourable Shri Jagjivan Ram (Minister for Labour): The view of the draftsman and the Law Department is that 'have been' is more appropriate than 'may be' and therefore, I do not accept this amendment.

Shri T. T. Krishnamachari: I have no desire to press the amendment and beg leave of the House to withdraw it.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw the amendment?

The amendment was by leave of the Assembly withdrawn.

Shri T. T. Krishnamachari: Sir, I move:

"That in part (b) (i) of clause 2 of the Bill, after the words 'major port', the words 'any corporation established by an Act of the Central Legislature' be inserted."

This is merely a provision against any future contingency. Corporations are now being brought into being by acts of this Legislature and they are all under the control of the Central Government. I feel that the Damodar Valley Corporation and corporations of that category should also be brought into the scope of the definition of sub-clause (b). Sir, I move.

Mr. Speaker: Amendment moved:

"That in part (b) (i) of clause 2 of the Bill, after the words 'major port', the words 'any corporation established by an Act of the Central Legislature' be inserted."

The Honourable Shri Jagjivan Ram: I accept it.

Mr. Speaker: The question is:

"That in part (b) (i) of clause 2 of the Bill, after the words 'major port', the words 'any corporation established by an Act of the Central Legislature' be inserted."

The motion was adopted.

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

"That for the words 'appropriate government' wherever they occur in the Bill, the words 'appropriate Government' be substituted."

The word Government should begin with a capital letter.

Mr. Speaker: As regards some of his amendments of the nature he has just sought to move. I think these are all matters of correct printing; further he is not moving an amendment to any particular clause, but it seems this is a suggestion to the printer in respect of all the clauses. I think his amendments are in the alternative either the 'G' should be capital at all places or it should be small at all places; it should not be small A at some and Capital A at other places. I think it may be left to the printer of the Bill.

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Mr. Naziruddin Ahmad: I find some difficulty in accepting straightaway the fact that it is all due to printing mistakes. If there is any, I shall be glad not to press the amendment. The whole question depends on as to how the matter stood in the copy of the Bill which was signed by the Members of the Select Committee. If the signed copy is correct but the printed copy wrong, then perhaps the amendment may not be necessary. But the soundness of this view is doubtful. But if the original copy is wrong, then at any rate the amendment will be necessary.

There is again the other question. I have found the same mistake in 32 different places for which I have given notice. The question is whether the Bill that is printed and circulated before the Members is the Bill before us. If the House accepts the Bill as it is printed, I think that the printer has no authority to interfere with what has been passed. My personal feeling, of course, is that I shall be guided entirely by your ruling and the sense of the House.

Shri M. Ananthasayanam Ayyangar (Madras: General): His objection is to the Government being allowed to grow or contract as it likes.

Mr. Speaker: What I propose to do with reference to this is this. These amendments 1, 2 and 3 as also other amendments, in fact all his amendments, are all of that nature—, I would ask the draftsman to scrutinize these and correct the proofs accordingly. That is the only course possible. Otherwise what will happen is this: We will be spending our time over having a small 'G' or a small 'A' and still the printer will print it with a big 'A' or a big 'G'.

Shri M. Ananthasayanam Ayyangar: On that account the entire Bill will become inoperative.

Mr. Speaker: I do appreciate his anxiety that the printing of the Bill should be a very accurate and correct one. I think that disposes of all his amendments.

Mr. Naziruddin Ahmad: My amendments may be moved in one word.

Mr. Speaker: The extract of these proceedings will go to the draftsman, and the needful will be done in this matter. After all, it is not a matter of substance; it is a matter of putting correctly the draft. It is not a question of any changes in the Bill. It is only a question of correcting the proofs properly. Unfortunately, the standard of printing has so much deteriorated of late that, in spite of proof reading three or four times, there are mistakes; and incidentally, I may state to the House that, that is one of the reasons why it does not become possible to circulate Bills or Select Committee reports earlier. There are delays and inaccuracies in the Press. However, that is a different matter. Then I need not take up any amendments of the Honourable Member Mr. Naziruddin Ahmad. They are all disposed of by the observations made by me.

Mr. T. T. Krishnamachari: Sir, I beg to move:

"That in part (h) (ii) of clause 2 of the Bill, the words 'or under any scheme of social insurance' be added at the end."

As the clause stands at present the definition of wages would not include any contribution paid by the employer to any Pension Fund or Provident Fund. We have in contemplation now an employees insurance fund. It is quite possible that the Legislature might later on undertake other schemes of social insurance in which case there might be a definite liability, so far as the employer is concerned, to deduct a portion of the wages as contribution to this fund besides paying a contribution himself. The idea is that in the case of any such fund coming into operation the position must be reviewed. Sir, I move:

12 noon

Mr. Speaker: Amendment moved:

"That in part (b) (ii) of clause 2 of the Bill, the words 'or under any scheme of social insurance' be added at the end."

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

Mr. Speaker: The question is:

"That in part (b) (ii) of clause 2 of the Bill, the words 'or under any scheme of social insurance' be added at the end."

The motion was adopted.

Mr. Speaker: The question is:

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

The motion was adopted.

Shri K. Santhanam (Madras: General): Sir, I move:

"That in the Proviso to sub-clause (1) of clause 3 of the Bill, for the word 'where' the words 'in which' be substituted."

The word "where" does not seem to be very appropriate here. That is why I move this amendment.

Mr. Speaker: Amendment moved:

"That in the Proviso to sub-clause (1) of clause 3 of the Bill, for the word 'where' the words 'in which' be substituted."

The Honourable Shri Jagjivan Ram: Sir, I have no objection to the amendment.

Mr. Speaker: The question is:

"That in the Proviso to sub-clause (1) of clause 3 of the Bill, for the word 'where' the words 'in which' be substituted."

The motion was adopted.

Shri K. Santhanam: Sir, I move:

"(i) That in part (c) of sub-clause (2) of clause 3 of the Bill, after the word 'employees' where it occurs in line 3, the words 'doing a minimum prescribed work' be inserted"; and

"(ii) that to part (c) of sub-clause (2) of clause 3 of the Bill the following proviso be added, namely:

"Provided that where an employee is unable to do the prescribed minimum work by the failure of the employer in any manner, the employee shall be deemed to have done the prescribed minimum work."

This is an important and substantial amendment which the House should carefully consider. As the clause stands, it is open to an employee who is engaged on piece-rate basis to go to the employer's place and do no work whatever and still demand a full day's wages. I want the employer to be protected against either a go-slow movement or a mere sitting-in strike. According to the clause as it stands, Government may fix a rate of wages on a time-work basis. They may say that he must get for a particular day a minimum day's wages. That is to prevent the employer from giving 2 or 3 hours' work so that in the piece-rate he may get only a part of the minimum wages. That is a necessary thing. But the employer also deserves to be protected. We should not go to the other extreme and say that whenever an employee comes and sits in a place the employer must be obliged to give a full day's wages. If the first part of my amendment stood as it is it might happen that the employee would go to the factory and the employer may not give him work or facilities for work, and therefore even if he sits for eight hours he may not be able to do the minimum work. Therefore in the second part of the amendment I have put in a Proviso which is very essential; otherwise it might give rise to serious abuses. All piece-rate people may claim without doing any minimum work a full day's wages. In this way the whole business may get into serious disorder and disintegration. I therefore submit that the amendment should be carefully considered and accepted. Sir, I move.

Mr. Speaker: Amendment moved:

"(i) That in part (c) of sub-clause (2) of clause 3 of the Bill, after the word 'employees' where it occurs in line 3, the words 'doing a minimum prescribed work' be inserted"; and

"(ii) that to part (c) of sub-clause (2) of clause 3 of the Bill the following proviso be added, namely:

"Provided that where an employee is unable to do the prescribed minimum work by the failure of the employer in any manner, the employee shall be deemed to have done the prescribed minimum work."

The Honourable Shri Jagjivan Ram: Sir, my Honourable friend Mr. Santhanam's amendment, as is evident from his speech, proceeds on the basis that we are to deal with a dishonest lot of people. If that is the presumption I think parts (a), (b), (c), (d) should all go out. In piece-rate there is some guarantee that the labourer will do a certain piece of work and then he will get the wages. But in time-work there is no guarantee; and if you proceed on that basis that the labourer is a dishonest fellow that risk is greater in time-rate than in piece-rate. What we envisage in this clause is that the labourer who is working at piece-rate can be guaranteed a minimum wage per day or a particular period that may be settled, i.e., per week or per month, etc. So the risk that is pointed out is involved in everything, and more so in the time-rate. The man who is paid daily or weekly may come and sit and chat without doing anything, and he may get his wages. So if we proceed on that assumption all these clauses should be deleted. Sir, I cannot accept the amendment.

Prof. Shibban Lal Saksena (U. P.: General): Sir, I am really surprised at this amendment. The effect of it, if accepted, will be to nullify the whole clause. What will happen is that the employer will say always that the worker has not done the prescribed minimum. The thing is this; we have to visualise how things will work. At present it is well known that the employee has no safeguard, particularly in the agricultural season. This Bill will give him some rights. Even now it will be very difficult for him to know his rights and demand them. Therefore even if he does his full work there will be complaints against him and disciplinary action and other things. Our experience always is that wherever there are rights given to labour, the employers make standing orders and other orders and then tell the workers that they have failed to do this and that, and so on.

So if we put in this provision the net result will be that even what has been given in this will not be available to him. At present the employee is protected and not the employer who is already very strong. No employee getting one rupee or one-and-a-half rupees per day will go to Court and contest. If he goes slow he will not get any wage. I therefore think that Mr. Santhanam's anxiety is based on the theoretical hope that every employee will be able to defeat the words of the Act. That will not happen. There should be a guarantee and protection to the employee and not to the employer and no employee can defeat the law by these methods. If there are "go slow" tactics, then an employer has his rules and the disciplinary courts. The most down-trodden people are being given certain rights and Members should not be of the opinion that these provisions are going to defeat the purpose of the Act. After all, I think the Bill has been very carefully drafted and every effort has been made to see that there is no hardship to the employer. The Minister has pointed out that if Mr. Santhanam's suggestion is adopted then it must apply to the other clauses too. Therefore, the anxiety expressed is not based on any experience in working labour organizations.

Mr. Naziruddin Ahmad: I beg to support this amendment. It is based on a very sound principle. In fact minimum wages have been prescribed obviously for a minimum kind of work. Mere assurance of pay without an assurance of work would be doing the thing in a half-hearted fashion. There is a relation between pay and work and that is what this simple amendment seeks to establish.

[Mr. Naziruddin Ahmad].

Sir, rights and obligations are mutual and reciprocal. In these circumstances the amendment is a very proper one. All that it seeks to do is that the wage-earner does the minimum prescribed piece of work to earn the wage. Prescribed there means prescribed by Government. So Government will fix the minimum wages and also fix the minimum amount of work. This should go hand in hand and I think the amendment would remove a real lacuna.

Shri B. Das (Orissa: General): I support the amendment moved by my friend Mr. Santhanam. I was surprised and felt very much hurt when my Honourable friend, the Minister of Labour cast suspicions at the employers. I happen to be a share-holder of the Government of India and the Government of India happens to be the largest employer of railway labour. The other day I was grateful to hear from Mr. Shastri that he believes the railway workmen are not doing much work, and my Honourable friend, Prof. Saksena, who happens to control one section of the trade union on railways—I think the O. & T. Railway, now going to be abolished—also felt in his heart and agreed with us that railway workmen are not doing sufficient work for the money they earn. Why should we be thought of suspiciously when the labourer will not do his duty? It is true according to statistics of Government that railway labour is not working enough. And how is the Government going to compel that labour to work more if he is going to be guided by his socialist leaders outside the trade unions who advise workers to go into their workshops and not work but to follow their advice as they are assured by this “blessed” Minimum Wages Act that they will get their salaries in spite of sitting idle. I maintain, Sir, that something must be done to give the *quid pro quo* to the employers.

Yesterday I said that I did not think this Bill would be workable. Now the moment we start with discussions on clause 3, Mr. Santhanam points out a lacuna—a big lacuna over which one may ponder. I think many people here talk about the enterprise of an industrialist and laugh as if he is a Shylock extracting blood from the workers. But it is not so. Today all of us are members of this House representing a free India Nation. We are facing the problem that the railway workers are not doing proper work. They have multiplied their number. Technical men who were working lift by themselves, require now mates and these are now being made to lift the chisel and the hammer! These are outlandish ideas borrowed from western countries. I want the co-operation of the labour leaders in this House so that the Government will not fail in their efforts to industrialise. If there has been any failure on our side, I think it is the spirit of non-co-operation of the working classes that has led to the failure of the railway industries in India.

I therefore strongly support the amendment of my friend, Mr. Santhanam, and I do hope my labour friends and socialist friends in this House and outside will give the *quid pro quo* to the employer in this House and outside.

Shri M. Ananthasayanam Ayyangar: There is much force in the amendment moved by Mr. Santhanam. But I would like him to see and compare the provision made in Clause 17.

The object of the Bill is that two kinds of wages are contemplated and two others are auxiliary to them—

(a) time work and (b) piece work.

So far as time and piece works are concerned in sub-clause 2 of section 3, they are provided for by way of minimum rates in clauses (a) and (b). Minimum rate of wages for time work is in clause (a) and the minimum rate of wages for piece work is in clause (b).

In case of piece work, that is ten points or ten items (which may constitute a piece), or a particular quantity, assuming cubic feet may constitute a piece, the minimum for such piece in each industry is provided. In like manner we

have so many rupees per hour, or annas per hour, or week or day: that is time work and it is provided for in sub-clause (a), and piece work, either by quantity or number is provided for in clause (b). The rates of wages are provided for. We will assume that one person is not able to do it. If one hour is the minimum for which the rate is fixed, and he works for less than an hour, is he to go empty-handed? Therefore some provision is made for a minimum so far as time work is concerned. Likewise, we will have a whole piece, say 10 cubic feet which has to be turned out. Let us assume he is able to do nine cubic feet and he has spent some time over it. Is he to go empty-handed? Therefore the third clause, clause (c) refers to the minimum rate per time.

If a piece of work consists of 10 cft. and a man does only 9 cft. it cannot be measure of piece but a measure of time. The man has spent sometime and he must be given the barest minimum. If a man is unable to do a minimum piece of prescribed work a guaranteed time rate is fixed, or a guaranteed remuneration according to time is fixed. You will find that advisedly the word “rate” is not used in sub-clause (c). A minimum rate of remuneration is fixed, not wages, in the case of employees employed on piece work for the purpose of securing to such employee a minimum rate of wages on a time work basis. It is assumed in sub-clause (c) that he is unable to render the full piece. The piece will certainly be the minimum for which a minimum rate will be fixed. If he goes below that minimum shall he go empty-handed? They say that a guaranteed time rate at least shall be fixed, which will be less than the piece work rate. If once again you say that it must be only in case he does a minimum piece of work or the prescribed piece of work, that will be begging the question.

Shri K. Santhanam: The Honourable Member's interpretation is not at all in conformity with the explanation given by the Honourable Minister.

Shri M. Ananthasayanam Ayyangar: I have my interpretation and the Honourable Minister has his. I should be glad to be corrected if I am wrong but merely to quote the Minister against me is not enough and I will not be satisfied.

Clause 3 refers to the fixing of minimum wages. As regards payment of wages what safeguards have been provided in the Bill to avoid either the workman slackening or the employers refusing to pay? There are three kinds of rate and three distinct provisions by way of different clauses—clauses 16, 17 and 18. Clause 15 refers to wages of worker who works for less than the normal working day; clause 16 refers to wages for two or more classes of work and clause 17 to minimum time rate wages for piece work. Clause 17 reads:

“Where an employee is employed on piece work for which minimum time rate and not a minimum piece rate has been fixed under this Act, the employer shall pay to such employee wages at not less than the minimum time rate.”

This is the exact clause which my Honourable friend seeks to amend. “Under this Act” means the previous provision under which this minimum time rate is fixed. I shall give a concrete instance. 10 cft. may be the piece but the man may do only 9 cft. It takes him a certain amount of time and according to the time taken by him he shall be paid, though he may not complete the piece of work. The man will not go empty-handed, and he will be paid according to the number of hours he has put in, having regard to the number of hours he has normally to work to complete the piece. If a man attends his factory and spends sometime he is entitled to some rate, which is the minimum rate fixed: it is less than the ordinary time rate but the minimum he will be able to get. That I feel is the object of the Bill and this amendment will unfortunately go against that. Naturally all of us should be interested in seeing that a man who does not work ought not to be paid. This is not a penal act or code which tries to penalise the employer, who spends all his time, and

[Shri M. Ananthasayanam Ayyangar]
energy and brings an industry into existence. It is neither to his advantage nor to the advantage of the community. Quite often it is the workman that has to be safeguarded as against the employer who has the whip-hand. It is for that purpose that this minimum rate is fixed. I believe that this amendment will not serve that purpose. My Honourable friend, I would request, might consider the matter again or I would leave it to the House to decide.

Shri K. Santhanam: Sir, I do not want to press my amendment. I beg leave of the House to withdraw it.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw the amendment?

The amendment was, by leave of the Assembly, withdrawn.

Shri O. V. Alagesan (Madras: General): Sir, my observations are confined to agriculture only. Yesterday a fear was expressed that the three year period referred to in the clause will lead to delay and benefit to the agricultural workers under the Act will be postponed. I may say that the provincial governments will rather jump at this legislation as it will enable them to act quickly. As my Honourable friend Shri Subramaniam pointed out yesterday, the provincial governments are confronted at every harvest with agrarian trouble and deadlock and they have somehow to improvise a method to deal with it. This Bill shows them the way and they will devise the machinery to settle these troubles smoothly.

Again in fixing the minimum wages the Honourable Labour Minister told us yesterday and also rightly laid stress on the point that if any industry, agriculture or otherwise is unable to pay even the minimum wages to the workers, it has no right to exist and he was rightly applauded by the House for that, because he enunciated a very wholesome principle. Taking the case of agriculture my Honourable friend Shri Bishwanath Das, ex-Premier of Orissa, yesterday made a very impressive and, I may say, excellent speech. He spoke with a rich experience in agricultural problems and made several important points. He said that most of the agricultural holdings are very small and it is a well known fact that they are uneconomic. I would request the Honourable Labour Minister to bear this in mind. We should insist on minimum wages to be paid to the agricultural workers: they should also get their due. Here it is a question of not one under-dog but two under-dogs, perhaps one slightly better than the other. I mean the small land-holder and the agricultural worker. In the absence of any legislation to liquidate all the uneconomic holdings and consolidate them into economic holdings, the position is rather difficult and this I think will be taken into consideration by the appropriate authorities while fixing minimum wages. I would even urge upon the Honourable Minister who has so much sympathy for the agricultural labourers, a class that has been neglected, ill-treated and ill-paid for ages, to take this fact into consideration, and persuade the government to bring forward a measure which will liquidate all uneconomic holdings and which will enable such people who have economic holdings to pay not only the minimum wages fixed but even slightly better wages. The Select Committee has removed the distinction between men and women workers and in my opinion they have not cited sufficient reasons for that.

Mr. Speaker: The Honourable Member is going into the wider question of the principles on which the minimum wages have to be fixed. That is going much beyond the scope of the clause before the House now. We have passed the consideration stage of the Bill and are now concerned with clause 3, which seeks to lay down the procedure to fix minimum rates of wages. Will he, therefore, restrict his remarks only to the provision of this clause instead of going into the general question?

Shri O. V. Alagesan: I submit, Sir, I had no intention of going into the general question. What I wanted to say was that in case this distinction is removed women may not be able to find employment in certain classes of work and it will be a hardship on them.

Prof. Shibban Lal Saksena: Although I do not want to move any amendment to this clause I want to draw the attention of the Honourable Minister to two things. In part (a) of sub-clause (1) of this clause a period of three years is prescribed for the appropriate governments to take action in the case of agricultural occupations and a period of two years for others. In the case of occupations which the Provincial Government may not notify under section 27 two years will begin from the date of the notification. I think that unless the Honourable Minister moves the Provincial Governments in the matter no action may be taken for two years. As I said I do not want to move any amendment. I only want to draw the Honourable Minister's attention to the fact that he has given too wide a latitude to the Provincial Governments. I wish he had given not more than six months' time, because things are already overdue and two or three years' period is I think an unconscionably long time.

Again, in part (b) of sub-clause (1) of this clause the time given for reviewing the rates is five years. I think that is too big an interval. I have not proposed any amendment, but I hope the Honourable Minister will by his energy make the Provincial Governments act more quickly in this matter. Yesterday we heard the speech of the ex-Premier of Orissa. If there are any other friends of that nature they might take a very long time. I hope the Honourable Minister will see that his noble work is not nullified in that manner. I hope that although he has given a wide latitude of two or three years under part (a) of this sub-clause he will see that the thing is done quickly.

The Honourable Shri Jagjivan Ram: Sir, I did not expect that on part (c) of sub-clause 2 of this clause there would be so much discussion. The principle in that part of the sub-clause lays down that even for the workers who are engaged in piece work some remuneration may be guaranteed on a time scale basis. It may be said that some piece workers, if they do a specified piece of work, get Rs. 3 or Rs. 4 per day. But when we calculate we find that they get the Rs. 3 or 4 after they work for, say, 12 or 13 hours. The intention of this part of the sub-clause is that the piece rates may be so fixed as to conform to the minimum time rate. Therefore I do not find any difficulty in that. I, of all persons, have always been insisting that the labour leaders should make the workers realize their duties and responsibilities and not only their rights. I for one always maintain that the workers should conscientiously do their work.

My friend Mr. B. Das is always after Geneva or Washington in all question he brings as if the measures that the Government of India bring are copied on the lines of the measures in Western countries. We certainly do so in some cases where we find that those measures are beneficial to this country. But certainly we do not copy them blankly. In this provision there is nothing which has been copied from the Western countries. He brought the question of the railwaymen and others. That question was not at all relevant to sub-clause (3). In the railway most of the employees are not on piece rates but are on time scale. So the analogy was quite irrelevant. Anyway this provision is quite a necessary one.

The point that has been raised by my friend Mr. Shibban Lal Saksena deserves consideration. I may state for the information of the House that all the Provincial Governments are anxious to put this Bill into execution as soon as possible. Only recently I had a conference with the Provincial Labour Ministers at which this Bill was considered, apart from the opinions that we received from the Provincial Governments when the Bill was circulated. All these

[Shri Jagjivan Ram]

Ministers expressed their anxiety that the passage of this Bill should be expedited. About Orissa I may say this. Of all the Ministers that were present, the Labour Minister of Orissa was most anxious in this matter because Orissa today is facing more trouble in agricultural labour—even more acute than what they are facing in Madras. These are the two Provinces where the question of agricultural labourers has assumed a very acute form. I am sure the Provincial Governments will take up this question as soon as the Bill is passed into an Act.

As regards the question of revision, a period of five years has been fixed. But that is only the maximum period. It is open to the Provincial Governments to review the position when they find that there has been either a steep fall or a steep rise in the cost of living. It is open to them to revise the wages even after a period of six or three months. As I said, five years is only the maximum period.

I hope the clause will be passed unanimously.

Mr. Speaker: The question is:

"That clause 3, as amended, stand part of the Bill."

The motion was adopted.

Clause 3 as amended was added to the Bill.

Clauses 4 to 18 were added to the Bill.

Shri T. T. Krishnamachari: I move:

"That in part (e) of sub-clause (2) of clause 19 of the Bill, the words 'or as he may deem necessary for carrying out the purposes of this Act' be omitted."

Sir, the particular sub-clause reads like this:

"Subject to any rules made in this behalf, an Inspector may, within the local limits for which he is appointed . . . exercise such other powers as may be prescribed, or as he may deem necessary for carrying out the purposes of this Act."

The discretion in regard to deciding what are the powers necessary for carrying out the purposes of this Act is normally vested in the Govt. Central or Provincial as the case may be but it is also being given to the inspector in part (e) of sub-clause (2). I think that must have been due to a mistake. Surely an inspector cannot be permitted to go beyond what is prescribed by the rules. Probably the Honourable Minister would be willing to accept this amendment.

Mr. Speaker: Amendment moved:

"That in part (e) of sub-clause (2) of clause 19 of the Bill, the words 'or as he may deem necessary for carrying out the purposes of this Act' be omitted."

The Honourable Shri Jagjivan Ram: I accept the amendment.

Mr. Speaker: The question is:

"That in part (e) of sub-clause (2) of clause 19 of the Bill, the words 'or as he may deem necessary for carrying out the purposes of this Act' be omitted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 19, as amended, stand part of the Bill."

The motion was adopted.

Clause 19, as amended, was added to the Bill.

Clause 20 was added to the Bill.

Shri T. T. Krishnamachari: I move:

"That in sub-clause (1) of clause 21 of the Bill, before the word 'amount', the word 'aggregate' be inserted."

If the Chair permits and if the Government is also agreeable, I would like to move that the words 'per head' at the end should be deleted, because it is a question of dealing with aggregate wages of a number of people. It should therefore run "ten times the aggregate amount of such excess."

Mr. Speaker: Amendment moved:

"That in sub-clause (1) of clause 21 of the Bill, before the word 'amount', the word 'aggregate' be inserted, and the words 'per head' at the end be omitted."

The Honourable Shri Jagjivan Ram: I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (1) of clause 21 of the Bill, before the word 'amount', the word 'aggregate' be inserted, and the words 'per head' at the end be omitted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 21, as amended, stand part of the Bill."

The motion was adopted.

Clause 21, as amended, was added to the Bill.

Shri K. Santhanam: It has been pointed out to me that while the amendment is quite acceptable, it may better be incorporated as sub-clause (1), and so with your permission, Sir, I move:

"In clause 22, for sub-clause (1)—the main portion—the following be substituted:

"Any employer who pays to an employee less than the minimum rates of wages fixed for that employee's class of work or due to him under the provisions of this Act, or infringes any order or rules made under section 13 of this Act, shall be punishable with imprisonment of either description for a term which may extend to six months or with fine which may extend to five hundred rupees or with both."

Clause 13 was inserted in the Select Committee but they did not carry out the consequential amendments in the latter clauses, and as the clause stands now the penalty is only for infringing the right, but clause 13 provides machinery for fixing hours and for payment for days of rest, and other matters. In these matters also the employee requires protection and it is to fill up this lacuna that I have moved this amendment.

Mr. Speaker: There seems to be some confusion.

Shri K. Santhanam: The proviso stands as it is. I have not altered the proviso.

Mr. Speaker: Then I shall incorporate in the amendment the proviso also. Amendment moved:

"That for sub-clause (1) of clause 22 of the Bill, the following be substituted:

"(1) Any employer who pays to an employee less than the minimum rates of wages fixed for that employee's class of work, or due to him under the provisions of this Act, or infringes any order or rules made under Section 13, of this Act shall be punishable with imprisonment of either description for a term which may extend to six months, or with fine which may extend to five hundred rupees, or with both:

Provided that in imposing any fine for an offence under this sub-section, the Court shall take into consideration the amount of any compensation already awarded against the accused in any proceedings taken under section 20."

Mr. Naziruddin Ahmed: Sir, there is one inaccuracy in this amendment which I would like to point out. There is the expression "section 13 of this Act." The words "of this Act" are not necessary because under the general clauses Act "section 13" means "section 13 of this Act." These words should be omitted.

Mr. Speaker: Yes, the words "of this Act" may be deleted from the amendment as I have placed it before the House.

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

Shri M. Ananthasayanam Ayyangar: Sir, I still think one small amendment is necessary. I should like to say that we should add the words "amount due to him" and say at the beginning "either the minimum rates of wages fixed or the amount due to him".

Shri K. Sathyanam: That was given me by the official draftsman.

Shri M. Ananthasayanam Ayyangar: He is wrong. What is the use of quoting the official draftsman? As it stands, there is a lacuna regarding the "amount due to him". That is a lacuna and what is the good of not admitting it? The employer may give the correct rate but in calculating might give the wrong amount due. So the reference to the amount should be there.

Mr. Speaker: I believe the Honourable Minister is willing to accept this.

The Honourable Shri Jagjivan Ram: Yes Sir.

Mr. Speaker: I hope there will be no further amendments. The question is:

"That for sub-clause (1) of clause 22 of the Bill, the following be substituted:

(1) Any employer who pays to an employee less than the minimum rates of wages fixed for that employee's class of work, or less than the amount due to him under the provisions of this Act, or infringes any order or rules made under Section 13, shall be punishable with imprisonment of either description for a term which may extend to six months, or with fine which may extend to five hundred rupees, or with both:

Provided that in imposing any fine for an offence under this sub-section, the Court shall take into consideration the amount of any compensation already awarded against the accused in any proceedings taken under section 20."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 22, as amended, stand part of the Bill."

The motion was adopted.

Clause 22, as amended, was added to the Bill.

Kazi Syed Karimuddin (C. P. and Berar: Muslim) Sir, I move:

"That for clause 23 of the Bill, the following be substituted:

"23. Where any employer is charged with an offence against this Act, he shall be entitled to prove that he has used due diligence to enforce the execution of this Act and on such proof he shall be acquitted."

For prosecuting the employer under clause 22, there are three conditions laid down. Firstly, that a complaint is necessary and secondly sanction is necessary and thirdly the complaint should be instituted within six months from the date of the commission of the offence. Clause 23 lays down that if the employer is prosecuted and if the charge is proved against him, he has a right to make an application and to lodge a complaint that somebody else and not he is the real offender and on his complaint the other man will be prosecuted. This principle is very unsound. The Government lays down these three conditions to prosecute the employer but there is absolutely no condition for the employer to prosecute anybody else that he wants to prosecute. The employer, if he has any hiring can lodge a complaint against him, and the latter can come to court and say that he admits the offence. In this way the employer evades himself by putting up a scapegoat. Secondly the prosecutions can be vexatious also. If the employer is a richman and wants to evade the responsibility and wants to prosecute another man, under this clause he is entitled to prosecute and examine witnesses. I really do not understand as to why this duty of prosecution should not be shouldered by the Government. Before a prosecution is launched against an employer, there should be investigation, the investigating officer should try to find out as to who is the real culprit, the plea of the employer that somebody else and not he is the culprit should be examined

and the Government should take the responsibility of prosecuting the employer or anybody else. Instead of this, the policy of drift and the policy of saving the employer, is embodied in clause 23. It will be just

like this, Sir. If a man is prosecuted of murder, he could come to court and say that somebody else and not he is responsible for this murder and the prosecution should allow him to examine witnesses against the other man and if he is convicted, then he is free; if he is not convicted, then the trial should go on. My submission therefore, Sir, is that a very unsound principle of law is embodied in Clause 23 and I trust that my amendment will be accepted.

Mr. Speaker: Amendment moved:

"That for clause 23 of the Bill, the following be substituted:

"23. Where any employer is charged with an offence against this Act, he shall be entitled to prove that he has used due diligence to enforce the execution of this Act and on such proof he shall be acquitted."

I should like to know, first of all, what the Honourable Minister has to say. Thereafter, other members may speak.

The Honourable Shri Jagjivan Ram: I am not going to accept this amendment, Sir.

Mr. Naziruddin Ahmad: Sir, I rise to support the amendment. In fact, the clause seems to have been inserted for the first time during the Select Committee stage and it seems that accepting its principle, even its draftsmanship, has not been carefully considered. It has certain loopholes. First of all, it is initially unsound. The Bill has provided certain safeguards in prosecuting persons under the Bill. In fact, there is the condition that a public servant complains and a public servant gives a sanction, and then there is a period of limitation. These safeguards to a large extent afford a reasonable basis for a prosecution and, as has been pointed out by Mr. Kazi Karimuddin, that the prosecution by the Public Prosecutor or by the Police or the Government ensures fairness in the prosecution. But now, as soon as a man is prosecuted, after due enquiry, and what is very important, when the case is proved against him, when his guilt reasonably established, then he is given the right of purchasing his immunity by finding out a suitable scape-goat. It may be that he prosecutes an innocent man frivolously and if the scape-goat agrees to undertake the responsibility of admitting the offence, the scape-goat gets convicted. If the offenders' first victims is acquitted. Clause 23 does not debar the offender in danger from changing scene and prosecuting yet another man. He will say: "The man who is acquitted is not the real culprit but I now think somebody else is." The amendment however keeps the spirit of the Clause and prevents the above abuses. The whole Clause is based upon an unsound principle. There is no reason why there should be so much anxiety to protect an employer who has, *prima facie*, committed an offence. It was given out yesterday in support of this Clause that a man who can prove his innocence must be acquitted and it is supposed that this Clause 23 for the first time gives him that opportunity. But I submit that it is well known that irrespective of clause 23 a man who is innocent, against whom the case has not been proved with reasonable certainty, goes scot free. Clause 23 is thus unnecessary and mischievous. It may be due to an undue anxiety to save an innocent man but it may let off a guilty man and convict an innocent man. Again there are the uncertainties of such a procedure. It will lead to corrupt practices and encourage the securing of conviction of men who are really innocent but who may be a willing party in the prosecution. In the circumstances, I beg to submit that if the clause is to be retained, it should not be retained in the existing form but in the amended form as proposed by Mr. Kazi Karimuddin.

Dr. B. Pattabhi Sitaramayya (Madras: General): Mr. Speaker, Sir, I should like to say a few words in support of the amendment before the House. Before I do so I must explain my own position, because I was a signatory to the Report of the Select Committee. The Select Committee sittings of this House are so timed that they invariably collide with the sittings of another Committee which exactly sits in the same hours. I do not say that I was not present at the time at which this clause was passed. I have a vague recollection that I was present. I allowed the things to pass, possibly through inadvertence, and in

[Dr. B. Pattabhi Sitaramayya].

the Select Committee things are done in such a hurry and we have the disadvantage of the Honourable Minister not being present at the first two sittings. I believe, and I am apt to make a confusion between one Select Committee and another because we are called up to so many Select Committees in such quick succession,—that I cannot exactly say how guilty I am or whether I am guiltless. Be that as it may, even if I were guilty, I would like to make amends for this now in the House.

Sir, this Clause is an undesirable clause. It reminds me of the long years that I have spent in jail in which I found always about 300 people,—old, withered, wisened, emitting a musty and semi cadaverous odour, handling a small broom and trying to move it this side and that side, within a range of 6 inches and spending their morning hours from 7 to 8 on this work. Who are these gentlemen, I said, and I began to put myself into communication with them and asked them who they were. They said, "Sir, we are only innocent people. We have been sent by our Patel because our Patel is in the habit of making illicit liquor. After Prohibition has been introduced almost everybody addicted to drink is making illicit liquor but they have got certain men of my type. I have no wife or children and to me this is a better abode than my little hut and here my food is ensured." And in the Vellore jail, out of a population of 200,000 people there is invariably a strength of 300 to 600 prohibition prisoners. These people come very handy to the Patels. The Patels make pots of money by boiling pots of liquor and then they use these people as their proxies, and if a village Patel can do that, how much more can an employer who can command enormous sums of money not do the same? Besides, if we should go and put this instrument into his hands, things would be somewhat awkward. The other day, Sir, if I may quote the example in regard to the Commerce Department, the Honourable Minister for Commerce was so graceful as to withdraw Clause 10 of that Bill. Which was of a similar type and I hope the Labour Minister also will be pleased to withdraw this Clause.

پلڈت تھاکر داس بھارگو جناب والا! میں اس دفعہ نمبر ۲۳ کو دیکھ کر بالکل حیران رہ گیا ہوں۔ اس دفعہ نمبر ۲۳ کے اندر employer کے لئے جو view point استعمال کیا گیا ہے۔ اس پر مجھے اعتراض ہے۔ اس کا مطلب یہ ہے کہ ایک آدمی کو آپ ایک فوجداری مقدمہ میں یہ کہتے ہیں کہ وہ ایک دوسرے آدمی کو بطور مجرم کے پیش کرے۔ میرے خیال میں یہ اس حد سے تجاوز کرتا ہے کہ جس حد کا بوجھ پیدل کوڈ کسی شخص پر اس بارے میں ڈالتا ہے۔ اگر کوئی شخص بے گناہ ہے۔ اور اس شخص کو اپنی بے گناہی ثابت کرنے کے لئے دوسرے شخص کا جرم ثابت کرنا پڑے تو میں یہ کہوں گا کہ یہ بے حد ناانصافی ہے۔ اور اس کی مثال کسی بھی قانون میں نہیں مل سکتی۔ اگر ایک شخص بے گناہ ثابت کرتا ہے کہ **that he has used due diligence to enforce the execution of this Act.**

اور یہ کہ دوسرے آدمی نے offence اس کے Knowledge Consent or Connivance کے بغیر کیا ہے تو اس کا مطلب یہ ہے کہ آپ بے گناہی ثابت کرنے سے بھی زیادہ بوجھ اس پر ڈالتے ہیں یہ ضروری نہیں کہ قانون کا منشا یہ ہو کہ due diligence دیگر معاملات ایکٹ کا بھی بار اسی پر ڈالا جائے۔ جب

نے اس نے یہ بھی ثابت کر دیا۔ کہ اس نے جرم نہیں کیا ہے۔ یہ ٹھیک ہے کہ اگر اس کا بار اس لئے ڈالا جاتا ہے کہ ہر ایک آدمی اپنے فرض کو ادا کرے تو وہ الگ بات ہے۔ لیکن اس سے اس آدمی پر بہت ہی بے انصافی ہوگی جو کہ بے گناہ ہوگا اور اس کو اولیٰ اپنے بے گناہی اور پھر لاملی اور پھر نیک چلی و دیگر معاملات ثابت کرنے پڑے اس بات کے بیٹھی نظر میں یہ ادب سے عرض کروں گا کہ اس employer پر بے جا سختی مناسب نہیں ہے۔

Pandit Balkrishna Sharma (U. P.: General): Mr. Speaker, may I, on a point of information know, Sir, how the Honourable Member has been rather clever enough to impute into the clause which he is saying for instance, 'my reading of the clause is that it does not place any burden on the employer. It only gives him an opportunity'.

Mr. Speaker: The Honourable Member may argue the point later.

پلڈت تھاکر داس بھارگو: میں اس اعتراض کو یوں سمجھتا ہوں۔ کہ ایک آدمی کو آپ dock میں کھڑا کر کے یہ کہتے ہیں کہ تم کو یہ رعایت دی جاتی ہے لیکن میں یہ عرض کروں گا کہ ہر ایک ملزم کو یہ رعایت دی جاتی ہے کہ وہ ثابت کرے کہ وہ بے گناہ ہے۔ لیکن یہاں پر اس کے ساتھ ہی due diligence in the execution of the Act کا لفظ استعمال کیا گیا ہے۔ لیکن یہاں پر بھی موقعہ دیا گیا ہے کہ وہ کسی دوسرے شخص کو پیش کرے اور ثابت کرے کہ اس نے جرم کیا ہے۔ جناب عالی! مجھے ایک شخص نے ایک سٹیٹ کے جیل خانے کے متعلق ایک عجیب بات بتائی ہے۔ اس نے کہا کہ اس سٹیٹ میں اگر کسی کو قید کیا جاتا ہے تو اس قیدی کے بدلے اس جیل میں ایک substitute رکھتا ہے۔ قیدی باہر رہتا ہے اور اس کے عوض میں دوسرا شخص قید میں چلا جاتا ہے۔ لیکن یہاں پر حالت اور بھی زیادہ بدتر ہے۔ ایسا کسی بھی civilized گورنمنٹ میں نہیں ہوتا ہے۔ جب یہاں پر یہ رعایت دی جاتی ہے کہ employer کسی دوسرے شخص کو پیش کرے تو یہ بھی ہو سکتا ہے کہ اس کی اطلاع غلط ہو۔ اور جس شخص کو وہ مجرم ٹھہرانا چاہے وہ اصل میں بے گناہ ہو۔ موجودہ صورت میں یہ ہو سکتا ہے کہ اگر A کو عدالت میں charge کر دیا جائے تو وہ یہ کہے گا کہ یہ جرم میں نے نہیں کیا ہے۔ بلکہ B نے کیا ہے۔ تو A کو discharge کر کے B کو پکڑا جائے گا۔ اور اگر B ایسا کرے تو C کو پکڑا جائے گا اس کا مطالبہ یہ ہوا کہ وہ کام جو کہ پولیس نہیں کر سکتی اور سرکار نہیں کر سکتی کہ اصل مجرم کا پتہ لگایا جاوے اس کام کو اس بے گناہ employer کے اوپر ڈالا جاتا ہے۔

میں پلڈت بالکرشن سے یہ عرض کروں گا کہ اس سارے سیکشن نمبر ۲۳ کا ماحصل یہ ہے کہ یہ اس employer کا فرض بن جاتا ہے کہ جب دفعہ ۲۳ کا فائدہ اٹھانا چاہے تو وہ کسی ایسے آدمی کو پیش کرے جو دراصل بے گناہ ہو سکتا ہے۔ اور اس کا نام دے کر اس کو پھنسانے۔ اس قانون کے ہوتے ہوئے۔ یہ ہوگا کہ ایک

[پلڈے تھاکر داس بھارگو]

آدمی جس نے جرم کیا ہو وہ اپنے آپ کو بچانے کے لئے ایک ایسے آدمی کو پیش کرے گا جو بے گناہ ہو سکتا ہے اس دفعہ کے اطلاق سے صرف یہ ضروری نہیں ہے کہ وہ ثابت کرے کہ اس نے جرم نہیں کیا ہے بلکہ اسے یہ ثابت کرنا ہے that he has used due diligence to enforce the exclusion of this Act, and that the other person committed the offence without his knowledge consent and connivance. وہ ایسا کرنے سے خود تو discharge ہوگا۔ لیکن ایک شخص کو جو بے گناہ بھی ہو سکتا ہے مجرم بتا کر سزا دلانے کی ذمہ داری اس کے ہوگی۔

ایسا قانون اور Public morals کے خلاف ہے۔

(English translation of the above speech.)

Pandit Thakur Das Bhargava (East Punjab: General): Sir, I am amazed to see the section 23. I object to the view point taken here with reference to the term 'employer'. It means as if in a criminal case you suggest to a person to offer an innocent man as a criminal. As far as I think, the section exceeds the limit of the provision of even the Indian Penal Code. If a person is innocent and to prove his innocence he has to prove the guilt of some one else. I would call it an extreme injustice which has no parallel in any legislation. Again, if a man has first to establish 'that he has used due diligence to enforce the execution of this Act,' and 'that the other party has committed an offence without his knowledge, consent or connivance, then all this means that you put unnecessary burden on him to prove his innocence. The intention of the law cannot necessarily be to put the onus of proof of due diligence and of other matters mentioned in the Act, on the man who has already proved his innocence. It may be true that the onus of proof is thrown on him so that every man must do his duty. If it is so, it is a different matter. But it will be a great injustice to the innocent man if he were to prove his innocence, his absence of knowledge, and his good behaviour etc. I beg to submit that it is not befitting to treat such an employer with unnecessary hardship.

Pandit Balkrishna Sharma: Mr. Speaker, may I, on a point of information know, Sir, how the Honourable Member has been rather clever enough to impute into the clause things which he is saying for instance, 'my reading of the clause is that it does not place any burden on the employer. It only gives him an opportunity'.

Mr. Speaker: The Honourable Member may argue the point later.

Pandit Thakur Das Bhargava: I understand this objection thus: as if you were to put a man in the dock and say to him "you are given this concession". I would say that every accused person is given concession of proving his innocence, but in the Section the phrase 'due diligence to enforce the execution of this Act' is added to the detriment of the employer. At the same time, he has been given an opportunity to offer some other person in his place and to prove that he is the only man who has committed the offence. Sir, I was told an interesting fact about a state prison. He said that if any person in the state is sent to the prison he sends then his substitute. The prisoner remains out of the prison, while his substitute remains inside it. But the situation as envisaged here is still worse. Such a law does not exist under any civilised Government. In view of this concession that an employer may offer another man as the offender, it is just possible that his information may be wrong, and that the man whom he wants to hold as the criminal may actually be innocent. Under the present circumstances it may happen that if 'A' is charged with an offence in a court he shall say that he has not done the offence but 'B' has done it. Then if 'A' is discharged, 'B' is caught and if 'B' says that 'C' is an offender, 'C' will be caught. This all means that the task of tracing the real culprit which

neither the police nor the Government can do is placed on the shoulders of the innocent employer.

I would say to Pandit Balkrishna that the purport of the whole of section 23 is this that in case the employer wants to take advantage of it, it devolves upon him to offer such a man who may actually be innocent, and by giving his name he may entangle him. Under this law, an offender to save himself would offer such a man who may be innocent. It is not only necessary under this section for the employer to prove himself not guilty, but he has also to prove that he has used due diligence to enforce the execution of this Act and that the other person committed the offence without his knowledge, consent and connivance.

Thus by doing so he will be discharged, but he will take upon himself the responsibility of getting the other man who may be innocent punished by naming him as the offender.

Such a law is against both the public policy and the public morals.

Shri K. Santhanam: May I ask the Honourable Member whether someone should not be responsible? It is a case of appointment of labour.

Mr. Speaker: I would in this connection invite the attention of the Honourable Member, who is arguing, to the definition of the word 'employer,' that is one part of it and to the penal clause which we just adopted viz clause 22.

Shri M. Ananthasayanam Ayyangar: Without clause 23 he will be defeating his own purpose.

Mr. Speaker: I would invite the attention of the Honourable Members to the definition of the word 'employer' as also to the fact that the offence is committed without any prior intention on the employer's part. I think these are linked with clause 29. I am not arguing on merits but only giving a point for consideration.

It is time for the House to adjourn now and we shall resume discussion on Monday. The House will adjourn and re-assemble on Monday 11 O'clock.
The Assembly then adjourned till Eleven of the Clock on Monday, the 9th February, 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Monday, 9th February, 1948.

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

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

PRICE OF BULLION, SILVER AND GOLD IN INDIA, ENGLAND AND AMERICA

169. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Finance please state the price of bullion prevailing in India at present?

(b) What is the present price of gold in New York, London and Bombay?

(c) What is the present price of silver in New York, London and Bombay?

(d) Is it a fact that before War, the price of bullion imported from Europe and America was almost the same as that in every country?

(e) What steps do Government intend to take to bring down the prices of gold and silver in India?

(f) How much gold and silver are imported from foreign countries?

(g) Have Government any information about the quantity of gold and silver in the possession of the people in this country?

The Honourable Shri B. K. Shanmukham Chetty: (a) The spot prices on the Bombay Bullion Exchange which is the chief market for bullion in India on 5th February were:

(1) *Gold*.—Rs. 106-4-0 per tola. (Rs. 283-5-4 per ounce.) *

(2) *Silver*.—Rs. 164-12-0 per 100 tolas (Rs. 4-6-3 per ounce.)

(b) The U. S. Treasury price of gold is \$35 or Rs. 116-3-0 per ounce. The U. K. Treasury price of gold is £8-12-3 or Rs. 114-13-4 per ounce. The Bombay free market price is Rs. 283-5-4 per ounce. The New York and London prices are, however, not comparable with the Bombay price. There are no official free market dealings in London and New York. Consequently a quotation comparable to the Bombay free market quotation is not available.

(c) The price of silver in New York is 74 5/8 cents or Rs. 2-7-9 per ounce. In London the price of 'official silver' is 45d. or Rs. 2-8-0 per ounce. "Official silver" is made available only for certain essential purposes to authorised domestic users. There are three other categories of silver in the London market whose prices vary from time to time and are not available. The Bombay free market price is Rs. 4-6-3 per ounce.

(d) Yes.

(e) Government have the position constantly under review but the Honourable Member will appreciate that it is not possible to bring down the prices of gold and silver in the free markets of India to the same level as the official prices in New York and London which I have given above. With the exception of New York silver these official prices are applicable only to officially approve

transactions and private individuals cannot trade in these metals at these prices as they can in India.

(f) I would invite the attention of the Honourable Member to statements IX and X of the Reserve Bank's Report on Currency and Finance for the year 1946-47.

(g) No.

Seth Govinddas: Is it not a fact that these high prices of gold and silver in India are due to speculation in Indian markets, and are Government thinking of stopping this speculation at least in gold and silver?

The Honourable Shri R. K. Shanmukham Chetty: It is difficult to say whether the high price of bullion in India is entirely due to speculation or to the desire of people to invest in bullion. The question of controlling forward dealings in bullion is under the consideration of Government.

Mr. R. K. Sidhva: With regard to part (e), what are the difficulties in bringing down prices?

The Honourable Shri R. K. Shanmukham Chetty: Nowhere in the world is there a market for gold and silver as in India. The habit of the Indian people to hoard their money in bullion is a feature which is unique in Indian society and not found elsewhere. Normally in London or in New York, apart from the transactions in bullion required for the currency authorities, the other transactions in bullion are chiefly confined to industrial and other similar uses. Therefore in a country like India where there is so much demand by private individuals for gold and silver it is not possible to bring down the prices to the same level as they are in New York or London.

Mr. R. K. Sidhva: Is it not a fact that these prices of gold and silver in India, particularly in the Bombay market, are fictitious?

The Honourable Shri R. K. Shanmukham Chetty: I have answered that question.

Shri M. Ananthasayanam Ayyangar: Does the Honourable Minister mean to say that there is no private market for gold and silver either in the United Kingdom or in the U. S. A.?

The Honourable Shri R. K. Shanmukham Chetty: Not anything like the extent to which it prevails in India.

Shri M. Ananthasayanam Ayyangar: Is it not a fact that in America there is hoarded gold by Government there which is many times more than all the hoardings by private individuals in India?

The Honourable Shri R. K. Shanmukham Chetty: In dealing with gold that is one of the points which is very often overlooked. Gold held by the currency and monetary authorities of a country is entirely different from gold in the hands of private individuals.

Shri M. Ananthasayanam Ayyangar: In view of the fact that some arrangement is sought to be made regarding sterling balances and we have dealings with sterling so far as our currency backing is concerned, is it not in the interest of the Government of India to have gold backing for the currency that they are issuing and which they have already got? Are any steps being taken in that direction?

The Honourable Shri R. K. Shanmukham Chetty: The accretion of gold as currency reserve very largely depends upon our balance of payments. As the

position stands in India today, our balance of payment is against us, and there is therefore no question of the possibility of our acquiring further gold as currency backing.

Shri M. Ananthasayanam Ayyangar: Is any attempt being made to convert any portion of the sterling balances which is due to us into gold?

The Honourable Shri R. K. Shanmukham Chetty: I am prepared to make an attempt, but I know what that attempt will be doomed to.

Dr. B. Pattabhi Sitaramayya: Is it not a fact that the increase in the price of gold, like the increase in the price of grains or in the scale of salaries, is merely due to the depreciation of the silver rupee?

The Honourable Shri R. K. Shanmukham Chetty: No, Sir. The increase in the price of gold in India is entirely governed by supply and demand, and gold as an instrument of dealing between private individuals stands on the same footing as any dealings in commodities.

BUDGET PROVISION UNDER HEAD 'ECCLESIASTICAL'.

170. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Defence please state whether under Demand No. 39, under head 'Ecclesiastical' the sum of Rs. 2,21,000 is provided in the current budget for this department from general funds?

(b) Is it a fact that from the Railway and Defence Services Budgets also a certain amount is provided under this head?

(c) Is it a fact that for maintaining the establishments of all the churches in India Government have provided Rs. 15,03,800 in the current Budget?

(d) Do Government intend to continue maintaining these churches from the revenues of this country?

(e) If so, why?

The Honourable Sardar Baldev Singh: (a), (b) and (c). Yes.

(d) Churches will not be maintained at State expense after 31st March 1948.

(e) Does not arise.

NOMINATION OF PRESIDENTS OF CANTONMENT BOARDS

171. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Defence please state whether it is a fact that even after 15th August 1947, the Presidents of Cantonment Boards are nominated?

(b) Do Government intend to amend the Cantonment Act to give the majority of elected members absolute power as far as their jurisdiction is concerned?

(c) If so, when?

The Honourable Sardar Baldev Singh: (a) Yes.

(b) and (c). Government have no such intention at present, since elected members already enjoy full powers in respect of matters affecting the Bazar areas in Cantonments, and in the rest of the area military interests should, it is suggested predominate.

Mr. R. K. Sidhva: May I know the reasons why Government do not intend to amend the Cantonments Act at present?

The Honourable Sardar Baldev Singh: I have already stated that as far as elected members are concerned they enjoy full powers and they have a right to

elect the Vice-President of the Cantonment Board.

Mr. R. K. Sidhva: What is the total number of elected members as compared with the nominated ones? Is there a majority of elected members on any board anywhere?

The Honourable Sardar Baldev Singh: I have not got the information with me. But my information is that where there are elected members they elect the Vice-President.

Mr. R. K. Sidhva: Are Government thinking of amending the Act so that they may elect the President also?

The Honourable Sardar Baldev Singh: That is not the intention at present.

Diwan Chaman Lall: Is this a step in the direction of advancing democracy that the Government has no intention of changing the old procedure?

The Honourable Sardar Baldev Singh: As far as the civil population is concerned, the elected members have full power. But in military matters the military interests must predominate.

Diwan Chaman Lall: Are the other matters not the same: namely, sanitation, education, taxation?

The Honourable Sardar Baldev Singh: As far as these matters are concerned, my information is that the voice of the elected members is predominant.

Mr. R. K. Sidhva: What are the other matters in which the voice of the military predominates?

The Honourable Sardar Baldev Singh: I will give the information later if the Honourable Member wants it.

Diwan Chaman Lall: May I suggest that there are no other matters?

No reply

Mr. R. K. Sidhva: Is it a fact that in hygiene and sanitation, most of the Cantonment Boards have not improved the needs of the civil population?

The Honourable Sardar Baldev Singh: I have no information.

Mr. R. K. Sidhva: Will not Government consider taking steps to see to the education needs of the people under these Boards?

Mr. Speaker: I am afraid Education is a provincial subject.

Mr. R. K. Sidhva: In the cantonments it is not so, Sir. It is to be managed by the Cantonment even Hygiene, Sanitation and Education.

Dr. B. Pattabhi Sitaramayya: In view of the fact that in Cantonment of Mhow, the majority of members are elected, will they remove the nominated members?

The Honourable Sardar Baldev Singh: There are nominated members and elected members, and as I have said in reply to this question, at present there is no intention of amending the Act. But if it is the desire of the House that the Act should be amended, I am prepared to examine the matter.

Seth Govinddas: As there are various complaints with respect to these Cantonments, will the Government think it advisable to call the elected representatives of a few important cantonments and discuss the whole matter with them and then bring in a new legislation in this respect?

The Honourable Sardar Baldev Singh: I will bear that in mind.

DELEGATION OF POWERS BY CANTONMENT BOARDS IN INDIA TO BAZAR COMMITTEES

172. ***Mr. R. K. Sidhva:** (a) Will the Honourable Minister of Defence please state whether it is a fact that no powers have been delegated by any Cantonment Board in India to Bazar Committees?

(b) Is it a fact that statutory Bazar Committees are Advisory Committees who make reports only on building applications to Boards and do not act autonomously?

(c) Is it a fact that Bazar Committees comprise of an elected majority?

(d) Do Government propose to change the rules so as to enforce the decision of the elected representatives of the Cantonment Boards?

The Honourable Sardar Baldev Singh: (a) No.

(b) Bazar Committees are subject to the control of the Boards but their decisions are seldom interfered with.

(c) Yes.

(d) I would refer the Honourable Member to my answer to parts (b) and (c) of Starred Question No. 171.

Mr. R. K. Sidhva: As the Honourable Minister has given an assurance in answer to a question of Mr. Govinddas that he is going to consider this matter for amending the Act, I do not want to put supplementaries.

Mr. Speaker: I thought the Honourable Member was putting a question!

The Honourable Sardar Baldev Singh: What I have said is that I will refer the suggestions made here to the Department, and after I have obtained the Department's views, I will inform the House and then we can discuss the whole matter.

BUILDINGS UNDER REQUISITION FOR MILITARY PURPOSES IN VARIOUS TOWNS IN INDIA

173. ***Mr. R. K. Sidhva:** (a) Will the Honourable Minister of Defence please state the number of buildings under requisition for military purposes as on the 1st January, 1948 in various towns in India and the names of such towns?

(b) Do Government still propose to retain these buildings for the use of military personnel?

(c) If so, for how long will this necessity continue?

The Honourable Sardar Baldev Singh: (a) I lay a statement on the table of the House.

(b) Yes.

(c) It is very difficult to estimate the period for which requisitioned buildings will be required. The position is under constant review, the object being to release such buildings as early as possible.

	Statement.	
Bombay and Suburbs		58
Poona		42
Madras		36
Deolali		9
Jubbulpore		2
Bangalore		14
Lucknow		1
Ranchi		43
Patna		32
Dhanbad		7
Gaya		4
Monghyr		3
Chandil		1
Balamau		1
Puri		1
Ramgarh		1
Calcutta		24
Howrah		2
Dum Dum		5
Kankinara		2
Kumarhatty		1
Barrackpur		6

Kanchanpara	1
Sodepur	1
Budge Budge	1
Tollygunj	1
Belgariah	4
Noapara	1
Baranagar	1
Rajahutty	1
Darjeeling	1
Ondal	1
Sibpur	2
Silakia	2
Burdwan	1
Asansol	2
Midnapur	1
Khatagur	1
Hijli	1
Total	318

Seth Govinddas: May I know how many buildings have been released within the last three months?

The Honourable Sardar Baldev Singh: I am afraid I have not that information with me but the total number of buildings that are with the Defence Department at present is 318 all over India.

Mr. R. K. Sidhva: What has been the practice in the event of the Defence Ministry not requiring any house? Does it automatically go back to the owners or does the Defence Ministry transfer it to the civil authorities?

The Honourable Sardar Baldev Singh: The practice is that if any building is surplus to our requirements, it is offered to the Government of India in the Works, Mines and Power Department, and if it is surplus to their requirements, they offer it to the Provincial Government.

Mr. R. K. Sidhva: Is it not a fact that in Bombay some of the buildings which were not required for military purposes were handed over by the Military authorities to private persons—civilians?

The Honourable Sardar Baldev Singh: I think the Honourable Member knows more about this matter than I do!

Shri Rohini Kumar Chaudhuri: May I know if the Committee which was appointed some time in 1947 to go into the whole question of derequisitioning of properties under the Military has ceased to function? There were Committees in Assam and Bengal for this purpose.

The Honourable Sardar Baldev Singh: It is still functioning.

Shri Rohini Kumar Chaudhuri: Is the Honourable Minister aware that the Committee never sat at all in Assam because there the Commissioner of the Division refused to preside over the meetings of such a committee?

The Honourable Sardar Baldev Singh: I have no information but as far as I remember the Committee did function.

Shri Rohini Kumar Chaudhuri: Did not the Honourable Minister receive a telegram which I sent on the subject? I was asked to come to the meeting and then I was informed that the Commissioner would not come to preside and then I sent the telegram.

(No Reply)

Shri Khurshed Lal: Is the Honourable Minister aware that the agricultural lands not required by the Defence Ministry have been returned to the zamindars and not to the tenants?

The Honourable Sardar Baldev Singh: They have been returned either to the owners or tenants from whom they were requisitioned.

Dr. B. Pattabhi Sitaramayya: In view of the fact that at the time of the return of these buildings to the owners, claims and counter claims have been put forward for damages, will the Government be pleased to state what mecha-

nism is in force to settle those claims, and whether steps are being taken to expedite the settlement of such claims?

The Honourable Sardar Baldev Singh: Complaints have been received in certain cases and they have been referred to the local officers and most of the claims have been settled by mutual adjustments.

Shri P. Govinda Menon: I have been requested by Dr. B. V. Keskar to put his question.

Mr. Speaker: Yes, I know, but the usual practice is that all such questions come at the last round after all the other questions are answered.†

UNIFORM PROCEDURE FOR HOISTING OF NATIONAL FLAG IN STATES IN INDIAN UNION

†174. ***Shri P. Govinda Menon** (on behalf of **Dr. B. V. Keskar**): (a) Will the Honourable Minister of States be pleased to state whether Government are aware that in many States the flying of the tricolour flag, the official flag of the Indian Union, is banned?

(b) If so, do Government propose to find out the names of such States?

(c) What steps do Government propose to take with regard to any disrespect shown to the national flag?

(d) Do Government propose to see that a uniform procedure is followed with regard to the national flag in all the States?

The Honourable Sardar Vallabhbhai Patel: (a) No acceding State has banned the flying of the Union Flag.

(b) Does not arise.

(c) No such case of disrespect has arisen and all the acceding States have recognised and respected the Union Flag.

(d) All States are flying the Union Flag on State buildings etc. on appropriate occasions. The necessity for laying a uniform procedure does not therefore, arise.

Dr. B. Pattabhi Sitaramayya: Are Government aware that in certain States there is a difficulty as to the choice of the flag on certain occasions and if so, will the Government be pleased to take steps to evolve a formula by which you can piece in the State flag with the tricolour flag on all such occasions?

The Honourable Sardar Vallabhbhai Patel: If any question or difficulty is raised, Government will consider the question. No such reference has yet been made and according to our reports no controversy has arisen so far as the Union Flag is concerned.

SHIFTING OF CONSTITUENT COLLEGES OF DELHI UNIVERSITY TO UNIVERSITY SITE

†175. ***Shri Deshbandhu Gupta:** (a) Will the Honourable Minister of Education be pleased to state whether Government still adhere to their declared policy of shifting the Constituent Colleges of the University of Delhi to the University site?

(b) What are the financial implications of the scheme and how long will it take to implement this policy?

(c) Are Government aware that it entails heavy expenditure to Government and the managements of the colleges concerned and add to the difficulties of the students in regard to expenditure and convenience?

(d) If so, do Government propose to consider the desirability of dropping the idea?

آنریبل مولانا ابوالکلام آزاد : (a) ہاں -

(b) گورنمنٹ آف انڈیا اپنی اُس پالیسی پر قائم ہے - اور کالجوں کو گرانٹ دینے کے معاملہ پر غور کرتی ہے - تاکہ وہ دہلی یونیورسٹی کے احاطہ میں اپنی جگہ بنا سکیں - امید کی جاتی ہے کہ دو برس کے اندر اِس سکیم کے ابتدائی حصہ پر عمل ہوگا -

(c) اور (d) ظاہر ہے کہ اِس طرح کے سکیم بغیر اخراجات کے عمل میں نہیں لائے جاسکتے - لیکن کوآپریٹو teaching کے مقصد کے پیش نظر یہ خرچ اٹھانا ہی چاہئے -

The Honourable Maulana Abul Kalam Azad: (a) Yes, Sir.

(b) The Government of India have still under consideration the question of the grant that may have to be given to the Colleges to enable them to shift to the University enclave. It is hoped that it will take about two years to implement the first phase of the move of the colleges to the University enclave.

(c) and (d). The shifting of the Colleges to the University enclave does involve expenditure but this expenditure would be necessary in the interest of co-operative teaching.

شری دیپس بلدھو گپتا : کیا آنریبل منسٹر یہ بتائینگے کہ کیا ان کے پاس ایک representation ایسی آئی ہے - جس میں کہ اِس سکیم کو drop کرنے کی تجویز کی گئی ہے -

Shri Deshbandhu Gupta: Will the Honourable Minister please state whether he has received any representation which contains a proposal to drop this scheme?

آنریبل مولانا ابوالکلام آزاد : نہیں -

The Honourable Maulana Abul Kalam Azad: No.

شری دیپس بلدھو گپتا : کیا اِس چیز کو محسوس نہیں کیا جاتا - کہ یہ سکیم کئی برس سے چل رہی ہے اور کالجوں کو اپنی موجودہ عمارتوں میں توسیع کرنی ہے - تو اِس صورت میں اِس سکیم کو عملی جامہ پہنانے کی کب امید ہوسکتی ہے - تاکہ وہ کالج اپنی عمارتوں میں مستقبل میں توسیع کرسکیں -

Shri Deshbandhu Gupta: Is it not realised that this scheme has been in existence for several years past and the colleges have still to extend their buildings? How can, under such circumstances, the colleges be expected to carry this scheme out for extending their buildings in the future?

آنریبل مولانا ابوالکلام آزاد : بلڈنگ (Buildings) بنانے کی مشکلات سے آنریبل ممبران بے خبر نہیں ہونگے - لیکن اُمید کی جاتی ہے - کہ یہ سکیم جلد عمل میں لائی جائیگی -

The Honourable Maulana Abul Kalam Azad: The Honourable Members are not unaware of the difficulties experienced in the construction of buildings. But it is hoped that this scheme will be enforced early.

شری دیپس بلدھو گپتا : کیا بلڈنگ material خریدنے کے بارے میں ان کالجوں کو کچھ priority دی جائیگی تاکہ وہ material آسانی سے وصول کر کے بلڈنگیں بنا سکیں -

Shri Deshbandhu Gupta: Will any priority be given to the Colleges for purchasing the building material, so that they may be able to secure the material without any difficulty and construct the buildings?

آنریبل مولانا ابوالکلام آزاد : ضرور کوشش کی جائیگی -

The Honourable Maulana Abul Kalam Azad: Efforts will certainly be made.

SHIFTING BACK OF RAMJAS COLLEGE, DELHI AND CONTINUANCE OF AGRICULTURAL COLLEGE AT ANAND PARBAT

173. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Education be pleased to state whether Government are aware of the fact that Ramjas College, Delhi, was shifted from Anand Parbat to Daryaganj when Anand Parbat was requisitioned by the Government of India in 1942?

(b) Are Government further aware that at present Ramjas Higher Secondary School is handicapped for want of sufficient accommodation for day scholars as well as for resident students?

(c) Are Government aware that Ramjas College authorities have provided hostel accommodation for some of their students at Anand Parbat which is four miles from the college?

(d) Do Government propose to consider the advisability of allowing Ramjas College to shift back to Anand Parbat?

(e) How long do Government intend to continue the Agricultural College at Anand Parbat?

آنریبل مولانا ابوالکلام آزاد : (a) ہاں جناب -

(b) اور (c) نہیں جناب -

(d) چونکہ گورنمنٹ یہ چاہتی ہے - کہ رام جس کالج جاد ہی دہلی یونیورسٹی کے احاطہ میں چلی جائے - اس لئے یہ مناسب نہیں ہوگا کہ اِسکو آنند پرہت پر Shift کیا جائے - جو عمارات آنند پرہت پر ہیں وہ رام جس کالج سوسائٹی کی ملکیت نہیں ہیں - بلکہ رام جس ٹرسٹ کی ملکیت ہیں جس کے ساتھ کالج کا کوئی تعلق نہیں ہے -

(e) آنند پرہت پر جو ایگریکلچر کالج ہے اُسکے لئے جو بھی مناسب زمین دہلی میں یا دہلی کے قریب کہیں مل جائے تو عمارت بنادی جائیگی اور اِسکو وہاں Shift کر دیا جائیگا -

The Honourable Maulana Abul Kalam Azad: (a) Yes, Sir.

(b) and (c). No, Sir.

(d) As the Government of India desire that the College should soon shift to the Delhi University enclave it is not desirable to allow the Ramjas College to shift to the Anand Parbat. The buildings at the Anand Parbat do not belong to the Ramjas College Society which runs this College, but belong to the Ramjas Trust with which the College has no concern.

(e) The Agriculture College at Anand Parbat will be shifted as soon as suitable land is made available in or near Delhi and the necessary buildings are put up.

شری دیپس بلدھو گپتا : جسوقت ایگریکلچرل کالج (Agricultural College)

اپنی عمارت میں چلا جاویگا - تو کیا اسوقت آنند پرہت کی عمارات رام جس کالج کو واپس دی جائیگی -

Shri Deshbandhu Gupta: Will the buildings at the Anand Parbat be returned to the Ramjas College when the Agricultural College shifts to its own building?

آنریبل مولانا ابوالکلام آزاد : اس سوال پر گورنمنٹ نے غور نہیں کیا ہے۔

The Honourable Maulana Abul Kalam Azad: The Government have not considered over this matter.

INTRODUCTION OF PERIODICAL COMPULSORY RE-VACCINATION FOR SMALL-POX

177. ***Shri Rohini Kumar Chaudhuri:** (a) Will the Honourable Minister of Health be pleased to state whether the Government of India have considered the desirability of introducing periodical compulsory re-vaccination for protection against small pox, apart from re-vaccination during serious outbreaks of the disease in epidemic form?

(b) If so, what is Government's policy in the matter?

The Honourable Rajkumari Amrit Kaur: (a) and (b). Except in Madras there is no statutory provision for compulsory re-vaccination. The Health Survey and Development Committee recommended that other provinces should follow the example of Madras and introduce compulsory re-vaccination. The attention of the Provincial Governments will be drawn to this recommendation. The question of introducing compulsory re-vaccination in the centrally administered areas will also be examined.

Shri Rohini Kumar Chaudhuri: Will Government consider introducing legislation making re-vaccination compulsory?

The Honourable Rajkumari Amrit Kaur: That is the intention of the Government.

Shri H. V. Kamath: Will conscientious objectors be exempted from the operation of such an Act?

The Honourable Rajkumari Amrit Kaur: People who are conscientious objectors are nearly always exempt from such Acts.

Shri Rohini Kumar Chaudhuri: Is the Honourable Minister aware that compulsory re-vaccination has a very good effect? In certain countries, where it was, notably in Germany, small-pox was practically eradicated?

The Honourable Rajkumari Amrit Kaur: I have not the figures of Germany with me but doubtless it is so.

TREATMENT FOR CURE OF DENTAL TROUBLE AMONGST JUVENILES

178. ***Shri Rohini Kumar Chaudhuri:** Will the Honourable Minister of Health be pleased to state whether any research has been made to find out a treatment for the cure of dental troubles amongst juveniles and young adults, without extraction of the painful teeth?

The Honourable Rajkumari Amrit Kaur: Under the auspices of the Indian Research Fund Association a certain amount of research on dental problems has been carried out. A list is laid on the table showing the dental problems so far dealt with by the Indian Research Fund Association.

List of Dental Subjects on which the Indian Research Fund Association has carried out research

1. Flourine and Dental Caries in India.
2. Eruption Age of Teeth in India.
3. The Effect of Pregnancy on the Incidence of Dental Caries in Indian Women.
4. Antiscorbutic Deficiency during Lactation as a cause of Infantile Scurvy and Dental Dystrophies.
5. A Dental Survey in Ajmer-Merwara.
6. Hypertrophic Gingivitis in Indian children and Adolescents.

7. Attrition and Temporo-Mandibular Joint changes in relation to Dental Prosthesis in India.

8. A Radiological Survey of Paradental Disease in India.

Shri Rohini Kumar Chaudhuri: Does the Honourable Minister appreciate the idea of introducing some measures of relief in dental troubles when extracting teeth?

The Honourable Rajkumari Amrit Kaur: The matter is in the hands of dental experts.

Shri H. V. Kamath: Is the Honourable Minister aware that modern dental science is tending more and more to the view that pulling out teeth is a pernicious practice?

Mr. Speaker: Order, order.

Mr. R. K. Sidhva: Is it not a fact that in the Homeopathic system of medicine the removal of teeth is not permissible?

Mr. Speaker: There can be no discussion on that question.

MERGER OF MANIPUR AND KHASI HILLS STATES WITH PROVINCIAL ADMINISTRATION

179. ***Shri Rohini Kumar Chaudhuri:** Will the Honourable Minister of States be pleased to state whether any agreement has been reached with the Manipur State and the small states of Khasi Hills as to their merger with the Provincial administration?

The Honourable Sardar Vallabhbhai Patel: No.

Shri Rohini Kumar Chaudhuri: Has any negotiation been going on?

The Honourable Sardar Vallabhbhai Patel: No negotiations for merger are going on.

MAINTENANCE OF ROADS PASSING THROUGH MANIPUR AND KHASI STATES

180. ***Shri Rohini Kumar Chaudhuri:** (a) Will the Honourable Minister of States be pleased to state whether a major portion of the roads from Dimapur to Imphal in the Manipur State, and from Gauhati to Shillong in Khasi States which pass through Indian Dominion are maintained by the Government of India?

(b) Is there any proposal to transfer these roads or any portion thereof to the states through which they pass and if so, what steps do the Government of India propose to take in the matter?

The Honourable Sardar Vallabhbhai Patel: The question should have been addressed to the Honourable Minister of Transport. It has accordingly been transferred to the list of questions for February 13, 1948, when the Honourable Minister of Transport will answer it.

PRIVILEGES, FUNCTIONS AND POWERS OF INDIAN AGENT IN MANIPUR

181. ***Shri Rohini Kumar Chaudhuri:** (a) Will the Honourable Minister of States be pleased to state what are the privileges, functions and powers of the Indian Dominion Agent in Manipur State?

(b) Are they the same as those of the former Political Agents of Manipur?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). The Agent at Manipur State is the Agent of the Governor of Assam whom the Central Government has appointed as their Agent for Manipur and Khasi Hill States. He has the privilege of serving the people in his area, the function of looking after the relations between the Dominion of India and the Manipur State and safeguarding our interests there, and the power to report to the Government of India.

Shri Rohini Kumar Chaudhuri: May I know the answer to part (b) of the question, viz., are the functions the same as those of the former Political agents of Manipur?

The Honourable Sardar Vallabhbhai Patel: More or less the same.

Shri Rohini Kumar Chaudhuri: Is there any difference in any important particular? The old political agent had judicial powers, which were similar to those of the high court; does the Dominion Agent exercise the same power?

The Honourable Sardar Vallabhbhai Patel: The position which existed before August 15th, 1947 is maintained.

POST-WAR PLANS FOR TRAINING OF TECHNICAL PERSONNEL AND FACILITIES TO ANDHRA UNIVERSITY

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

(a) whether there are any post-war plans for training an adequate number of men in mechanical, electrical, highway, civil and marine engineering;

(b) the facilities Government propose to grant to the Andhra University to train this kind of personnel; and

(c) the number of Andhra students sent to over-seas universities for higher training in the subjects mentioned in part (a) above?

آنریبل مولانا ابوالکلام آزاد: (a) ہاں - جناب! اور سینئر اسکالرشپ اسکیم کے سلسلے میں ودیارتھیوں کو باہر بھیجا گیا ہے تاکہ انجینئرنگ کی الگ الگ شاخوں میں اونچے درجہ کی تعلیم حاصل کریں - جہاں تک اس بات کا لگاؤ ہے کہ ہندوستان میں انجینئروں کی تربیت کیلئے زیادہ سے زیادہ آسانی پیدا کی جائے گورنمنٹ فیصلہ کر چکی ہے کہ موہائیو تکنیکل انسٹی ٹیوٹ کلکتہ اور بمبئی کے آس پاس قائم کئے جائیں اور پوری کوشش کی جارہی ہے کہ یہ کام جلد سے جلد پورا ہو جائے امید کی جاتی ہے کہ تین برس سے زیادہ وقت اس میں نہیں لگے گا - جو انسٹی ٹیوٹ اس وقت ملک میں موجود ہیں انہیں بھی زیادہ مضبوط کرنے اور انکی تعلیم کی طاقت بڑھانے کی ایک اسکیم بن چکی ہے - اور اسے عمل میں لایا جا رہا ہے -

(b) تکنیکل ایجوکیشن کی آل انڈیا کونسل نے سفارش کی ہے کہ آندھرا یونیورسٹی کے چاروں ویکرم دیو کالج کو کیمیکل تکنالوجی ڈیپارٹمنٹ بڑھانے کیلئے گرانٹ دی جائے کیپیتل گرانٹ پانچ لاکھ پچاس ہزار ایک کی اور ریکوننگ گرانٹ ستر ہزار تک کی ہے اس سفارش پر گورنمنٹ نے خاص طور پر دھیان دیا ہے -

(c) جہاں تک ان اسکالرز کا تعلق ہے جنہیں سنٹرل گورنمنٹ بھیجتی ہے یہ بتلانا مشکل ہے کہ آندھرا کے کتنے اسکالرز بھیجے جا چکے ہیں کیونکہ امیدواروں کو اپنی درخواست میں صرف یہ بتلانا پڑتا ہے کہ وہ کسی صوبے کے رہنے والے ہیں؟ یہ بات نہیں بتلائی جاتی کہ صوبے کے کس حصہ میں رہتے ہیں چونکہ آندھرا مدراس پراونس کا ایک حصہ ہے اسلئے وہاں کے امیدوار مدراس ہی کے نام سے درخواست بھیجتے ہیں - باقی رہ وہ اسکالرز جنکے نام پراوتوں سے آتے ہیں تو انکے لئے مدراس گورنمنٹ سے دریافت کیا جا سکتا ہے وہ غالباً بتلا سکیں گے کہ اسکے چلے ہوئے اسکالرز میں آندھرا دیہی کے کتنے اسکالرز بھیجے گئے ہیں -

The Honourable Maulana Abul Kalam Azad: (a) Yes. Government have been sending students abroad for higher studies in various branches of Engineering under the Overseas Scholarships Scheme.

With regard to facilities for training Engineers in India, Government propose, to start with, to establish as early as possible within the next three years or so, two regional Higher Technical Institutions near Calcutta and Bombay. There is also a scheme for strengthening and improving the existing technological institutions in India.

(b) The All India Council for technical Education, appointed by Government, has recommended that a recurring grant of upto Rs. 70,000 and a capital grant of upto Rs. 5½ lakhs should be made from the Central Revenues for the improvement of Chemical Technology Department of the Jaipur Vikram Dev College of the Andhra University. This proposal is being given urgent consideration by Government.

(c) So far as the Central Scholars are concerned, the information is not available as the candidates are required to indicate in their applications only the Province or State and not its particular part to which they belong. With regard to Provincial Scholars, the Government of Madras may perhaps be able to give the information desired by the Honourable Member, but the information with the Government of India is incomplete.

Shri M. Ananthasayanam Ayyangar: How many students are proposed to be sent for any of these courses overseas during the ensuing year?

آنریبل مولانا ابوالکلام آزاد: اور سینئر اسکالرشپ کا سلسلہ اس سال روک دیا گیا ہے - گورنمنٹ ڈاکٹر رائے کمیٹی کی سفارشوں پر غور کر رہی ہے - تاکہ آئندہ نئے تھلگ سے یہ کام جاری کیا جائے -

The Honourable Maulana Abul Kalam Azad: The Overseas Scholarships Scheme has been discontinued this year. The Government are considering over the recommendations made by Doctor Rai's Committee so that this work may be started on new lines in future.

Shri V. C. Kesava Rao: May I know the number of Andhra graduates undergoing training in foreign universities at the present moment?

آنریبل مولانا ابوالکلام آزاد: میں یہ کہہ چکا ہوں کہ سنٹر کیلئے یہ بتلانا مشکل ہے - کیونکہ آندھرا الگ پراونس نہیں ہے - مدراس پراونس کا ایک ٹکڑہ ہے - وہاں سے امیدواران کی جو درخواستیں آتی ہیں اس میں مدراس کا نام ہوتا ہے - جہاں تک میں معلوم کر سکا ہوں - تکنیکل ایجوکیشن کیلئے شاید ۸ یا ۹ اسکالرز آندھرا کے ضرور بھیجے گئے ہیں -

The Honourable Maulana Abul Kalam Azad: I have already stated this that it is not possible for the Centre to give this information, because Andhra is not a separate Province. It is a part of the Madras Province. So far as I have been able to ascertain probably eight or nine scholars from Andhra were definitely sent for undergoing training in technical education.

Dr. B. Pattabhi Sitaramayya: The Honourable Member who has put the question does not understand the language in which the question has been answered and hence he is repeating his question. If possible you may, Sir, order the answer to be rendered either into Telugu or English.

Mr. Speaker: That may be done after the question hour is over.

Shri M. Ananthasayanam Ayyangar: Arising out of the answer to clause (a) of the question, may I know what post-war plans are for training an adequate number of students in mechanical, electrical and other kinds of engineering? At what stage is the proposal to open technological institutions in four places

in India, viz., Bombay, Calcutta, Delhi and one in the South? Has anything been done in this direction and if so, what progress has been made?

آنریبل مولانا ابوالکلام آزاد : تکنیکل کونسل نے سفارشات کئے تھے - کہ چار ہائپر تکنیکل انسٹی ٹیوشن کھولنا چاہئے - جس میں سے دو کیلئے بمبئی اور کلکتہ قرار دیا گیا تھا - کام جاری ہے - اور امید کی جاتی ہے - کہ تین برس کے اندر یہ دونوں کھل جائیں گے -

The Honourable Maulana Abul Kalam Azad: The Technical Council had recommended that four higher technical institutions should be opened, two of which should be located at Bombay and Calcutta. The work is in hand and it is hoped that both these will start functioning within three years.

Shri M. Ananthasayanam Ayyangar: May I know what is going on in Madras?

آنریبل مولانا ابوالکلام آزاد : ابھی سائٹ کا معاملہ شروع نہیں کیا گیا ہے - اسلئے کہ ایک ہی وقت میں چاروں انسٹی ٹیوشنوں کا قائم کرنا مشکل تھا -

The Honourable Maulana Abul Kalam Azad: The matter concerning the South has not yet been taken in hand as it was not possible to set up all the four institutions simultaneously.

Shri M. Ananthasayanam Ayyangar: Why has it not been taken in hand?

آنریبل مولانا ابوالکلام آزاد : اس کا جواب میں دے چکا ہوں -

The Honourable Maulana Abul Kalam Azad: I have already answered this.

شری ایم - انتھاسیانم آئیٹنگر - کب شروع کریں گی ؟

Shri M. Ananthasayanam Ayyangar: When will this be taken up?

آنریبل مولانا ابوالکلام آزاد : گورنمنٹ کوشش کریں گی - کہ جلد شروع کر سکے -

The Honourable Maulana Abul Kalam Azad: The Government will try to take this up soon.

Shri V. C. Kesava Rao: In view of the fact that the Andhra province will be separated soon, will Government consider the question of training more men of Andhra for the efficient administration of the future government?

Mr. Speaker: That is more or less hypothetical today.

Shri Biswanath Das: While deciding to start technological institutions in Bombay, Calcutta, Delhi and in Madras may I know how the Government propose to cater to the needs of provinces which are less developed and want more technological institutions?

آنریبل مولانا ابوالکلام آزاد : اس طرح کے انسٹی ٹیوشن قائم کرنے میں پروانسی کو سامنے نہیں رکھا جاسکتا - کونسل کی سفارش تھی - کہ چار جگہوں میں اسکو قائم کرنا چاہئے - اور الگ الگ اسکے سرکل بنا دیئے جائیں -

The Honourable Maulana Abul Kalam Azad: The Provinces cannot be kept in view while starting such institutions. The Council had recommended that these should be established at four places and four separate circles set up for this purpose.

شری ایچ۔ وی۔ کامتھ : क्या हवाई जहाज बनाने के सिलसिले में गवर्नमेंट कोई

कदम उठा रही है ।

Shri H. V. Kamath: Are the Government taking any steps for the building of aircraft?

آنریبل مولانا ابوالکلام آزاد : اس کے لئے کوئی اسکیم نہیں ہے -

The Honourable Maulana Abul Kalam Azad: No such scheme exists in this connection.

شری ایچ۔ وی۔ کامتھ : क्या गवर्नमेंट इस पर गौर कर रही है।

Shri H. V. Kamath: Are Government considering it?

آنریبل مولانا ابوالکلام آزاد : ابھی گورنمنٹ کے سامنے یہ چیز نہیں ہے -

The Honourable Maulana Abul Kalam Azad: No such matter is under the consideration at the moment.

INCOME TAX COLLECTION FROM ANDHRA DISTRICTS.

183. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Finance be pleased to lay on the table of the House a consolidated statement of the Income tax collections for the years 1946-47 and 1947-48 from the Andhra districts excluding the city of Madras?

(b) What is the revenue income from the ports of Vizagapatam, Cocanada and Masulipatam for the years 1946-47 and 1947-48?

The Honourable Shri R. K. Shanmukham Chetty: The information has been called for and will be laid on the table in due course.

POST-WAR PLANS FOR TRAINING OF MEDICAL PERSONNEL AND FACILITIES TO ANDHRA UNIVERSITY.

184. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Health be pleased to state the Post-War plans of the Government of India for training doctors, nurses, midwives and public health personnel?

(b) What facilities do Government propose to give to the Andhra University to train an adequate number of Andhra graduates for such work?

(c) What is the number of Andhra doctors who have been deputed to foreign Universities and Research Institutions for training in higher branches of medicine, surgery, radiology, etc.?

The Honourable Rajkumari Amrit Kaur: (a) A statement showing the post-war plans of the Government of India for training doctors, nurses and other health personnel is laid on the table of the House.

(b) Facilities are not given by the Government of India directly to any Provincial University.

(c) The number of Medical scholars selected from the Madras Province for overseas training is 30. Information is not available here as to how many of these come from the Andhra districts.

Statement

Showing the Post-War plans of the Government of India for training doctors, nurses and other Health personnel.

1. Overseas Training Programme.—(i) Training of doctors.—A scheme was started in 1946 to send selected medical graduates for postgraduate training in universities and institutions abroad primarily to fit them for higher teaching and research posts. Under this scheme 49 candidates were selected in 1946 and 76 candidates in 1947 from all parts of India. Candidates were selected for all branches of medicine. The selections were made on an all-India basis by a Central Selection Board.

(ii) Training of Dentists.—Similarly, in 1947, 13 candidates were selected from the whole of India by a Central Selection Board for higher training abroad in Dentistry.

(iii) Nutrition workers.—In 1947, 10 candidates were selected from the whole of India for higher training in nutrition in institutions abroad.

(iv) Nurses.—In 1945, 1946, 1947 respectively 6, 3 and 4 qualified nurses holding certificates were sent to the United Kingdom for postgraduate training. In 1946 and 1947 respectively 10 and 27 probationer nurses were also sent to that country for training.

2. *Training in India.*—(i) *Public Health Personnel.*—The number of seats for the Diploma in Public Health at the All-India Institute of Hygiene and Public Health, Calcutta, has been doubled.

(ii) *Nursing.*—A college of Nursing has been opened in Delhi.

(iii) *Further education and training of demobilised medical personnel.*—The Government of India share 50 per cent. of the expenditure incurred by the Provincial Governments on the further education and training of demobilised medical personnel. A Medical College called the Lake Medical College has been established in Calcutta to enable demobilised medical licentiates to take medical degrees.

Shrimati G. Durgabai: Will the Honourable Minister be pleased to state whether these plans include plans for carrying out campaigns for recruitment and enrolment of nurses for undergoing training?

The Honourable Rajkumari Amrit Kaur: It is not clear whether the Honourable Member refers to training in India or training abroad, because the question before us relates to overseas training?

Shrimati G. Durgabai: I refer to training both in India and abroad.

The Honourable Rajkumari Amrit Kaur: We have recruitment schemes in India; those candidates who are found suitable for overseas training, will be given scholarships and sent abroad.

Shri Deshbandhu Gupta: May I know, Sir, if it is a fact that a general directive has been issued by the Government of India to all provinces directing them to proceed with only such schemes as are remunerative?

The Honourable Rajkumari Amrit Kaur: Only those students who are really fit to be sent abroad will be considered for scholarships.

Shri H. V. Kamath: Are Government going to exclude men from the nursing profession?

Mr. Speaker: Order, Order.

Shri Rohini Kumar Chaudhuri: Does these schemes include training of male nurses, particularly in places where women trainees are not available?

The Honourable Rajkumari Amrit Kaur: Men nursing orderlies are already being trained.

Shri Deshbandhu Gupta: I have not had an answer to my question. I want to know, whether in the face of the Finance Ministry's directive that only those schemes should be proceeded with which are paying, the scheme for the training of nurses, etc., will be proceeded with?

The Honourable Rajkumari Amrit Kaur: That is a matter of policy of the Government of India.

Shri Deshbandhu Gupta: May I know whether any such directive as I have mentioned has been issued by the Government of India?

The Honourable Rajkumari Amrit Kaur: I am not aware of any directive having been issued.

RETRENCHMENT OF UNQUALIFIED CLERKS AND ASSISTANTS IN GOVERNMENT OF INDIA SECRETARIAT.

185 ***Shri V. C. Kesava Rao:** (a) Will the Honourable Minister of Home Affairs be pleased to state the number of Assistants and lower grade clerks in the Central Secretariat who are not qualified in the prescribed tests conducted by the Federal Public Service-Commission?

(b) Do Government propose to retrench all these unqualified personnel?

(c) Do Government propose to take into consideration the hardships these personnel are likely to face if they are retrenched?

(d) Is it the intention of Government to re-organise the Secretariat and if so, what steps have they taken and what steps do they propose to take in the matter?

The Honourable Sardar Vallabhbhai Patel: (a) The information is being collected and will be placed on the table of the House when it is ready.

(b) Instructions have already been issued that unqualified persons should be replaced by qualified persons as soon as possible.

(c) Unqualified temporary employees have been given special concessions in order to enable them to qualify themselves if possible. Retrenched employees will be eligible for gratuity according to prescribed scales, subject to certain conditions regarding duration of service. The facilities provided by Employment Exchanges will be available to them for securing alternative employment.

(d) The reorganisation of the Secretariat, in so far as it relates to the division of work and the settlement of superior officer strength of the different Ministries of the Government of India, has been completed. The question of the reorganisation of the Central Secretariat Service, consisting of certain categories of officers and ministerial establishment in the Secretariat is at present under consideration.

Shri V. C. Kesava Rao: What is the policy of the Government of India with reference to the retrenchment of un-qualified persons who have acquired sufficient working knowledge in the Ministries?

The Honourable Sardar Vallabhbhai Patel: They have to pass certain tests.

Shri T. A. Ramalingam Chettiar: By whom are recruitments made for these services, Sir?

The Honourable Sardar Vallabhbhai Patel: You refer to the new recruitments?

Shri T. A. Ramalingam Chettiar: I mean recruitments to the subordinate services, except those who come through examinations.

The Honourable Sardar Vallabhbhai Patel: By the authorities concerned under the rules.

Shri T. A. Ramalingam Chettiar: Will Government consider leaving the recruitment to the subordinate services to the Public Service Commission?

The Honourable Sardar Vallabhbhai Patel: Of course, Sir.

Shri V. C. Kesava Rao: Do Government believe that qualified and new recruits will do more work than the experienced, but unqualified personnel?

Mr. Speaker: That is a matter of opinion.

Shri M. Ananthasayanam Ayyangar: May I know, Sir, whether, in the case of persons who have been recruited on the understanding that they will be absorbed provided they qualified in an examination, their seniority will count from the date of their entry into service, or from the date of their qualifying at an examination, which will mean new recruits who have passed the qualifying examination getting above them?

The Honourable Sardar Vallabhbhai Patel: I am sorry I have not been able to follow the Honourable Member's question.

Mr. Speaker: The question is so far as unqualified personnel who are to be absorbed are concerned, will their seniority be counted from the date of their appointment or from the date of their passing the examination?

The Honourable Sardar Vallabhbhai Patel: The service of such persons will be taken into account.

Shri M. Ananthasayanam Ayyangar: Has Government received any representation from various persons who have put in years of service, but over whom qualified, but new recruits have been placed in the matter of seniority? Will the Hon'ble Minister consider this matter?

The Honourable Sardar Vallabhbhai Patel: I have not received any such representation; but I shall certainly look into this matter.

RELAY OF B. B. C. NEWS BY A. I. R.

186. ***Shri V. C. Kesava Rao:** Will the Honourable Minister of Information and Broadcasting be pleased to state:

- the terms under which the A.I.R. relays the B.B.C. news;
- What special privileges are given to B.B.C. correspondents; and
- why the news of the bomb incident which took place at Mahatmaji's prayer meeting was relayed by the B.B.C. before the A.I.R. did it?

The Honourable Sardar Vallabhbhai Patel: (a) There is no specific agreement under which All India Radio relay B. B. C. news.

(b) None.

(c) The omission was due to the fact that a full and authentic account of the incident was not available in time for inclusion in the bulletin.

RELEASE BY PAKISTAN GOVERNMENT OF INDIAN AIRCRAFTS LYING AT KARACHI

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

(a) whether the Government of Pakistan have yet released the Indian Aircraft, which they had been holding at Karachi;

(b) if not, why not; and

(c) the number of aircraft with the number of each type of machine not yet released?

The Honourable Sardar Baldev Singh: (a) Yes. Two ships carrying a number of cases containing the aircraft have already arrived in Bombay and the remaining cases are now in the process of being loaded on a ship in Karachi.

(b) and (c). Does not arise in view of the answer to part (a).

Shri Deshbandhu Gupta: Have Government made it certain that these shipments were not tampered with in Karachi?

The Honourable Sardar Baldev Singh: The cases seemed to be intact. I do not know whether the contents are intact or not; but I think they are all right.

Shri Deshbandhu Gupta: Have Government received any information to the effect that there has been an attempt in Karachi to tamper with some of these boxes?

The Honourable Sardar Baldev Singh: I have received no such information. Sir. And as to the contents of these cases, I cannot reply definitely, until they have been opened and examined.

TOTAL STRENGTH OF ARMED FORCES IN INDIA *vis-a-vis* THE MARATHAS.

†188. ***Dr. P. S. Deshmukh:** (a) Will the Honourable Minister of Defence be pleased to state the total strength of the Armed Forces in India in the years 1935, 1939, 1941, 1945 and 1947?

(b) What was the total strength of the Marathas in the whole of the Army for the respective years?

(c) What was the total number of Maratha officers in each of these years.

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

The Honourable Sardar Baldev Singh: (a) and (b). I lay a statement on the table of the House.

(c) This information is not available.

Statement

(a) The total strength of the Indian Army on the 1st July of the years in question was as under:—

1935	1,82,923
1939	1,85,821
1941	5,25,000
1945	20,28,368
1947	4,94,149

(b) The total strength of Marathas (V. C. O's. and I.O.R's.) for the respective years was as under:—

1935	4,829
1939	5,032
1941	15,721
1945	46,343
1947	10,330

Note.—Figures for categories other than V. C. O's. and I. O. R's. are not available.

GOVERNMENT'S POLICY FOR RECRUITMENT TO INDIAN ARMY, NAVY AND AIR FORCE

†189. ***Dr. P. S. Deshmukh:** (a) Will the Honourable Minister of Defence be pleased to state the policy of Government in regard to the recruitment to the Indian Army, Navy, and Air Force?

(b) Have Government settled any definite proportions to be allotted to particular Communities? If so, what are they?

The Honourable Sardar Baldev Singh: (a) Recruitment to the Armed Forces is open to all personnel of Indian domicile irrespective of class, creed or religion, who satisfy the conditions laid down as regards age, physical standard and educational qualifications.

(b) No definite proportion has been allotted to any class or creed for recruitment to the Armed Forces.

PRESENT STRENGTH OF COMMISSIONED AND NON-COMMISSIONED OFFICERS IN ARMY

†190. ***Dr. P. S. Deshmukh:** (a) Will the Honourable Minister of Defence be pleased to state the total number of Commissioned and Non-commissioned officers in the Army today?

(b) How many of these are Marathas, Rajputs, Sikhs, Scheduled Castes and Muslims?

The Honourable Sardar Baldev Singh: (a) It will not be in the public interest to disclose this information on the floor of the House. I am, however, prepared to give the information confidentially to any Honourable Member of the House who might care to ask for it.

(b) Figures by class of Indian Commissioned Officers are not available. Similar information in regard to Viceroy's Commissioned Officers and Other Ranks can be collected, but it will not be in the public interest to give publicity to information of this kind.

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

NUMBER OF GAZETTED OFFICERS IN GOVERNMENT OF INDIA IN THE YEARS
1940, 1945 AND 1947

†191. *Dr. P. S. Deshmukh: Will the Honourable Minister of Home Affairs be pleased to state the number of Gazetted Officers in the Government of India in the years 1940, 1945 and 1947?

The Honourable Sardar Vallabhbhai Patel: The information asked for is not readily available and the time and labour involved in collecting it would be incommensurate with the value of the results.

RETRENCHMENT OF SIKHS IN MILITARY ACCOUNTS DEPARTMENT IN COMMUNAL...
PROPORTION

192 *Giani Gurmukh Singh Musafar: (a) Will the Honourable Minister of Finance be pleased to state whether it is a fact that the Government of India have, vide a resolution dated the 21st August, 1947, passed by the Ministry of Home Affairs, fixed percentages for communal reservation in the Central Services, and that the percentage thus fixed for "Other Minorities" (categories included therein: Sikhs, Indian-Christians and Anglo-Indians) is ten per cent?

(b) If so, in the orders issued recently for effecting retrenchment in the Military Accounts Department, why has no provision been made for maintenance of the above proportion in respect of the Sikhs?

The Honourable Shri R. K. Shanmukham Chetty: (a) The answer is in the affirmative only in regard to posts which are filled otherwise than by competition. If posts are filled by competition, no reservation is made except in favour of scheduled caste.

(b) The policy of the Government is that where it is necessary to retrench temporary employees, merit should be the guiding criterion in determining the persons to be retrenched and communal considerations should not be taken into account. This is the policy followed in the Military Accounts Department where the present retrenchment is confined to individuals possessing relatively low educational qualifications who are being retrenched in order of their juniority.

ENQUIRY INTO TRIBAL PATHANS' RAID ON JAISALMER STATE

193 *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable Minister of States be pleased to state whether it is a fact that a number of tribal Pathan armed marauders infiltrated into the territory of Jaisalmer State and committed various acts of plunder, looting, and arson on a number of villages of the State? If so, have Government made any enquiries into the matter and with what result?

(b) What was the number of casualties, abductions, etc., and what was the extent of the damage caused by the raid and what action has been taken by the Government of India to protest against this act of hostility and to call upon the Bahawalpur State and the Pakistan authorities to compensate for this loss?

(c) What steps have been taken so far by the Government of India, to strengthen the defence of the border of the Indian Union adjoining the Pakistan frontier?

The Honourable Sardar Vallabhbhai Patel: (a) Yes.

(b) According to a report received from the Dewan of Jaisalmer State, 141 houses have been burnt in 4 villages, the total damage caused by loot, arson, etc. comes to Rs. four lakhs and sixty-one thousand, 20 men, 7 women and 1 child were killed; one man and two women were wounded and three men are missing, believed killed. No case of abduction has been reported. Government have already lodged a strong protest with the Pakistan Government in the matter but have not yet received any reply.

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

(c) I would invite the Honourable member's attention to the reply given by my Honourable colleague the Defence Minister to a short notice question No. 4 on the 7th February 1948.

Pandit Balkrishna Sharma: May I know, Sir, when our Government protested against this raid to the Pakistan Government?

The Honourable Sardar Vallabhbhai Patel: This was a recent incident. Immediately the report of the raid was received, a protest was lodged with the Pakistan Government.

Shri H. V. Kamath: Have Government demanded any compensation from the Government of Pakistan?

The Honourable Sardar Vallabhbhai Patel: We are awaiting a reply to our protest. Our future course of action will depend on the nature of the reply.

FORMATION OF CONFEDERATION OF SMALL RAJPUTANA STATE

194 *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable Minister of States be pleased to state whether Government have received any representations or proposals from some of the Chiefs in the Rajputana States or from the Praja Mandals or from the States Peoples' Conference, for the merger of any of the States in Rajputana with the neighbouring province or for the formation of a Confederation or some Union of such States?

(b) If so, do Government propose to lay on the table of the House a statement showing the details of such schemes?

(c) Has the question of merger of the small States of Rajputana with any of the neighbouring provinces or the question of the formation of a Confederation of such States been receiving the attention of Government, and have Government arrived at any decision in the matter?

(d) Do Government propose to give an assurance that the factor of the cultural, geographical and linguistic unity of Rajputana as a whole, will be given due weight to and that the wishes of the people of the States concerned will first be ascertained before taking any final decision in the matter?

The Honourable Sardar Vallabhbhai Patel: (a) Government have not received any such proposal.

(b) Does not arise.

(c) No.

(d) Does not arise.

RAIDS BY NIZAM'S FORCES ON INDIAN UNION TERRITORIES

†195. *Prof. N. G. Ranga: (a) Will the Honourable Minister of States be pleased to state whether any representations have been made to the Government of India by the Provincial Governments about the encroachments and raids made in their areas by the Nizam's forces and police and members of the Ittehad-ul-Musilmen?

(b) If so, from which provinces and in regard to how many raids or encroachments or violation of their territories, have such representations been received?

(c) What are the main incidents in respect of which such representations were made?

(d) How many of our Union subjects were killed in these raids?

(e) What is the estimate of the destruction of property, villages etc. caused by the Nizam's forces and Ittehad-ul-Musilmen volunteers?

(f) What action has so far been taken by Government in regard to the reported incidents and what action is proposed to be taken to prevent the repetition of such incidents?

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

The Honourable Sardar Vallabhbhai Patel: (a) Yes.

(b) Reports about several border incidents have been received from Madras and Bombay Provinces.

(c) to (f). Although several incidents have been reported details of the number of people killed and the estimated loss of property are not available. Our Agent General in Hyderabad has taken up the whole question with the Prime Minister of Hyderabad and it is hoped that as soon as the arrangements, they have agreed upon, are put into effect, there will be no recurrence of such incidents.

OPPRESSION OF RURAL POPULATION IN NIZAM'S STATE AND INFLUX OF REFUGEES IN ANDHRA DISTRICTS

†196 *Prof. N. G. Ranga: (a) Will the Honourable Minister of States be pleased to state whether Government are aware that more than a lakh of the rural population of the Nizam's State have come into the neighbouring Andhra villages of the Union, even after the Agent General of the Government of India took charge of his office in Hyderabad, due to the burning down of their villages or other kinds of oppression inflicted upon them by the State forces or the Ittehad-ul-Musilmen volunteers?

(b) Are Government aware that the Home Minister of the Government of Madras actually saw from a distance while coming through the Union territory villages burning within the Hyderabad territory and that several of the affected villagers ran to him to ask for protection?

(c) Have Government of Madras made any representations to the Government of India about the special difficulties created by this new and large influx of refugees?

The Honourable Sardar Vallabhbhai Patel: (a) We have had a report that about 80,000 persons have left Hyderabad and taken refuge in the Province of Madras. This happened before our Agent General took charge of his office in Hyderabad.

(b) We have asked the Government of Madras to furnish the information required.

(c) No.

RECRUITMENT CENTRES IN BIHAR, BENGAL, ORISSA AND MADRAS PROVINCES

197 *Shri Ramnarayan Singh: Will the Honourable Minister of Defence be pleased to state whether there are any military recruitment centres in the Provinces of Bihar, Bengal, Orissa and Madras and if so, what are the agencies and methods for recruitment?

The Honourable Sardar Baldev Singh: I lay a statement on the table of the House.

Statement

Recruitment for the Army and the Navy

Recruiting agencies in the Provinces mentioned in the question are:—

- (i) Bihar.—Assistant Recruiting Officer, Patna.
- (ii) Bengal.—Recruiting Officer, Calcutta.
- (iii) Orissa.—Extra Assistant Recruiting Officer, Berhampore, District Ganjam.
- (iv) Madras—
 - Recruiting Officer, Bangalore.
 - Assistant Recruiting Officer, Coimbatore.
 - Assistant Recruiting Officer, Trichnopoly.
 - Assistant Recruiting Officer, Madras.

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

In addition, there are a number of Honorary Assistant Recruiting Officers in all these Provinces, Honorary Assistant Recruiting Officers are appointed in consultation with civil authorities from men of influence and backing in various districts.

Method of recruiting is:—

- (i) by personal contact through recruiters on the staff of recruiting offices,
- (ii) through advertisements in the press,
- (iii) by liaison with civilian officials and non-officials institutes, associations, Employment Exchanges.

Recruitment for the Air Force

There are Air Force Recruiting Officers located at Calcutta and Madras. Bihar, Bengal and Orissa are the areas of the Air Force Recruiting Officer at Calcutta. Air Force Recruiting Officer, Madras is in charge of Madras Presidency. There is no other agency for recruitment to the R. I. A. F. The method of recruitment is for Air Force Recruiting Officers to interview the candidates in the recruiting offices and while on tour in their areas. Candidates have to pass prescribed tests on the results of which they are selected for training.

Shri Biswanath Das: Is the Honourable Minister aware of the fact that we are not able to know the details of what are given in the statement when they say that statements are laid on the table? For instance even on this day we have not been able to get the printed proceedings of even the first day of the meeting in November, 1947.

Mr. Speaker: I believe the statements are available to Honourable Members. They are also placed in the Library.

Shri Biswanath Das: But I am representing to you that I attempted and found it was not possible to get them.

Mr. Speaker: I am told that they are placed in the Library from Lunch Hour.

Shri Biswanath Das: From today you might be keeping them in the Library. But they were not available till yesterday. At the same time need I appeal and represent to you, Sir, that copies of these may also be placed here for our ready reference—may be one or two copies?

Mr. Speaker: They are available here.

Shri Rohini Kumar Chaudhuri: May I ask what are the agencies and methods of recruitment?

The Honourable Sardar Baldev Singh: The required information is given in the statement and the Honourable Member can have a copy of it.

Shri Ramnarayan Singh: Does the statement contain the information that military recruiting centres have been opened in the places I have mentioned?

The Honourable Sardar Baldev Singh: Yes, Sir, there are recruiting centres in the places mentioned by the Honourable Member.

Mr. R. K. Sidhva: What is the number of men recruited in a month approximately, may I know?

The Honourable Sardar Baldev Singh: I require notice, Sir.

Shri H. V. Kamath: May I know what steps Government have taken to encourage recruitment to our Army?

The Honourable Sardar Baldev Singh: Different steps are taken by the Department to encourage recruitment. I shall later on also make statement.

Shri Rohini Kumar Chaudhuri: May I ask whether the same method is adopted throughout India in this matter or whether a particular method is adopted only in respect of these four Provinces?

The Honourable Sardar Baldev Singh: The practice is uniform throughout India.

Shri Ramnarayan Singh: Is it the policy of the Government to recruit soldiers from all parts of the country?

The Honourable Sardar Baldev Singh: Yes, Sir.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Minister whether any of these agencies are made available to any Provinces which might try to raise Home Guards for purposes of internal defence?

The Honourable Sardar Baldev Singh: No, Sir, they are meant only for recruitment in the Armed Forces.

Shri M. Ananthasayanam Ayyangar: May I ask whether any other kind of assistance is given to the Provincial Governments—by way of technical advice—in raising Home Guards? Are the Defence authorities helping them in any manner?

The Honourable Sardar Baldev Singh: This organisation is only for recruitment to the Armed Forces. In case no recruitment is necessary in the Army, then only is it possible to give assistance to the civil administration.

Diwan Chaman Lall: May I ask my Honourable friend whether recruitment takes place on a community-wise basis and if so what sort of percentage has been fixed for the different communities?

The Honourable Sardar Baldev Singh: There is no communal proportion for the Armed Forces today.

Shri Ramnarayan Singh: Has any province-wise proportion been fixed?

The Honourable Sardar Baldev Singh: There is no proportion fixed either province-wise or community-wise.

NUMBER OF STATES ACCEDED TO INDIAN UNION

198. *Shri Ramnarayan Singh: Will the Honourable Minister of States be pleased to state the names of the States, which have hitherto acceded to the Indian Union?

The Honourable Sardar Vallabhbhai Patel: I refer the Honourable Member to the reply given by me to Shri Nagappa's question No. 62 in the last Session of the Assembly and the statements laid on the table of the House on the 19th November, 1947.

Seth Govinddas: May I know what steps are being taken by the Government to see that smaller States which are still existing in various places of this country are merged in the Provinces to which they are neighbouring States?

The Honourable Sardar Vallabhbhai Patel: That question does not arise out of this.

ENFORCEMENT OF RULES FOR ACCREDITATION OF PRESS CORRESPONDENTS

†199 *Dr. N. B. Khare: Will the Honourable Minister of Information and Broadcasting be pleased to state:

(a) the date of enforcement of the Rules for Accreditation of Press Correspondents accepted by the Standing Committee of the All-India Newspaper Editors' Conference at its meeting on October 13, 1946;

(b) the date of their publication in the *Gazette of India*; and

(c) the names of persons admitted to the Accreditation under those Rules till 1st July 1947, together with the particulars of the Newspapers and Agencies they represent since 1936?

The Honourable Sardar Vallabhbhai Patel: (a) The rules came into force on 26th October, 1946.

(b) The rules have not been published in the *Gazette of India*.

(c) This will involve labour not commensurate with the purpose to be served.

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

DECLARATIONS OF EXEMPTIONS UNDER THE REGISTRATION OF FOREIGNERS ACT

CONSTITUTION OF CENTRAL PRESS ADVISORY COMMITTEE.

†200. *Dr. N. B. Khare: Will the Honourable Minister of Information and Broadcasting be pleased to state:

(a) how the Central Press Advisory Committee is constituted;

(b) the authority for its constitution;

(c) how the interest of Editors, who are not members of the All-India Newspaper Editors' Conference is safeguarded;

(d) the duty and function of the said Committee together with the procedure prescribed for the transaction of its business; and

(e) whether copy of the proceedings of the said Committee are available to this House or to the Public and if not the reasons therefor?

The Honourable Sardar Vallabhbhai Patel: (a) and (b). The Central Press Advisory Committee is an organisation of the All-India Newspaper Editors' Conference.

(c) to (e). The enquiry should be addressed to the Central Press Advisory Committee.

DECLARATIONS OF EXEMPTIONS UNDER THE REGISTRATION OF FOREIGNERS ACT.

The Honourable Sardar Vallabhbhai Patel (Minister for Home Affairs, Information and Broadcasting, and the States):—Sir, I beg to lay on the table a copy of each of the following Declarations of Exemptions issued under the Registration of Foreigners Act, 1939, namely:—

(1) No. 1/42/47-Poll (E), dated the 30th October, 1947,

(2) No. 1/44/47-Poll (E), dated the 15th November, 1947,

(3) No. 1/46/47-Poll (E), dated the 19th December, 1947,

(4) No. 1/2/48-Poll (E), dated the 5th January, 1948,

(5) No. 1/1/48-Poll (E), dated the 6th January, 1948, (5 Declarations), and

(6) No. 1/4/48-F. 1, dated the 15th January, 1948,

No. 1/42/47-Poll (E).

GOVERNMENT OF INDIA.

MINISTRY OF HOME AFFAIRS.

New Delhi, the 30th October 1947.

DECLARATION OF EXEMPTION.

In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors, who are not foreigners shall not apply to, or in relation to Mr. William S. Tyson, an American national, for so long as he is attending the International Labour Conference and working at the American Embassy, New Delhi.

F. SINGH,

Asstt. Secy. to the Govt. of India.

No. 1/44/47-Poll (E).

GOVERNMENT OF INDIA.

MINISTRY OF HOME AFFAIRS.

New Delhi, the 15th November 1947.

DECLARATION OF EXEMPTION.

In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors, who are not foreigners shall not apply to, or in relation to Mrs. Agens La Barr, an American national, for so long as she remains in India in the employ of the American Embassy, New Delhi.

F. SINGH,

Asstt. Secy. to the Govt. of India.

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

No. 1/46/47-POLL. (E).

GOVERNMENT OF INDIA.

MINISTRY OF HOME AFFAIRS.

New Delhi, the 19th December 1947.

DECLARATION OF EXEMPTION.

In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors, who are not foreigners shall not apply to, or in relation to Mr. Copeland H. Marks, for so long as he is employed at the American Consulate-General, Calcutta.

F. SINGH,
Under Secy. to the Govt. of India

No. 1/2/48-POLL. (E).

GOVERNMENT OF INDIA.

MINISTRY OF HOME AFFAIRS.

New Delhi, the 5th January 1948.

DECLARATION OF EXEMPTION.

In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors, who are not foreigners shall not apply to, or in relation to Mr. Herbert Reiner, Jr., an American national, for so long as he is employed in the American Embassy, New Delhi.

F. SINGH,
Under Secy. to the Govt. of India

No. 1/1/48-POLL. (E).

GOVERNMENT OF INDIA.

MINISTRY OF HOME AFFAIRS.

New Delhi, the 6th January 1948.

DECLARATION OF EXEMPTION.

In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors, who are not foreigners shall not apply to, or in relation to Mrs. Fadila Maroof Naji Mahmoud Nadim, for so long as she remains in India in the employ of the Consulate-General for Iraq, Bombay.

F. SINGH,
Under Secy. to the Govt. of India

No. 1/1/48-POLL. (E).

GOVERNMENT OF INDIA.

MINISTRY OF HOME AFFAIRS.

New Delhi, the 6th January, 1948.

DECLARATION OF EXEMPTION.

In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors, who are not foreigners shall not apply to, or in relation to Mr. Naji Mahmoud Nadim, for so long as he remains in India in the employ of the Consulate-General for Iraq, Bombay.

F. SINGH,
Under Secy. to the Govt. of India

DECLARATIONS OF EXEMPTIONS UNDER THE REGISTRATION OF FOREIGNERS ACT

No. 1/1/48-POLL. (E)..

GOVERNMENT OF INDIA.

MINISTRY OF HOME AFFAIRS.

New Delhi, the 6th January, 1948.

DECLARATION OF EXEMPTION.

In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors, who are not foreigners shall not apply to, or in relation to Mr. Ali Abdul Majid, for so long as he remains in India in the employ of the Consulate-General for Iraq, Bombay.

F. SINGH,
Under Secy. to the Govt. of India

No. 1/1/48-POLL. (E).

GOVERNMENT OF INDIA.

MINISTRY OF HOME AFFAIRS.

New Delhi, the 6th January, 1948.

DECLARATION OF EXEMPTION.

In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors, who are not foreigners shall not apply to, or in relation to Mrs. Khadija Raoof Hamid, for so long as she remains in India in the employ of the Consulate-General for Iraq, Bombay.

F. SINGH,
Under Secy. to the Govt. of India

No. 1/1/48-POLL. (E).

GOVERNMENT OF INDIA.

MINISTRY OF HOME AFFAIRS.

New Delhi, the 6th January, 1948.

DECLARATION OF EXEMPTION.

In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors, who are not foreigners shall not apply to, or in relation to Mr. Raoof Hamid, for so long as he remains in India in the employ of the Consulate-General for Iraq, Bombay.

F. SINGH,
Under Secy. to the Govt. of India

No. 1/4/48-F. 1.

GOVERNMENT OF INDIA.

MINISTRY OF HOME AFFAIRS.

New Delhi, the 15th January, 1948.

DECLARATION OF EXEMPTION.

In exercise of the powers conferred by Section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors, who are not foreigners shall not apply to, or in relation to Dr. Sverre Petterssen, a Norwegian Meteorologist and his wife for so long as he is working in the Indian Meteorological Department.

F. SINGH,
Under Secy. to the Govt. of India

Shri M. Ananthasayanam Ayyangar (Madras: General): May I know from the Honourable Minister what do these six cases refer to, what are the specific exemptions for, and in whose favour?

The Honourable Sardar Vallabhbhai Patel: They relate to certain foreigners; not necessarily Ambassadors.

ELECTION TO INDIAN CENTRAL TOBACCO COMMITTEE

The Honourable Shri Jairamdas Doulatram (Minister for Food and Agriculture): I beg to move:

"That in pursuance of clauses 7 to 9 of paragraph 3 of the late Department of Education, Health and Lands Resolution No. F. 40-26/44-A, dated the 10th April, 1945, constituting the Indian Central Tobacco Committee, the members of this Assembly do proceed to elect, in such manner as the Honourable the Speaker may direct, three members from among their number to serve as members of the Indian Central Tobacco Committee."

Mr. Speaker: The question is:

"That in pursuance of clauses 7 to 9 of paragraph 3 of the late Department of Education, Health and Lands Resolution No. F. 40-26/44-A, dated the 10th April, 1945, constituting the Indian Central Tobacco Committee, the members of this Assembly do proceed to elect, in such manner as the Honourable the Speaker may direct, three members from among their number to serve as members of the Indian Central Tobacco Committee."

The motion was adopted.

ELECTION TO INDIAN CENTRAL COCONUT COMMITTEE

The Honourable Shri Jairamdas Doulatram (Minister for Food and Agriculture): I beg to move:

"That in pursuance of clause (g) of section 4 of the Indian Central Coconut Committee Act, 1944, the members of this Assembly do proceed to elect, in such manner as the Honourable the Speaker may direct, three members from among themselves to be members of the Indian Central Coconut Committee."

Mr. Speaker: The question is:

"That in pursuance of clause (g) of section 4 of the Indian Central Coconut Committee Act, 1944, the members of this Assembly do proceed to elect, in such manner as the Honourable the Speaker may direct, three members from among themselves to be members of the Indian Central Coconut Committee."

The motion was adopted.

ELECTION TO INDIAN COUNCIL OF AGRICULTURAL RESEARCH

The Honourable Shri Jairamdas Doulatram (Minister for Food and Agriculture): I beg to move:

"That in pursuance of Article 5(2) of the Rules and Regulations of the Indian Council of Agricultural Research, the members of this Assembly do proceed to elect, in such manner as the Honourable the Speaker may direct, three members from among themselves to be members of the Indian Council of Agricultural Research."

Mr. Speaker: The question is:

"That in pursuance of Article 5(2) of the Rules and Regulations of the Indian Council of Agricultural Research, the members of this Assembly do proceed to elect, in such manner as the Honourable the Speaker may direct, three members from among themselves to be members of the Indian Council of Agricultural Research."

The motion was adopted.

ELECTION TO INDIAN OILSEEDS COMMITTEE

The Honourable Shri Jairamdas Doulatram (Minister for Food and Agriculture): Sir, I beg to move:

"That in pursuance of clause (s) of Section 4 of the Indian Oilseeds Act, 1946, the members of this Assembly do proceed to elect in such manner as the Honourable the Speaker may direct, six members from among their number to be members of the Indian Oilseeds Committee."

Mr. Speaker: The question is:

"That in pursuance of clause (s) of Section 4 of the Indian Oilseeds Act, 1946, the members of this Assembly do proceed to elect in such manner as the Honourable the Speaker may direct, six members from among their number to be members of the Indian Oilseeds Committee."

The motion was adopted.

Mr. Speaker: I have to inform Honourable Members that the following dates have been fixed for receiving nominations and holding elections, if necessary, in connection with the following Committees and Council, namely:

		Date for nomination	Date for election
1.	Indian Central Tobacco Committee	11-2-1948	14-2-1948
2.	Indian Central Coconut Committee	11-2-1948	14-2-1948
3.	Indian Council of Agriculture Research	13-2-1948	2-1948
4.	Indian Oilseeds Committee	13-2-1948	2-1948

The nomination for these Committees and Council will be received in the Notice Office upto 12 noon on the dates mentioned for the purpose. The elections, which will be conducted by means of the single transferable vote, will be held in the Assistant Secretary's room (No. 21) in the Council House between the hours of 10-30 A.M. and 1 P.M.

REHABILITATION FINANCE ADMINISTRATION BILL

(PRESENTATION OF REPORT OF SELECT COMMITTEE)

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): Sir, I present the report of the Select Committee on the Bill to establish the Rehabilitation Finance Administration.

MINIMUM WAGES BILL—concl'd.

Mr. Speaker: The House may now proceed with further consideration of the Bill to provide for fixing minimum wages in certain employments as reported by the Select Committee. When we adjourned on Saturday, the House was considering clause 23.

Pandit Thakur Das Bhargava (East Punjab: General): Sir, I am grateful to you for your having very kindly called my attention to clause No. 22 which we have passed and the definition of the word 'employer' while considering clause 23. A comparative study of clauses 22 and 23 and the definition of the word

[Pandit Thakur Das Bhargava]

“employer” leads to certain very anomalous conclusions. If we read section 22 by itself, all that the prosecution needs to prove against an employer is (1) that he is an employer; (2) that he personally paid the amount; and (3) that he paid less than the minimum rates of wages fixed for the employee's class of work. If these three things are proved, the prosecution will be deemed to have proved its case. But in case any of these ingredients fails, then the prosecution fails in proving its case: whereas if the application of clause 23 is considered as apart from clause 22 and the employer is unfortunate enough to suggest that some other person has done the deed, and not he, then to earn acquittal he has to prove that such other person committed the offence in question. Now if this fact alone is proved under section 22, that the employer did not commit this act, he stands acquitted, whereas under section 23 if he proves that some other person committed the offence, he is not acquitted. He has to further prove that the act was done without his connivance or consent. This itself is a sufficient burden. Under section 22 there is no burden like this. If a man is charged with the offence of having committed the offence under section 22, all that he need prove is that he did not actually commit it. He has to prove nothing further. I can understand in a proper case of abetment under section 22 the employer may be called upon to prove want of consent, knowledge or connivance. But if he is charged with the principal offence, it is no part of his duty to prove that the act was done without his connivance, knowledge or consent, if he only proves that he himself did not make the payment.

Then again, this is not all. Even if the employer proves that another person has committed the offence, even if he proves that it was done without his knowledge, consent or connivance, yet the law has another obligation on him—he must prove to the satisfaction of the Court that he has used due diligence to enforce the execution of this Act. It appears that even if it is proved that he is not in any manner responsible for the act, yet unless he has proved his previous good character, his antecedents, he will not be freed from the meshes of the law. I think this provision exceeds the limits which the law seeks to impose upon an accused person.

This is not sufficient again because the other condition is that the other person should be convicted. If that other person is not convicted I do not know what would happen. According to the plain implications of this Section 23 the employer shall not be discharged; he will only earn his discharge if all these conditions are fulfilled though it is not specifically given here that to earn his acquittal the other man must be convicted.

Further on we find in the proviso another extraordinary thing unheard of in criminal jurisprudence:

“Provided that in seeking to prove, as aforesaid, the employer may be examined on oath, and the evidence of the employer or his witness, if any, shall be subject to cross-examination by or on behalf of the person whom the employer charges as the actual offender and by the prosecution.”

Now, Sir, two sets of persons will begin to cross-examine the employer and he will be in the midst of two fires. But in cases where the employer produces a substitute for himself and it is proved to the satisfaction of the Court that neither the employer nor the person who is charged by him as the actual offender is proved guilty of the offence charged, what is the alternative for the Court? Supposing it is proved to the satisfaction of the Court that neither the substitute nor the employer but a third person is guilty, who is not before the Court, the result will be that the employer, according to the plain meaning of the Section, will not stand discharged, though it may not be the intention behind the back of the minds of the framers of this Section that an innocent person should be convicted. My own humble submission is that according to this Section an extraordinary burden is placed upon the employer which should not be placed there.

There is another point from which I want to attack this position. In Section 23 the words are:

“Where an employer is charged with an offence against this Act, he shall be entitled, upon complaint duly made by him, to have any other person whom he charges as the actual offender, brought before the Court at the time appointed for hearing the charge;”

and kindly mark these words—

“and if, after the commission of the offence has been proved, the employer proves to the satisfaction of the Court.”

So it follows that even in spite of the fact that you cannot charge any person, and you cannot find out who the actual culprit is, who the man is who paid the money less, if even then the commission of the offence is regarded as proved, may I know what is the real gravamen of the charge under Section 22? Is the mere fact that less payment has been made enough to constitute an offence? I humbly submit it is not sufficient. Under no canon of jurisprudence can mere less payment be regarded as constituting a criminal offence. But the words appear “if, after the commission of the offence has been proved.” The proof of commission of an offence without the committer of the offence is an unknown thing.

I will just illustrate my point. If a person living in London has got ten villages in the Punjab or U. P., he employs three or four *mukhtars* in each village. He comes back to India and he is hauled up under this Section. What is he to do? He does not know which of the *mukhtars* made payment. Under Section 23 he may prove his *alibi* in a court of law and I think no court of law will convict him because he did not make the payment. But according to Section 23 he says, “My *mukhtar* made payment and if it appears to the Court that ‘A’ and not ‘B’ made the payment, he will be held guilty under the provisions of this Section.” How is he to know which man made the payment? Again, when I speak of the actual offender, may I humbly enquire from the Honourable the Labour Minister what is an actual offender and what is a constructive offender? According to the plain meaning of the Section, if the actual offender is known, there is no constructive offender according to law. If he is guilty of abetment proceed against him. But when you find an offender, can you speak of an offender other than an actual offender? My humble submission is that it is not right to say so. The man who makes the less payment consciously is the only offender known to law; otherwise there is no offence at all. I submit that to my mind under Section 22 the word “payment” is not mechanical payment, it is a conscious payment. Unless and until the man who is accused of less payment knows that whatever he is paying he is paying less, he cannot be held guilty. A mere error in calculation, a mere error of judgment, whether a particular amount should be this or that, will never amount in law to a criminal charge. The words “an employer who pays to any employee less” imply two things. First of all, he must actually pay the mechanical act of paying should be proved against him. Secondly it must be proved that he paid it consciously with the idea and knowledge that he was making less payment. Otherwise he will not be guilty. Supposing Section 22 is there; that man is bound to be acquitted if it is proved that he did not make payment less than what is due.

Mr. Speaker: May I invite the Honourable Member's attention to the fact that the words of Section 22 do not put in any words which necessitate the *mens rea*. It does not say “willfully pays or dishonestly pays.”

Pandit Thakur Das Bhargava: Yes, Sir. You were pleased to make these remarks. I gave my full thought to the question. My humble submission is that the word means that he pays it with knowledge or intention; otherwise there is no payment at all. In Criminal Law you will be pleased to see that the words “who possesses or receives stolen property” have a definite meaning. The possessor of stolen property is charged. If a friend of mine puts the stolen property into my pocket, I am not conscious of it, I am not in possession of it.

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Shri M. Ananthasayanam Ayyangar (Madras: General): You will be imputed with the motive. You have to explain.

Pandit Thakur Das Bhargava: My lawyer friends tell me that if I am in possession of stolen property put in my pocket by a friend of mine

Shri M. Ananthasayanam Ayyangar: You have to prove that you are not guilty.

Pandit Thakur Das Bhargava: If it is proved that I did not know it was in my pocket, I will be acquitted. Then it means that it must be conscious possession, otherwise I am not guilty. I am not guilty of killing a man if I kill him under the impression that I am killing a ghost. Unless and until the man's mind travels with the act, he is not guilty. Suppose my *mukhtar* tells me that my labourers have got wages to be paid for three days and the labourers say they have got to be paid for four days, and I pay for three, will I be guilty even if I believe that the statement of my *mukhtar* is true and act accordingly?

Shri M. Ananthasayanam Ayyangar: You will be acquitted.

Pandit Thakur Das Bhargava: Yes. Then, if my friend says that unless and until it is proved that I did a thing consciously I am not guilty, I and he are on the same ground.

An Honourable Member: The intention is presumed.

Pandit Thakur Das Bhargava: If the intention is presumed, then the question is I am charged, and I have to answer that charge and I can disprove that charge.

Mr. Speaker: The burden of proof is the real point.

Pandit Thakur Das Bhargava: I am coming to that, Sir. So far as the burden of proof is concerned, we have been putting the burden on the accused in many Acts. For example, we have said: "Where any Director or an officer is bound to do anything, he will be liable to conviction unless he proves that as a matter of fact he did not commit the offence." If you say: "Every employer shall be presumed to be guilty unless he proves etc..." then I will have no quarrel, but this proceeds further. This goes on to say that if he produces a man and says that he himself is not the actual offender and alleges that the man he produces, is the actual offender and proves and gets him convicted then he will be discharged. This is too much. This goes beyond all the provisions we have made so far and that is my real objection to it.

I would like to call your attention to the definition of the word "employer". You will see that it includes the Manager of the Factory, the Head of the Department and the Chief Executive Officer of the Department. Now, these exactly are the three class of people who do not make the payment and if they are hauled up under Section 22 and they are called upon to substantiate their defence according to the terms of Section 23, it will be a very very hard day for them. Therefore, I can never believe that it was ever intended that the Chief Executive Officer and the local authority or the Manager of a factory or the Head of the Department will be liable to prove these things in a court of law under Section 23 to secure their discharge. Therefore, the plain meaning is that the employer must be there and he must be proved to have paid—and paid consciously—less or presumably that he at least knew that less payment was made. If these three things are not there, he is sure to be acquitted.

Now, if you will kindly refer to Section 20, you will be pleased to see that the civil liability of payment in the terms of Section 12 of this Act is there. An employer is liable to pay full. He must see that full payment is made. I have no sympathy with an employer who wants consciously that less payment should be made to the employees and I do want that the law should be very strict against him. I do not want to see him saved, but at the same time,

I do not want that innocent employer who are absent from the place of payment be hauled up in a court of law as they will be able to secure their acquittal only after proving these impossible things. This is my complaint. According to the terms of Section 20, again, if there is a deficient payment, there is a penalty attached to that and the deficient payment should be made up together with ten times more penalty. You will see there, the word "pays" never occurs, but the word "paid" only occurs. Therefore, it appears that the civil remedy is also accompanied by penal remedy as far as this Section is concerned.

Then, if you will kindly refer to Section 22, sub-clause 3, you will be pleased to see that before a case comes to a court of law there should be a complaint under Section 20 not that the payment was deficient but the complaint must be in the very words of Section 22. Therefore, the employer is not merely to make a claim, but the claim should be that the employer paid less. If this is the complaint then the officer or the court or whosoever it may be under Section 21 will consider the question and then sanction it. The officer is invested with the discretion to sanction it or not. If mechanical payment of deficient amount constitutes offence why should he be invested with the discretion to sanction the complaint? Then it must be imputed in all cases to the employer that he did pay consciously less amount. As this imputation is not compulsory the officer who is to enquire into the matter is invested with discretion to see whether the offence has been committed or not and that is why he is given the power to sanction the complaint. If he does not sanction, then there can be no complaint. Therefore, the meaning behind this safeguard is that the law wants that an employer who is innocent should not be brought to the court. But if we proceed according to Section 23 the question of safeguard is gone. We know how sanctions are obtained. Once a sanction is given there is no question of getting out of it unless the employer produces a substitute and the substitute confesses the offence; if he does not and says he is not guilty, then the innocent man is convicted. Under Section 23, the words are: "Where an employer is charged with an offence, . . . he shall be entitled to have any other person etc. . . . and that other person shall be convicted as if he were the employer." By these words, Sir, I conclude that the person who is sought to be substituted under this provision will ordinarily be a non-employer. But supposing it is not the non-employer but it is the employer himself. According to the definition of employer here, namely, "so and so and includes, etc." there can be two employers or more out of whom if one is hauled up, he makes a complaint against the second employer that he and not the other is the culprit, and second man says "I am not responsible" and points to a third man, then what will happen? The first man will not be acquitted unless the second man is convicted, and the second man will not earn his acquittal unless the third man is convicted. We do not know how far we can go like this. In its anxiety to see that the dishonest employer does not get out of the meshes of the law, the Select Committee has produced an absurd proposition before us in the shape of Section 23. I am at one with those who want that the dishonest employer should not be let off. At the same time, Sir, in order even to be fair to the employee we should not murder the principles of Criminal Jurisprudence according to which guilt should be judged and fairness and justice meted to all equally. The provision of Secs. 20, 22 and 23 have not been framed in this spirit. The perusal of Sec. 20 shows that if the complaint is malicious or vexatious the penalty is only Rs. 50 and the complainant can get out scot free easily. We are giving the power to make a complaint to so many persons that in case of false complaints the real accused will not be brought to book. An Inspector makes a complaint and the Inspector says in this case less payment was made and when it is brought home that the statement is wrong, he says "this is hear-say". And if this is "hear-say" according to the present law, malice cannot be attributed. Thus there are great chances of employers being harassed by false complaints.

[Pandit Thakur Das Bhargava]

Now again, Sir, a fine of Rs. 50 is proposed under section 20 and under clause 22 the punishment is Rs. 500 and 6 months imprisonment. I have no great quarrel with the punishment as it is neither too little nor too much. Rs. 50 is not an insignificant amount for a labourer and Rs. 500 is not too much for an employer, and if the punishment of imprisonment is not provided for, I think many persons would like to commit the offence and just pay the amount. So far as the persons who are given the right to make a complaint, my submission is that in many cases vexatious and frivolous complaints will be made and complainants will not be brought to book. In so far as Section 23 is concerned, we will not be doing the right thing even if we accept the amendment moved by the Honourable the Mover. My humble submission is that I am absolutely opposed to section 23 and I want that it should be deleted, for if you read section 23 it does not make an exemption; it only wants to entmesh fresh people who are non-employers and at the same time grants exemption to the employer under clause 22 if it is proved that the man did not pay the amount personally. He is sure to be exonerated. Who is that un-thinking man who will come and say that although he may be acquitted because he has proved his *alibi*, because he proved that he did not pay, yet he would produce another man. If it is behind the mind of the framers of this section that they will be able to get some persons who will bring complaints for them and act gratuitously, I think they will not be justified in hoping like this. The more honest course will be to add another section instead of section 23 to the effect that all these employers will be held guilty in case deficient payment is proved and it will be upon them to prove that in respect of short payments they had no knowledge because they were not there and they had made good arrangements for fair payment etc. This will be the honest course. If you keep section 23, my own fear is the principles of this section will go on in other legislative enactments also and we do not know where it will stop and we will be tampering with the accepted principles of Criminal Jurisprudence. I oppose Section 23. I give my qualified support to the amendment in this way that after all it is the law, as you have been pleased to suggest, and the mere fact of deficient payment may be regarded as penal; even then this amendment which goes to say that if a man proves some of his *bona fides* may be acquitted may do some good to the accused. But on principle, Sir, I am opposed to the amendment and the clause 23.

Pandit Balkrishna Sharma (U.P.: General): Mr. Speaker, Sir, while I was hearing the very able speech of my Honourable friend Pandit Thakur Das Bhargava for whose forensic abilities I have very great respect; I was reminded of an anecdote, Sir, about Robert Browning and Carlyle. Robert Browning the great poet had written a poem called 'Sordello' and he sent that poem to Carlyle. Now after about a fortnight Carlyle wrote to Browning: "My dear Browning, Mrs. Carlyle has read 'Sordello' with very great interest and she wants to know whether 'Sordello' was a man or a city or a dog." It is exactly that sort of confusion which my Honourable friend Pandit Thakur Das Bhargava has created in regard to section 23. All sorts and manner of legal phraseology, all sorts and manner of quibblings have been introduced in the discussion of clause 23. I beg to point out, Sir, that it is only a sort of an enabling clause and there is absolutely no burden of proof thrown on anybody against his wishes. I may point out that in the Factories Act of 1934 a similar clause finds a place. That clause is clause 71 and I would read that clause to the House:

"Where the occupier or manager of a factory is charged with an offence against this Act, he shall be entitled upon complaint duly made by him to have any other person whom he charges as the actual offender brought before the court at the time appointed for hearing the

charge; and if after the commission of the offence has been proved the occupier or manager of the factory proves to the satisfaction of the court:

- (a) that he has used due diligence to enforce the execution of this Act, and
- (b) that the said other person committed the offence in question without his knowledge, consent or connivance, that other person shall be convicted of the offence and shall be liable to a like fine as if he was the occupier or manager and the occupier and the manager shall be discharged from any liability."

More or less the same phraseology occurs in this clause 23. And as we all know, this Act was passed in the year of Grace 1934. Since then it is well nigh 13 years that this Act has been in operation and it has not in any way operated against the interests either of the employer or of the employee. I for the life of me cannot understand how this clause 23 shall operate against the employer.

Pandit Thakur Das Bhargava: How many cases have been brought under section 71?

Pandit Balkrishna Sharma: If the Honourable Member wants to know the number of cases he can refer to the Provincial Governments and he can get copy of the lists thereof, and it is no use confounding me by asking the question as to how many cases were brought before the court.

Pandit Thakur Das Bhargava: There must have been many cases.

Pandit Balkrishna Sharma: If the section is there the employers must have taken advantage of it and even though it is there the employer did not want to take advantage of it, how do you think that he will be bringing many cases under section 23? Well, when the Minimum Wages Act is in operation that sort of question leads one nowhere. This clause 23 has purposely been placed here because generally it is the Inspector or the Trade Union, who after taking sanction prosecutes an employer and the employer generally advances the plea that he was not there. Then again the poor Inspector has to find out as to who the real culprit was who paid less than the minimum wages fixed by law. In the first instance this law only gives an opportunity to the employer to plead not guilty and to place the responsibility on someone else who happens to be his employee and who has made the payment and prove to the satisfaction of the Court that it is that man and not he who is responsible for that act. I do not think there is any principle of equity involved in this procedure. As a matter of fact this clause 23 has been attacked from two points of view. One was the view of my learned friend Dr. Pattabhi Sitaramayya who says that this is a clause which will work in favour of the employer, because in every instance the employer will be coming forward to say: "I am not the man who made payment; it was such a man." My Honourable friend Pandit Bhargava says that this clause puts an extra burden on the employer. I should very much like to know where that burden comes in. He is not required by the clause to produce another man. The clause only gives some protection to the employer; if he thinks that he can in all conscience produce another man employed by him who is responsible for the less payment of wages, he can produce him. Otherwise there is no burden placed upon him to produce another man. All the argument put forward by Pandit Bhargava was on the assumption that the law requires him to produce a man and that if he does not produce such a man he will not be acquitted. It is nothing of the kind. Suppose an employer is hauled up and he pleads not guilty; if he can prove that he is not guilty he is bound to be acquitted. But if while pleading not guilty he also wants that he should help the law by producing a man who has actually been guilty of the offence, it is only then that this clause will come into operation. The clause imposes no burden on the employer and I think it should remain as it is.

[Pandit Balkrishna Sharma]

One thing more. I can quite understand the fear that prompted Dr. Pattabhi Sitaramayya to raise his voice against this clause because he all along felt that this gives a sort of opportunity to an unscrupulous employer to get out of the clutches of the law every time he is hauled up for less payment of wages. I only wish to point out that after all it is not possible for an employer to catch hold of an employee to undergo six months' imprisonment every time he commits an offence. Therefore I say that this clause may remain there. Moreover, if this clause is not there, suppose an inspector has challaned the employer and the employer feels that his challan has not been quite in conformity with facts, the inspector can ask him to produce another man so that he can haul him up in the first instance; otherwise that period of six months which has been given will elapse and the offence may continue to be committed and no one brought to book. It is for that reason that this clause has been inserted here, and I support its retention.

Shri M. Ananthasayanam Ayyangar: Sir, but for the fact that my Honourable friend Pandit Thakur Das Bhargava has found some difficulties in this clause I would not have intervened in this discussion. The object of the Bill is that some minimum wages must be secured to a workman. We have accepted that principle and are trying to give effect to it. Now take the wording of clause 22: "Any employer who pays to any employee", etc. It is not easy here for the employer to say that on the day of the disbursement he was at Bombay and his clerk paid it. But even here I am not satisfied with the word "pays". In clause 12 the wording is, "Where in respect of any scheduled employment a notification under section 5 or section 10 is in force, the employer shall pay to every employee", etc. Here an obligation is imposed on the employer to pay. Then if he does not pay the minimum wages the penalty is prescribed in clause 22: "An employer who pays", etc. But it is not happily worded. Unless it is established that the employer himself paid the workman he may escape; it is open to him to say that it was his clerk who paid and not he. We will assume that he did not pay the wages in that month or for several months; this measure will not apply though he may be liable under any other law. But if he pays less than the wages due clause 22 will apply. Then it is open to him to say that he did not pay but some other person did; and he will thus escape this clause. Therefore instead of the word "pays" I think some such words should be there as occur in clause 20(2), namely, "Where an employee is paid less than the minimum" etc. In that case the employer does not escape at all, because the wages are paid from the employer's institution and he has to take care to see that the minimum wages are paid. I will assume that that is done, in which case the employer is the person who has to pay, and if he pays less he is the person against whom the law will proceed in the first instance. Now under clause 23 it is open to him to say that in spite of his instructions his clerk paid it. But some one who is responsible for the payment in his establishment must be penalised; otherwise he can go on shifting the burden to other people. The clerk must be prepared to be made the scapegoat once but he cannot be the scapegoat on every occasion. On the first occasion it may be that the employer will produce his clerk, but on the next occasion the clerk will perhaps say that in this case the employer himself disbursed the money. Therefore for all human contingency this provision is being made.

Then my Honourable friend talked of inversion of the rules of procedure in the Criminal Procedure Code. My Honourable friend knows that there is such an offence as culpable homicide not amounting to murder and there is also murder. Murder relates to cases of deliberate killing; culpable homicide relates to cases where an ordinary man as a prudent man must be deemed to have

that knowledge. Therefore an employer who pays a workman takes the benefit of his work. If he gives this work to another man he must be presumed to know the consequences of that act and he must take those consequences.

Therefore, he ought not to be. This is an easy way of escape. A provision is made to allow him to escape in *bona fide* cases but he must show who is the person who actually paid.

There is another provision which Mr. Thakur Das Bhargava forgets under section 180 of the Evidence Act. As between two persons, the burden rests on that man who has greater knowledge, or intimate knowledge of the facts of the situation. As between the two, the workmen and the other we must find out who is in a position to say that such and such a man has paid. Therefore, it is the employer who has to do it.

Lastly, so far as theft and the receiving of stolen property is concerned, my friend enunciated another proposition. According to him it is enough to say that an offence was committed. Should we not say the perpetrator of the offence? Even there there is confusion. When we accuse a particular person of having received stolen property, we prove a theft irrespective of the person who committed a theft. Say there is house-breaking. Someone has come in by making a passage in the wall and the house property has been stolen. I prove the offence. Then the person who is charged is the person who is in possession of the money. It is for him to say that he was not responsible. But an offence can be proved even though a particular man was not involved in it. A man might have been shot dead. Is there no offence of murder? But it will not be an offence until the man is actually prosecuted.

So all the arguments against giving up Clause 23 are of no avail. But if it is possible to amend Clause 22—we have a passive voice as in Clause 20—that will make it better. Otherwise the employer will escape easily. It is a question of payment. If he says I did not pay but my clerk he will get out of clause 22. But I do not know how it can be done at this stage. However, I would urge upon the House to retain clause 23 as it is. It would do no harm. I am opposed to the suggestion.

Mr. Speaker: I was just considering what would happen to the employer if a wicked accountant made it a point to pay less.

Shri M. Ananthasayanam Ayyangar: I can answer that. Once he might say the accountant paid less. So long as the workman takes it and does not complain there is no question at all.

Pandit Thakur Das Bhargava: But four persons can make a complaint.

Shri M. Ananthasayanam Ayyangar: So long as he does not see the light of it, you and I are not in the picture. The employer can pretend he has not noticed it until some complaint is made. Even then he says I trust to my accountant. I am wedded to him. There is an indissoluble tie as husband and wife between us. That kind of a man should not be sent to jail for six months but 600 times six months!

Mr. Hussain Imam (Bihar: Muslim): The position of this clause is being made too difficult because of the ingenuity of the Honourable Members. I personally think the clause is unnecessary. My reasons are that there are two kinds of offences contemplated in this. One is under section 22 clause 2 and the other in clause 1. As far as offences under clause 1 are concerned, you have the advantage of a first try in which the matter at issue, whether there was a mistake by the employer or not, had already been adjudicated. And it seems to me unfair that a judgment of a Court, who may be a judge or magistrate, as contemplated under section 20 (1) should be called in question again,

[Mr. Hussain Imam] and no complaint will be heard unless it has been first adjudicated under clause 20. Therefore, it is initially wrong that one Court decides one way and the second Court, which is going to decide the matter on the permission of the first court should be called in question and reopened and revised.

Pandit Thakur Das Bhargava: Does it not happen in every defamation case that the Criminal Court decides and then the Civil Court has to decide and is not bound by the judgment of the other Court?

Mr. Hussain Imam: Although it may be fair, still it is open to the employer at the preliminary enquiry which is going on under section 20 to bring in this plea that he was not actually guilty. If he fails to bring forward that plea at that time ordinarily he should be debarred from making this plea at the later stage. My own conclusion is that the definition of "Employer" should be so widened as to include not only the actual owner but his agents, who disburse the pay on his behalf.

Shri B. Das (Orissa: General): The Company Act so provides!

Mr. Hussain Imam: That is why I am asking for the clarification of this. Take an offence under section 22 (2)—keeping of registers: It would be absolutely wrong to haul up an employer because his clerk did not keep the account books in proper order. It is really in fairness to the employer and the employee that the person who is really responsible for the Act should be hauled up. But how to achieve that end? That is the question before us and I have made a suggestion that the definition of "employer" should be so amplified as to include all the officers who discharged that particular work. So if and when an enquiry is being made, it should be open to the Inspector when he is filing a complaint to mention whom he finds to be the actual culprit. If he is not the culprit, the Court will ordinarily on your plea that you have not committed this offence, that you have taken full care and diligence to avoid this thing, and it was a mistake of someone else, hold that good and no Court of justice will prosecute a person for the offence of his agent if it was not with the direction and connivance of the principal. The difference between the principal and agent is that the agent is not responsible when he does a thing under the direction of his principal. But if he controverts the direction of the principal, the agent is liable for prosecution.

There is nothing new in Section 23 in assuming that the employer should be let off if he can prove to the satisfaction of the Court that he was not actually guilty. That is presumed and that is what it should be. No one will ask that an employer should be gratuitously punished for the offence of his agent. And as you very ably pointed out that if an accountant habitually commits a kind of mistake of that nature, why should the employer be hauled up.

We have to realise, when we are considering this Bill, that it may involve big concerns and you will have to safeguard not only the employee but the employer also. There are a number of cases in which the employer will be a non-existing person; e.g., in a public limited liability company, that is a Factory Manager. If the factory manager is hauled up, why should not the other employees be hauled up, who are actually in charge? My plea is for widening the scope of the "employer" so that the need for section 23 may not exist.

Shri Rohini Kumar Chaudhuri (Assam: General): Sir, I had the unusual good luck of being one of the members of the Select Committee on this Bill but I had the misfortune, at the same time, of not being able to be present at the meetings on account of certain changes in the meeting. I have, however, set my signature to the report of the Select Committee and I should stand by it and support it as if it were my own child.

An Honourable Member: Without producing it!

Shri Rohini Kumar Chaudhuri: But after mature consideration and after hearing my Honourable friends in this House I think that we might reconsider the provisions of this Bill. I submit that the provisions of the Bill go against the very root of the principles of criminal law. If an employer is hauled up before a court, ordinarily speaking if he comes within the exception to the law, he is entitled to acquittal. But this clause says that he will not get an acquittal: he may prove that he used due diligence but he is not entitled to acquittal, unless he produced somebody who committed the offence and that somebody can be punished. He cannot get off merely by proving that he was honest but he must produce somebody who committed the offence. It seems that according to the provisions of this clause somebody must be punished. Unless somebody is brought before the court and somebody is convicted you cannot get away.

An Honourable Member: No, it is not so.

Shri Rohini Kumar Chaudhuri: That goes against the very principles of criminal law.

Another thing which has been suggested here is that such an enquiry will commence only after the proceedings have gone a little way and after the court or somebody has come to the conclusion that the case has been proved against the man. It is only then that he will seek to prove his due diligence and go about to find the other person who committed the offence.

Mr. Speaker: What section will support that view?

Shri Rohini Kumar Chaudhuri: The clause says:

"Where an employer is charged with an offence against this Act, he shall be entitled, upon complaint duly made by him, to have any other person whom he charges as the actual offender, brought before the Court at the time appointed for hearing the charge; and if, after the commission of the offence has been proved, the employer proves to the satisfaction of the court—

- (a) that he has used due diligence to enforce the execution of this Act, and
- (b) that the said other person committed the offence in question without his knowledge, consent or connivance"

So the offence must be proved first. Will the court tell the man that his offence has been proved?

Mr. Speaker: That is what I was inviting the attention of the Honourable Member to the question of *mens rea*. I am trying to clarify the position, as I find that the discussion is being confused. Perhaps, I may be also wrong in taking the clause as I interpret it. Since I feel that the discussion is being confused, I am intervening at this stage. All that the section requires is that, at the time appointed for the hearing, the employer "shall be entitled to have any other person whom he charges as the actual offender brought before the court." The section further says "after the commission of the offence has been proved." The proof of the offence is absolutely a formal business, as section 20 deals with the ascertainment of the amount. It does not deal with the question as to who was responsible for paying less and the determination of the amount under section 20 by itself is proof of the offence. No further proof of the offence is necessary. (I do not know what happened in the Select Committee nor what is in the mind of the Honourable the Minister.) Then the employer comes in and says "It is true the offence is committed but I can prove my *bona fides* that I have exercised due diligence. It is this other fellow who is responsible for having done so." There seems to be some more misapprehension in the arguments of Pandit Thakur Das Bhargava and that is that the conviction of that other person is a *sine qua non* of the acquittal of this man. It is not so, because the wording of the section is "if after the commission of the offence has been proved, the employer proves to the satisfaction of the court that he has used due diligence to enforce the execution of this Act; and that the said other per-

[Mr. Speaker] son committed the offence in question without his knowledge, that other person shall be convicted." But it is not a condition precedent to the acquittal of the employer.

Pandit Thakur Das Bhargava: Further on it will be seen that he will be convicted and then the other man will be discharged.

Shri M. Ananthasayanam Ayyangar: Otherwise he will be liable.

Mr. Speaker: The word "and" is there. The whole point seems to me as to how far the doctrine of agency should go into the matter of criminal law. That seems to be the difficulty in settling the whole problem satisfactorily.

Shri M. Ananthasayanam Ayyangar: Sir, you are aware as also other lawyer friends here that a plea of *alibi* is open to the accused. We assume that there is a plea of *alibi*. He is not able to prove that some other man did so. This man is acquitted and the other man is convicted. If the man escapes is it not the duty of the court to ask him to bring in some other man? If that other man fails this count holds.

Mr. Speaker: I wanted to point out the legal position.

Mr. Naziruddin Ahmad: (West Bengal: Muslim): I would suggest that the Honourable the Law Minister be asked to intervene in the debate. His presence will be useful as enough confusion has already been created.

Mr. Speaker: The confusion is there because different members seem to have different intentions, as to how we should formulate the final proposition. It is not a question of formulating the wording of a section. One difficulty is that if you do not make the employer responsible even without *mens rea* it is not possible to get any man convicted. The idea is not to convict him. It is always open to the employer to say that he was not present there and you must accept his plea. Even if he is present, he employs thousands of people and it is not possible for a manager to know every case where payment was made improperly. If you take the actual offender, say a clerk, the difficulty is, in whose interest did he pay less. It is not in his interest to pay less. He acts in the interest of his master and you cannot hold him responsible criminally for that and you cannot hold the master responsible unless you raise a presumption against the master. Therefore it is a question how far the doctrine of agency should apply in this case. If members are clear on that point, drafting will not present any difficulty. I believe there is some such provision also in the Merchandise Marks Act.

The Honourable Shri Jagjivan Ram: Also in the Food Adulteration Act.

Mr. Speaker: There are provisions in the law which are stringent against the employer and leave no loophole at all. Certain conditions are laid down and it is open to a man to prove or establish his innocence.

Clause 23 only seeks to place such conditions. That is how I look at it.

Shri Rohini Kumar Chaudhuri: I think we are all of one mind at least in one respect namely that we want to punish the employer if he has committed the offence.

Mr. Speaker: The point is what will constitute the elements of that offence—his intention, things which he ought to have known or presumed to know, or things in respect of which you want him to take the greatest possible precaution.

Shri Rohini Kumar Chaudhuri: If the employer had known that such things are being done then of course he ought to be punished.

Pandit Balkrishna Sharma: On a point of information, Sir. If any employer fails to take advantage of section 23 and at the same time proves his innocence, is he likely to be convicted?

Mr. Speaker: I cannot express any opinion on that.

Shri Rohini Kumar Chaudhuri: At the same time we do not want the employer to be punished if it is clearly established that somebody else had done it without the knowledge of the employer. But what I do not approve of is this: if the employer can merely prove that he is not guilty, and somebody else has done it, but if he cannot spot him he cannot get off. My whole grievance is that this law enjoins upon the employer either to take the punishment for what has taken place or to find out the real offender. Under the provisions of this law, however honest or diligent the employer may be, if he cannot find out the offender he will be punished. That is my whole grievance.

Then, Sir, I do not understand why the employer should wait till the proceedings have gone in a criminal court. Clause 20 provides that there shall be an enquiry before the order for compensation is passed and before any sanction is given for prosecution. The employer gets a sufficient opportunity under clause 20 to make out his own case. If really he was not responsible and somebody else was responsible, what prevents him from disclosing the identity of that person who, according to him, was the real culprit? If at that stage he did not know the real culprit how can it be assumed that after proceedings in the court he will be able to find him out? There is the job of finding out somebody else as the culprit.

Then, Sir, I do not agree with my Honourable friend Mr. Hussain Imam that this provision is not necessary. This provision may not be resorted to in all cases, but there will be cases where this provision will be necessary. If for the first offence a man pays compensation and then the authority does not consider it proper to sanction his prosecution, he may repeat the offence. Will you allow him in each case to get off merely with paying the compensation? It will be necessary in some cases to prosecute the employer actually and punish him. The whole difficulty is that even under clause 20 the authority would not be able to allow the man to get off and sanction the prosecution of another man because the other man, his clerk, is not an employer but an employee. Suppose the employer proves that he was not responsible but that his clerk was responsible, the sanctioning authority cannot give sanction to prosecute the clerk because the clerk is not an employer but an employee. If I am correct that there is no provision here for granting sanction for the prosecution of an employee and that prosecution is not possible without some sort of sanction, then these two clauses read together become absolutely meaningless.

There is another difficulty with regard to the provision which requires the complaint of the Inspector. There is no provision, strictly speaking, of an Inspector being required to carry on an investigation before he makes a complaint. An Inspector may complain in those cases where an Inspector's complaint is sufficient. He can complain to the court without holding any previous enquiry or without holding an enquiry in the presence of the accused. Therefore in such cases there is great danger of a hasty prosecution. We all seem to be agreed on the principle and the whole thing depends upon proper drafting of these two clauses. The principle is that in cases of payment of less than minimum wages we should not be merely content with having a payment of compensation but that there should be some prosecution. I have seen some such things in cinema shows: a man is prosecuted and is about to be sentenced; somebody comes and stays the prosecutor; the accused suddenly plays the role of the prosecutor, he brings somebody else and gets off.

Shri Satyanarayan Sinha (Bihar: General): Sir, the question may now be put

Mr. Speaker: The question is:

"That the question be now put."

The motion was adopted.

The Honourable Shri Jagjivan Ram (Minister for Labour). Sir, after hearing all the speeches of my learned friends I am more and more convinced that the retention of this clause is absolutely necessary. My friend Pandit Thakurdas Bhargava has so closely examined this clause that the arguments that he has urged in favour of the amendment or in favour of the deletion of this clause have simply convinced me about the necessity of its retention. I would invite the attention of my friend Pandit Thakurdas Bhargava to read the clause once more, especially the words "shall be entitled". It gives some scope to the employer who is charged with an offence: it does not place a burden upon him that he shall have to produce another person who has committed the offence. He may produce another person who has actually committed the offence, if he so desires. The burden is not put upon him by this clause; he has only been given an opportunity to prove his innocence and to point out to the court that the offence was committed not by him but by another person.

Then I will again invite his attention to the definition of "employer" which is very wide in scope. In spite of the fact that the definition of "employer" is very wide in scope it is just possible that in so many cases the principal employer himself may not be responsible for any offence. It is not possible in the definition itself to embrace all people who may be responsible for the actual offence, for example, as pointed out by you, Sir, an accountant or a clerk. It is not possible to embrace all those people in the definition of "employer" itself. Another alternative may be that a provision in the Act itself may be made that every principal employer will nominate a person who will be responsible for the payment of wages and the observance of the provisions of this Act. That is also not a practical proposition from the administrative point of view. That will require a huge staff of inspectors, more so when we are thinking of bringing agriculture in the scope of this Act. Then I will place for the consideration of my Honourable friends this question as well, that when this Act comes into operation and is made effective for agricultural workers, this provision, namely section 23, will be necessary in order to safeguard genuine employers who might not have committed any offence and I look at it from that point of view and find it is very necessary. This provision has been attacked as if it was a novel provision in criminal jurisprudence. I am not myself a lawyer, but it has been brought to my notice that this provision finds a place not only in labour legislations but in other legislations as well. I have just looked into the Food Adulteration Act and I find the clause finds a place there word for word and that Act was passed so far back as 1918. I do not agree that it is a novel provision: neither do I agree that it is a provision only in labour legislation. It finds a place in other legislations as well. Therefore I do not know how my friend Pandit Thakurdas Bhargava, who is an experienced lawyer, says that it is a novel provision or it is against criminal jurisprudence. The whole intention is that an employer who does not wilfully commit the offence may place the burden of the offence on the actual offender. It has been attacked from two points of view. One point of view was voiced by my friend Dr. Pattabhi Sitaramayya. Well, I do not agree that the example of illicit distillation bears any analogy to this section. In the case of illicit distillation the offender or the person who commits the offence may point out anybody after giving him some money, but here the employer, if he points out the actual offender, he will have to prove that the person whom he points out has been connected with him or was responsible for him. He will have to prove it from his records that the person whom he charges for the committal of the offence was actually responsible for that offence, and was in his employ or was entrusted by him for the carrying out of that work. These are the two points. Another point is that.....

Mr. Speaker: If the Honourable Minister is going to another point, we might adjourn for Lunch

The Honourable Shri Jagjivan Ram: I will not take much time. These are the two points of view, one that the employers may be unnecessarily harassed and another that the employers may take advantage of this provision and go scot-free. I do not agree with any of these views. On the one hand it will safeguard genuine employers who might not have committed an offence, and on the other it also gives some safety to those persons who may be named by the employer as offenders to prove their innocence as well, I think the amendment if accepted, will be worse than the deletion of this clause, and I think the retention of this clause is very necessary. I therefore do not accept the amendment and I do not agree with the view that the clause be deleted.

Mr. Naziruddin Ahmad: May I ask the Honourable Minister a question as to the position if clause 23 is omitted, is the offender or accused, under the provisions of section 22, is yet able to prove that he was not morally responsible?

The Honourable Shri Jagjivan Ram: I did not want to labour that point because that point was argued very much by my other friends. In that case the employer will go free and the inspector again will have to proceed against another person and it might not be possible to do that within the period of limitation that has been set under section 22.

Mr. Speaker: So at best that also may be treated as doubtful. So I am now putting the amendment before the House. The question is:

"That for clause 23 of the Bill, the following be substituted, namely:

"23. Where any employer is charged with an offence against this Act, he shall be entitled to prove that he has used due diligence to enforce the execution of this Act and on such proof he shall be acquitted."

The motion was negatived.

Mr. Speaker: The question is:

"That clause 23, stand part of the Bill."

Mr. Naziruddin Ahmad: Sir, I think this clause should be taken up after the Lunch hour. We may claim a division.

Mr. Speaker: In that case, I shall have to put the motion at 2-30. They want to claim a division.

Shri M. Ananthasayanam Ayyangar: No. If the members are interested, they should remain in the House.

Dr. B. Pattabhi Sitaramayya (Madras: General): May I know what is the law in the matter? Half a dozen people said 'No'.

Mr. Speaker: It is an important clause which was discussed for a long time and it is but fair that people who wish to have a division should have it. I shall put the clause to vote. The question is:

"That clause 23, stand part of the Bill."

The motion was adopted.

Clause 23 was added to the Bill.

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

438 CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) [9TH FEB. 1948]

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

Mr. Speaker: The question is:

"That Clause 24, stand part of the Bill."

The motion was adopted.

Clause 24 was added to the Bill.

Shri T. T. Krishnamachari (Madras: General): Sir, my amendment reads as follows, but I want to make a minor change if the Chair would permit it because the Government has also indicated that it would be more acceptable to it. My amendment as it is reads:

"That in clause 25 of the Bill, after the word 'wages', where it occurs in line 3, the following be inserted:

'or any privilege or concession accruing to him under section 13 of this Act'."

The Honourable Minister was willing to make it applicable to practically every concession under this Act. So I will read my revised Amendment. I move:

"That in clause 25 of the Bill, after the word 'wages', where it occurs in line 3, the following be inserted:

'or any privilege or concession accruing to him under this Act'."

Mr. Speaker: The question is:

"That in clause 25 of the Bill, after the word 'wages', where it occurs in line 3, the following be inserted:

'or any privilege or concession accruing to him under this Act'."

The motion was adopted.

Mr. Speaker: The question is:

"That Clause 25, as amended, stand part of the Bill."

The motion was adopted.

Clause 25, as amended, was added to the Bill.

Clauses 26 to 30 were added to the Bill.

The Schedule was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

The Honourable Shri Jagjivan Ram: Sir, I move:

"That the Bill, as amended, be passed."

Mr. Speaker: Motion moved:

"That the Bill, as amended, be passed."

Shri B. Das: Sir, though one in a solitary minority representing the employers in this House, I do congratulate the labour leaders and the Honourable the Labour Minister on the successful passing through of this Minimum Wages Bill. Sir, I am very sorry that so much heat was involved on the floor of this House this morning against that much-condemned man—the employer. I do not know whether the principle of the Bill was to ensure minimum wages to the labour class or was to prosecute the employer in season and out of season. I think the Bill ought to have contained something in the shape of providing employment for unemployed lawyers. My Honourable friend the Minister for Labour has said that there are nearly ten crores of agricultural labour and at least five crores of employers. Surely this Bill is the most machiavellian Act that will be placed in the hands of unemployed lawyers all over India who will try to prosecute every employer. And in the case of poor agriculturists, my Honourable friend the Minister for Labour is as much an employer as I, a poor man on this side of the House.

Shri M. Ananthasayanam Ayyangar: He is a capitalist without capital.

Shri B. Das: I am a capitalist without capital and an agriculturist without much land. I think my Honourable friend Mr. Ananthasayanam Ayyangar is a much bigger capitalist than I am and he is a larger employer of agricultural labour than many in this House.

Sir, I do again reiterate that I am not against the Bill as far as a minimum standard of living is concerned, but it is no use framing laws that will remain dead letters. It is better that the labour leaders and the Labour Minister put their heads together on seeing how the Bill can be worked properly in the Provinces and here. It is no use twitting me as one who spoke on behalf of the absentee employers in this House and that I belong to the class of super-human beings. If India is going to get the panacea and the Utopia of high standard of living for everybody, then I also have the right to claim an existence, and I feel the class of employers who is going to be harassed by the unemployed class of lawyers all over India will not be able to exist after a year or two, unless the State nationalises every industry, and even agriculture. My Honourable friend said the other day that I did not know anything about conditions of agriculture labour in Orissa. Sir, I know that in Orissa and in certain other Congress Provinces five acres is the minimum land that will be available for each tenure holder. If that be so, my Honourable friend will find that sooner or later there will be no employment to be provided by each agricultural employer of whom he is so much afraid.

Sir, on one thing I agree with my Honourable friend. He says that he believes in expansion of industry and he believes in development of agriculture provided that minimum wages are paid. He also said that if they do not find employment in agriculture fruitful or the wages low, they must seek other employment. What that employment will be I do not know. I do hope that my Honourable friend will tell us what is the conception of the Government for providing employment to ten to fifteen crores of labourers, both agricultural labourer and industrial labour. He said that his Government, the Cabinet, the Ministry, are all agreed on the Minimum Wages Bill and if necessary, the State will subsidise agriculture and industries, I am very glad that my Honourable friend Mr. Chetty is here. He knows his finances better than any of us and I do hope he is trying to build up his mind to that stage when Government will subsidise every industry, small or large, so that the labourer will get the minimum wages and if I can believe Prof. Ranga and my Honourable friend Mr. Shastri, then it will be somewhere near Rs. 1/8/0 per diem for the agricultural labour and Rs. 140 per mensem for the industrial labourer. I do hope the honourable Minister of Labour will also think little about the *per capita* income in India. From the date of Rameshchandra Dutt up to now we are still hovering round the figure of Rs. 30 to Rs. 60. I do not think the *per capita* income of India is now more than Rs. 60. The so-called employers and capitalists may be earning more, but how that condition of Rs. 140 per mensem for the labour population will be ensured I am not able to visualise. I shall be very glad if the Honourable the Labour Minister will avail of this occasion or some subsequent occasion to tell us what the Congress Ministry is going to do to raise the *per capita* income of the people, so that the wage-earners will be entitled to the utopian scale of wages that are conceived by the labour leaders. I will not be jealous if they get that. I am also a wage-earner. I do want to earn my minimum standard of wages, but at the same time, I hope the Provincial Governments will not be hustled into giving effect to the Minimum Wages Act.

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

Mr. Speaker: The question is:

"That Clause 24, stand part of the Bill."

The motion was adopted.

Clause 24 was added to the Bill.

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Sir, I do again reiterate that I am not against the Bill as far as a minimum standard of living is concerned, but it is no use framing laws that will remain dead letters. It is better that the labour leaders and the Labour Minister put their heads together on seeing how the Bill can be worked properly in the Provinces and here. It is no use twitting me as one who spoke on behalf of the absentee employers in this House and that I belong to the class of super-human beings. If India is going to get the panacea and the Utopia of high standard of living for everybody, then I also have the right to claim an existence, and I feel the class of employers who is going to be harassed by the unemployed class of lawyers all over India will not be able to exist after a year or two, unless the State nationalises every industry, and even agriculture. My Honourable friend said the other day that I did not know anything about conditions of agriculture labour in Orissa. Sir, I know that in Orissa and in certain other Congress Provinces five acres is the minimum land that will be available for each tenure holder. If that be so, my Honourable friend will find that sooner or later there will be no employment to be provided by each agricultural employer of whom he is so much afraid.

Sir, on one thing I agree with my Honourable friend. He says that he believes in expansion of industry and he believes in development of agriculture provided that minimum wages are paid. He also said that if they do not find employment in agriculture fruitful or the wages low, they must seek other employment. What that employment will be I do not know. I do hope that my Honourable friend will tell us what is the conception of the Government for providing employment to ten to fifteen crores of labourers, both agricultural labourer and industrial labour. He said that his Government, the Cabinet, the Ministry, are all agreed on the Minimum Wages Bill and if necessary, the State will subsidise agriculture and industries, I am very glad that my Honourable friend Mr. Chetty is here. He knows his finances better than any of us and I do hope he is trying to build up his mind to that stage when Government will subsidise every industry, small or large, so that the labourer will get the minimum wages and if I can believe Prof. Ranga and my Honourable friend Mr. Shastri, then it will be somewhere near Rs. 1/8/0 per diem for the agricultural labour and Rs. 140 per mensem for the industrial labourer. I do hope the honourable Minister of Labour will also think little about the *per capita* income in India. From the date of Rameshchandra Dutt up to now we are still hovering round the figure of Rs. 30 to Rs. 60. I do not think the *per capita* income of India is now more than Rs. 60. The so-called employers and capitalists may be earning more, but how that condition of Rs. 140 per mensem for the labour population will be ensured I am not able to visualise. I shall be very glad if the Honourable the Labour Minister will avail of this occasion or some subsequent occasion to tell us what the Congress Ministry is going to do to raise the *per capita* income of the people, so that the wage-earners will be entitled to the utopian scale of wages that are conceived by the labour leaders. I will not be jealous if they get that. I am also a wage-earner. I do want to earn my minimum standard of wages, but at the same time, I hope the Provincial Governments will not be hustled into giving effect to the Minimum Wages Act.

[Shri B. Das]

Sir, my suspicion that the Provincial Governments will take many years to understand the implications of this Act still continues, and the fact which I stated at the beginning of the discussion that the Bill is full of doubts and contentious problems remains, especially from the way in which we discussed the clauses of the Bill including my Honourable friend Sjt. Rohini Kumar Chaudhuri, a signatory to the Select Committee Report and the way other doubts were raised and it was pointed out that the Bill is not fool-proof and requires a lot of changes. I do hope the Honourable Minister for Labour will not rest content with having placed this Act on the Statute and think that he has done a great task. Let him appoint a Departmental Committee, get help from the Industries Department, the Railway Department and the Finance Department and examine the implications of the Act, whether it is workable or unworkable. I still maintain that such an enquiry will show that the Act, will prove unworkable but for the sake of the cause for which my Honourable friend the Minister for Labour stands, I wish it can be workable.

Shri Ramnarayan Singh (Bihar: General): Sir, I most heartily congratulate my worthy friend, the Honourable Minister for Labour. This legislation was long overdue. Labourers all over the country wanted it. A large number of people will be benefited by it in my Province of Bihar, especially in my constituency of Chota Nagpur Division.

But, Sir, I wish to remind my friend of one very important thing. I have always attached—and I do attach even now—much importance to the administrative side of any legislation. A large number of legislation has been undertaken but when we go to the spot, we do not find any tangible improvement. Once I went to Bermo, one of the coalfield centres. I enquired whether there is any activity there on behalf of the Coalfield Welfare Committee.—I think it was about six months ago, and I think after that my friend Babu Jagjivan Ram had also gone there—and the people told me that nothing had been done yet there. At Jharia offices are being built, and that, for officers. I do not know whether anything has been done yet for labourers. So while congratulating my friend for successfully piloting this Bill in this House. I do insist and I do make a request to him that he should see that the Act is soon given effect to and the good to the people for whom the Bill is intended goes to them.

With these words, Sir, I again congratulate the Honourable the Labour Minister and the labourers all over the country on the passage of this Bill into act.

Mr. Naziruddin Ahmad: Sir, I rise to support the Motion with one or two Comments. With regard to inclusion of 'agricultural labourer' within the scope of the Bill, some amount of trouble will arise, and in view of the comments which the Honourable Minister made earlier with regard to my statement on this point, I think I should clarify myself.

I speak specially with regard to Bengal. There are there a very large number of cultivators who are middle-class men with small holdings. They are more or less above the labouring classes. They have to employ labourers on a large scale and the minimum wages of these labourers will be fixed by the Government. If I understood the Honourable Minister aright, he was of this opinion that if the agriculturists or the middle-class proprietors of land would not be willing to pay sufficient wages to the labourers, they should rather get out of the business. I think if this pious wish of the Honourable Minister is given effect to, then it will mean the extirpation of millions of middle-class cultivators. The Honourable Minister thought that if there is any attempt on the part of any Member here to seek an adjustment between work and minimum wages, and between the intention and the ability or willingness of the labourer to do sufficient work and the ability of the employer to pay, there is an attempt

to frustrate labour legislation. I submit that there must be correlation between the labourer and the employer. The employer's business must be able to bear the strain, but the labourer must also be willing to work. In fact, it is upon the co-operation between these two elements that success will depend. With these few words, Sir, I shall pass on to another subject which has evoked considerable misunderstanding and difference of opinion in the House.

It is about the blessed clause 23. In spite of the Honourable Minister's assurance it is absolutely plain to my mind and it must be so to many Honourable Members that the position is not clear. One distinguished Honourable Member rightly pointed out that Pandit Bhargava's explanation rather added to the mysteries of the subject. I cannot sympathize with those Honourable Members who are always unwilling to hear legal arguments and who are somehow or other happy to believe that any legal argument, however clearly logical and absolutely right the argument may be, is always intended to frustrate law, to frustrate justice. I submit, Sir, law is a very subtle subject and to many minds legal arguments appear to be puzzling and to some they are mischievous.

I submit that I have difficulties and I will tell the House plainly what the difficulties are. Had clause 22 remained alone, the matter would perhaps have been simpler. Section 23 has created a lot of difficulty. Clause 22 says that if an employer pays something less than the minimum wages fixed, he will be guilty. With regard to the question of mental element, guilty knowledge or *Mens rea*, I think so far as clause 22 is concerned, the position is absolutely clear. Although it is not stated that the intention would be a necessary element, still I submit that that is always implied. The Honourable Minister's argument and some other Honourable Members' arguments on this subject have been that there are certain offences where intention and knowledge have particularly been kept out of the elements of the offence. In fact there is the Food Adulteration Act which specifically says that if a man has in his possession adulterated food, his guilty knowledge will be presumed the onus will be upon him to show that he had no guilty knowledge or intention and so forth. I can add to this illustration many others. There is the Motor Vehicles Act where many innocent owners will be liable for the act of their agents although *Mens rea* is absent. In those enactments it should be clearly remembered that the law in such cases has specifically provided that intention will not be an element of the crime and there has been a recent Privy Council case on this point. It probably arises out of some of the colonies. I tried to find it out in the Library but could not trace it just now. There this vexed question was raised that there was a statutory offence and any guilty intention or knowledge was not specifically made part of the offence. The Privy Council pointed that guilty intention and guilty knowledge must always be proved unless the statute absolutely or clearly excludes it. I think it is within the knowledge of all criminal lawyers that guilty intention and knowledge is a necessary element, but of course, the Legislature may exclude it. Clause 22 does not eliminate guilty or guilty intention as an element of the offence. I therefore submit that clause 22 in effect says that if an employer knowingly or intentionally pays something less or connives at, then and then alone he will be guilty. The Honourable Minister's explanation by way of reply to the debate has also been in the same direction—that if a man really is not mentally or intellectually connected with the offence, in other words, if he was not morally guilty, the Court will not punish him. Both sides agree upon this that the moral element must be present so far as this offence is concerned in order to find him guilty.

We come to an ambiguous passage in clause 22. Serious attempts to clear its meaning on my part have failed. The passage is: "after the commission of offence has been proved." Does it mean that the commission of offence against the man has been proved? Or does it merely mean that the commission of the

[Mr. Naziruddin Ahmad]

offence has been proved, but the complicity of the accused in it has not been made out?

Some Honourable Members: Yes, yes.

Mr. Naziruddin Ahmad: If that is so, I quite sympathize with that view.

Shri M. Ananthasayanam Ayyangar: Why Sympathy? That is the view.

Mr. Naziruddin Ahmad: If that is so then the mere commission of the offence has been proved but it is not proved that the accused was connected with it. In that case as the Honourable Minister has rightly pointed out clause 22 gives you the right to be acquitted; and he will not need to take recourse to the procedure of clause 23 and he is right in the interpretation in view of the fact that under clause 22 he will be acquitted. Suppose the position is this: An accused person is tried and the offence only has been proved, but he has not been shown to be connected with it. Why I ask, why should he, unless he be a lunatic or is defended by a lawyer who is a lunatic himself, why should he, knowing that only the offence has been proved, but his complicity has not been proved, why should he—it is not obligatory on his part—act upon the provisions of section 23—why should he undertake to prove that somebody else has committed the offence?

Shri M. Ananthasayanam Ayyangar: It is presumed. *Prima facie* he is carried under the earlier section.

Mr. Speaker: Order, order, let him proceed.

Mr. Naziruddin Ahmad: This interruption is not unhelpful. It simply clarifies the position. I welcome this interruption. In fact as is suggested now that clause 23 comes in when the accused has been shown to be *prima facie* guilty. But the Honourable Minister rightly contended that unless he is himself morally implicated in the offence, he would not be guilty. We thus proceed upon the assumption that the mere offence has been proved, that the mere commission of an offence has been proved without in any way showing that the accused is somehow or other connected with it. If that is the position, he will simply say: "I do not wish to take advantage of clause 23; I would prefer to be acquitted on the ground that I have not been shown to be connected with the offence and I do not undertake the unnecessary and risky task of proving under clause 23 that somebody else has committed the offence, because if I do not undertake it I will be acquitted; but if I undertake to prove it and fail, I shall be convicted under clause 23. If I do not embark on that dubious course I shall be acquitted on a plain interpretation of clause 22 as it stands." Then what does clause 23 try to effect? I think it is only to help the man who is really guilty. A man who is innocent will be acquitted and he will not undertake to prove that somebody else is guilty. But if he is really guilty, then clause 23 is a clear loophole for him. For instance, a man who is a factory owner has committed

an offence; on inquiry he is found guilty. He will now produce an accomplice or a proxy who, in order to save his friend or master, will admit his guilt and the court will convict him.

Mr. Speaker: I will remind the Honourable Member that an attempt to revive a detailed discussion on clauses 22 and 23 at this stage is not permissible. We have had it at the consideration stage and at the clause by clause reading stage, and it was brought to an end by the closure. So the closure should not be defeated by taking advantage of the third reading. The Honourable Member may make brief remarks about it but I do not propose to allow a detailed discussion here.

Mr. Naziruddin Ahmad: Thank you, Sir. I was encouraged to discuss it rather fully on account of certain questions put to me. The point I was making is that while an innocent man will have no reason to put the guilt on somebody

else a guilty man will be helped to escape by producing a proxy who will suffer conviction in order to save him. If there is *prima facie* evidence and he admits the guilt the Court will convict him.

An Honourable Member: Not necessarily.

Mr. Naziruddin Ahmad: I am aware of that. But as a lawyer of some little standing I may say that no Court will refuse to convict him if there is evidence and if he pleads guilty.

Mr. Speaker: The Honourable Member will proceed to some other point now.

Mr. Naziruddin Ahmad: Sir, I have no other points to make. I support the third reading with an expression of my doubts on the legality or propriety of clause 23. It is useless to oppose the third reading but I shall be glad if it is understood that I do not agree to clause 23.

The Honourable Shri Jagjivan Ram: Sir, I had no intention to make a speech at this stage but the few remarks that have been made make me say a few words in reply thereto. I will not say much about this clause 23. As I said on a previous occasion, I am not a lawyer. But as a layman I have tried to read clause 23 many times. Accepting for the sake of argument what Mr. Naziruddin said, that the word 'commission' does not mean that the employer is involved there, the employer will have every apprehension that the commission of the offences under this Act will be *prima facie* against the employers. And naturally if the employer has not actually committed an offence he will try to bring to book the real offender. If the offence, however, is proved against him, he is even then given the option to point out the real offender. That is what I as a layman read in this clause.

The next point is about agricultural labour. I do not want to go into details of that; but I may make it clear that I can speak with some authority on that question. The apprehension is that small landholders or cultivators owning some small holdings will be put to trouble. I realise that difficulty and I sympathise with my Honourable friends who hold that view. But I made it clear on that day and I want to make it clear today also that we are incurring a colossal loss of foodgrains every year on account of that system. I realise that the middle class people may be put to difficulty if minimum wages are fixed under this Bill; though it is never the intention that there should be uniform minimum wages both in agriculture and industry. Even in industry and agriculture, as the Bill provides, there may be different minimum wages for different areas and different localities. It is just possible that even in the same districts there may be two or three kinds of minimum wages in agriculture. But apart from that I take another view; that if a middle class man is holding only five acres and he finds that the yield from his land is not enough to meet the expenses necessary for giving his labourers the minimum wage, I must emphasise that that man has no right to engage himself in agriculture if he is to live simply on the exploitation of agricultural labourers. My Honourable friend Mr. Das points out that because the Finance Minister is here Government should make it clear as to how many industry and agriculture we are going to subsidise. I never said that we are going to subsidise all and sundry industries. I said that if an industry is not in a position to pay even the barest minimum wages to the employees it is better that that industry is closed. If that industry is found indispensable in the national interest it is for Government and the general public to subsidise that industry. And that view I again reiterate, and I hold the same view in respect of agriculture as well.

With regard to our present system in agriculture, I want to say this. I also happen to be an employer in respect of agriculture. I have always asked myself what right I have to possess land, if I am to exist only on the exploitation of the labourers whom I engage.

[Shri Jagjivan Ram]

I know for certain that if the land which I possess were in the hands of those persons who actually worked on the land, the yield in my fields will be greater, and to that extent the loss every year that is accruing is a national loss and I feel that I am responsible for this national loss, and everybody like me, who is an absentee, who is not in a position to work in his field, is adding to the national loss in the matter of foodgrains for which we are so hard-pressed. That is the view I take. If we are to ensure minimum wages, it may be possible that parasitic people like myself will be eliminated from agriculture and thereby we will add to the national wealth. It is never my intention that there should be uniform minimum wages in industry and agriculture at present. I am not pressing for a living wage. I am not pressing for a fair wage. But I do not think that if agriculture and industry cannot afford to pay the minimum wages we should sanction exploitation of the working class for the sake of continuing those industries, or for the sake of the middle class. With that view I can never agree. I hope the House will unanimously adopt my motion.

Mr. Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

INDUSTRIAL FINANCE CORPORATION BILL.

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance):
Sir, I move:

"That the Bill to establish the Industrial Finance Corporation of India, as reported by the Select Committee, be taken into consideration."

In making this motion, Mr. Speaker, I must at the outset express my grateful appreciation of the very thorough manner in which the Honourable Members of the Select Committee dealt with this measure. As I said, on an earlier occasion, the draft of the Bill that I placed before this House was prepared some time back by the previous Government, and I expressed the hope that with the help of the Select Committee I would bring before this House a measure which will be more acceptable to the Honourable Members. I feel that that expectation has now been realized. In commending this motion I shall just say a few words regarding the main changes that have been made in the Select Committee.

So far as the extent of the Bill is concerned, in the original draft it was intended that this measure would apply only to the provinces of India. In the course of the debate in this House expression was given to the feeling that the Indian States also must be in a position to get the benefits of this measure. The scope of this Bill has accordingly been amended by the Select Committee so as to include those acceding States who by their Instruments of Accession accept the subject matter of this Bill as a matter with respect to which the Dominion Legislature may make laws for such States. If any of the acceding States are prepared to accept this obligation, then the citizens of those States will also obtain the benefits of this measure.

With regard to the actual scope and the operation of this Corporation, the Select Committee thought fit to provide that the financial aid of this Corporation should be available only to public limited companies and to co-operative societies. I welcome this change that has been made by the Select Committee. We ought to encourage the formation of public limited companies in the matter of the development of industries and by restricting the help that this Corporation might extend only to such institutions, there would be a direct incentive for the starting of public limited companies.

With regard to the capital structure, the Select Committee thought that while the grant provided in the original Bill, namely Rs. 5 crores, is sufficient for the present, the Act itself must contain provision for the expansion of the capital if and when found necessary. It has accordingly been provided that the authorised capital of the Corporation will be Rs. 10 crores of which Rs. 5 crores will be immediately issued for subscription and the balance may be issued by the Corporation as and when found necessary with the previous consent of the Central Government.

Amongst the class of institutional investors who would be eligible to become shareholders in this Corporation, the Select Committee has included Co-operative Banks also. It is a change which I am sure the House would welcome. After including the Co-operative Banks amongst the share-holders, the Select Committee came to the conclusion that the share capital should be confined to institutional investors and not to private individuals.

The Central Government has undertaken to guarantee the return both of the capital and the payment of a certain minimum dividend. In the Bill it was provided that the guaranteed dividend should not exceed 2½ per cent. The Select Committee thought that the actual fixation of the minimum will depend on the conditions of the money market at the time that the shares are issued, and they have therefore left it to the Central Government to fix such rate of dividend as guaranteed as may be considered appropriate at the time of the issue of shares. I can assure the House that in fixing the guaranteed minimum, the Government will take into consideration the prevailing conditions in the money market and will guarantee only a minimum which is considered necessary to attract the necessary capital.

The management of the Corporation will be entrusted to a Board of twelve members, including the Managing Director. Six out of these will be nominated by the Central Government and the Reserve Bank and the other six will be elected by the shareholders. I think from the point of view of safeguarding the interests of the public, the proportion is one which must be welcomed.

It has also been provided that the administration might appoint advisory committees. The main idea underlying this change is that before lending money to any industrial concern, it may become necessary to obtain technical advice and assistance regarding the various aspects connected with that industry and these advisory committees, it is expected, will be composed of men with sufficient technical knowledge to advise the Corporation about the feasibility of lending money to particular individual concerns.

With regard to the powers of the Corporation the Select Committee has provided that the maximum limit would be five times the paid up capital and the Reserve fund of the Corporation. And with regard to the long term deposits that the Corporation was allowed to take from the public the Committee thought that the period of ten years originally fixed in the Bill was a bit too long and it has therefore now been provided that fixed deposits of the maturity of five years might be taken by the Corporation.

The Corporation is also given wide powers to prescribe the necessary conditions on the borrower and one of these conditions might be, in appropriate cases, that a nominee of the Corporation will be appointed on the Board of Directors of the borrowing company.

The Corporation is empowered to make loans either in Indian currency or in any foreign currency if it is thought appropriate. This provision is necessary, because in the present state of affairs industrial concerns in India would be requiring capital abroad for the purchase of plant and equipment and in view of the difficulties of foreign exchange, which are bound to persist for some

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time to come, it may be difficult for an individual company to obtain the necessary exchange for the purchase of capital goods. A Corporation of this kind which will be enjoying the patronage of the Government of India might be in a better position to make arrangements for the supply of the necessary foreign exchange for this purpose,—for example, the International Bank for Development and Resettlement or the Import and Export Corporation of the United States are bodies which are more likely to lend to a Corporation like the Industrial Finance Corporation of India than to any private individual or Corporation. In other words, this Corporation would, in the very nature of things, enjoy greater facilities for raising loans abroad than any private individual company. It has therefore been provided that in appropriate cases the Corporation may advance loans in terms of foreign currency also and with regard to repayment the borrower will be at liberty to pay either in Indian currency or in the foreign currency at the rate of exchange then prevailing. This prevents any possible loss of exchange which might otherwise fall on the Corporation.

One of the important amendments made by the Select Committee is that for purposes of taxation this Corporation will be considered as a Company as defined in the Indian Companies' Act and the Indian Incometax Act. I attach very great importance to this provision. As I have said on more than one occasion both on the floor of this House and outside, I consider that if the Central Government in India is to have ample resources for taxation it would be necessary that it should have powers to tax not merely private companies and individuals but corporations owned and managed by the State or partly owned by the State and partly by private individuals.

There is in the country a large volume of opinion which wants the large scale nationalisation of our industries. Now if our industries are to be nationalised and if the Central and Provincial Governments are to pursue a policy of progressively bringing under state control and ownership the whole industrial and productive mechanism of this country, then unless an obligation is placed upon these state enterprises to contribute to the Central revenues an amount equivalent to the income-tax and corporation tax which these bodies would have paid, if they had been privately managed concerns, it will be found in course of time that the most fruitful sources of the Central Government's revenues, namely the incometax, will disappear altogether. It must be remembered that the whole financial structure of the Central Government is very largely based on the receipts from incometax and corporation tax. I hope, therefore, that this particular salutary principle that we have enunciated under this Bill will be followed in Bills of a similar nature. Apart from the need not to disturb the most fruitful source of central taxation, even from the point of view of ensuring business and commercial standards in these state corporations it is necessary that they should undertake the obligation to pay tax as if they were private individuals or companies. It is then and then alone that these public corporations and state corporations will be impelled to apply sound commercial principles and will begin to realise whether their concerns are working at a profit or at a loss. It was in fact with this object in view that the framers of the 1985 Government of India Act provided that the railways of India should be managed by a Statutory Railway Authority. Today the railways, though they may make a contribution to the Central revenues (the wisdom of which is questioned in certain quarters) are not making any contribution to the Central Government by way of taxes. If our railways, in which we have employed over 650 crores of rupees as capital, were a private concern, the Central Government would be receiving by way of incometax and super-tax alone anything between 15 and 20 crores of rupees per year and I hope when the constitution-making is taken up by the Constituent Assembly, appropriate steps will be

taken to see that the railways and all other similar state-owned and state-managed concerns are placed under an obligation to pay to the Central revenues an amount equivalent to the incometax and corporation tax.

Though the Government has under the Bill, even as originally drafted, ample powers to control the administration of the Corporation, the Select Committee thought it necessary to incorporate special clauses, under which the Central Government is empowered to issue from time to time directions to the Corporation on matters of policy. There are a great many things about which it might be necessary to issue such instructions. For instance, the desire was expressed in the Select Committee, and very rightly too, that the operation of this Corporation should help the industrial development of the more backward provinces and areas. It is very difficult to incorporate in a Bill of this kind appropriate provisions to ensure that result. But it is an appropriate subject to form the code of instructions that the Central Government may issue from time to time. It was also thought that, in the distribution of shares, the tendency for the accumulation of shares in one big place like Bombay or Calcutta should be prevented and that the shares should be distributed as widely as possible throughout the country. It was also thought necessary that in certain cases where the Corporation lends money to a company one of the conditions imposed should be that the borrowing company should limit its dividend to a particular rate until the loan is repaid. Matters covering such subjects are appropriate for instructions from the Central Government and I might take this opportunity of giving an assurance to this House that I shall see that when the Corporation starts functioning we will issue instructions to the Corporation along these lines.

Sir, these are the main changes that have been made by the Select Committee and I hope that the House will be satisfied on the whole with the Bill as it has now emerged from the Committee. If this Bill is placed on the Statute Book and when the Corporation comes into existence it would have filled a big gap in our industrial economy. Today we have not got the necessary agencies for helping industries with long term and medium term loans. That want has been felt for a very long time in this country. The want of an institution of this kind was pointed out by the Central Banking Commission which reported many many years ago and I hope that with the inauguration of this Corporation this gap would be filled and by the assistance and the advice which this Corporation will be in a position to give we would see a large scale expansion of industry in this country as speedily as possible. Sir, I move.

Mr. Speaker: Motion moved.

"That the Bill to establish the Industrial Finance Corporation of India, as reported by the Select Committee, be taken into consideration."

Shri T. T. Krishnamachari (Madras: General): Mr. Speaker, Sir, I have nothing but admiration for the manner in which the Select Committee has handled this rather difficult problem. But one or two amendments of fairly considerable importance, and some others of a minor nature suggest themselves to people like myself. In fact, Sir, I would not have risen to speak at this stage but for one particular matter to which the Honourable the Finance Minister referred, namely, the alteration in clause 39 of this Bill which has been effected and which makes this Corporation liable to pay income-tax and corporation tax like any other company. I would not object to this Corporation paying income-tax and super-tax, though the constitution of this Corporation is much on the same lines as the Reserve Bank of India. There is probably some justification for making it pay these taxes to the Central Government for the reason that amongst the shareholders are not only the Govern-

[Shri T. T. Krishnamachari] ment and the Reserve Bank, but also private institutions which being incorporated concerns will not benefit unduly one way or the other. But I am afraid, I am not in agreement with the policy enunciated by my Honourable friend as a general principle to be followed in the future. I may say, Sir, without attributing any motives, that this change of policy might prove the biggest stumbling block that could ever be placed in the matter of nationalising business and industrial concerns in this country. My Honourable friend very rightly said that here is the case of the Railway Board which if it becomes a statutory authority would pay between Rs. 13 crores to 14 crores to the Government by way of taxation. Well, supposing it has no surplus income and is unable to pay, what happens? Supposing the railways are made into a statutory body tomorrow by means of a change in the Constitution Act and on their income such as it is they are made to pay the Central taxes; supposing there is no profit, and even if accounting is done in the same manner as it is done in regard to private companies it results in a deficit, will it not be the liability of the Government to make good that particular deficit? My Honourable friend might say, "Well, the Railways are not managed well." But, they could be managed better still. He can ask his colleague to manage them better. He can appoint more high-power committees to run its business in such a manner that it is managed more efficiently. Sir, after all the crux of the matter is the question as to whether Government wants to help a change-over in certain industries to state ownership.

Sir, later on probably the subject might come up before this House in regard to how far this particular corporation itself should invite subscriptions from private owned corporations and not have its entire capital subscribed by the State. Sir, on that issue perhaps I will have an opportunity to say something, but I feel that in a country like ours the question of nationalising cannot be made the rule and it is advisable that we have an economy in which there might be some industries—key industries perhaps, paying industries, perhaps—which will be taken over by the State and some industries left to private enterprise. Sir, even the most whole-hogger among the socialists does not want to destroy private enterprise altogether. But the process of nationalising of at least some of the Industries cannot be blocked in this manner.

Sir, I would ask my Honourable friend to read the budget speech of a predecessor of his in 1945 when his predecessor envisaged that before long the Government will have to enter into the field of industry in order to make some more money so that they could provide the amenities that a modern state has to provide for its people. It, therefore, seems to me that my Honourable friend, with all good intentions, of course, is looking at the matter purely from a Finance Minister's point of view, as a person who has got to find ways and means for carrying on his Government and to provide for the increasing demands that is made on him for provision for expenditure on defence and such like matter, it seems rather, he takes a view which suits his own immediate purpose. I want him, therefore, to consider the other implications of such a policy.

I have known that the Federation of Indian Chambers of Commerce consisting of big businessmen the Indian Merchants Chamber of Bombay and others have times without number said: "Place us on the same footing as any Government enterprise; make government concerns pay taxes; you will then see if they can manage their affairs as efficiently as private enterprise does. But you do not merely take over any industry from private hands to put it into Government hands for the only purpose of depriving the *entrepreneur* of his legitimate share of profits." There are other important considerations. One

is that people do not feel happy to allow so much of economic power in the hands of a small number of capitalists, secondly we want the money that the *entrepreneur* is making so that the State can provide the amenities to its people that are necessary.

Sir, I was rather alarmed when my Honourable friend said that he is going to make it a policy that in future all the concerns which are owned by the State or by the Provincial Governments shall pay income-tax and corporation tax, though in this particular instance I was quite prepared to concede that he has every right to do so and could even provide some justification for making this particular Corporation pay taxes. Sir, a time will come when I hope. I will be able to convince him that he is not right, or perhaps he may be able to carry us with him. But I think at the moment, much as I am a member of the party to which my Honourable friend belongs and I am a loyal member too, having to vote as the Government decides, I feel that it is right, should strike a note of warning about the implications arising from such a policy and I took this opportunity to detain the House for listening to what I consider to be a very important matter in my view.

Sir, there are a few matters about which I would be moving some amendments at a later stage. I want to mention one matter in particular, namely clause 4 (3) where shares are to be allotted to insurance companies, investment trusts and like financial institutions. I wish the Select Committee had placed a restriction against insurance companies, investment trusts and other financial institutions not registered in this country, acquiring shares though I have no doubt in my mind that by means of rule making power when the rules are framed, my Honourable friend will be able to advise the board to allocate these shares only to such companies which are incorporated in this country. I can say that there could be no doubt whatever so far as the Government is concerned, that it wants only Indian companies to participate in the control ownership of the shares of this Corporation. But it would have probably been better if the Select Committee had put in those particular words "registered in India". I wonder if my Honourable friend and you, Mr. Speaker, will permit an amendment to be moved later on in this House in order to ensure that not even by inadvertence, by the overlooking of this fact, a foreign company will have a share in this Corporation.

There is one other matter which might probably be appropriately stated at the Third Reading stage, but I do not want to make a speech at the Third Reading. My Honourable friend will probably remember that the experience of similar Corporations in another country, England, has not been particularly happy. Two Corporations were started there, a larger and a relatively smaller one, both of them being big and broad-based so far as capital structure is concerned. Up till now I feel they have not done much business except that the British Finance Corporation for Industry has now on hand a fairly big scheme for financing a Steel Corporation in Wales which might perhaps justify its having been brought into existence. Up till now the other Corporation has practically done nothing. I hope that this Industrial Finance Corporation of ours will not suffer similarly, though I have no doubt there will be very many people in this country of ours who would like to get the imprimatur of the Industrial Finance Corporation for their floatation of shares and ask for some kind of help from the Finance Corporation which will put up their prestige in the share market.

I am glad that the Select Committee has thought of an Advisory Committee. In fact the Industrial Advisory Panel for the corresponding Corporations in England probably provide the maximum amount of advice and help to these Corporations. I do hope that the Honourable Minister would issue suitable instructions by means of Rules so that the constitution of these Industrial Panels would be adequate and satisfactory.

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One other matter which would also be covered by the rule-making power of the Government is the question of making it a matter of absolute discretion of the Board in regard to allocation to that particular class to which applicants for shares belong. For instance the question whether a particular applicant or an investment trust, an insurance company etc.—all these things will arise. So long as the discretion for allotment is in the hands of the Board no question of taking to court will arise. Still it will be better for the Government to safeguard the particular position by voting absolute discretion in the Board as to what is exactly an insurance company, an investment trust etc. Clause 4 of the Articles of Association of the British Finance Corporation of Industry more or less makes the discretion of the Board final in these matters.

I would probably have a chance of speaking again on one or two other matters as and when they arise but I will conclude now by saying that I do hope that this Corporation will be a real and vital force in the economy of this country.

Mr. R. K. Sidhva (C. P. and Berar: General): Sir, I yield to none in my desire to see that all the industries and public utility concerns are nationalised. At the same time I do not desire to oppose this motion for the simple reason that I consider that this is not an opportune moment to embarrass the Government because they are only functioning since a very few months as our free Government. I however desire that the Government will have to take a decision on this matter which is really vital to the interests of the country and the people. I said I do not want to embarrass the Government for this reason that they are engrossed in many important matters and it is but natural that, looking to the economic conditions of the country, they do not desire to frame a policy in this matter immediately. I must however say that an impression was created in my mind after hearing the Honourable Minister's speech that he is not in favour of nationalisation of industry.

The Honourable Shri R. K. Shanmukham Chetty: I never intended to convey that impression.

Mr. R. K. Sidhva: My impression may be wrong. I got that impression on his referring to the railways. However I am glad that he holds the view that nationalisation is in the interests of the country.

The Honourable Shri R. K. Shanmukham Chetty: Not even that.

Mr. R. K. Sidhva: Well, Sir, I do feel that he will have to consider this matter in the interests of the country very soon as to what he thinks to be the best policy and the economical policy for our country. It would be better if this matter is discussed in this House with a view to knowing their views as to the future policy in these matters, and that would give an inkling to the Honourable Minister and the Government as to what the House desires. That would be rather a better way of taking a decision in this matter which is really very vital. However, that matter I hope will be borne in mind by the Government for future consideration.

I have read the Select Committee's Report and I certainly congratulate them for making that the Corporation will be guided by the Central Government's directions and that its management will be also under the control of the Government. Under Sections 6 and 7 it has been provided that even if the Corporation goes astray in several matters the Central Government will intervene.

An Honourable Member: In any matter.

Mr. R. K. Sidhva: In the matter of policy also if they feel that the Corporation goes somewhere quite differently than what is propounded under this Act they will intervene. I am glad about it because at least that kind of check has been kept in this Act and the Corporation has not been allowed a

free hand to work as it likes. That is really an improvement I find in the provisions that have been proposed.

I find from the definitions in this Bill that the Corporation will lend money for the purposes of goods. Clause 2 (c) which defines 'industrial concern' says that it will invest money for the manufacture or processing of goods, mining etc. The word here is 'goods'. I want to know where the question of manufacturing of motor cars, or aeroplanes or shipbuilding will come in. We have to build our own ships. (Interruption). The Honourable Minister may be more intelligent—I do not know. I do not know whether a steamer will be called 'goods'. That is the point. (Interruption). If a steamer can be called 'goods' according to the interpretation in the English dictionary, then I have nothing to say.

Then, Sir, as I have stated, as far as the constitution is concerned, considering all circumstances, it is certainly desirable. I have nothing to state excepting the disqualification clause which states that a Director shall be considered to be disqualified if he is found to be a lunatic or becomes of unsound mind. That is a general clause applying to all the companies and banks that I have seen: but there is one thing that has been omitted. Directors who are disabled also should not participate. I have known of Directors suffering from paralysis who are also allowed to remain and sometimes meetings are held in their houses. Paralysis ought to come under the definition of 'disabled'. This should also be put into this Act which should be amended accordingly. If a Director is not able to attend, he can certainly retire and he should not pose that he is a very able man and his services cannot be dispensed with.

An Honourable Member: What about mental disability?

Mr. R. K. Sidhva: I am telling you from experience. I have been Chairman and Director of many public banks and companies. So I am not talking of matters which are not likely to happen. I am telling you what is actually happening in some cases. Therefore I hope the Honourable Minister will bear that in mind.

Then coming to the clauses for the enforcement of claims due from the borrowers, effort has been made to strengthen this law for the purpose of safeguarding the interests of the Corporation. I however feel they are not sufficiently strong. It is stated that if any person does not pay the amount regularly, then the process of law will take place. The Corporation has to go to the District Judge and follow the usual procedure. That procedure is so cumbersome that by the time the final decision is taken in the court, the hypothecated goods which may be lying with the Corporation may have deteriorated in value to that extent that it will not be possible to realise the full amount. Therefore I would suggest that all the articles and goods which will be hypothecated with the Corporation should be under the English Mortgage Bond Act. Under that Act, it becomes the property of the corporation in the event of the person's failure to pay the money.

Shri K. Santhanam (Madras: General): What you want is in clause 28.

Mr. R. K. Sidhva: I have read clause. Clause 20(d) says:

"If the property pledged, mortgaged, hypothecated or assigned to the Corporation as security for the loan or advance is not insured and kept insured by the industrial concern to the satisfaction of the Corporation; or depreciates in value, in the opinion of the Board, by more than twenty per cent., and further security to the satisfaction of the Board is not given."

The Honourable Shri R. K. Shanmukham Chetty: On a point of order, Sir. Is it not the usual practice of this House to take such matters when the actual clauses are taken up for consideration?

Mr. Speaker: The Honourable Member cannot go into various clauses and discuss them. He has to discuss the Bill generally.

Mr. R. K. Sidhva: I know that. It was a casual remark just to draw the attention of the Honourable Minister that these things should be noticed by him also. However when we come to discuss clauses, we shall certainly place our views as far as amendments are concerned, but it is just possible that these amendments may not be reached. When I bring in my amendments, I shall have to elaborate my remarks, but it is just possible, as we have seen, that all the amendments cannot come before this House and therefore

Mr. Speaker: Order, order. All amendments of which proper notice is given, if they fall within the scope of the particular clauses under discussion and Members are willing to move them, are always allowed to be moved and discussed.

Mr. R. K. Sidhva: I did not mean anything against the Chair. The only point that I wanted to make very clear is that this Corporation, which is a very important body and will be lending money to industrial concerns, should be on a very sound basis and the Select Committee has taken real pains to see that it will be a sound concern so that the amounts that will be entrusted to the borrowers will be safe, and having had experience of some of the banks which have gone into liquidation after giving these loans to borrowers, I thought it would be very advisable if some of the remarks that I have made were brought to the notice of the Honourable the Finance Minister.

With these remarks I support the motion.

Shri Khurshed Lal (U. P.: General): Mr. Speaker, Sir while I agree with the Honourable the Finance Minister's remark that the Bill as it has emerged from the Select Committee, has considerably improved, I must confess that the structure of this Industrial Finance Corporation leaves me absolutely cold. Sir, there is a considerable amount of feeling both in this House as well as outside that the business of banking should be nationalized. Only the other day the Honourable the Finance Minister made a statement that after the 30th September he would be nationalizing the Reserve Bank and he would also take steps to nationalize the Imperial Bank of India. One would have expected that after this clear declaration of policy so far as the Reserve Bank and the Imperial Bank are concerned, at least in the case of this Industrial Finance Corporation which is going to be started now, it would be started as absolutely a State concern and no place should have been found in it for private capitalists. The Corporation is practically a government concern. The capital subscribed to it, and a certain amount of minimum dividend, are both guaranteed by the State. When that is done, it is obvious that all the risk that there is in the setting up of this Corporation will be borne by the State. The scheduled banks the investment companies and the co-operative banks who take shares are more or less, if I may say so, so far as any risk to their capital is concerned, in the position of depositors of fixed deposits. They are guaranteed the minimum dividends and a certain maximum will also be fixed. They do not undergo any risk of losing their capital. They do not undergo any risk of losing their dividends. Why is it then that it should be necessary for us to find a place for them at all? I do not think anybody would say that the Government of India cannot find sufficient capital for this Corporation. The Government of India is strong enough to provide all the capital that may be needed for this Corporation. In fact all the capital that would be coming would be coming on the guarantee of the Government of India, and even if the Government of India could not find all the capital, I suggest, as it has been stated in the Minute of Dissent, the Provincial Governments and the various State Governments could be asked to join in the setting up of this Industrial Finance Corporation. I am afraid that the bringing in of these scheduled banks, investment companies and insurance companies,

which are more or less managed and operated by about half a dozen groups and syndicates would be bringing in the influence of people who would be mostly interested in getting money from this Corporation. And it would have been more in the interest of the country if this Corporation had started as a State Corporation from the very beginning.

Then, Sir, I think that for the advancement of the industrially backward areas, for the advancement of those regions of our country which have not been

properly developed, a Corporation which was managed absolutely by the State would have been better than one set up in the manner in which this Corporation is proposed to be set up. It may be said that as the Reserve Bank will soon be nationalized and the Government and the Reserve Bank will have six Directors out of a total of twelve, the Government will be able to control the working of this Corporation. But I submit that in actual day to day practice one knows that in a Directorate of twelve, six form a very considerable number and if these six belong to private enterprise and if they are the people who are concerned and interested in setting up industries and their own business concerns in the country, they would be able to manipulate the working of this Corporation to their own advantage or to the advantage of their concerns. I therefore feel that it would have been far better if this Corporation had been set up as a State enterprise altogether.

Secondly, Sir, I feel that the restriction which has been placed on this Corporation in buying the shares of the industries which it assists will prove harmful in the actual working of the Corporation. It is provided that if the Corporation in the course of its under-writing activities, has to acquire certain shares, it should get rid of such shares within seven years. I submit that is placing an unnecessary restriction on the working of the Corporation because that will compel the Corporation at some stage or the other to put those shares on the Market and as you know in the Share Market things will be so managed that these shares will have to go cheap. I therefore submit that no such restriction ought to be placed on the working of the Corporation.

With these words, I welcome the setting up of this Corporation because after all it fulfills a long demand from the country for the setting up of a Corporation which will help us in the advancement of our country.

[At this stage Mr. Speaker vacated the Chair, which was then occupied by Mr. Hussain Imam (one of the Panel of Chairman).]

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, even at the time when the Bill was referred to the Select Committee, there was a large body of opinion in the Assembly that this must emerge from the Select Committee as a State Corporation. Now once again the same issue has been raised. It is true that the position has changed so far as banking is concerned in this country. Only the other day the Honourable the Finance Minister said that after the 30th of September this year he would take steps to nationalize the Reserve Bank and the Imperial Bank of India. Banks are the very life of an industrial concern, or they are the very soul of industry in any country. Now, when the Reserve Bank itself and the Imperial Bank which is the biggest commercial Bank in this country and which helps industry by short term loans, are taken over, a Bank or Corporation brought into existence by this Bill, intended to give long and medium term loans, should also in the nature of things be a National Corporation or a State Corporation. There is nothing to make a departure, particularly in view of the fact that after the Bill was referred to the Select Committee there has been a change in outlook so far as the Reserve Bank and the Imperial Bank are concerned. It was naturally expected; it was also expected it.

There are other features in the Bill also which facilitate the easy passing over of this Corporation from the structure which has been envisaged in this

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Bill to one of an out and out State Corporation. The entire capital is guaranteed by the State—repayment of capital as also dividend from time to time. All the loans that are raised by this Corporation are guaranteed by the State and management is largely in the hands of the State. So the State has got the right to give direction from time to time both to the Board and to the Executive Committee on general policy and it has also got the right to supersede the Corporation. When practically all these things are assured by the State and the State has practically a hand in its day to day administration and in its policy, what prevents the State from taking it over and running it as a State concern entirely? That question has to be asked and has to be answered. The same question was put to the Honourable the Finance Minister. He had only one explanation, of course, which the House may take into consideration and which weighed largely with the Select Committee. That is that the State no doubt guarantees a loan but if the State takes up the Corporation itself and has to float loans for the purpose of running the Corporation, the State cannot start by giving extraordinary interest because that will be the basis on which the rest of the economic structure in this country will depend. When the State helps to guarantee the loans of a Corporation, the Corporation can borrow with some higher percentage than what the Government will be able or inclined to borrow in the open market. That was one consideration which weighed with the Members of the Select Committee in not agreeing to make this a State Corporation straightaway. If, in the course of its working it is found more feasible and there is not that impediment, it may be taken over very easily as the Reserve Bank and the Imperial Bank may be taken over in a short time.

So far as the funds are concerned, one might say easily that now that the Reserve Bank and the Imperial Bank are going to be nationalized, the Reserve Bank and the Imperial Bank may lend to this Corporation and there may be an adjustment. But in practical working let us see how far they will be able to finance this Corporation and if in the course of five or six months or a shorter period it is found more useful to make this an out and out State Corporation, I am sure the Honourable the Finance Minister will himself convert it and very easily into a State Corporation. After all, the number of shareholders are not many. There are only organised shareholders; the shares are not to be sold to individuals who will go into the open market and sell at enormous prices or in the Stock Exchange; it may not be held in the hands of speculators. Only institutions like the Insurance Companies, Banks and other commercial bodies alone are allowed to take shares in this concern. Therefore there may not be such a stupendous difficulty in this easily passing over into a State concern and if it is not an out and out State concern today it will be nothing wanting—it will be practically a State concern.

It was suggested by my friend Mr. Khurshed Lal that the Provincial Governments might have been asked to contribute. It was envisaged originally, and I believe it is still one of the ideas of the Honourable Minister, that similar Corporations should be established in the Provinces. The maximum that can be lent to any company under this Corporation is not more than Rs. 50 lakhs. There may be small businesses and industries which may require smaller amounts of finance. That field is reserved to Provinces. There are Co-operative Banks which cater to smaller and cottage industries. Thus the entire financial structure of industries is sought to be covered and for that purpose this Finance Corporation is sought to be established. Therefore to expect that the Provincial Governments will immediately contribute to this, would be to take away their resources from founding or establishing a Corporation, local or Provincial, for the purpose of financing smaller businesses.

Then, Sir, I would urge upon the Honourable Minister—though it need not be made a part of the Clauses of the Act—that in making nominations he must

so adjust that after the elections take place those areas or regions which have not been covered or representatives from which have not been sent, are also given an opportunity to send their nominations. It is one of the objects of this Act, as the Honourable Minister just said, that the undeveloped areas should be developed. So I hope he will concentrate his attention upon that and see to it that representatives of those areas come forward, so that they may be able to partake in the administration of the Corporation until those areas also fall in line with the rest of the country. Instead of incorporating this in the Bill, I suggest that he will issue instructions in the form of directives so that these areas also may be covered.

I am sure, though it has not been set out—that this Industrial Corporation will finance only those industries and will give priority to such industries only which are in the greatest need in this country. Ere long I hope the policy enunciated by the Government of India will come into effect. They have been assuring the House and the public outside as to what industries will be taken over by the State, what are to be placed in a mixed economy, what industries are going to be given to private enterprise and what priority is going to be given and so on. I have no doubt that the Central Government will work this Corporation in the order of priority which is envisaged or laid down according to a co-ordinated all-India or Provincial plan, and I am sure directions to ensure this will be given and that it is not in a haphazard manner in which the Finance Corporation will place finances at the disposal of the industries, so that they may not grow as a wild growth but as a co-ordinated industrial development all over this country.

Coming to the distribution of shares, Sir, I find that it has not been specifically laid down that shares ought not to be concentrated in the hands of a few. No doubt in the Reserve Bank of India Act, there is a provision that regional registers ought to be established and the whole of India was divided into five regions, Madras, Bombay, Calcutta and Delhi, and also Rangoon was there. Each region had a register of shareholders, but there was no provision preventing the transfer of shares from one region to another, with the result that almost all the shares are now cornered or concentrated in the Province of Bombay. I am sure the Honourable the Finance Minister will limit the number of shares which an industrial concern can take which wants to acquire shares, and also see to it that unnecessarily transfers are not made from one area to another, and that the resources of the Corporation are not monopolised by a particular area.

Then, Sir, there is a very wholesome provision here, introduced in the Committee Stage, for preventing the frittering away of the funds of this Corporation by granting loans to individuals. Individuals might start industries which may be big industries. It was felt in the Committee stage that the Corporation ought not to lend money even to such big individual industrialists. Only public limited companies which have been brought into existence for a long time and which have undertaken industries considered essential by the Government ought to be given loans under this Act.

I agree, Sir, with my Honourable friend Mr. Krishnamachari that there ought to be no shareholders in this concern who are not nationals of this country. There may, however, be a small difficulty in achieving that object. Insurance companies, wherever they might have been registered, under the law of India they have to take a licence here and subject themselves to the same rules and regulations as have to be observed by Insurance Companies which have been floated here which were registered or which came into existence under the Indian Companies Act, 1913 and other Companies also which have to carry on business in this country have to get registered under the Indian Companies Act, 1913. Therefore, it will not be easy or convenient to have a regular Section in the Act to have a discrimination or a prohibition of the issue

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of shares to such Companies. However, if it is not possible to do so and we are not able to evolve a suitable phraseology or formula for that, I am sure by instructions it will be so seen that foreign nationals do not take hold of this Corporation or have any voice in its administration.

Then, there is also a provision that the Legislature should have control but not in the manner in which that control ought to be exercised. The reason is that it was felt that the Legislature ought not to have too often to interfere with the Administration and that, it is better to allow the Corporation to have autonomous existence and see that it flourishes without too much of interference.

With these words, Sir, I beg to support the motion for consideration of this Bill.

Prof. K. T. Shah (Bihar: General): Mr. Chairman, Sir, there can be no difference of opinion with regard to the desirability and timeliness of this measure, and even as regards the improvements which have been made by the Select Committee in the various Clauses of the Bill. Difference there is—as is indicated in the Minute of Dissent—on the very fundamental principle as regards the ownership and management of this vital national organisation. Here is an institution, which, when it is put into operation, is bound to have a practical, if not statutory, monopoly of financing the industries of this country. If this country has industrialising ambitions, as it admittedly has; and if it provides a special machinery for financing those new or existing industries in all their developments, then I submit it would not be in the interests of the country as a whole that there should be even partial individual or private ownership of this institution.

I recognise that, as the Corporation has been constituted by this Bill and the improvements made therein by the Select Committee, there is a considerable element of State control. There is the State appointment of certain Directors; there is the right of issuing instructions and making rules. But while recognising all these, I think that is not enough to give us that complete control, that absolute operation of the institution in the interests of the country as a whole and no other interest which the right of ownership would provide. The right of ownership by providing all the working capital,—at least the initial capital for the institution—is, in my opinion, essential; and there need be no apprehension that the Government, if they decide to provide the necessary capital, will be unable to find the amount, whatever that might be. After all, the initial amount will be relatively small; and if by law the stocks and shares of this Corporation are made a sort of trustee security, then there ought to be no apprehension whatsoever that the required funds would not be forthcoming.

I realise that the Government may have other projects as well for which they may have to go to the money market, but I think here is a case of projects in which the guaranteed return of comparable to the prevailing market rate would more than suffice to attract all the capital that initially you might require. It is, therefore, no reason in my opinion to fight shy of wholesale ownership of the State in this institution.

The positive reason on the other hand why I think it is necessary for the State to end this Corporation and manage it as a State enterprise are first.

Shri K. Santhanam: Sir, on a point of order. Is this the stage when the fundamental principle of any Bill can be debated? I think when a Motion for Select Committee is made and adopted, it is assumed that the House has adopted the fundamental principle of the Bill. Minor changes can be discussed but I do not think the fundamental principle of the Bill can be questioned at this stage. I want your ruling on this subject.

Shri M. Ananthasayanam Ayyangar: He can throw it out, Sir, on various grounds. This is one of the grounds on which the Bill can be thrown out.

Mr. Chairman: I may mention that on the day on which any such motion was made or on any subsequent day to which the discussion thereof is postponed, the principle of the Bill and its general provisions may be discussed, but the details of the Bill must not be discussed further than is necessary to explain its principles. What was the principle which was adopted in the initial stage and what are the component parts of the Bill and not the principle of the Bill? Therefore it is open to any Member of the House at this stage to question whether it should be a nationalized institution or a private institution or a mixed economy, and all these points are perfectly relevant for discussion at this stage.

Prof. K. T. Shah: The point I was urging is that even if it was felt that the Central Government by itself may not be able to finance on its own or find all the initial capital, it is perfectly open, in fact, in my opinion, it is highly desirable, that all the Provinces and such States as accede for this purpose should in this connection be invited and encouraged to join in financing, and help to provide the initial capital for this concern. If you do so, the least ground that you may have of apprehending failure in the money market will disappear. If you do so, then only would you have not only all the provinces fully interested in co-operating with you, but the slightest danger of any favouritism, or any kind of partiality as between the several regions or as between the several interests in the various sectors of the industry would disappear.

One of the reasons I have urged this matter is that the several provinces of this country, the several regions, are not equally developed; and that too for no fault of their own, for no lack of their inherent resources. If it is at all conceivable that the Financial Corporation like this would conceivably operate so that those who have the loudest voice may carry the greatest proportion of the benefit that Corporation might shower, then it is more than likely that the backward provinces, or those undeveloped regions notwithstanding their initial resources may continue to remain undeveloped to the detriment of the country's growing economy, while those which are fairly advanced may continue to go ahead more and more. I think it is a point which is well worth considering; and, if it is possible, to amend the measure so that we may provide for an equal all around development simultaneously of all parts.

Similarly with regard to the various sectors of the industries, and not only industries which are only manufacturing industries. There may be industries which may be in the nature of services, or which may be in the nature of production of material or equipment to maintain these services. There, again, the interests of all sectors may not always be identical. After all the industrial organisation of today is a kind of pyramid, if I may put it that way, in which the raw material of one is the finished product of another; and the interests of the consumer of the finished product may not always be the same as those of the producer of that product. In that case there may be conflicts of interests; and the only power which can avoid this conflict, and should avoid this conflict, is the power of the State, which is presumably taken to be, now that we are under a free National Government, uniformly beneficial to all, and not only those who can shout loudest or may have the longest pull in the management of the concern.

I hope, Sir, that when the time comes appropriate amendments would be moved on these lines to the various clauses which seek to give effect to these ideas; and I hope they would commend themselves to the House.

I may mention one other point, namely, that with regard to placing this Corporation on the same level as an ordinary commercial Corporation from the point of view of the income-tax. In so far as this Corporation is to be even partially owned by private interests like Banks, Insurance companies and

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investment corporations, there may be some justification and propriety in making it liable to the same income-tax and corporation tax as other corporations. I do not subscribe, however, entirely to the view enunciated by the Honourable the Finance Minister that, like the Railways, all State enterprises should be made liable to bear the same burdens of taxation. I for one hope the day will come when all enterprise will be State enterprise, and there will be no private profiteers in this country. But so long as they are, the Honourable Minister should not forget that in a corporation like this, if and when it is wholly State owned, and corporations which are conducted by Provincial Governments, they are the property of the people of this country for whose benefit taxes are levied, and all of whose profits or services will also be taken by the State. If you take up all the profit of such concerns, then it is not necessary to take part of it indirectly also by way of income-tax. So long however as a mixed economy prevails, so long, however, as some sectors of our economy are nationalized or semi-nationalized and others are not, there may, I fully recognise, be justification for the kind of view that the Honourable the Finance Minister has urged. But I trust it will not be overlooked completely that, in so far as the State becomes identified more and more with the people and with the whole of the national economy; and in so far as it promotes, initiates, controls, manages and takes the profits of those enterprises, there would be no occasion for the State also to levy additional taxation by way of income-tax or corporation tax or otherwise. I for one, at the risk of looking somewhat heterodox, am prepared to say that I look forward to the day when all taxes would disappear, and their place would be taken by the surplus value that the State will create, which has been raised by the consent of the community, for the use of the community. I welcome, therefore, this Bill, as the necessity of the corporation is admitted, but I trust important changes will be made when the drafting time comes.

Shri Biswanath Das (Orissa: General): Mr. Chairman, Sir, I support the Bill as it emerged from the Select Committee and congratulate the Honourable the Finance Minister for having gone so far and I regard this as a very good interim measure between the full-fledged nationalisation and the present

Sir, my congratulations would have been full and complete if I had found something for the teeming millions of the agricultural population of the country and the agricultural industry on whom the nation depends. Sir, the agricultural population have to depend as at present merely on co-operative banks which are practically not functioning except in the Provinces of Madras, Bombay and West Punjab. Under these circumstances, I only expected that the National Ministry would think of the poor instead of extending their aid to the richer and well to do brother who could think for himself. While stating this I am alive to the big programmes that they have on hand,—programmes like the Hirakud Dam project, the Damodar Valley project, and the like. But at the same time I appeal to the Ministry to think of financing of agriculture in the interest of growing more food, feeling as we do that we have to go with a beggar's bowl every year from country to country for the purchase of food-grains. In this view of the question I always believe that Pakistan is in a far better position than India in the sense that it is always surplus.

Mr. Chairman: I may draw the Honourable Member's attention to the fact that the Bill is for industrial finance and agriculture does not come within its scope. Therefore any talk of agricultural production and the teeming millions will not be germane to the discussion of this Bill.

Shri Biswanath Das: Sir, I am thankful to you. It is not a question of teeming millions. I wanted only to have both Bills together so that my compliment, as I said, could be full and complete.

Then I come to the second aspect of the question, namely, the cottage industries. It has been said by an Honourable friend that this Bill would be useful and helpful to cottage industries. I fail to see how they can be helped by the operation of the Finance Corporation which is intended essentially for big industries. Cottage industries would have been side industries helpful to agriculture; but I find very little hope even for the cottier. There is also another aspect of the question. Japan developed her industries by a combination of the activities of cottage industries and big industries. I do not see much hope of this possibility under the operation of this Bill. In view of these I would appeal to the Honourable Minister to do something for the development of agriculture and also of cottage industries.

I will now deal with the operation of this Bill itself. Sir, my Honourable friend in the course of his very illuminating speech said that it is not possible to embody in the Bill provisions for starting industries in undeveloped areas. I do not see any reason why the policy and programme of Government should not be outlined if not now, at least very early, in the course of the year, to give us an idea as to what the programme is going to be and how far people of these developed areas are going to be affected and helped by the operation of the Bill. It has been our misfortune to see that overcrowded cities have been furthermore overcrowded; and if the Bill is to operate it will further industrialise the industrial areas. Unless Government force their programme on the Corporation, I do not find for myself much hope in the operation of this measure when it becomes law. I therefore appeal to the Honourable Minister to see that industries are subsidised and helped on a long-term basis, so that instead of bringing raw materials from undeveloped areas to the towns and cities to be converted into manufactured goods, it would be better to start industries in these very areas themselves so that you would solve two problems at the same time, namely, you industrialise the entire country simultaneously and also help the agricultural population as a side activity to help agriculture which is in dire need of assistance. I appeal to Government to consider this aspect and not only give instructions to the Corporation but give its driving force and effective lead to it so that industries are started and developed in undeveloped areas. Sir, it is rather a distressing fact that scientific, technical and technological instructions and railway workshops, etc., are concentrated in certain defined areas, with the result that industrial areas themselves develop on the model of the west. If you have separate industries in different provinces and develop undeveloped areas, then alone you can fight against famine, want and unemployment. Otherwise things will go on as they are today and unemployment will always have to be faced with all its consequences, while industrialism and its component difficulties will have to be faced and solved in big towns which hereafter will become bigger. I warn Government of these coming dangers which are sure to be faced.

Sir, referring to the objections raised by my Honourable friend Prof. Shah I would appeal to him not to press for absolute nationalisation at the initial stage of the operation of this Corporation; and for this reason. You cannot nationalise the entire financial structure of your country without taking certain other preliminary steps. You have to nationalise in the first instance your insurances—various kinds of insurance—and that you have not yet done. The Indian independence, after all, is a baby of five or six months, faced with serious difficulties and dangers. In these circumstances full-fledged nationalisation should not and ought not to be the course to be adopted by us. The Bill as it minimises all the evils and unfortunate tendencies of capitalism, namely, it reduces the rate of interest; it gives Government a full hand in matters of policy, and if necessary, in matters of administration also.

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then it takes further steps for controlling, dissolving and doing anything necessary at any stage of its work and operation. In these circumstances I think the Bill as it is, is fairly acceptable as an interim measure, and I think to that extent there should not be any objection.

One point more and I shall have done. I heartily congratulate my Honourable friend, the Finance Minister on making one announcement, namely, that he proposes not only to put this Corporation under the purview of the Income-tax Act but also to bring the railways under the operation of that Act. I congratulate him because it will bring us more money by which not only the Centre but also the Provinces will be benefited. To this extent as an interim measure, I welcome and I congratulate him.

Shri M. Ananthasayanam Ayyangar: Sell away the railways to companies!

Shri Biswanath Das: This again reveals a sense which I am not able to describe. The railways in this country are fortunately State-owned. How could you now sell the railways to companies?

Kazi Syed Karimuddin (C.P. and Berar: Muslim): That is not the issue.

Shri Biswanath Das: The railways are not bringing us anything worth the name. There are certain lines which are purchased by the Government. They are also escaping taxation. The railways do not contribute anything to the Centre by way of taxation or contribution. From the days of the Ackworth Committee I think railways have not been contributing very much to the revenues of the Provinces.

Shri K. Santhanam: During the war more than Rs. 100 crores have been given.

Shri Biswanath Das: They are only paper adjustments and contributions because it is only a matter of formal adjustment between one department and the other. It is the War Department that was paying and the Finance Department that was earning. It is a paper adjustment. I would like to see what the income of the railways would be after the depression which we are bound to face shortly.

With these words, I support the Bill.

Prof. Shibban Lal Saksena (U. P.: General): The last time when we sent the Bill to Select Committee we pointed out many things. Unfortunately I find that two members have put in a Minute of Dissent. Now we have to decide our final policy. Have our key industries to be nationalised or not? When the Bill about industries was introduced we raised that question and we said that the Committee had said that all the key industries shall be nationalised and we pointed out that the Government should not have the liberty to go beyond the resolution. But I find that this Bill, although it has improved upon what it was when it was introduced the last time, is still a Bill in favour of private industries.

The other day I was delighted to hear the Prime Minister say about the Rehabilitation Bill, that it was completely a State-owned enterprise. I wish this was also a similar enterprise. The question is a very fundamental one. In this way we can be passing one Bill after another. I do not think we shall be able to give effect to our resolution in this manner. In the Industries Bill criticisms were heard that we might not be able to get proper personnel and technicians, but I find that in this Bill where we have only to put an industrial Finance Corporation, I do not think that that ground can be advanced. There are great financiers and the Government can get their services, and if this Corporation is completely nationalised then all the industries which it will help and promote will also be nationalised, because as has been pointed out by my Honourable friends in the Minute of Dissent, it is a sort of key Bill and

when we have a long programme, a comprehensive programme of planning, when all industries have to be developed in a planned manner.

During the last budget debate, we had put our cut motions and we pointed out that we wanted to be abreast of Russia and America within 10 years. We have become suddenly free and we are, though the largest and most populous country in the world with the exception of China, still very much down in the scale, and if we want to come to our proper position we must catch up with those people. That is only possible when we have a proper plan which is properly executed. This Industrial Finance Corporation is the body which will finance that plan and I think that it is most necessary that this should be a completely State-owned enterprise. There must not be any single shareholder who is a private individual.

I am surprised that the entire capital is guaranteed by the State and yet the management is not of the State. I think that the Industrial Corporation which will finance our industries must be a big concern: Rs. 10 crores is not sufficient. I think it should be much more than that. For a comprehensive plan there will be enough money coming. Government can raise loans and the country will come forward to subscribe to that loan. Then we can have an industrial Corporation, fully competent to finance the complete plan which we intend to put before the country and to execute also. I am keen that this Bill should not be passed as it is. It must be amended and there must be no scope for private enterprise in this.

For the last 10 years I have been intimately connected with the sugar industry and since 1937, it has been controlled by a syndicate and I know how syndicates work and how we have been suffering on account of these syndicates. Even recently when the control over sugar was lifted, sugar which was selling at nine annas before decontrol, was now selling at one rupee a seer. Similar results will come from this Board which will be controlled by big industrialists who have many means of controlling and influencing Government. They will certainly control the whole body and it will become a syndicate and that syndicate will be a syndicate of private capital and it will not be working for the interests of the nation but for the interests of all those capitalists who are the kings of industry. I am sure that this present Bill, although many improvements have been made in it, is a sort of sop to our eyes. I think it is a fundamental question on which we must say that we do not want this Bill in this manner. We want it to be a national concern, owned by the State, every pie of it to be owned by the State. After that is done, we must put up a plan and that will be done by the help of this Corporation. The bold criticisms made by my Honourable friends are such as to inspire every member of this House and I am sure every one of them is in agreement with those views. I hope we shall not be told that it cannot be changed. I think the fundamental principles of the Bill be such that they would go to the root of the structure. Here is a Government which has got a huge majority behind it. In England they are going about nationalisation of coal and steel industry. We know with what energy they are going about it. Here we have a huge majority and the party in power is committed to the nationalisation of industries. Why should they fight shy of nationalisation. If it is not now, I do not know when Government will be able to do it. The Congress has repeatedly declared that all industries shall be nationalised. What is the reason why it should not be nationalised now. This Government is run by those who belong to the Congress organisation and the fundamental principle of that organisation is the nationalisation of all industries. In the Industrial Conference we were told there were 18 industries which should be treated as key industries and nationalised. Opposition was put by the millowners and capitalists and the Government gave in. I am afraid that the very fundamental policy on which we have been elected

[Prof. Shibban Lal Saksena]

and returned to this House is being set at naught. I do not think any Government has got the right or the authority to do that. I therefore very strongly support what my Honourable friends Prof. K. T. Shah and Diwan Chaman Lal said. I want that this Corporation must be completely State-owned. It must have a larger capital which should be drawn from all parts of the country and even from the humblest person. It must be a Corporation which should be able to execute in a very short time a comprehensive national plan, which will put our country in the forefront of the nations of the world, so that we might make up the leeway, on account of which we have been under slavery for 200 years. The Finance Minister has a very great responsibility on his shoulders. On him has fallen the burden of putting our nation in the forefront of the world. I know he is changing but I wish he changed more rapidly. I wish he could come forward and say that this Corporation is a completely State-owned organisation, that he will not have private capitalists and that every pie would be contributed by the State, so that a programme would be evolved not only for industry, but also for agriculture. I shall not speak of agriculture, as you have ruled it out. But I think the Bill must deal with the whole structure of the nation. It should be a structure where both agriculture and industry would be integrated. All the various plans that have been made take into account all aspects of the nation's life, agriculture and industry as well. I think that an Industrial Corporation like this must be able to finance the entire programme of reconstruction and planning which the Government wants to put before the country. I know the Government wants to do it and will do it but if the very fundamental principles of the Bill are on a private industrial basis I do not think that they shall be able to fulfil our aims and objects. I therefore want that this Bill must be changed. I hope the Finance Minister will not stand on prestige, that once the Select Committee has approved of the Bill in this form it must be passed as it is. This is a very important Bill which is a sort of key to all the key industries. I therefore think that this Corporation should be completely nationalised and there should be no place for any private enterprise.

I fully agree with all the other suggestions made by my Honourable friends regarding the details of the Bill. I only want that this Bill should be recast or remodelled in this manner. It should be made a comprehensive Bill to finance a comprehensive plan for the fuller development of the nation. If the Finance Minister does that he would be the first great Finance Minister that this country has had. In fact if a big national plan is put forward and the Finance Corporation takes it upon itself to finance that plan, the whole outlook of the country will change. People will realise that some thing is being done. At present people do not know whether any nationalisation will take place, in spite of the repeated assurances given by the Prime Minister. The Government may be busy otherwise at the moment but when they see this Bill which provides for a capital of ten crores by private capitalists, people will lose heart. I therefore want that the Government should put a plan before the House and execute it through this Bill and that will give a complete answer to all those people who have no faith in the Government. Make this Corporation a completely State-owned organisation, wherein private capital will not be allowed. Then the whole country will become completely satisfied that the Government is putting the key stones to the arch of nationalisation of key industries in the country. Today we have got no plan according to which we are working. The other day our Prime Minister told us how Russia is working, where people have no time to make furniture for our embassy; whereas in our country there are many people who are still unemployed, there are graduates without any employment. There are thousands of refugees who have no work. If a compre-

hensive plan is put forward and financial arrangements are made in this Bill I am sure that we can utilise for the benefit of the nation the energies of all those people who are competent. I therefore think that this Bill which is a very important Bill can become the corner stone of the edifice of nationalisation of key industries if it is recast and it contains a small statement that certain important industries will be financed by this Corporation as national concerns. In the Industries Conference when we discussed the nationalisation of 18 key industries the capitalists raised their opposition. They said that if the Government did it they would have nothing to do with it. The Government was scared. They did not put all those industries in the resolution. A compromise was arrived at. The Government is bound to nationalise all the industries and they have to make financial arrangements for it. It is in this Bill all that can be done, and if it is done, the Prime Minister can proudly go about saying that the Government have made the necessary financial provision for the nationalisation of key industries. I am not just now going into the provisions of the Bill clause by clause which I think will be done at the proper time from the amendments I see on the Order Paper. But I do wish that in reply to the general debate the Honourable the Finance Minister should tell us that he wants to fulfil the hopes that all the industries shall be nationalised and that he does want that this thing shall be a completely State enterprise. I will then congratulate him and he would also. I hope, inspire the people with his great vision, which I know he has got, by putting before us, as he said last time, a new Budget this time which will be something worthy of Free India. He has promised us that and I am looking forward to that Budget. This will be the occasion when he can tell us that he is proceeding on proper lines, and we want him to do so.

If even at this time we are not proceeding at the pace at which we should proceed then we shall not be able to reach our place in the comity of nations. At present it is a disgraceful thing that our representatives at the U.N.O. should be treated as if they belonged to a third rate power. At present we are really so and we should be ashamed of it.

Mr. Chairman: Does the Honourable Member propose to continue his speech?

Prof. Shibban Lal Saksena: Yes, Sir.

Mr. Chairman: He may do so tomorrow.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 10th February 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Tuesday, 10th February, 1948

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

STARRED QUESTIONS AND ANSWERS

ORAL ANSWERS

PURCHASE BY GOVERNMENT OF INDIA CLOTH AND YARN FROM JAPAN AND OTHER FOREIGN COUNTRIES

201. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Industry and Supply please state the quantity and the price of cloth and yarn purchased by India's Supply Mission from Japan?

(b) Was the price settled before the purchases were made?

(c) Is it a fact that the purchase price is found to be more than double the price of Indian cloth and yarn?

(d) What was the total cost of this cloth and yarn and was it payable in sterling?

(e) In view of this high price has Government been able to cancel the contract?

(f) What will be the loss to Government if the contract is not cancelled and who is responsible for not fixing the prices before the purchases were made?

(g) Has any cloth been purchased from other foreign countries on Government of India account?

(h) If so, what quantity was purchased, from which country was it imported and what was its total value?

The Honourable Mr. C. H. Bhabha: (a) The quantity of cloth purchased is Eighty million yards. The prices of the cloth, f.o.b. Japanese port, vary from 9 annas per yard to 12½ annas per yard. No yarn has been purchased.

(b) Yes, Sir.

(c) The f.o.b. price varies from thirtyfive per cent. to Eightyfive per cent. more than the (controlled) ex-mill prices of corresponding varieties of Indian cloth. If to the f.o.b. prices are added freight, insurance etc. the landed cost in India of the more expensive varieties would come to more than double the (controlled) ex-mill price of corresponding Indian cloth.

(d) The total f.o.b. value is about Rs. 6 crores, payable in dollars.

(e) It has not been possible to cancel the contract for cloth but it has been decided to re-export the cloth.

(f) Government do not expect to incur any loss on this transaction. The prices were agreed to by Government before the contract was entered into.

(g) No, Sir.

(h) Does not arise.

Mr. R. K. Sidhva: The Honourable Minister stated that the Government has decided to re-export the cloth. May I know whether it has really been re-exported?

The Honourable Mr. C. H. Bhabha: 3/4ths of it has been given to people who have contracted for re-export.

Mr. R. K. Sidhva: For what purpose was this imported?

The Honourable Mr. C. H. Bhabha: This contract was entered into in April 1947 with the avowed object of relieving cloth shortage in the country.

Shri B. Das: May I enquire whether the sellers of this cloth to India were representatives of U. K. or U.S.A. or Japan?

The Honourable Mr. C. H. Bhabha: This cloth was bought from the SCAP agency in Japan.

Shri B. Das: May I know whether that agency belongs to the Japanese people or is it controlled by U. K. or U.S.A.?

The Honourable Mr. C. H. Bhabha: It is an agency which is working under the SCAP administration. It is, as the Honourable Member knows, an American authority that is functioning there.

Mr. R. K. Sidhva: Has that a branch in India or was the transaction made direct?

The Honourable Mr. C. H. Bhabha: The question does not arise. It is a Government to Government transaction.

Mr. Tajamul Hussain: May I know the reason why Government agreed to pay double the price of the cloth?

The Honourable Mr. C. H. Bhabha: At the time when the contract was entered into, there was such scarcity of cloth that the Minister in charge of the particular department at that period considered it would greatly help to relieve the shortage of cloth in the country.

SUPPLY OF RICE BY GOVERNMENT OF NEPAL

202. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Food please state whether it is a fact that the Government of Nepal will supply 1,000,000 tons of rice during the year 1948 to the Government of India at Rs. 8 per maund?

(b) Is it a fact that in view of this contract it will not be necessary to import rice from any foreign country?

(c) At what price do the Government of India intend to sell this rice to consumers through Provincial Governments?

(d) Do Government propose to see that excepting the actual transport charges and other out-of-pocket expenses no other profit will be allowed to either middlemen or Government?

The Honourable Shri Jairamdas Doulatram: (a) The Government of India have entered into an agreement with the Government of Nepal for the supply of twenty lakh maunds of paddy at the price of Rs. 8 per maund.

(b) The quantity involved is only twenty lakh maunds or about seventy thousand tons of paddy and this will hardly suffice to cover the deficit of Bihar and U. P. This country used to import nearly a million and a half tons of rice before the war, exclusive of supplies from Nepal, and therefore these supplies will not obviate the necessity for the importation of rice from other countries. The failure of the Monsoon in Madras will on the contrary increase this necessity.

(c) and (d) The trade will be taken by Provincial Governments at cost and it is a settled principle that Provincial Governments do not make profit on their food supply operations. It does not follow that these particular supplies can be sold at cost; they may be pooled with other supplies obtained by the Provincial Governments and the pooled price charged to the consumer.

STARRED QUESTIONS AND ANSWERS
As regards middlemen, I am sure that if any intermediaries have to be used the Provincial Governments concerned will see that they receive only fair allowances and no more.

Shri Upendra Nath Barman: Is the Honourable Minister aware that West Bengal is deficient as regards paddy and rice?

The Honourable Shri Jairamdas Doulatram: Yes.

Shri Upendra Nath Barman: Will the Honourable Minister please consider whether a portion of this Nepal rice may be given to West Bengal in order to meet the requirements there specially at Jalpaiguri?

The Honourable Shri Jairamdas Doulatram: A certain proportion of this rice is intended for West Bengal.

Mr. Tajamul Hussain: May I know whether the rice in question is of medium or coarse?

The Honourable Shri Jairamdas Doulatram: I cannot say.

203. *Mr. R. K. Sidhva: Will the Honourable Minister of Food please state the quantity of wheat imported from Australia during the year 1947?

(b) Is it a fact that the total crop of Australia is expected to be good this year owing to late season rains and that the quality is expected to be good?

The Honourable Shri Jairamdas Doulatram: We have entered into an agreement with the Australian Government according to which they will supply to us 25 million bushels of wheat during 1948. There is a further provision that if the Australian Wheat Board is able to procure 210 million bushels, a further 5 million bushels i.e. about 1.8 million tons will be sold to us by Australia.

(b) The Australian wheat crop which looked at bumper crop in November has suffered damage from unreasonable weather in November and December and the quantity and in some places quality of the crop have been affected.

Mr. R. K. Sidhva: Has any contract with any other country been made for the import of wheat?

The Honourable Shri Jairamdas Doulatram: Not yet.

Mr. R. K. Sidhva: Will this quantity be sufficient for our requirements?

The Honourable Shri Jairamdas Doulatram: No. Government propose to enter into fresh contracts with new sources of supply.

Shri K. Santhanam: May I know if it is a fact that the price to be paid by India for Australian wheat is much higher than the price paid by India for wheat from the United States?

The Honourable Shri Jairamdas Doulatram: There is a slight difference.

Shri K. Santhanam: Will you please tell us the difference?

The Honourable Shri Jairamdas Doulatram: I think it is probably about 1 shilling.

Mr. R. K. Sidhva: Is the wheat of 1 shilling 6d. or 1 shilling 12d.?

The Honourable Shri Jairamdas Doulatram: It is f.o.b. Australia port.

Mr. R. K. Sidhva: How much will it come to by c.i.f.?

The Honourable Shri Jairamdas Doulatram: That will require calculation.

Bakshi D. Lak Chand: May I know the respective prices of wheat in the United States and the price for us is sh. 18/6, per bushel.

Shri K. Santhanam: May I know how much it works out per ton?

The Honourable Shri Jairamdas Doulatram: You can work it out.

Shri K. Santhanam: Does the Honourable Minister think £2 per ton is a small difference?

The Honourable Shri Jairamdas Doulatram: Whatever the difference, we were able to get this rate from Australia. We were not free parties. This was the rate at which we could receive it.

Shri K. Santhanam: May I know why Australia has chosen to take more from a sister dominion than from Britain?

The Honourable Shri Jairamdas Doulatram: I understand that because the United Kingdom will always be a deficit country the U. K. always needs food from outside, it is able to get better terms. We are not customers every year of many countries. The United Kingdom being a country which has not got sufficient food has always to take from some country or other, and it is therefore a constant customer and able to get better terms.

Shri K. Santhanam: Will the Honourable Minister think of the desirability of fixing higher prices for jute and other things supplied from India?

The Honourable Shri Jairamdas Doulatram: I cannot say yes straightaway.

Shri T. T. Krishnamachari: May I know whether by reason of the ceiling being fixed by the International Food and Agricultural Organisation, we are likely to get some benefit in regard to importation of wheat from Australia, which I understand is much less than that of last year?

The Honourable Shri Jairamdas Doulatram: I cannot say at present.

Mr. R. K. Sidhva: Is the price f.o.b. or c.i.f.?

The Honourable Shri Jairamdas Doulatram: F.o.b.

Shri H. V. Kamath: In view of the scarcity of foodgrains in India, why should our Government have agreed to deliver immediately large quantities of maize to Egypt?

The Honourable Shri Jairamdas Doulatram: There are certain transactions relating to grain which are intended to secure for us a more needed variety of grain. We need rice; sometimes we hand over our maize in exchange for rice.

Shri H. V. Kamath: Are we getting anything in exchange for the maize we send to Egypt?

The Honourable Shri Jairamdas Doulatram: Yes.

Diwan Chaman Lal: Is there a clause in the Australian agreement for the purchase of this grain which stipulates that on the price being fixed at a lower level by the Food Emergency Organisation, the price of this Australian grain will *pari passu* be lowered?

The Honourable Shri Jairamdas Doulatram: If I have understood the question aright, I can say that if the rate at which we will be able to get wheat from the International Organisation is lower than the one at which we have to get from Australia, we get the advantage of the lower.

ACCEPTANCE BY DIRECTOR OF SUPPLY BOMBAY, OF TENDER FOR LIQUID METAL POLISH

204. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Industry and Supply be pleased to state when and from whom the Director of Supply, Bombay accepted the tender for 25,000 lbs. of liquid metal polish?

(b) What was the price for which it was accepted by the Director?

(c) Is it a fact that the name of the firm and the acceptance of the tender were not disclosed to some concerns interested, in spite of repeated requests? If so, why?

The Honourable Mr. C. H. Bhabha: (a) The Director of Supplies, Bombay, did not accept the tender of any firm for 25,000 lbs. of liquid metal polish. He placed an order against a rate contract entered into by the Directorate General Industries and Supplies, where prices were cheaper as compared to those quoted against the tender.

(b) The price for this quantity, which is the one accepted in the rate contract, is Re.-/10/- (Annas ten) per lb.

(c) Where orders are placed against current rate contracts, it is not customary to publish details of the transactions and inform others, since publication is made when the rate contract is originally entered into.

Dr. B. Pattabhi Sitaramayya: Would it not have been better, Sir, if the name of the firm whose tender was accepted and the circumstances under which it was accepted, had been disclosed to the concerns who were interested in this business?

The Honourable Mr. C. H. Bhabha: That is not the practice, Sir.

Dr. B. Pattabhi Sitaramayya: Even so, Sir, would it not have been better for the Director of Supply, Bombay, to have said why the other tenders were not acceptable?

Mr. Speaker: The Honourable Member is arguing and asking for opinions, instead of seeking information.

Dr. B. Pattabhi Sitaramayya: Was it not the practice in previous years to announce the reasons for the acceptance of a particular tender?

The Honourable Mr. C. H. Bhabha: No, Sir, that has never been the practice.

Dr. B. Pattabhi Sitaramayya: Will Government be pleased to introduce this system in future?

The Honourable Mr. C. H. Bhabha: I do not think there is any necessity for introducing such a system at present.

Mr. R. K. Sidhva: Was the tender that was accepted the lowest?

The Honourable Mr. C. H. Bhabha: Yes, by about twenty per cent.

RE-EXAMINATION OF CEMENT PRICE

†205. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether there has been any increase in the price of cement recently? If so, has the price been raised with the consent of Government?

(b) On what considerations was the increase based and permitted?

(c) Are Government aware that even with the prices as they were, cement companies have made huge profits?

(d) Do Government propose to re-examine the position and disallow the increase in price?

The Honourable Mr. C. H. Bhabha: (a) and (b). The Honourable Member's attention is invited to the reply given to parts (b) and (c) of Mr. R. K. Sidhva's starred question No. 91 answered on the 3rd February 1948. The recent increase in price had the consent of Government. A copy of the Government of India's letter dated 22-12-1947 to Provincial Governments, which explains the increase, is tabled. Government hope that this price increase will bring about an increase in production.

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

(c) No, Sir.

As stated in the letter tabled the increase will be in force from 1st July.

The Honorable Mr. C. H. Bhabha (11) The Director of Supplies, Bombay. He did not accept the tender of any amount to be paid to the Government of India. The Ministry of Industry and Supply placed an order against the tender. The price was Rs. 100 per ton. The price of the tender was Rs. 100 per ton. The price of the tender was Rs. 100 per ton.

C. R. Natesan, Esq.,

Under Secretary to the Government of India. The price for this tender was Rs. 100 per ton. The price for this tender was Rs. 100 per ton.

All Provincial Governments.

New Delhi, the 22nd December, 1947.

SUBJECT: Increase in public price of cement

I am directed to say that the Cement Marketing Company of India Limited made representations to the Government of India urging that the existing rate of Rs. 65 per ton of cement was uneconomic, and that there was a strong case for an immediate increase on account of the increase in manufacturing costs (labour, coal and gunnybags) and in freight charges. The Government of India, after examining carefully the points raised in the representations, and also the materials made available to them by the Cement Marketing Company of India, as well as by their constituent groups, have decided that an increase of Rs. 15 per ton should be allowed, in addition to an increase of Rs. 7-8-0 per ton on account of freight increase, consequent on the increase in railway rates, notified with effect from 1st January 1948. This increase of Rs. 22-8-0 per ton will be in force up to 31st July 1948, subject to examination and re-fixation, if necessary, by 1st April 1948, of the freight charges, based on actual calculations.

2. I am to request that the Provincial Government will kindly take immediate steps to notify the increase.

By order, C. R. NATESAN, Under Secy. to the Govt. of India.

Copy to:—

The Chief Commissioner, Delhi

Ajmer-Marwar

Panthipiploda

Coorg

The D. G. I. & S., Shahjahan Road, New Delhi

The Hon. Cement Adviser, D. G. I. & S., New Delhi.

All Regional Hon. Cement Advisers.

The Ministry of Commerce, Labour, Transport, Works, Mines, & Power, Communications, States, External Affairs & Commonwealth Relations.

The Engineer-in-Chief, a Branch of the Government of India. By order, C. R. NATESAN, Under Secy. to the Govt. of India.

STEEL PRICES

The Government of India have decided to raise the price of steel purchased from registered stockists by Rs. 80 per ton with effect from today, it is learnt. Of this increase only Rs. 23-8-0 will go to the producing companies.

In case of purchases from registered producers the increase will be Rs. 75 per ton.

The increase is nearly 30 per cent. over the existing price level and is on level with recent increases in the prices of other commodities.

In spite of this increase, steel prices in India will continue to be the lowest in the world. It will be recalled that a reduction of Rs. 12-8-0 per ton in the selling price of steel by the steel companies was made in April 1946. Since then the liabilities of the companies have increased because of the increase in the cost of raw materials, and an increase in the Corporation Tax. The working cost has also risen on account of increase in the cost of labour and raw materials.

Taking these factors into consideration, the Government of India have felt that if production is not to be adversely affected, some immediate relief to the companies is called for.

They have accordingly, decided that, pending an examination by the Tariff Board of the question of the fixation of steel prices on a long term basis, the rate of Rs. 12-8-0 referred to above should, as an interim measure, be restored to the companies, to the recent increase in railway freight charges both on raw materials and finished goods, there will be an addition of Rs. 11 payable to the main producers, they getting Rs. 23-8-0 per ton in all.

Government expect to import from the U. K. and the U. S. A. substantial quantities of certain categories of steel in 1948. But the price of this steel will be higher than the Indian price. As it would be invidious discrimination among consumers to sell imported steel at prices higher than charged for indigenous steel and would, in effect, raise the price of all steel to the higher level, it has been decided that the increased prices should be spread over all categories of steel except billets, which are only used by re-rollers.

To equalize the high prices of imported steel with those of indigenous steel and to meet the additional payment of Rs. 23-8-0 to the main producers, the prices at which the consumers will purchase from the registered producers have been increased by Rs. 75 per ton. The prices at which the controlled and registered stockists will sell have been increased by Rs. 80 per ton, the extra Rs. 5 being added to cover the Bihar Sales Tax.

These increases come into effect from January 27.

The Honorable Mr. C. H. Bhabha (11) The Director of Supplies, Bombay. He did not accept the tender of any amount to be paid to the Government of India. The Ministry of Industry and Supply placed an order against the tender. The price was Rs. 100 per ton. The price of the tender was Rs. 100 per ton.

206. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether there is any proposal to nationalize the cement industry?

(b) If not, why not?

(c) Are Government aware that this is a key-industry and a national asset to India?

The Honorable Mr. C. H. Bhabha: (a) and (b). The Honourable Members' attention is invited to the reply given to Diwan Chaman Lal's starred question No. 36 answered on the 30th January, 1948. The general question of nationalisation of industries is under consideration by Government.

(c) Yes, Sir.

IMPLEMENTATION OF INTERIM REPORT OF HIGH POWER COMMITTEE ON RAILWAYS

207. *Shri B. Das: (a) Will the Honourable Minister of Railways be pleased to state if the High Power Committee on Railways is still functioning?

(b) Has that Committee submitted any interim reports and if so, do Government propose to lay on the table of the House a copy of such reports?

(c) Have Government taken any action to implement any of the interim recommendations?

The Honourable Dr. John Matthai: (a) The Indian Railway Enquiry Committee, 1947, functioned up to 15th October 1947 when they adjourned. The Committee will resume work shortly.

(b) No Report, but an interim note on one subject only has been received.

(c) The note is under consideration of the Ministries concerned.

Shri T. T. Krishnamachari: May I know whether there has been any change in the personnel?

The Honourable Dr. John Matthai: Well, this Committee suspended work some time about the middle of October about the time my Honourable friend Mr. Neogy had to vacate his office as Chairman. The Committee is going to meet very shortly and I am glad to say that my Honourable friend Pandit Kunzru has agreed to take Mr. Neogy's place as Chairman.

Shri T. T. Krishnamachari: May I know whether the Committee has suffered shrinkage in other directions as well beyond the desertion of the Chairman?

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

The Honourable Dr. John Matthai: The only Member who has left the Committee finally is an expert from America whom we got for a special purpose. He worked for about four months and has gone back.

Shri B. Das: May I inquire whether the Committee Members did not reach any conclusion from their day to day work although they worked for nine months in the year 1947?

The Honourable Dr. John Matthai: Most of the time they were doing a very arduous investigation in which their main business was to collect and sift material.

Shri B. Das: The Chairman has left and also the American expert. Are there no records of what their views were during those nine months of work?

The Honourable Dr. John Matthai: Since the Committee had not completed their investigations, they could not possibly have written their Report.

Shri B. Das: Does that mean that the whole work will be re-investigated all over again?

The Honourable Dr. John Matthai: I should not think so.

Shri M. Ananthasayanam Ayyangar: Was it not intended at the time of the appointment of the Committee that Members of the Standing Finance Committee should also be associated with it? Is there a single Member of the Standing Finance Committee for Railways in that Committee at present?

The Honourable Dr. John Matthai: I am not aware that there was such an understanding.

Shri M. Ananthasayanam Ayyangar: Was it intended that a person who had absolutely no knowledge of the Railways or who never worked in the Standing Finance Committee for Railways, should sit in this Committee?

The Honourable Dr. John Matthai: Practically every Member of the Committee was appointed on the ground of his own individual merits in relation to the work involved.

Shri M. Ananthasayanam Ayyangar: But was previous experience in connection with Railway Administration through either being a Member of the House or of the Standing Finance Committee for Railways, not considered as one of the necessary qualifications for Members of this Committee?

The Honourable Dr. John Matthai: The real position is this. When this Committee has concluded its work and has formulated its recommendations, those recommendations would come before the Standing Finance Committee and they would have every opportunity then of considering the recommendations.

Shri T. T. Krishnamachari: Is it the intention of the Honourable Minister to put a time-limit for the submission of the Report of the Committee?

The Honourable Dr. John Matthai: I have had a discussion on that subject with Pandit Kunzru and I think he hopes to give us the Report at a very early date.

APPOINTMENT OF RAILWAY RATES TRIBUNAL

208. *Shri B. Das: (a) Will the Honourable Minister of Railways be pleased to state whether Government have decided to appoint a Tribunal for fixing railway rates?

(b) If so, who are the Members of this Tribunal and what are their functions?

The Honourable Dr. John Matthai: (a) I would refer my Honourable friend to the statement I made in this connection when presenting the interim railway budget on 21st November, 1947. It is Government's intention during the current session to bring forward a Bill providing for the establishment of a Railway Rates Tribunal.

(b) As the Bill has not yet been placed before the Assembly no decision has been reached regarding appointments of Members. Their functions will be decided by the Assembly when passing the Bill.

ORGANISATION OF AN ALL-INDIA GUR MARKETING BOARD

†209. *Prof. N. G. Ranga: Will the Honourable Minister of Agriculture be pleased to state:

(a) whether Government are making any efforts to help the producers of Gur, most of whom are peasants, to co-operatively market their Gur and avoid middlemen's profits and if so, in what manner and to what extent;

(b) whether there is any Provincial or All-India organisation sponsored by any Co-operative Society or by Government to improve the marketing conditions of Gur; and

(c) whether Government propose to consider the advisability of organising an All-India Gur Marketing Board in order to improve the quality of Gur, and to form a co-operative organisation for its marketing etc.?

The Honourable Shri Jairamdas Doulatram: (a) The Government of India had a comprehensive survey on marketing of sugar and gur carried out in 1943. The important decisions of the Indian Central Sugarcane Committee on the main recommendations of the Marketing Report were conveyed to all Provincial Governments and the sugar producing States towards the end of 1945 and they were requested to implement these recommendations which *inter alia* suggested the following sections:

(i) Steps should be taken to organise Co-operative Marketing Unions at important business centres for the financing, marketing and distribution of gur.

(ii) Arrangements should be made to organize Co-operative Societies of gur producers for preparing superior quality gur and marketing the same under standard grades. Government have not been able to take any direct steps to organize co-operative marketing of gur.

(b) Madras and Bombay have organized Provincial Marketing Societies to promote co-operative sale of agricultural produce including gur. It is understood that the U. P. Government recently re-organised their Gur Development section with a view to promote, among other things, the orderly marketing of gur. There is no All-India Co-operative organisation for the marketing of gur.

(c) Government will consider the advisability of an All-India Gur Marketing Board.

DEVELOPMENT OF ANIMAL NUTRITION DEPARTMENT OF IZATNAGAR RESEARCH SECTION

†210. *Prof. N. G. Ranga: Will the Honourable Minister of Agriculture be pleased to state:

(a) when the Department for animal nutrition was opened at Izatnagar;

(b) whether any such research is being carried on in any other province, and if so, where;

(c) whether any effort is being made to develop and popularise improved grasses at Izatnagar Research Station;

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

(d) how many students and research scholars are being trained there; and
(e) whether it is proposed to increase the capacity of this station for research and training?

The Honourable Shri Jairamdas Doulatram: (a) On 11th March, 1939,

(b) Research relating to animal nutrition is also being carried out at Jhansi (U. P.), Gauhati (Assam) and Anand (Bombay) under the general direction of the Indian Council of Agricultural Research. Animal Nutrition Section at Izatnagar is the only one in India which deals with fundamental as well as applied research in animal nutrition. It also advises Provincial and State authorities on all problems concerning Animal Nutrition.

(c) The Animal Nutrition Section at Izatnagar deals with research on the nutritive value of grasses and other feed materials. The development of grasses is beyond its jurisdiction. The work of growing different types of grasses on experimental plots has been taken up by the Indian Agricultural Research Institute. As regards popularisation, over 150 articles have been published in scientific and popular journals, in addition to occasional radio talks. Government propose to take further steps to develop and popularise nutritive grasses and undertake greater propaganda.

(d) The Animal Nutrition Section imparts training on Animal Nutrition every year to about 50 agriculture and veterinary students from all parts of India. Besides this 12 research scholars deputed by different Provinces and States have been trained in different branches of Animal Nutrition and are engaged on research problems of fundamental importance. In addition special research scholars are also trained for dealing with specific problems peculiar to their Provinces. In consequence, several Universities have awarded higher research degrees to students as follows:

D.Sc.....	1
Ph.D.....	6
M.Sc.....	1

In addition 10 students are going up for these degrees and associateship of this Institute this year.

(e) The question of improving and expanding the existing facilities for both training and research has been under consideration with the Post War development plan of the Institute.

IMPLEMENTATION OF THE RECOMMENDATIONS OF INDUSTRIES CONFERENCE

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

(a) what the recommendations of the recent Industries Conference are;
(b) whether Government have formulated their conclusions thereon and if so, when they will be published;

(c) whether Government are contemplating to constitute the All-India Industries Advisory Board; and

(d) if so, whether Government propose to consider the advisability of providing representation to the primary producers and consumers also?

The Honourable Mr. C. H. Bhabha: (a) The recommendations of the Industries Conference are embodied in the nine Resolutions adopted at the Conference a copy of which is laid on the table of the House.

(b) Government are considering the recommendations of the Conference and hope to announce their conclusions shortly.

(c) and (d). Under item III(b) of Resolution No. I. the Industries Conference recommended the setting up of a Central Industrial Advisory Council and this recommendation is under consideration along with the others.

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

*The questioner being absent, the question is not answered.

This Conference views with grave concern the continued decline in industrial production which has occurred during the last two years. It is of the view that the present inability of industry to produce to its capacity and to expand as planned is mainly due to:

- inadequacy of transport to meet present needs,
- unsatisfactory relations between management and labour,
- shortage of raw materials and defects in their procurement and distribution,
- difficulty in obtaining capital goods and constructional materials to instal them,
- supply and exchange limitations on the import of the full requirements of industry,
- paucity of technical personnel.

This Conference recommends the following immediate measures:

- Transport:**—
(a) The increase in the movement of coal by four million tons per annum over the existing level of 25 to 26 million tons per annum to enable existing requirements to be met. For this purpose, the fullest use should be made of present wagon availability, and every effort should be made to increase wagon availability and other railway facilities.
- The assessment of the transport required for the movement of finished goods and raw materials necessary for full production; and arrangements to secure such transport through a reduction of less essential movements, whether of goods or passengers.
- An examination of all possibilities of increasing total goods traffic such as rationalisation of line, power and wagon capacity, and fullest use of present resources.
- The fullest utilisation of road, river, sea and air transport.

(2) Raw Materials:—

- Special assistance for increased production in India of industrial raw materials like steel, cement, caustic soda and other chemicals, light metals etc.
- The increase of imports of essential raw materials in short supply, like steel, non-ferrous metals, caustic soda and other chemicals, etc.
- Foreign exchange difficulties should be overcome to the extent possible by limiting less essential imports, by increasing exports, including export for barter, and by arranging deferred payments and loans in cash or commodities on lines approved by Government.
- The planned utilisation of industrial raw materials in critical short supply with a view to secure increased production. To the extent possible, such distribution of raw materials should be effected in consultation with representative Associations of industry in the case of organised industries and with Provincial and State Governments in other cases.

Provinces and States should be invited to consider, in consultation with industries in their areas, the possibilities of rationalising the use of raw materials in short supply so as to secure maximum production. For this purpose they should suggest standards of classification of units in an industry according to efficiency in production, so that all-India standards may be laid down.

(3) Technical man-power:—

- The establishment of scientific and technical liaison offices abroad for the recruitment of technical personnel and the placing of advanced Indian students and technicians in foreign universities, technical institutions, and the acquisition of technical information.
- The increase of facilities in India for the training of scientific and technical personnel, and the training of labour to increase its efficiency and skill.
- The maintenance of a register of scientific and technical personnel.

III. This Conference recommends that during the next three to five years the increase of capacity and production in certain industries for which plans have been approved and are under execution should be pressed forward with vigour. The essential pre-requisite for such expansion is the increase of production of commodities and provision of services which are essential to industry and without which any expansion would be impossible. The following industries are, therefore, recommended for special attention:

- Railways:** The capacity of rail transport should be increased to meet prospective demands of movement of constructional materials, fuel, raw materials and finished goods.

products. The import of locomotives and wagons should be given high priority and existing capacity for manufacture should be developed so as to secure self-sufficiency at the end of this period.

- (b) *Steel*: New steel plants should be erected and brought into production and in the meantime every effort should be made to import the country's essential requirements in iron and steel.
- (c) *Cement*: The approved plan for the expansion of cement production should be hastened to an early completion so that this important constructional material becomes available for the installation of new industrial plants.
- (d) *Electric power*: Simultaneously with the preparation and execution of Hydro-electric projects like the Damodar Valley Scheme, which will take time, existing plans for the installation of ancillary Thermal power stations should be speedily implemented.
- (e) *Coal*: The recommendations of the Indian Coalfields Committee regarding the acquisition of mineral right, planned and co-ordinated development of production in new areas, regulation of use and distribution and creation of suitable executive machinery amongst other things, must be implemented early, so that, the growth of the coal industry on rational lines can be facilitated.
- (f) *Oil*: In order to reduce dependence on foreign sources, prospecting for oil should receive increased attention and the possibility of producing substitutes from coal should be investigated.

In addition, legislation to secure the fullest utilisation of power alcohol produced in the country should be enacted.

- (g) In the light of the development anticipated under (a) to (f) above, targets for the next five years should be fixed in a realistic manner for other important industries like cotton textiles, paper and newsprint, chemicals, penicillin, sulphadiazine and anti-malarials, heavy and light engineering, electric and other machinery and machine tools. Suitable machinery should be established for watching and ensuring progress towards the targets.
- (h) *Machinery for watching and ensuring the execution of immediate and short-term plans*: The need for close consultation between the various Ministries concerned industrial development needs no emphasis.

It is also necessary to associate representatives of Provincial and States Governments, Industry and Labour in a periodical review of progress and the measures necessary to stimulate it. A Central Industrial Advisory Council should be set up with appropriate Sub-Committees for important groups of Industry and one Sub-Committee for reviewing and advising on problems of transport in relation to Industry. Similar Industrial Advisory Committees should also be constituted in the Provinces.

- (j) To assist Government on the proper utilisation of scarce raw materials, capital goods, foreign exchange and other resources, a Priorities Board should immediately be set up.

IV. Current limitations of men and materials necessitate concentration on immediate and short-term measures for increasing productive capacity. A long-term plan, however, should be based on the needs of the country for the achievement of maximum self-sufficiency, a higher standard of living and maximum exploitation of indigenous resources. The long-term plan, therefore, must be of a fundamentally different character. The Conference, therefore, recommends that separate machinery for long-term planning must be established very early so that completion of the immediate and short-term programme might merge smoothly into future plans for industrial development. A planning Commission or Development Board, free from the preoccupations of immediate problems of industrial development appears to be suitable.

V. This Conference recommends the creation of permanent machinery, both in the Centre and in the Provinces and States, for the regular collection and maintenance of accurate industrial statistics, as provided for in the Industrial Statistics Act of 1942.

Resolution No. II.

This Conference recommends to Government that while enunciating their national policy of industrial development, the following aspects among others, should be kept in view:—

- (1) The need for an equitable distribution of the country's wealth and production leading to rapid improvement of the standard of living and comfort of the masses of the Indian people, based on social justice.
- (2) The need for the fullest utilisation of the country's resources without allowing wealth to accumulate in the hands of a section of the people.

- (3) The need for central planning, co-ordination and direction so as to obtain maximum efficiency and output, a fair and reasonable distribution of the industries throughout the country in relation to the potentialities of each area, and also to determine a fair basis of wages and profit.

- (4) The division of industries into three broad categories:—

- (a) Industries which should be under State Ownership and management.
- (b) Industries which may be jointly owned and managed by the State and private enterprise.
- (c) Industries owned and managed by private enterprise.

In selecting the industries as aforesaid, which will be reviewed from time to time, the paramount considerations will be the country's basic economic and defence requirements on the one hand and the possibility of quick and efficient production on the other.

Resolution No. III.

This Conference, while recognising that participation of foreign capital and enterprise, particularly as regards industrial technique and knowledge, will be of value for the rapid industrialisation of the country considers that the conditions under which they may participate in Indian industry should be carefully regulated in the national interest, and that all arrangements between private industry in India and abroad should have the prior approval of the Central Government.

Resolution No. IV.

This Conference recognises the importance of cottage and small-scale industries to the economy of the country. It is of the view that while the size and nature of these industries make it unavoidable that their proper development must remain the responsibility of Provincial and State Governments, the Central Government should investigate how far and in what manner these industries can be co-ordinated and integrated with large-scale industries. The healthy expansion of cottage industries depends on the provision of raw materials, technical advice and organised marketing of their produce. For this purpose the Central Government should establish a Cottage Industries Board.

Resolution No. V.

This Conference recommends that the following suggestions be considered by the Central Government in consultation with the Provinces:—

- (a) that raw materials of vital importance to industry like coal, steel, cement and cotton should be exempted from the Sales Tax;
- (b) that the tax on other industrial raw materials should be low and at uniform rates;
- (c) that taxation of the same material more than once should be avoided; and
- (d) that the policies of Provincial and State Governments regarding the levy of Sales Tax should be co-ordinated.

Resolution No. VI.

This Conference considers that the lack of a uniform policy in the matter of provincial excise has adversely affected indigenous manufacture of spirituous, medicinal and other preparations.

The Conference recommends:—

- (a) that an uniform rate of excise duty be fixed on spirituous, medicinal and other preparations in all Provinces and States, and be collected at the point of manufacture for credit to the first importing Province or State; and
- (b) that all inter-provincial restrictions on the free movement of spirituous, medicinal and other preparations be abolished.

Resolution No. VII.

This Conference is of the view that the expansion of the alcohol industry whether for power or for other industrial purposes is of national importance.

The Conference recommends:—

- (a) that Central legislation to enforce admixture of power alcohol with petrol should be undertaken;

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 (b) whether the question of reducing the excise duty should be considered with a view to making the mixture of power, alcohol and petrol available to the consumer at a reasonable price; and

(c) restrictions on manufacture of by-products be removed to the extent of

Resolution No. VIII.

This Conference notes with regret that the census of manufacturing industries for the years 1944 to 1946 has failed. It is of the view that this failure is largely due to the inadequacy of staff and organisation in the Provinces and States. It recommends that adequate machinery is necessary both at the Centre and in the Provinces and States for regular collection and maintenance of accurate industrial statistics as provided for in the Industrial Statistics Act of 1942. It is also of the view that the existing statistical forms should be re-examined with a view to simplifying them, if possible.

Resolution No. IX.

This Conference considers that the increase in industrial production which is vital to the economy of the country cannot be achieved without the fullest co-operation between management and labour. The proper role of labour in industry and the need to secure for labour fair wages and working conditions; labour for its part must give equal recognition to its duty in contributing to the increase of the national income without which a permanent rise in the general standard of living cannot be achieved. Mutual discussion of all problems common to both and a determination to settle all disputes without recourse to interruption in or slowing down of production should be the common aim of employers and labour. The system of remuneration of labour as well as labour must be so devised that while in the interests of the consumer and the primary producers excessive profits should be prevented by suitable measures of taxation and otherwise, both will share the product of their common effort. In this connection, the payment of fair wages to labour, a fair return on capital, and the maintenance of adequate reserves for the maintenance and expansion of the industry are of paramount importance.

For attaining these objectives, this Conference recommends:-

- that the fullest use should be made of machinery and other machinery for the resolution of industrial disputes in a just and peaceful manner; where it does not exist, it should be created without delay. Such machinery should as far as possible be uniform throughout India.
- the establishment of machinery, Central, regional and functional, for the study and determination of fair wages and conditions of labour, and fair remuneration for capital; and methods for the association of labour in all matters concerning industrial production, such as the formation of Central, Regional and Unit Production Committees.
- the constitution in each industrial undertaking of Works Committees representing management and duly elected representatives of labour for the settlement of any dispute which may arise from day to day.
- that, as a first step towards improving the standard of living of workers, immediate attention should be devoted to the problem of housing of industrial labour; the cost of such housing should be shared in suitable proportions between the Government, employers and labour, the share of labour being given in the shape of a reasonable rent.

The principles enunciated above having been accepted, this Conference calls upon labour and management to agree to maintain industrial peace and to avert lock-outs, strikes or slowing down of production during the next 3 years.

This Conference invites labour and management to assist Government to promote and guarantee such agreements between the parties as will usher in a period of contained and orderly advancement towards a co-operative Commonwealth.

PROTECTION TO HANDLOOM WEAVERS IN DISTRIBUTION OF YARN.

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

(a) in how many provinces the controls over yarn and cloth have been removed;

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

499. **THE HONOURABLE MR. C. H. BHABHA:** (a) The Government of India orders withdrawing control over prices and distribution of cloth and over prices of yarn are intended to apply to all provinces.

(b) whether the collections made through the surcharge on yarn will be utilised either wholly or in part for the benefit of handloom industry which has been largely paid off; and

(c) whether the distribution of yarn to the handloom weavers as between different provinces will be reviewed in the light of varying needs of different areas and if so, when;

(d) whether preference will be given to weavers co-operative societies in such distribution; and

(e) whether any steps are proposed to be taken to take charge of all the yarn produced by mills and to regulate the prices of yarn, in order to prevent the exploitation of weavers by spinning mills?

The Honourable Mr. C. H. Bhabha: (a) The Government of India orders withdrawing control over prices and distribution of cloth and over prices of yarn are intended to apply to all provinces.

(b) Government will consider the Honourable Member's suggestion.

(c) Government are retaining the existing yarn distribution system for the time being. The quotas of yarn allotted to the various provinces have been carefully considered on several occasions, and the Government of India do not intend to alter them for the present.

(d) The Provincial Governments are responsible for the distribution of their yarn quotas.

(e) This suggestion would be contrary to Government's policy of gradual decontrol.

ENCOURAGEMENT TO SHIP-BUILDING INDUSTRY IN INDIA.

*213. *Shri R. R. D. Wadkar: (a) Will the Honourable Minister of Industry and Supply be pleased to state what the total Coastal Shipping Tonnage in India is and how much of it was built in ship-building yards in India?

(b) How many ship-building concerns are there in India and what is the tonnage they manufactured during the last three years namely, 1944-45, 1945-46 and 1946-47?

(c) Are Government aware that the tonnage manufactured in Indian ship-building yards is wholly inadequate? If so, what steps are Government taking to encourage the industry of ship-building in India?

(d) Are Government giving special facilities and concessions for Indian ship-building concerns at present? If so, what are they? If not, do they intend to do so in the near future?

(e) Is it a fact that Shri A. M. Bhattacharya (Bombay Province) has submitted a ship-building project for mechanising country craft and building steel coasters? Is it a fact that the project includes the establishment of an Institute for Marine Engineering and Naval Architecture?

(f) Are Government aware that the project is being delayed for want of sufficient facilities? If so, do Government intend taking immediate steps to provide the required facilities?

(g) Have Government evolved any plan for building more and more ships in India so as to make India self-sufficient in this respect? If so, what is the plan? If not, when do Government intend evolving a plan?

The Honourable Mr. C. H. Bhabha: (a) The total Coastal shipping tonnage in India is approximately three lakhs gross, (including British tonnage) and the whole of it was built in overseas yards.

(b) There are five main ship-building concerns in India, who during the years 1944, 1945 and 1946 built small launches of a total tonnage of 10,270; 8,503 and 18,544 tons, respectively. These launches are not suitable for coastal shipping. Figures according to financial years are not available.

(c) and (d). Yes, Sir. The intention is to encourage by all possible means the building in India of as many ships as possible and this matter is under active consideration. Government are releasing steel required for building ships and steel and cement required for extensions of ship-building yards and ship-building berths.

(e) Yes, Sir.

(f) The question of giving assistance to Mr. Bhatt is under consideration in consultation with the Government of Bombay.

(g) The question of development of ship-building industry so as to enable India to build within the next 5 years a minimum of 50,000 gross tons per annum is under consideration.

Shri R. R. Diwakar: Does the Honourable Minister know that just at present the project of Mr. Bhatt has been held up because the Bombay Government has not extended the facilities that are necessary?

The Honourable Mr. C. H. Bhabha: As I said, we are in consultation with the Bombay Government to try and assist this gentleman and similar other projects.

Shri T. T. Krishnamachari: May I ask the Honourable Minister in reply to his answer to part (d) of the question, whether it is the idea of the Government to encourage firms which fabricate boats to enter this industry—like the Hind Construction Limited?

The Honourable Mr. C. H. Bhabha: I do not know about the particular firm but the Government's policy is to encourage every firm which is out to develop the ship-building industry in this country.

Shri R. R. Diwakar: Is the Government aware that Mr. Bhatt's project has been held up because the Bombay Government has said that they will not be able to give any facilities even if Mr. Bhatt prospected and spent lakhs of rupees on it?

The Honourable Mr. C. H. Bhabha: Government have no such information on the subject.

Shri K. Santhanam: May I know, Sir, if in view of the fact that ship-building is likely to meet with very stiff international competition, it is not desirable to promote a national concern for ship-building on a big scale instead of allowing four or five small projects to build ships separately?

The Honourable Mr. C. H. Bhabha: That suggestion will be considered.

Shri M. Ananthasayanam Ayyangar: How is it that that suggestion has escaped the notice of the Government till now?

Mr. Speaker: Order, order. Next question.

Shri M. Ananthasayanam Ayyangar: Sir, I want to ask a question.

Mr. Speaker: Yes.

Shri M. Ananthasayanam Ayyangar: In view of the fact that there is shortage of tonnage even for coastal trading, have Government made any efforts to obtain ships by way of reparations either from Italy or from Japan?

The Honourable Mr. C. H. Bhabha: Yes, Sir. Claims have been made on behalf of India to get some ships from Japan by way of reparations.

Shri M. Ananthasayanam Ayyangar: May I know what is the total tonnage expected?

The Honourable Mr. C. H. Bhabha: I am not in a position to give any definite information at this stage.

214. *[Cancelled, the Member having resigned.]

AUCTIONING OF LAND AND CROPS IN DELHI PROVINCE BELONGING TO MUSLIM EVACUEES.

215. ***Giani Gurmukh Singh Musafar:** (a) Will the Honourable Minister of Agriculture be pleased to state whether it is a fact that the land and crops in Delhi Province belonging to Muslims but cultivated by Hindu tenants, have been auctioned by Government on the evacuation of Muslim owners? If so, why?

(b) If the answer to part (a) above be in the affirmative, what share of the proceeds do Government propose to give to the Hindu tenants, who cultivated the land?

The Honourable Shri Jai Ramdas Doulatram: The question should have been addressed to the Honourable Minister for Relief and Rehabilitation. It has accordingly been transferred to the list of questions for 14th February 1948, when the Honourable Minister for Relief and Rehabilitation will answer it.

ALLOTMENT TO REFUGEES OF PLATFORM STALLS ON EAST PUNJAB RAILWAY

216. ***Giani Gurmukh Singh Musafar:** (a) Will the Honourable Minister of Railways be pleased to state whether it is a fact that Muslim vendors and stall keepers who used to sell various articles to the passengers on the platforms of East Punjab Railway Stations, have left?

(b) If the answer to part (a) above be in the affirmative, do Government propose to lay on the table of the House a statement showing the names of such Railway Stations, the number of Muslim vendors at each Railway Station, who have left and the number of stalls thus vacated by them?

(c) What steps have been taken by the East Punjab Railway to introduce new vendors at each Railway Station?

(d) Do Government propose to issue instructions to the authorities of the East Punjab Railway to the effect that such vending contracts should be given to the refugees from West Punjab and N.-W. F. P.?

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

(b) A statement showing the contracts which were held by Muslims and are now vacant due to the contractors having migrated to Pakistan is laid on the table of the House.

(c) and (d). Notices have been served asking the contractors, who have left, to resume work, and instructions have been given that if a contractor, on whom notice has been served, fails to resume work, as asked in the notice, the contract shall be cancelled and a suitable person appointed in his place, provided the Divisional Superintendent is satisfied that it is necessary to make replacement. In making replacements special consideration is being given to applications from refugees.

Statement showing Muslim contracts vacant due to Mohammadan Contractors migrated to Pakistan from E. P. Railway

S.No.	Name of Station	Nature of contract
1	Abohar	Bread tea, stall, sweetmeat, fruits, cigarettes and drinks
2	Amritsar	Bread, fruits, cigarettes, sweets, tea and cold drinks.
3	Amritsar	Bread, sweets, tea and cold drinks.
4	Amritsar	Fruits.
5	Amritsar Goods Office	Cigarettes and betel leaves.
6	Amritsar Goods Office	Bread, cigarettes, sweets, tea and sharbat.
7	Beas	Bread, fruits, sweets, cigarettes and drinks.
8	Ferozepore City	Tea, sweets, bread, drinks, cigarettes and fruits.
9	Ferozepore Cantt.	Drinks, tea stalls, bread, sweets, betel leaves and milk.
10	Fazilka	Bread, sweets, fruits, and drinks.
11	Fatehgarh Churian	Bread, fruits, cigarettes, sweets and drinks.
12	Hoshiarpur	Tea and cold drinks.
13	Jallalabad	Sweets, cigarettes, drinks and fruits.
14	Jullundur City	Cigarettes, tea, cold drinks and bread.
15	Jullundur City	Fruits.
16	Jullundur Cantt.	Fruits.
17	Kot Kapura	Sweets, fruits, bread and drinks.
18	Kapurthala	Fruits and cigarettes.
19	Kartarpur	Sweets, bread, fruits, cigarettes, tea and cold drinks.
20	Lohian Khas	Sweets, bread, fruits, cigarettes and drinks.
21	Ludhiana	Tea stall and sharbat.
22	Ludhiana	Fruits.
23	Ludhiana	Milk, cold drinks, bread, sweets, tea and aerated waters.
24	Malsianshah Kot	Sweets, fruits, drinks and cigarettes.
25	Nakodar	Bread, tea, drinks, fruits, cigarettes and sweets.
26	Nawanshahr Doaba	Bread, sweets, tea, fruits and cigarettes.
27	Phillaur	Bread, sweets, fruits, cigarettes and drinks.
28	Phagwara	Bread, cigarettes, tea and cold drinks.
29	Patti	Sweets, bread, and fruits.
30	Sunam	Fruits and bread.
31	Tanda Urmar	Bread, fruits, cigarettes, sweets, tea and cold drinks.
32	Batala	Bread, fruits and tea.
33	Gurdaspur	Tea.
34	Pathankot	Bread, tea, fruits and sweets.
35	Sirhind	Sweetmeat, Mohammadan bread, betels, cigarettes, drinks and tea stalls.
36	Rajpura	Muslim bread, betel and drink and tea stalls.
37	Ambala Cantt.	Muslim bread, sweets, drinks, tea stalls, milk, biscuits.
38	Jagadhri	Sweetmeats, Muslim bread, drink, tea stalls, cigarette and betels.
39	Saharanpur	Sweetmeats, bread, betels, cigarettes, drinks and tea stalls.
40	Deoband	Fruits, bread, cigarettes, drinks and tea.
41	Meerut Cantt.	Bread, biscuits, cakes, drinks, and tea stalls
42	Muzaffarnagar	Bread, fruits, drinks and tea stalls.
43	Meerut City	Bread, fruits, betel, cigarettes, drink, tea stall and Biscuits
44	Delhi Junction	Sweetmeats, milk, curd and Rabri.
45	Delhi Junction	Betel leaves and nuts, chilam and tobacco.
46	Delhi Junction	Tea stalls on platforms.
47	Delhi Junction	Bread, shirmal, biscuits, fruits, Sharbat, and tea.
48	Delhi Junction	Stall for cigarettes, betel, fruits, drinks and tea.
49	Panipat	Tea stall, drink, cigarettes and biscuits.
50	Panipat	Fruits and bread.
51	Karnal	Tea stall, bread, cigarettes, betels, drinks and biscuits.
52	Panipat	Fruits.
53	Kalka	Bread, sweetmeats, drinks, tea stall, biscuits, cigarettes and betels.
54	Barog	Fruit, sweetmeats, bread and tea stall.
55	Jakhal	Biscuits, tea and drink stall, cigarettes, betels, fruits and biscuits.
56	Bhatinda	Sweetmeats and biscuits.
57	Dhuri	Bread, tea and sweetmeats.
58	New Delhi	Biscuits, drinks, cigarettes, tea stall, bread, betel and sweetmeats.

Mr. R. K. Sidhya: Do Government still continue giving these licences on communal basis?

The Honourable Dr. John Matthai: No.

Shri K. Santhanam: In view of the fact that many refugees have to be quickly employed, will the Honourable Minister find some way of expediting the process?

The Honourable Dr. John Matthai: The process is being pushed forward expeditiously.

Shri M. Ananthasayanam Ayyangar: May I know if it is not one of the terms and conditions of the contract itself that in default of their carrying on all the work it will be terminated? If so, what is the need for a special notice?

The Honourable Dr. John Matthai: You have got to make certain whether the contractor is simply out of the locality or out of the business.

Shri M. Ananthasayanam Ayyangar: But how long does the Honourable Minister intend to take before he comes to a final conclusion in the matter?

The Honourable Dr. John Matthai: The shortest possible time.

Shri M. Ananthasayanam Ayyangar: May I know what is the largest period of time over which the default has arisen?

The Honourable Dr. John Matthai: It varies with individual cases. In each case it would be the minimum time.

Shri M. Ananthasayanam Ayyangar: May I know if the Honourable Minister has been waiting for three months in this regard?

The Honourable Dr. John Matthai: Certainly not. I have been making appointments from time to time.

EXAMINATION OF COASTAL DEEP SEA FISHING SCHEME.

217. *Rai Bahadur Sri Narain Mahtha: Will the Honourable Minister of Agriculture be pleased to state whether, in view of the long coast line of India and the growing food shortage in the country, Government have examined any schemes for coastal deep sea fishing, and if so, with what results?

The Honourable Shri Jairamdas Doulatram: Government of India have under consideration detailed schemes for developing deep sea fishing in Indian waters. The main handicap against starting such schemes is the lack of essential data in regard to fishing grounds, fishing seasons and the types of fish available in different areas and at different levels in Indian waters. Fishing operations which are carried out with the indigenous fishing crafts at present are confined to inshore waters within a radius of 5 to 10 miles and as a result while inshore fisheries are being intensively fished, the rich off-shore and deep sea fishery resources are hardly touched. With a view to assessing the values of various types of power craft and gear, determining the fishing grounds and fishing seasons, etc., and developing economic and suitable types of vessels and equipment for the exploitation of the deep sea fisheries, the Central Government have started, under the Central Fisheries Research Scheme, a Pilot Deep Sea Fishing Station at Bombay. A mine-sweeping trawler "Berar" renamed "Meena", which was surplus to the Naval requirements, was obtained from the Disposals Directorate and after extensive structural modifications and additions has been converted into a fishing vessel. This vessel went on its trial voyage on 19th January 1948 and returned the next day with about 3 tons of fish. As soon as the key fishing personnel arrive from the U.K., this vessel will be starting regular fishing operations in the Arabian Sea. In addition, orders have been placed for two Reekie fishing boats from the U.K. for fishing with ring nets. The question of purchasing some more power fishing boats for use in the Arabian Sea and the Bay of Bengal is being pursued actively.

Some commercial fishing concerns, [such as, The India Fisheries Limited, Natsin, Fisheries Limited, West Coast Fisheries Ltd., and the Andamarine Development Corporation] have also been helped to obtain power fishing vessels and equipment for starting fishing operations in different areas.

Mr. R. K. Sidhva: What efforts have Government made for procuring trawlers for the fishing industry?

The Honourable Shri Jairamdas Doulatram: Every effort will be made.

Mr. R. K. Sidhva: No, no. My question is whether any effort has been made?

The Honourable Shri Jairamdas Doulatram: I cannot say straightaway.

Shri H. V. Kamath: Is it not a fact that in spite of so much river fish and sea fish available in our country, we are wasting so much of our money in importing fish from abroad?

The Honourable Shri Jairamdas Doulatram: I think it was clear from my reply that we are making every effort to use our own resources.

Mr. Speaker: This is more or less a matter of opinion. It is not necessary to answer the question.

RESEARCH IN EVOLVING NEW VARIETIES OF PADDY

218. ***Shri V. C. Kesava Rao:** (a) Will the Honourable Minister of Agriculture be pleased to state what progress has been made in the matter of research in evolving new varieties of paddy?

(b) Are Government aware that in Russia scientists have been able to evolve a variety of paddy which will completely fructify in five weeks' time?

(c) What efforts are being made to persuade the cultivator to use improved quality of seeds?

The Honourable Shri Jairamdas Doulatram: (a) Some tangible results have been achieved in producing new rice varieties in India; over three hundred of them have been evolved and released. The area under cultivation of improved varieties is approximately four million acres. Improvement has also been effected for yield, earliness, stronger straw resistance to disease, flood and salinity. Further intensive research in evolving new varieties is in progress.

(b) It is understood that the new early Russian variety under local conditions takes seven weeks to flower and another three weeks to ripen. Fourteen other Russian varieties are being studied at the Central Rice Research Institute, Cuttack. Four of these have been found to flower in six weeks. All Russian varieties have, however, proved to be poor yielders under Indian conditions during the first year of trial. It has also been found that early maturing varieties are comparatively low yielders.

(c) Propaganda about and distribution of improved seeds have been undertaken by Provincial and State Governments. This is partly subsidized by the Centre.

TELEGRAPH TRAINING CENTRES IN MADRAS CIRCLE

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

(a) what is the number of training centres for telegraphists in the Madras Circle;

(b) whether additional training centres are proposed to be opened; and

(c) if so, whether Government propose to consider the question of opening a training centre at Bezwada?

The Honourable Mr. Rafi Ahmed Kidwai: (a) Two—one at Bangalore and one at Madras. The training class at Madras is temporarily closed and is proposed to be opened shortly.

(b) No. The classes at the above places can accommodate 150 candidates against the normal intake of 71 per year.

(c) Does not arise.

INVESTIGATION INTO EXPLOITATION OF IRON AND COAL IN ANDHRA DISTRICTS

220. ***Shri V. C. Kesava Rao:** (a) Will the Honourable Minister of Industry and Supply be pleased to state whether Government are aware that large quantities of iron and coal capable of exploitation on commercial basis, are reported to be in the Andhra Districts?

(b) If so, have Government considered the question of exploiting these natural resources?

(c) Has an investigation been made into the potentialities of these districts in this respect?

The Honourable Mr. C. H. Bhabha: The question will be answered by the Honourable Minister for Works, Mines and Power, to whom this question should have been addressed.

RECRUITMENT OF GERMAN AND OTHER ENEMY NATIONAL SCIENTISTS AND TECHNICIANS FOR INDIAN INDUSTRIES

221. ***Shri M. Ananthasayanam Ayyangar:** (a) Will the Honourable Minister of Industry and Supply be pleased to state how many requests for assistance in recruiting German and other enemy National Scientists and Technical Experts have been received from industrial and other concerns in India?

(b) What steps have Government taken to secure for Indian industries the services of German Scientists, Technicians and Experts?

(c) In how many cases were the Government of India able to help, by arranging for the recruitment of suitable personnel?

(d) Do Government propose to make a statement giving:

(i) the number of such Scientists, Technicians and Experts who have already arrived in India;

(ii) their names;

(iii) their qualifications; and

(iv) the concerns employing them?

(e) What are the prospects of securing the services of other personnel, in whose case specific requests have been received from Industrial concerns?

The Honourable Mr. C. H. Bhabha: (a) About 230.

(b) The Government of India have approached the U.K. and the U.S.A. Governments for the release from the British and American Zones of Germany of technicians required by Indian industry.

(c) and (d). None so far. But a small contingent of about thirty technicians is expected very shortly.

(e) Government hope to meet specific requests provided Indians with suitable qualifications are not available and there are no objections from the security point of view.

Mr. Tajamul Husain: May I know what salary Government would give to German technicians and science experts?

The Honourable Mr. C. H. Bhabha: That will depend upon individual cases.

Shri M. Ananthasayanam Ayyangar: May I know from the Honourable Minister whether any specific applications have been received from industrialists that they have got particular persons in view and that their services may be obtained from Germany or other places for helping the industry of this country?

The Honourable Mr. C. H. Bhabha: Yes, Sir. Such requests have been received from particular industrialists and it is in pursuance of such requests, that the matter has been taken up also.

Shri H. V. Kamath: Now that the war is over, is it proper to describe the Germans as "enemy" still?

Mr. Speaker: Order, order. The question does not arise.

Mr. Tajamul Husain: I want to know the maximum amount of pay and the minimum amount of pay, the Government of India are prepared to pay to foreign scientists.

The Honourable Mr. C. H. Bhabha: None of them has been engaged so far. So the question of salary does not arise at the moment.

Mr. Tajamul Husain: Will the House be consulted at the time?

The Honourable Mr. C. H. Bhabha: I am afraid that is not possible.

Shri M. Ananthasayanam Ayyangar: Will the Honourable Minister kindly take steps to see that the case of those industrialists who have made specific applications for particular persons from abroad is taken up first and that those persons are arranged to be sent here for the further expansion of industry in this country?

The Honourable Mr. C. H. Bhabha: That will be done.

UNSTARRED QUESTIONS AND ANSWERS

SUPPLY OF ELECTRIC ENERGY TO THE SERUM PRODUCING SECTION OF IZATNAGAR RESEARCH STATION

1. Prof. N. G. Ranga: Will the Honourable Minister of Agriculture be pleased to state:

(a) whether Government are aware that though electricity is available at Izatnagar and also Bareilly, which is at a distance of 4 miles, the boilers and furnaces maintained in the serum producing section of Izatnagar station, are even today dependent upon charcoal and ordinary fuel;

(b) whether Government are aware that the production of serum for different cattle diseases is not being developed adequately and that sufficient number of students and scholars are not being trained there to be sent out to various provinces; and

(c) if so, whether there are any proposals for the extension of that department?

The Honourable Shri Jairamdas Doulatram: (a) Yes. This is due to the fact that the efforts of the Institute to obtain electrically worked large sized autoclaves and sterilizers from abroad have so far proved unsuccessful. Further efforts in this direction are being continued. It is however not certain that the electrically operated equipment as marketed abroad will be suitable for operation on the load existing on the electric lines at the Institute. The matter is being considered. Meanwhile the possibility of getting suitable equipment manufactured in India is being investigated.

(b) The production of sera and vaccines is being developed and every effort is being made to meet the demand of the Indian Union and adjacent countries as far as possible. Great difficulties are however being experienced due to

shortage of staff and non-availability of certain essential materials in sufficient quantities. All possible facilities are provided to students and scholars deputed by Provinces and States and adjoining countries and workers trained for the purpose are already employed in certain provinces and States. But it is true that more students need to be trained to meet the demand of the provinces. For technical reasons manufacture of every kind of serum and vaccine in the provinces and States has also not yet been possible.

(c) The question of increasing the production capacity of the Biological Products Section and of improving and expanding the existing facilities therein for both research and training has been under consideration in connection with the post-war development plan of the Institute. Government hope to expedite their decision on the matter. To deal with the immediate problem, the Animal Husbandry Commissioner with the Government of India is due to leave shortly to visit the Institute.

STEPS TAKEN FOR CONSTITUTION OF COTTAGE INDUSTRIES BOARD

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

(a) whether it is a fact that the recent Industries Conference has recommended that a Cottage Industries Board should be appointed and whether Government have given the assurance that the said Board would be appointed within two months; and

(b) if so, whether steps are being taken to constitute this Board?

The Honourable Mr. C. H. Bhabha: (a) Yes, Sir.

(b) The recommendation is under consideration and Government hope to announce their decision shortly.

SHORT NOTICE QUESTION AND ANSWER

RESTRICTIONS ON THE LOADING OF GUR FOR TRANSIT BY RAIL

Shri H. V. Kamath (on behalf of **Seth Govinddas**): Will the Honourable Minister for Railways be pleased to state:

(a) Whether it is a fact that the loading of gur (jaggery) has been completely stopped on private account for almost the entire gur production season and from the entire gur producing stations, and that a free booking is allowed for sugar produced by the mills;

(b) whether Government are aware that production of gur is the profession of poor peasantry and a stoppage of its movement has created a most devastating situation causing the ruin of the poor peasants, as a most artificial and uneconomic price has been forced on them in this way; and

(c) if so, whether Government propose to take immediate steps to allot wagons for transport of sugar and gur on at least the same priority and save the peasants from ruin?

The Honourable Dr. John Matthai: (a) No. Both sugar and gur are placed in Class II (b) and enjoy the same priority. It is, however, true that due to the general worsening of the rail transport situation during recent months, railways are finding it difficult to meet readily commitments in Class II (b) priority, and this has inevitably affected the despatch of gur, as of other commodities, from some of the production centres. Also, sugar was temporarily, in a better position than gur for a period of one month immediately after the 20th December, 1947, as, at the express wish of the Ministry of Food, it was raised to Class I (b) following the decontrol of sugar.

(b) Yes. Gur along with other foodstuffs was elevated from Class IV to Class II (b) priority with effect from the 8th December, 1947, in order to assist the movement on trade account.

(c) Does not arise.

Shri H. V. Kamath: Sir, has Government's attention been drawn to Mahatma Gandhi's post-prayer message on "Independence Day" in the course of which he said:

"It is remarkable that there is now a glut in the market of *gur*, the poor man's supply for caloric deficiency. There would be no remedy for glut nor for reaching places outside the boundary of production unless there is quick locomotion If *gur* is sold at Rs. 8 per maund at Rohtak and at Rs. 50 in Bombay, we must say that there is something wrong with the working of the railways."?

The Honourable Dr. John Matthai: It is in order to facilitate the movement of *gur* under the new conditions that we decided to elevate it from a lower grade of priority to a higher grade of priority?

Shri H. V. Kamath: But is the shutting off of *gur* from some markets the reason for the high prices that are maintained for sugar?

The Honourable Dr. John Matthai: As far as we in the Ministry of Railways are concerned all that we can do in the existing conditions of transport is to give the best possible facilities for the movement of an essential commodity like *gur*.

Shri H. V. Kamath: Is it not a fact, Sir, that in spite of the high price of sugar, Government have supplied 20,000 tons of sugar to Pakistan, but no *gur* at all?

The Honourable Dr. John Matthai: That question must be addressed to another Ministry.

CONDOLENCE MESSAGE FROM THE PRESIDENT OF THE GRAND NATIONAL ASSEMBLY, TURKEY, ON THE DEATH OF MAHATMA GANDHI.

Mr. Speaker: Before the House proceeds with its business, I have to read to the House a message received from the President of the Grand National Assembly, Ankara, Turkey:

"The Grand National Assembly during its meeting held on February 3 came to know with greatest sorrow of the death of the great leader, Gandhi, victim of a horrible crime. On behalf of the Grand National Assembly and on my own behalf I request you, Mr. President, to accept and convey to the Constituent Assembly, the expression of our profound sympathy, in assuring you at the same time of the active share that we are partaking in the profound sorrow which has befallen your country."

TAXATION ON INCOME (INVESTIGATION COMMISSION) (AMENDMENT) BILL.

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): Sir, I move for leave to introduce a Bill to amend the Taxation on Income (Investigation Commission) Act, 1947.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to amend the Taxation on Income (Investigation Commission) Act, 1947."

The motion was adopted.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I introduce the Bill.

INDUSTRIAL FINANCE CORPORATION BILL—Contd.

Mr. Speaker: The House will now proceed with the further consideration of the motion moved yesterday, namely, that the Bill to establish the Industrial Finance Corporation of India, as reported by the Select Committee, be taken into consideration.

Prof. Shibban Lal Saksena (U. P.: General): Mr. Speaker, Sir, in the speech of the Honourable the Finance Minister I did not find any reply to the arguments contained in the Minute of Dissent of my Honourable friends, Prof. K. T. Shah and his colleague Diwan Chaman Lal. I think this was a major omission because the House would like to know why he has not agreed to accept the arguments given therein and I would like to draw some attention to some of the arguments contained therein. In clause 3 they have said that these people who will be purchasing the stock of this Corporation will be guaranteed a minimum profit. In private industry the main thing which makes them very careful about the running of an undertaking is their profit. But here there will be no incentive to see that the Corporation is working on sound principles and the persons concerned will try to fulfil their own personal interests and because they are guaranteed minimum profit so they will not care for national interest. — I therefore think that if guarantees are given to them about the minimum profit and all that, then there is every reason that it should be controlled by the State; otherwise these people who will be controlling the Corporation will not have the necessary interest which is necessary to keep the corporation working properly. Then yesterday, I said that there should be a National plan. Now in these paragraphs 4, 5 and 6 these gentlemen in their Minute of Dissent have pointed out that as it is there is the danger that the development of the country will be lop-sided, that parts of the country which are not yet fully developed may not be developed properly and therefore it is necessary that this Bill should provide for a completely State-owned Corporation because then alone the State-owned Corporation can develop the country on national lines. Every part of the country must be developed according to its resources. What happens today is this: Instead of developing every portion of the country industrially only such portions as are convenient are developed. What I want is that the National Planning Commission should evolve a fresh plan and see which portion of the country is undeveloped and then according to that plan develop the undeveloped areas. This will not happen with the Corporation because the industrialists will only take the convenience of those who are in the industry and they will see that profits accrue to them. If you want that the country should be developed according to the national plan, it is necessary that this Corporation should be in charge of the State completely.

Again I am very much surprised that the Board of Directors contain at least half of Directors to be elected by the shareholders and of the remaining half the Reserve Bank and the Government is to appoint. The Reserve Bank at present is not a national body, but it might become so some time hereafter. At present the majority will be of persons elected by private shareholders and I think it is a very extraordinary suggestion that the State should guarantee profits and yet it should have a minority of Directors therein. This certainly is a very strange provision of the Bill. Then in paragraph 6, the Honourable Finance Minister has pointed out that for the successful working of the national plan it is essential that the State should own the power. I think there is no reply to the arguments contained in this paragraph and I do wish the Honourable the Finance Minister to give his reply to the argument raised therein. Then, as I said yesterday, these ten crores of Rupees may not be sufficient and if we have a private owned Corporation we have to put a limit. But this is a State-owned Corporation and it is not necessary to put a limit. In that case according to the needs of the situation

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we shall get money and money shall not be lacking because the State shall be there to guarantee everything and for a huge national planning I am sure we will require crores of rupees, not only 10 crores, but probably 100 crores of rupees and for that we require no limitation on its finances, which would cripple its activity. Again these two friends have pointed out in paragraphs 8 and 9 very important lacuna in the Bill. They say that the Corporation must own certain shares in concerns and have further pointed out how the shrewd operators of the Stock Exchange can defeat the State in its purpose of trying to develop industries as it wants to develop. Then it has been pointed out in paragraph 10 that large capital may be locked up if it is a State enterprise, but as has been pointed out if we have to develop every portion of the country it may require large sums and for that I said there must be provision for ample money and there must be no limitation upon it. That is another reason why we want that it should not be a private Corporation where the finances will be limited. I therefore think that what we want is a corporation which should be able to do its functions properly and it should not have any private enterprise in it. Then, inflation can also be checked thereby. We can draw all the money of this Corporation and by that we can finance all the industries of the country which in turn will bring in ample return to the country. I had wished that the Honourable the Finance Minister had given reply to the arguments put forward in the Minute of Dissent. What is the advantage obtained by putting the Bill in this form. It cannot even be said that private industry has got experience which it will use in working this Bill because there are methods by which the skill could have been harnessed without making it a privately owned concern. I want the Honourable the Finance Minister to give a reply to this question: What are those advantages which he envisages will be to the Corporation by keeping the Bill in this form? Twenty different persons will own the shares of this company. Really there will be a handful of people who will control this enterprise and as this Corporation is going to finance the entire industry of the country it will mean that these people, say 1,000, will control the entire destiny of the State. I was sometimes back reading a book and in that it was pointed out that fifty-five per cent. of the national wealth of America is owned by fifty families of that country and twelve Directors of the Syndicate are more powerful than the Cabinet and the President of the U.S.A. That would also happen in this case. The twelve Directors of this Corporation, the majority of which will be private capitalists will be more powerful than the Cabinet Ministers of our country. I therefore think it is most important that this Bill should provide for a completely State-owned Industrial Corporation and we should not try to keep those odd forms of economic structure which, as everybody knows, are no longer supposed to be the best forms in the world today.

Then, as I said yesterday, my experience of the Sugar Syndicate shows that these capitalists cannot be properly trusted in this matter, and the experience of some foreign countries also supports me. I will read some extracts from the speech of the Minister of Finance in England during the discussion of the Bank of England Bill. He quoted certain authorities to prove that there was always a struggle between the financiers and the State in trying to control the finances of a country. He quoted Gladstone as saying,

"From the time I took office as Chancellor of the Exchequer, I began to learn that the State held, in the views of the Bank and the City, an essentially false position as to finance. I was tenaciously opposed by the Governor and Deputy-Governor of the Bank. I had the City for antagonist on almost every occasion."

So that is the experience even in England where they have long enjoyed complete independence and where they generally do not do anything unpatriotic. Even there this struggle exists between financiers and the State to control the finances of the country.

Then, Sir, I wish this Bill had been modelled on the lines of the Coal Nationalisation Bill in England. There the whole enterprise has been made a State-owned enterprise and yet they have harnessed all the experience and knowledge of the consumers and those who are concerned in the industry. After providing for a National Coal Board on which there is one Chairman and eight members who are all appointed by and responsible to the Minister, they have two bodies, one called the Industrial Coal Consumers' Council and another called the Domestic Coal Consumers' Council, to advise them when something goes wrong. Their experience of business will help them to suggest methods by which they can improve the working of this industrial enterprise. I want that instead of these people being allowed to be Directors, the industry which is held by this Corporation and other major industries should be allowed to become advisory bodies who should advise the Corporation. Government must have their own men on the Board of Directors, etc. who must run the enterprise; and if there is anything faulty in it they should be able to advise the men who are running the industry and who have got experience. In this way they can harness their skill and at the same time keep this as a State enterprise. In this way you can combine all the benefits of their experience together with the benefits of State enterprise.

Then, as I said yesterday, we cannot as men elected on that mandate of nationalisation of industry go on passing Bill after Bill which will really be a negation of that mandate. If we read the debates on the Coal Nationalisation Bill and the Bank of England Bill, we will find that in the very first year of their coming to office they fulfilled the promises which they gave to the electorate. Here there is a large majority behind this Government which is elected on the principle that we shall have State control of industries. Here this is a key industry or the key to all industries and the financial corporation which will manage all these things is being made a privately controlled corporation. I think this is a negation of all the promises which we made, and therefore we must immediately change this Bill. Again, we have failed to face up to a very critical situation. While our Government are trying to tackle this position I should like to warn them that side by side there must be something to show the people that the promises we made are being fulfilled. If we go on repressing the people that will not serve our purpose; we must show the people that we are for them and are doing something for their benefit. That is only possible if we have a corporation which is completely State-owned and can develop industry in every possible way. Otherwise there will be great difficulty for Government in facing the electorate again. We have been told repeatedly that we have got national planning which is to be put into effect. It must be done quickly; and if we make this kind of provision it will only show that we are only talking and doing nothing in practice. Therefore in order to tide over our difficulties and to prove that we have fulfilled the promises we made it is necessary that we must immediately make this Corporation a completely nationalised organisation and put into effect a large programme of complete national planning for the development of the country, so that in ten years we will be equal to Russia and America. That is only possible if energy and enterprise is shown. One Honourable friend said yesterday that this will help large-scale as well as small-scale industries. I think it must be for all industries and for the entire national plan, because only when we see everything in its proper context and perspective can we develop anything. I want this Corporation to finance the entire national plan, and for that we must have a completely nationalised Corporation. I hope the Finance Minister will not tell me that this is a limited Bill which is intended to finance small industries and that for the others he is going to bring forward another Bill. If so this must be scrapped and there should be only one Bill. In fact another Bill must come which must completely and in a most comprehensive manner cover every item of our national programme. In fact that Rehabilitation Corporation Bill which we

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passed should have thought of it because over 40 lakhs of people have been displaced and there should be a national planning. I should like to know from the Finance Minister what the exact scope of this Bill is and whether it is intended to finance the entire programme or only a small portion of it, in which case it becomes useless. I think this must have a big function and it must finance the entire national scheme. The last time when we were discussing nationalism of industries a friend said that we had the said experience of the railways. But the railways though State-owned then were not being run in our interests but in the interests of the foreign Government. Only now

12 Noon they have become a truly nationalised industry and if they work in the proper manner they will become a source of great income. Even as they are, the Railways have been a source of great income to the Government, and I hope that this Corporation will also be of very great and powerful help to the Government in seeing that the entire national industry of the country is developed according to its plan.

Then the other day the Finance Minister said that he had a proposal to nationalise the Reserve Bank as well as the Imperial Bank of India. I wonder when he is planning to nationalise these two banks why this Corporation, which is going to perform similar functions should not be nationalised. Why is he shy for making this a nationalist Corporation?

One other lacuna in the Bill is about labour. It provides for plants for industry and the State is guaranteeing profits and there is all such talk. What I want to know is what provision has been made in this Bill to see that the industries which are helped by this Corporation will treat labour properly. In every Bill, as I pointed out the last time during the discussion on the Sugar Industry, when the State takes upon itself this responsibility of financing any industry, it sees to it that Labour in that industry is given a fair deal. But no such provision has been made. That had been done in the Coal Bill in England and as I pointed out it was also so in the Sugar Act in England. In every Bill brought forward by the Government, and where Government is guaranteeing the profits of the Corporation, there must be provision that labour must be treated properly. It should be entitled to all the benefits. In fact, from 1930, when the Government gave protection to sugar industry, the sugar industry developed. From 31 factories in 1930 there came up 147 factories in 1947. What happened? The profits earned by the factories was 100 per cent. and 70 per cent. whereas labour was getting Rs. 4 to Rs. 5 per month and the Board had to confess that labour had not been given a fair deal. Although the consumers purchased the sugar at Rs. 4, they purchased the sugar at Rs. 10 or Rs. 11. I do want that the industries that are helped by this Corporation shall guarantee to see that labour gets all the minimum wages. This has been neglected and I hope the Finance Minister will see to it. It is the habit so far not to care for labour interest. I hope in the free India we will see that they are given a full share in the profits as well as a share in the management of the Corporation. Then if it is a completely State-owned enterprise we shall be able to debate its working every year, otherwise there will be something going on behind our backs. If it becomes a completely nationalised industry, then like railways we will have time to put forth our criticisms and that will improve matters and it will become more useful than it is at present.

Now somebody will question what kind of control I want over this Corporation: whether it should be completely state-owned, like the posts and Telegraphs and the Railways. I will quote a passage from the speech of the Parliamentary Secretary to the Ministry of Fuel and Power during the discussion of the Coal Industry Nationalisation Bill and I will point out several ways in which control can be exercised by Government:

"I do not propose to go through the Bill in detail, but I should like to say a few words about some of the more essential and controversial parts of it. First, may I refer to the

important question of the relationship of the National Coal Board to the Minister and, through the Minister, to Parliament? As soon as it is decided to set up a great public corporation of this kind one is faced, of course, with a number of alternatives. This is not the first corporation of the kind in existence in our country. We have, for example, the Post Office. There we have a trading organisation; but it is entirely financed by the State, and is completely controlled by a Minister of the Crown responsible to Parliament for all its details, and its employees are civil servants. That is one extreme.

"At the other extreme we have an organisation such as the London Passenger Transport Board, where the Finance is not State finance. The Board has finance of its own, not backed by State credit. The Minister has not even the power of appointment to the Board, and Parliamentary control, is remote in the extreme, and scarcely arises at all, except when the Board happens to have to come to Parliament for fresh powers. There are, of course, other examples between those two. The Central Electricity Board is not so far from Ministerial Control as the London Passenger Transport Board: the British Overseas Airways Corporation is still nearer to what I may call the Post Office alternative.

"In this matter, we follow the middle way, and I am sure that the right honourable Gentleman the Member for Bombay (Mr. Macmillan) will think no worse of us for that. We do not go to the extreme of the Post Office. We do not think there should be a Minister in charge of the day to day business of this great organisation. On the other hand, we do not think that the National Coal Board can or should be independent, entirely remote from control. We say that the Minister must have powers of general direction. Indeed, we go rather farther than that, because we specify in the Bill a number of particular points on which his authority is to be exercised; for example, expenditure on capital account. He may also give directions regarding the use of reserves—within the scope of the Bill, we have made that clear—directions regarding the use of this type of expenditure

We therefore want that this Corporation should finance and the State should be able to control it through the Minister. Those who will be proposed as the Chairman and Directors of the Corporation should be able to deal with the working of it, and they should be able to prepare reports. There should be committees of industrialists and of labour who can advise if anything is going wrong and then this Corporation should report to the Minister how it is functioning. In that way we will be able to exercise full control over and we shall be able to carry out the mandate given by the country.

I shall be sorry if I am told by the Finance Minister that he cannot now change the Bill. This question of nationalization will be brought to the House again and again and it will be no use saying, like the last time, that there was difficulty in getting personnel. There is no difficulty here. We have all the necessary skill in the country on which the Government can fall back upon and with their help this Corporation can work and fully develop our national schemes and we can very soon be able to occupy our proper place in the comity of nations.

I am sorry that I have taken so much time of the House but this is an important Bill on which will depend the future progress of the country. Unless the Finance Minister says the scope of the Bill is very limited and he is coming forward with a bigger Bill to finance the entire national programme, I would suggest that we give up this Bill because it would not be sufficient to carry through the national schemes which I am sure must come up very soon.

Dr. B. Pattabhi Sitaramayya (Madras: General): Mr. Speaker, this Bill has proved a little more controversial than was expected. There is nobody in the House, I dare say, who will question the correctness of the position that such corporation should be wholly nationalised and that they had better start with such state organisation. I was myself of that view and as a member of the Select Committee I had argued much and long for it along with the professor who has chosen to add a dissentient minute to the report of the Select Committee. The fact is that while principles are always unchallengeable the question of expediency also comes into politics. Politics is the resultant of the two equal and opposite forces of principle and expediency and in between we have to find a *via media*. Principles embody eternal truths, expediency addresses itself to the needs of the moment. It is really a struggle between the immediate and the mediate, between the ideal and

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the real, between theory and practice and as politicians we have also to recognise the background and foreground of each problem. It is true that we are starting on a clean slate and that therefore we had better nationalise our institutions at least from now. It is also true that we have inherited a lot of luggage which we have to carry along with us. Our journey is not so light and easy as it is presumed to be, when it is stated that we have started with a clean slate. The slate is clean but the luggage is heavy. The fact is that between the time when this Bill was committed to the Select Committee and the time when we are now discussing it several things have happened pertaining to the region of banking. This institution is after all a bank and while we were on this subject naturally we began to argue "Yes, it is quite alright that we should make this a national body, a complete state bank, pertaining to the region of banking. This institution is after all a bank and the Imperial Bank? My Honourable friend who has preceded me has asked a seemingly correct question *viz.*, when you have decided to nationalise those banks, why on earth do you begin this bank as other than a national bank? The very argument which is advanced by him is the argument against him. It is because we have chosen in between the presentation of this Bill and the consideration of this Bill, to nationalise the Reserve Bank and the Imperial Bank that we do not also add a third national institution like that, since our resources are limited. What have we committed ourselves to? What are the facts in rupees, annas and pies?

The Imperial Bank's nationalisation, as it has been stated, is likely to cost us twentyfive crores. The Reserve Bank would cost some eleven crores. Then again we have also the unexpected Bill, the Relief and Rehabilitation Corporation, which pretends to be a business corporation and I hope that the pretensions that it lays claim to will prove true. In any case it is stated that it will cost ten crores. So 25 plus 11 plus 10 comes to 46 crores. Over and above this we are fighting a war which is almost being fought on our own soil and up to now it has cost over twentyfive crores. That makes it nearly seventy crores. In addition we have to meet a debt of ninetytwo crores, which will fall due in the course of this year. Then you have the Damodar Valley Project the scope of which is very large. It is likely to cost us thirty crores. So we have in all to face 192 crores and where are we to get it from? Is it exclusively to come from the mint at Nasik or from the coffers of the capitalists and the rich men of the country? That is the question that confronts you straightaway and you have to answer it in a straight manner. If you are going to manufacture more currency notes, you know what the result will be—disaster. If you are going to appeal to the markets for money you have to appeal under conditions which will elicit a ready and adequate response. It will not do for us to ask for a loan of fifty crores and then when the money is not forthcoming to depend upon under writers or the Reserve Bank or the Imperial Bank. That will not be a situation that will be conducive to the stability or the dignity of this Government. We have started anew and it should not be said that we have really embroiled ourselves with bad finance. That being the case I merely state that while the arguments embodied in the dissentient minute of the Professor, who is the author of the minute, are un rebuttable in theory, the facts that I have advanced also are equally un rebuttable. Therefore in between nationalisation and capitalistic endeavour there must be a half-way house which would meet the needs of the nation's progressive tendencies and programmes. It is true that in our election manifesto our party has embodied the ideal that key industries should be nationalised or brought under national control. This is not a condition improvised for the sake of election. It was embodied in the fundamental rights programme which was passed by the Congress as early as April 1931. That remains there. The key industries have not yet been nationalised. Those are industries which call much more urgently for

nationalisation than this banking industry. After all in the bank you sow rupees, the plant of rupee rises. The tree bears rupee flowers and rupee fruits. There is nothing to lose in this concern. It is after all a business concern, a banking concern and a simple concern in which it would quite meet the needs of the nation if we took adequate care to see that national control was established. Now has it been established?

We have therefore to address ourselves to the provisions that have been made. I will not read all the provisions. Forty per cent. of the capital is subscribed by the Reserve Bank and the Imperial Bank. Six out of twelve are to be Government Directors and the Managing Director is to be a Government nominee. This number is adequate enough to ensure that the management is properly brought under national control. After all supposing it is a state bank, what would happen? You will nominate all the twelve directors and you know that the absence of an opposition is a demoralising factor, whether it be for the Government of India as it stands at present or whether it be for a bank which you want to start. The absence of a real opposition does not conduce to the fulfilment of the principles of responsible government or responsible administration in a bank. You know also that without coming within the iron grip of disciplinary rules we are trying to establish an opposition, so that we may speed up the march of a slow government as we think it to be, broaden its outlook and compel it to think in still broader sweeps and wider curves. Even so we are trying to establish an institution of which it cannot be said that "power corrupteth and absolute power absolutely corrupteth". It does not exactly corrupt, it corrodes, when people feel that there is no opposition, that your strength is unassailable and that your march cannot be impeded and the fact that there is nobody to question you is a factor which will certainly corrode your temperament and nature. Now, if there is state management with all the state nominees as directors, there will be absolutely nobody to check them and ultimately you will establish what is called a managerial aristocracy which has come into existence elsewhere and which is bound to come into existence even here. I do not say on that account that state institutions are destined not to come into existence. Considering the present situation I think we shall be strictly within the four corners of our own election manifesto if we bring into existence an institution which, though it may not be entirely a state institution, will at least be under national control. How do we control it? We control it by the capital; we control it by the management; we control it by the dividends; we control it by the inspection and by the audit; and we control it above all by that supreme power that we possess as a legislature to pull it up whenever we want to. These are the remedies open to us. You can nationalise it any day. You have a provision in the Reserve Bank constitution that it may be nationalised any day by simply paying one per cent. extra over the capital market value or the face value of the capital for each year that it has existed. For thirteen years it has existed. Today you can take it over under State ownership. You may be able to take over this institution also when we think that the time is ripe for it or our finance will permit it or the order of precedence will demand it. These are the factors which will govern the question. Nationalisation is a question not of argumentation as to the fundamental principles which guide the policy but it is a fore and aft question as to which is essential and non-essential, which is primary and secondary. It is in a judgement of this matter the sense of proportion, the sense of perspective and the sense of propriety which we must necessarily bring to bear upon all these problems that we have to decide namely whether we should start this institution as a completely national undertaking. After the events that have taken place and after our decision to take over the Reserve Bank and the Imperial Bank it would be just as well to proceed with this institution as it has been planned in the Bill before us with such additional precautions and safeguards as the House may think fit if they are

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considered necessary. I would therefore appeal to the House not to press for this theoretical fulfilment of a policy. After all we are not treating our election manifesto as a scrap of paper. Some people fear that if we have to take over this institution at later date we may have to pay unnecessary premiums upon the market value of the shares. Well, the market value of the share increases or it does not increase; or I may say, it should or should not increase. If it should increase we welcome the rise. If it should not increase, we have the scissors in our own hands. We can prevent the market from quoting bullish rates over others because after all we will control the dividends and we can control the dividends not only of this institution but also of the other institutions concerned. Much has been said of a coterie of twelve people controlling the whole of an institution. It is quite possible. It is said that in France two hundred families control the Government. In England forty families control it. If that is so we are trying to copy that excellent example in this country also. It is bound to happen when power comes to one or two individuals. You cannot help it. But at the same time we must combat it by timely, healthy, moderate and reasonable criticism. I do not fear that such capitalists will get a monopoly or that the thousand people who borrow will get a control over this institution. After all who are the people who are going to subscribe to this institution? They are insurance companies, banks investment corporations and the co-operative movement in different proportions. We can control those institutions also. These people cannot make extra profits because profits are limited to five per cent. And if we want to control them by diverting the funds from there, we can control that also. We have got full power in our hands. Therefore, let us march on steadily to a progressive destination so that we may not be embarrassed just now. We are in hard times and we do not know exactly what will be our position tomorrow when the U.N.O. throws up its hands and asks us to fight our own battle on our own soil. Under the circumstances I should not like to embarrass the Finance Department overmuch and we should be satisfied with such controls as have been made possible through this Bill.

Mr. Naziruddin Ahmad (West Bengal: Muslim): Mr. Speaker, Sir, this Bill has raised very large issues much beyond its scope. The question of nationalisation in general has been brought in. I do not complain of this. But I would offer a few remarks in this connection. Nationalisation is a good principle, but as has been pointed out just now by the Honourable Member, Dr. Pattabhi, there is need for compromise between idealism and realism. In fact, even if nationalisation is accepted as the national principle, its application must be cautious. We should proceed from experience to experience. I should think that if at this stage this corporation is at once started as a full-fledged state-owned institution the whole thing may collapse and the institution may end in disaster. Government, as it is notorious, are not good businessmen. I do not say that they will not become good businessmen with experience later on, but we are only an infant institution as a free nation. With regard to business, one rule prevails in business circles, namely that efficiency is the primary consideration. With regard to Government, the dominating principle is sub-servency to rules. If by adhering faithfully and literally to any set of rules any official brings even disaster to Government, he will be regarded as an ideal officer. There is red tapism and delay and inefficiency in Government management from a business point of view. But in business, if a businessman does not break the rule to save the business from loss or misses a large profit, he will be regarded as a bad businessman. The outlooks are entirely different in the two cases. In these circumstances I believe that Government should proceed rather cautiously. The word nationalisation has been too much of a slogan in this House as well as outside this House. I believe that nationalisation should not be made a slogan but that the question of the desirability of

nationalisation and its speed and the priorities in the different business concerns should be a matter of experience. The first principle in the basic industries is efficient production of consumer goods. The nation requires the production of goods at the cheapest rate in the most efficient manner. That should be the criterion. The world today needs cheaper and more consumer goods. The world needs food; it needs a large number of things. An important consideration in deciding upon nationalisation of any industry would be whether private management would give better returns and cheaper production or nationalisation would serve the purpose better. Or it may be that a midway house between the two extremes would serve the case better. That should, I submit, be the actual practical consideration and criterion. But in discussions in this House about nationalisation much wide and loose talk has been indulged in.

It has, I find, considerable effect in business circles. Already there has been a considerable amount of nervousness in the Stock Exchanges. The Stock Exchanges are a mirror of business and economic life in the country.

Shri M. Ananthasayanam Ayyangar (Madras: General): And sometimes manipulated also.

Mr. Naziruddin Ahmad: Yes, but in talking unpractical things—of nationalisation without qualification—we really give them a handle for manipulating prices. There are a few very shrewd businessmen some of whom are not of the best type. They do not work for the national good but they are a small coterie holding a large sway to the detriment of the large investing public. It is by talking of unpractical things like nationalisation and so forth that fear is genuinely caused and also of course manufactured and, as has been just pointed out, manipulated by some shrewd hard-hearted businessmen. They control the market and in talking freely in this respect, we really abet them in doing so. I should therefore think that we should make our minds absolutely clear about nationalisation. Should we seriously and freely talk about nationalisation of all industries prematurely or should we proceed as we are proceeding in a cautious manner in this Bill?

Shri M. Ananthasayanam Ayyangar: When does that maturity come?

Mr. Naziruddin Ahmad: That maturity would come as the maturity of an infant comes. We are, as I have submitted, only an infant as a free nation born only six months ago. We must attain maturity through boyhood, through youth, and through manhood and old age. We cannot attain majority all at once. We have to attain 21 years before we would be capable of signing even an ordinary document or voting at elections.

An Honourable Member: 18 or 21.

Mr. Naziruddin Ahmad: Yes, 18 or 21. In these circumstances I submit that it is necessary for us to clear our minds of cant and I would request the Honourable Minister to make the policy of the Government plain in this respect. What are the key industries? It is very easy to talk theoretically but we should be clear as to what are the concerns which are key industries and should be nationalised and in what priority and with what speed? That would, I believe, create a reasonable and a much desirable amount of stability in the Stock Exchanges and in the Money Market which largely reflect on the economy of our country. The wider issues that have been raised should be clarified in order to stabilise prices.

Coming to the structure of shareholding in the Corporation, I feel that a very small but powerful coterie of large businessmen will control the whole show. It is claimed that the Government has six nominated members and has also the power to nominate the Chairman. That would in practice give the Government seven out of 18 votes. It should therefore be quite easy

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theoretically for the Government to prevent manipulation. But a little experience in the management of these institutions and in the management of companies through Directors will show that it is easily possible for six shrewd and hard headed businessmen to control the management. Nominated members may be unwary. The impression that the whole business would be dominated by a few businessmen should be removed and there is a feeling in the House that only big business concerns will benefit out of this national institution. Shareholding should therefore have been rather on a more democratic basis. Shares should have been allowed to be subscribed for by a larger number of people than it has been thought fit in this Bill. There is a fear, I believe, on the part of the Government that if a larger number of shareholders subscribe for this institution, the concern would be managed in an unsatisfactory manner. But actual shareholding does not really count. It is the Directorate that really counts. We have our experience of the Reserve Bank. It has a shareholding which is on a democratic basis, but it is being run in a very efficient manner and on thorough business principles. In these circumstances I would request the Honourable Minister to consider whether it is possible to popularise and democratise the shareholding. There is however one thing in favour of associating really good businessmen with this institution. Perhaps that would introduce an element of stability in this business, but small concerns will be put into the shade.

Then, with regard to the structure of the Bill itself, I feel constrained to submit that it has not been very carefully drafted. In fact it has not been divided into appropriate chapters for the different subjects. Clauses do not come in in a logical order but in a fitful manner. The Honourable Minister has explained the reason. He has pointed out that it was really drafted by the previous Government. But then, if that is so, the Bill might have been redrafted from the new angle. We find already traces in the Bill of several minds working upon it. There was a fundamental basis laid down by the previous government, and now there are some revisions here and there to make it up-to-date and traces gaps and anomalies are plainly visible. The whole Bill should have been written afresh with clear cut divisions into chapters. There are in the Bill omissions of some importance. There is no clause in the Bill to provide for casual vacancies. Nobody knows what will happen when within his term a Director dies or resigns. Then there is what is called the financial year, but we do not know whether it begins on the 1st of January or as the official year does, on the 1st of April. Then in clause 37 it is provided that if one of the members is out of pocket for the business of the concern on account of some wilful act of his own, he will not be reimbursed. I submit that in order to earn reimbursement according to the Bill, some act which is not wilful will have to be undergone. Thus it is only when the act is unconscious, not wilful, that he will be reimbursed his out of pocket expenses for the Corporation. I should think the proper expression should be not 'wilful' act but 'wrongful' act. Perhaps it is a misprint.

Then there is a confusion about certain technical expressions. We find there is a general tendency to make some confusion about the word 'prescribe'. The word 'prescribe', so far as I know, has all along been used in the sense that it is prescribed by the Government by rules framed under an Act. In this case, however, the Bill makes distinctions between 'rules' made by the Central Government and 'regulations' made by the Board. But the word 'prescribed' as it was used ever before was strictly confined to prescribed by rules made under the Act. Here the word 'prescribed' is an amphibious word which is now used indiscriminately in the case of rules and regulations. In the Damodar Valley Bill which is coming on, they have differentiated it, but in the present Bill they have not differentiated it. I think it is necessary to give some stability to the meaning of a well-known words. It is all very well to say we

have defined "prescribed" as prescribed by rules as well as regulations, but it was easy to prevent this unnecessarily promiscuous use. But there is no necessity for introducing this uncertainty, to unfix the meaning of a word which has been fixed already. If it is necessary, it can be easily removed by proper wording and proper definition.

Then the Honourable Minister has, in his opening speech, said that this Corporation should be taxed. While supporting it, he said that the Railways and other institutions should be taxed. I think the House should have a clear idea of what is really meant and what the statement really implies. If this corporation is taxed, who will pay the taxes? I think those persons who take loans, those who are consumers, they have to pay and the tax is paid visibly by the shareholders and the shareholders have a right of refund along with their own Income-tax on the basis of their personal incomes. If the corporation is not taxed, then if the shareholders receive a dividend that dividend along with the individual income of each will have to be assessed for income-tax. So, if we delete this clause, no person having an income of Rs. 2,000 or upwards would escape; the effect would be a more rational taxation.

Then coming to the proposal of taxing the Railways, I think the object of the idea will reveal itself. The Railways are patronised by passengers. If you tax the Railways the effect would be that the cost of travel and transport will be increased and the passengers, consigners of goods will have to pay more. The effect would therefore be that you rob the passengers and consigners of goods to benefit the passengers and consigners of goods. They are only the people of the land. It is not robbing Peter to pay Paul but just like robbing Peter to pay Peter. It will be robbing the people to pay the people. In fact, in real economics, this does not effect any improvement. If you tax Railways, why should you not tax the Post Offices or the Co-operative organisations, the Telegraphs Department and others? And why not tax this House itself? In fact if you go on taxing things like this, you will be taxing the patience of the people very soon. The Honourable Minister should stop talking about taxing the Railways and the like and make it clear as to what industries he wants to nationalise in order to stabilise the Money Market and also to check speculation and gambling in the Money and the Stock Exchanges.

With these words, Sir, I on the whole support the First Reading of the Bill and would support a modified economy—something like State control to begin with. There will be ample time when we gain sufficient experience to nationalise the corporation or other similar institutions, but at the present time we should know the attitude or the mind of the Government in this respect.

Shri K. Santhanam (Madras: General): Mr. Speaker, Sir, I know that the House has debated over this for a long time and I will not take much time of the House. Many things have been said in this House which require a word of clarification. Sir, the Select Committee has made very many important improvements for which I heartily congratulate them. Particularly, they have provided that the Industrial Finance Corporation can take charge of any industrial concern when it fails, and manage it under clause 28. Again, in Clause 1 they have provided that the scope may be extended to all States. I have been fighting for the inclusion of this clause in every Bill so that all Bills which we pass here may be taken advantage of by such States as may be willing to benefit by them; but the Law Minister prevented me from introducing such a clause in one or two Bills. But I hope hereafter the Legal Department will make it a rule to provide such a clause in every Bill that comes before this House.

Sir, a great many speeches have been made on the issue of nationalization. I think there has been a lot of confusion about this question. Mr. Shibban Lal Saksena has argued as if this Bill has been brought up for the general industrial development of this country in all possible manner but the actual

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scope of the Bill is that it is intended to finance only private concerns. The assumption behind the Bill is that there is going to be a sector of industries which will be managed by private enterprise and that sector requires some fostering, some assistance by Government. This Institution is intended to provide that assistance. It is not intended to finance State enterprise either by the Centre or Provincial Governments; they will have to provide other financial machinery for that purpose. Mr. Shibban Lal Saksena's whole case falls because he wants nationalized industry; that is an entirely different issue. If he wants all industry to be nationalized, then the only thing is to oppose this Bill, "We do not want this Institution—it ought to be scrapped." Therefore he simply wants to strike at the whole Bill and his entire speech was, I am sorry to say, wholly irrelevant for this occasion unless it was meant as a total opposition to this Bill.

Prof. Shibban Lal Saksena: Will it not form part of the National Plan?

Shri K. Santhanam: I do not know the National Plan but he instanced the Railways and coal. If he is agreeable to private industries then you can consider how far the State should control it. But his main opposition was that if the industry goes into private hands, the private capitalists will ruin this country and that therefore this Corporation should be nationalized.

Shri H. V. Kamath (C. P. and Berar: General): Sir, is not my friend usurping the power of the Chair in calling the speech irrelevant?

Mr. Speaker: The Honourable Member is perfectly in order.

Shri K. Santhanam: I have the highest esteem for my friend Mr. Shibban Lal Saksena. A speech can be irrelevant though it is made in all good faith.

I wish to take up the attitude of Prof. K. T. Shah. So far as I could understand him, he did not object to the sector of private industry. But his argument was that this financing concern should be a purely State concern. Sir, if private industry is to be financed, I do not exactly understand why only the State should provide all the funds, because today the State as it stands has to manage its own State concerns: the Damodar Valley Corporation is a purely State concern, the Rehabilitation Finance Corporation is a purely State concern. Therefore it is but right that the Government should go to the Market and borrow all the money that is needed and provide funds. Here the object is that Government takes money from the people to hand it over to private concerns, because the entire purpose of this Bill is to finance industrial concerns and by definition an industrial concern is any public limited company. Therefore it is good that as much of this capital as possible should be taken not directly by the State but with the help of other private concerns. It is said that as soon as these private concerns come, there will be something wrong. I think for the purposes of this Bill, it is not only necessary but actually desirable that private concerns should be associated with the management of this Corporation because when all the Banks are there, they will know much more than the representatives of the Central Government can know, as to which concern is likely to benefit, who are the promoters, what is the status of the promoters, what are the prospects before any Company which is promoted and which concerns deserve help. Their assistance will be of great value.

In the process of nationalisation, there are two opposite tendencies. One is "Make it all State. Make it all bureaucratic." After you have made it all State and all bureaucratic, then the opposite comes in. "Both the officials and the non-officials. First put the non-officials as advisory and then give them all the powers." Between these two, we do not know where we stand. I think we should have very clear ideas about nationalisation. Every concern is nationalised provided the Legislature has ultimate control over it and we have got effective control over the management. The inclusion of a

certain number of non-officials either as representatives of private institutions or as nominees of the Central Government does not affect the virtue of nationalisation. Suppose it is wholly State aided. What sort of Directorate shall we have? We will say, some four or five officials and some four or five non-officials. Who will be the non-officials who will be nominated?—the very people whom it is sought to bring in by this process of a limited number of shares because it will be only those who are managing the Scheduled Banks and those who are managing the Insurance Companies who will be fit to serve, who will be competent to serve.

An Honourable Member: The Reserve Bank also.

Shri K. Santhanam: I am taking the Reserve Bank more or less as a State concern. I am including it in the same concern. The same people are bound to be nominated in the Directorate. Now what is the great object of nominating them without asking them to bring some money into the concern? Now the provision in the Bill says: "Bring money into the concern. Bring Rs. 5 crores and you also serve." Instead of that, Mr. Shah says: "Don't bring in any money to the concern, but serve." Now, this is a sort of defeatist policy. If it is purely a governmental project, I should say that no private interests should come into it, but where the main purpose is to promote private concerns, then, what is the harm of having private assistance? It is argued: "Why have you nationalised the Reserve Bank? Why have you nationalised the Imperial Bank? Then why don't you make all our Banks nationalised?" Now, I do not know how the nationalisation of the Imperial Bank is going to take place. Whether it is going to take the form which is embodied in this Bill is a matter to be considered. So far as the Reserve Bank is concerned, its main purpose is not to finance other people. Its main purpose is to manage the currency of the country. That is why we do not want any private interests to interfere. So far as the Imperial Bank is concerned, it also manages Treasuries and is also the agent of the Reserve Bank. To that extent, Government is vitally interested for its own business. The Imperial Bank is also the general financial backbone of the country, and therefore we want to have control. In the case of the Imperial Bank I am not sure that it will be sufficient to have a fifty one per cent. directorate in the management, but that is a matter for consideration. In any case, the object of this particular concern being only to finance private industries, I think it is not only proper but it is the right thing to have a directorate which is composed purely of Government nominees, purely of banks.

Then one other point which many of our critics have missed. If you will look at the Directorate, six members are provided by the Government and the Reserve Bank and two members are provided by the Co-operative Banks. They have assumed as if the representatives of the co-operative concerns will be like the representatives of the Scheduled Banks and will have only private interests in their minds. I think the representatives of the Co-operative Banks will be as public spirited and as careful of national interests as the representatives of the Government themselves and therefore we get out of 12 at least 8 people who will be directly interested in safeguarding the national interests and I think the representatives of other Banks also in their own interests will help this Corporation to see that the loans are not squandered. If they are squandered their own structure will be affected because the solvency of the Scheduled Bank is even more dependent upon the general prosperity of the industry than the Reserve Bank or the Government. Therefore, the presence of representatives of Scheduled Banks and Insurance Companies, who are the big institutional investors, is a matter of the greatest importance. I think the present structure of the Institution is a wise structure and for mere theoretical considerations we should not destroy a thing which is really good in itself. Nationalisation will have to depend on the objective. We will have to require a particular kind of nationalisation for

[Shri K. Santhanam] running a State industry. We must have another kind of nationalisation for helping the private industry. We must have a third-kind of nationalisation to promote peasant cultivation, and yet another for State mechanised cultivation. Therefore, to lay down any such blind formula, as that the word "nationalisation" means all the capital should be State capital and all the management should be official would be destructive of national economy. So, I oppose the idea of converting it into an absolutely State Bank or a bureaucratised Bank. I think the present structure is the only proper structure for the particular purpose concerned and so I heartily approve of the changes made in the Select Committee and support the Bill as it is.

Only one point more, Sir. In this particular case, clause 5 provides for the repayment of the principal only. In the Reserve Bank they provide for the repayment of something more than the principal in the event of liquidation, but here when the Government wants to take over, it has simply to make a formal order under 36 saying "We propose to liquidate this concern" and simply pay off the principal and take it over. It has not to go to a court. In this respect, it is a vast improvement over the Reserve Bank Act or other Acts. Clause 5 says: "The shares of the Corporation shall be guaranteed by the Central Government as to the repayment of the principal"

An Honourable Member: It is only a guarantee.

Shri K. Santhanam: What is the guarantee of the principal, if it is to be a perpetual Corporation,—and principal will be perpetual,—why should there be any guarantee? The principal only becomes payable when the Corporation is taken over by the Government or liquidated.

Diwan Chaman Lall (East Punjab: General): There is no provision for taking over. There is only provision for liquidation.

Shri K. Santhanam: It is always open to take over by the single Clause Bill in the Legislature. We never say "We won't take it over", but it is always open to us to take over any concern which is set up by Statute. If you insert a clause now saying "I shall take over" nobody would come in. Why should an Insurance Company or a Bank put in money if you are going to take over?

Diwan Chaman Lall: But Mr. Santhanam, you will come in again on the same argument and say "Do not take it over".

Shri K. Santhanam: Why should I not say so? If the State floats loans on the credit of the entire revenues, why should it hand it over to private industries. I think it is on the whole an unbusinesslike and unreasonable principle. Even if you want to take it over by the State, I think the better provision is to leave things as they are and whenever you want, either through the process of liquidation or by an amending Bill, provide conditions under which you can take it over. So I suggest that it is not good to tamper with it suddenly and introduce anything which will upset the structure of the Bill.

With these words, Sir, I heartily support the Bill as it has emerged from the Select Committee.

Kazi Syed Karimuddin (C. P. and Berar: Muslim): Sir, I have not the least doubt in my mind that this is an unwelcome measure and I am bold to say that from the speeches of the members of the House and from the bulk of the public opinion in the country, the provisions of this Bill are opposed to public opinion and to the opinion of the members in this House.

My Honourable friend Mr. Krishnamachari has plainly stated his faith in the economic principles and his loyalty to the Party.

I.P.M. The Honourable Mr. Sidhva said that he would not like to embarrass the Government although he believed in nationalization. There are several Members of this House who have made speeches and who accepted the principle of nationalization and opposed the principles

underlying the Bill, but because of some other circumstances, may be party discipline or anything else, that they supported this motion.

Sir, it is very clear that the Members of this House and the Members of the majority party in this House are torn between the sentiment of loyalty to the party and their faith in the nationalization of industries in the country. This is not an ordinary Bill as the Honourable Mr. Santhanam has said and very rightly said. Their vote in favour of this Bill is a victory for the private enterprise. Therefore, I say this is a very vital Bill. This is a Bill with far reaching effects on the economic interests of this country. Sir, I submit that we have a National Government. The white capitalists have left this country. We are politically emancipated but it is yet to be seen whether we are free from the economic bondage of the capitalists of this country and if we fail in this test then my submission is that we are not free from that economic bondage in which we have been living. This is not a question of details which I am discussing. There is a great divergence of views between the Honourable the Finance Minister and the Members of this House and myself. The Honourable the Finance Minister has declared times out of number that he wants private enterprise for long years to come and this is

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): On an important matter like this, I do not think I can allow a statement like that to go unchallenged. I have not expressed any opinion on the general policy of nationalization. What I stated on a previous occasion was that even if a policy of nationalization was adopted on a planned basis, there will still be room for private enterprise in this country for many years to come.

Kazi Syed Karimuddin: I accept his statement and I interpret it to be that there is room for private enterprise for long years to come, and this is a link in that chain.

My submission is that the introduction of this Bill and the passing of this Bill will be a great hindrance in the nationalization of industries in this country. If this Bill is passed by this House, there would be commitments for 25 years or more as the provisions of this Bill will provide and it will not be so easy looking to the opinion of the investors in this Corporation to nationalize it or to take it over by merely by an amending clause in a month or two.

Sir, in the Statement of Objects and Reasons of this Bill it is stated that "the provision or credit for medium and long-term capital requirements of industry falls outside the normal activities of commercial banks and, in certain cases the usual methods of capital issue are not wholly practicable or suitable. In order to fill this lacuna, Industrial Finance Corporations, to provide medium and long-term credit for facilitating post-war rehabilitation and development, have been established in several countries." This is a statement in the Statement of Objects and Reasons. This was at a time when there was no move for the nationalization of the Reserve Bank and the Imperial Bank. Now that there is a declaration by the Honourable the Finance Minister that the Reserve Bank of India and the Imperial Bank would be nationalized, where is the lacuna now? The Reserve Bank of India can float a loan, can create money and can start State industries direct without establishing such a Corporation.

Shri K. Santhanam: It cannot lend long term credit.

Kazi Syed Karimuddin: Now in the speech the Honourable the Finance Minister stated yesterday that he has practically accepted the recommendations of the Central Banking Commission which made the recommendations many, many years ago. Those many years are gone. The regime in which those recommendations were made is gone. The times have changed and we are in a state of national independence and there is a national Government now. The people of this country, Sir, have absolute faith in the financial stability of this Government. The resources of this country are very

[Kazi Syed Karimuddin]

vast and instead of establishing this Corporation, if the Government issues a floating loan, if the Government issues bonds and invests that money in industries direct, it would be much better than to give a considerable sum of money to private enterprise and to guarantee them their principal and to guarantee their dividends. The question of labour will not be solved and there will be no utility to the State except probably in the shape of income-tax. The Board of Directors may not develop those national industries which are not profitable. The Board of Directors will care for those interests in which the profits are high. Instead of giving this enterprise to the private enterprise I do not see why Government money should not be utilised for the national industries and industries which would be to the great advantage of the country. Therefore any submission is that the passing of this Bill will be a vote in favour of private enterprise and I am opposed to the fundamentals of the Bill. I submit, Sir, that the Bill should be thrown out.

श्री मोहन लाल गौतम : माननीय स्पीकर साहब, मैं इस बिल पर जोर देने को उड़ा नहीं होता अगर इस बिल में एक ऐसा सिद्धान्त छिपा न होता जिसकी वजह से इस बिल को सपोर्ट करने में मुझे दिक्कत हो रही है। मैं इस बिल के लिये फाइनेंस मिनिस्टर साहब को मुबारकबाद नहीं दे सकता हूँ। क्योंकि रिजर्व बैंक और इम्पीरियल बैंक के नेशनलाइज करने का जो एलान किया गया था वह एक उसूल था जिसे गवर्नमेंट और पार्टी ने मान लिया था कि बैंकिंग को हम नेशनलाइज करेंगे। अगर यह बात सही है कि इम्पीरियल बैंक और रिजर्व बैंक को आप नेशनलाइज करने जा रहे तो मैं उस बहस पर इस वक्त नहीं पड़ना चाहता हूँ कि उसमें आपको क्या दिक्कतें आयेंगी और कितना रुपया आपको देना पड़ेगा, उस बहस में और उस विस्तार में मैं नहीं जाना चाहता हूँ। लेकिन मैं समझता हूँ कि इस वक्त जबकि ब्रिटिश हुकूमत खत्म हो गई है और जबकि हम एक नये समाज का संगठन करने जा रहे उस वक्त हम किन उसूलों पर चलेंगे इसको साफ हो जाना चाहिये।

एक दोस्त ने इलेक्शन मैनीफेस्टो (Election Manifesto) का जिक्र किया है और दिक्कत बतलाई है कि यहां इन उसूलों पर अब नहीं चला जा सकता है। हो सकता है कि जिम वक्त हमने इलेक्शन मैनीफेस्टो (Election Manifesto) निकाला था उस वक्त हमको यह पता नहीं था कि यह जिम्मेदारी हमको अपने कंधों पर उठानी पड़ेगी। लेकिन मैं उसके बाद की बात और अभी इस जमाने की बात आपके सामने रखना चाहता हूँ और वह १५ अगस्त के बाद की बात है जबकि इस गवर्नमेंट ने अपने कंधों पर बोझ उठा लिया था और अंग्रेजी हुकूमत यहां से खत्म हो गई थी। उस वक्त कांग्रेस कमेटी का जल्सा हुआ था और १७ नवम्बर को एक प्रस्ताव आल इंडिया कांग्रेस कमेटी (All India Congress Committee) ने पास किया था, मैं इसकी तरफ आपका ध्यान दिलाना चाहता हूँ, जो प्रस्ताव आल इंडिया कांग्रेस कमेटी की तरफ से बनाई हुई सब कमेटी (Sub Committee) ने पेश किया और जो इस वक्त मुल्क के सामने पेश है, वह एजीटेटर्स (agitators) या क्रान्तकारियों की बनाई हुई रिपोर्ट नहीं है। इसमें इस गवर्नमेंट के प्रधान मंत्री शरीक थे और यह

रिपोर्ट उनके सभापतित्व में और उनकी लीडरशिप (leadership) में तैयार की गई है इसलिये उन मेम्बरों को जो गवर्नमेंट की जिम्मेदारी नहीं उठा रहे हैं और जो गवर्नमेंट की दिक्कतों से इतने ज्यादा परिचित नहीं हैं जितने कि प्रधान मंत्री जी हैं और होना चाहिये। अगर प्रधान मंत्री की कमेटी की रिपोर्ट में यह कहा गया है कि इस बेसिस (basis) पर हम आगे मुल्क और समाज का संगठन करेंगे तो मेरे ख्याल में किसी भी प्राइवेट, किसी भी यहां के मेम्बर के लिए जो गवर्नमेंट की दिक्कतों से इतना वाकिफ नहीं है यह कहना मुनासिव नहीं होगा कि तकाजे से इस वक्त हमको धीरे-२ चलना चाहिये।

मैं अर्ज करूंगा कि इस गवर्नमेंट के जिम्मेदार आदमी, और इस मुल्क के जिम्मेदार आदमी वह सब जब आल इंडिया कांग्रेस कमेटी की बैठक में शरीक हुए तो उन्होंने एक सिद्धान्त मुल्क के सामने रखा कि हम इस तरह आगे समाज का संगठन करेंगे और इस तरह से हम मुल्क को ले जाना चाहते हैं। आप सब लोग मुझे माफ करेंगे अगर मैं कुछ दो एक बात उस प्रस्ताव की पढ़कर आपका समय ले लूँ। प्रस्ताव जो आल इंडिया कांग्रेस कमेटी में पास हुआ उसके अलफाज यह हैं—

"Political independence having been achieved the Congress must address itself to the next great task, namely, the establishment of real democracy in the country, a society based on social justice and equality. Such a society must provide every man and woman with equality of opportunity and freedom to work for the unfettered development of his or her personality."

स्पीकरसाहब मैं खासतौर से आपका ध्यान दिलाना चाहता हूँ।

"This can only be realised when democracy extends from political to the social and economic spheres."

इस प्रस्ताव के और सब हिस्से छोड़ कर एक वाक्य इस प्रस्ताव का पेश करना चाहता हूँ :

"such a social structure can provide an alternative to the acquisitive economy of Private capitalism."

प्राइवेट कैपिटलिज्म (Private Capitalism) की जगह हम दूसरे तरीके से आर्थिक व्यवस्था इस देश में लाना चाहते हैं। इस कमेटी में जिसमें पं० जवाहरलाल नेहरू, मौलाना आजाद, और इस हाउस के बहुत से मेम्बर शामिल थे और कांग्रेस के बहुत से जिम्मेदार आदमी भी थे उन्होंने जो रिपोर्ट नवम्बर के बाद लिखी है जब कि वह जमाना नहीं था जैसा कि इलेक्शन मैनीफेस्टो (Election Manifesto) के समय लोग मर जिम्मेदारी के साथ बात कर सकते थे बल्कि पूरी जिम्मेदारी महसूस करके कर ली थी, उस वक्त की रिपोर्ट की बेसिस पर मैं आपके सामने रखना चाहता हूँ और जिससे यह साफ जाहिर है कि हम इस कैपिटलिज्म को बदलना चाहते हैं। हम इन प्राइवेट एंटरप्राइज (Private enterprise) बेसिस (basis) पर जो इकनामी है उसको बदलना चाहते हैं।

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

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

श्री मोहनलाल गौतम : जनाब स्पीकर साहब मैं यह अर्ज कर रहा था कि नैशनलाइज़ेशन (nationalisation) के खिलाफ जो आरग्यूमेंट्स (arguments) दिये गये थे वह सबसे बड़ा आरग्यूमेंट (argument) यह दिया गया था कि एक्स्पी-डीएँसी (expediency) का तकाज़ा यह है कि इस वक्त नैशनलाइज़ (nationalise) न किया जाय।

मैंने अर्ज किया था कि जो लोग इस गवर्नमेंट को इस वक्त चला रहे हैं और जिन पर गवर्नमेंट को चलाने की जिम्मेदारी है, वह सबसे ज्यादा जानते हैं कि (expediency) क्या चाहती है। आज हम लोगों में से वह लोग जो कि अभी गवर्नमेंट की अन्दरूनी हालत नहीं जानते और सिर्फ एसेम्बली के ही मेम्बर हैं। इनको यह मालूम नहीं है कि गवर्नमेंट की दिक्कतें क्या हैं और गवर्नमेंट क्या करना चाहती है। इसलिये मैंने अर्ज किया था कि अगर इस गवर्नमेंट के सबसे बड़े वज़ीर पंडित जवाहरलाल नेहरू और मौलाना अबुल कलाम आज़ाद और इस हाउस के कुछ मेम्बरान इलैक्शन मैनिफेस्टो (election manifesto) के वक्त नहीं जब यह जिम्मेदारी हमारे ऊपर नहीं थी, बल्कि पन्द्रह अगस्त के बाद जबकि हम अपनी जिम्मेदारी को अच्छे तरीके से महसूस करते थे, अपनी दिक्कतों को अच्छी तरह से अनुभव करते थे। उस वक्त उन लोगों ने क्या फैसला किया। उसकी तरफ मैं आपका जनाब स्पीकर साहब ध्यान दिलाना चाहता हूँ।

मैंने अर्ज किया था कि आल इन्डिया कांग्रेस कमेटी ने यह साफ साफ अपने १७ नवम्बर के प्रस्ताव में ऐलान किया था और उसके एक-दो कोटेशनस (Quotations) आपके सामने पढ़ता हूँ। उसमें साफ साफ कह दिया गया है कि अब जब कि हमको पोलिटिकल इन्डिपेंडेंस (political independence) मिल गयी है, उसके बाद हमारा यह बहुत बड़ा काम जो बाकी रह जाता है वह यह है कि हम सोशल (social) और इकोनोमिक डेमोक्रेसी (economic democracy) इस मुल्क में कायम करें, उसके साथ साथ यह भी कह दिया गया है कि प्राइवेट कैपिटलिज़्म (private Capitalism) की जगह हम दूसरा इकोनोमिक सिस्टम (economic system) इस मुल्क में लाना चाहते हैं। यह रेज़ोल्यूशन (Resolution) आल इन्डिया कांग्रेस कमेटी का था जिसमें यह सिद्धांत स्वीकार किया था और एक सब कमेटी बनाई पंडित जवाहरलाल नेहरू, मौलाना आज़ाद और इस हाउस के कुछ मेम्बरान उसमें शामिल थे। उसकी जो रिपोर्ट है उसके कुछ खास खास हिस्सों की तरफ मैं जनाब वाला आपका ध्यान दिलाना चाहता हूँ और मैं कहना चाहता हूँ कि उन असूतों के होते हुए और ऐसी रिपोर्ट के होते हुये हमारे लिये बहसियत एक कांग्रेसमैन के बड़ी दिक्कत होती है कि मैं इस बिल को (support) कर सकूँ, क्योंकि हम जो (public) के सामने ऐलान करते हैं

उनको हम यहां अमल में न लायें यह मेरी समझ में नहीं आता। यह कमेटी थी और उसकी report of the Economic Programme Committee of the A.I.C.C. जिसमें से मैं एक दो Quotations आपके सामने रखना चाहता हूँ।

"Industries should be promoted on non-profit lines."

"No state aid should be given to an individual except through his co-operative society."

Industries के बारे में इस कमेटी की रिपोर्ट यह है :

"New undertakings in defence, key and public utility industries should be started under public ownership. New undertakings which are in the nature of monopolies or in view of their scale of operations serve the country as a whole or cover more than one province should be run on the basis of public ownership."

An Honourable Member: Read out the remaining sentence as well.

Shri Mohan Lal Gautam:

"This is subject to the limit of the State's resources and capacity at the time and the need of the nation to enlarge production and speed up development."

The reply to my Honourable friend is given in the same report itself. I would draw the attention of Honourable Members who are interested, to the following paragraph in the report:

"All resources available for investment should be subject to the control and direction of the State. The State should set up Finance Corporations for financing industries. Banking and Insurance should be nationalised."

Dr. B. Pattabhi Sitaramayya: May I know from where the Honourable Member is quoting?

Shri Mohan Lal Gautam: It is from the report of the Economic Programme Committee of the A.I.C.C. under the leadership of Pandit Jawaharlal Nehru.

Dr. B. Pattabhi Sitaramayya: May I know if it has been considered by anybody else?

Shri Mohan Lal Gautam: It is only a report and it has been considered at least by Pandit Jawaharlal Nehru.

The Honourable Shri N. V. Gadgil: He may have been in a minority. I am not quite sure.

Shri Mohan Lal Gautam: I can assure my Honourable friend that he has signed it without a minute of dissent.

श्री के० सन्तानम : क्या पं० जवाहर लाल नेहरू Prime Minister की हैसियत से थे।

श्री मोहनलाल गौतम : A. I. C. C. की कमेटी में पंडित जवाहर लाल नेहरू Prime Minister की हैसियत से नहीं थे, यह सन्तानम साहब को मालूम होना चाहिये। सन्तानम साहब को मालूम ही होगा कि A. I. C. C. का फैसला इस गवर्नमेंट पर बाइंडिंग (binding) है और उसको कैरी आउट (carry out) करना पड़ता है और अगर नहीं करेंगे तो इस गवर्नमेंट को रिज़ाइन (resign) करना पड़ेगा।

Decontrol के बारे में आपसे यह अर्ज कर दूँ कि मुझे गवर्नमेंट के कम से कम दो चार आदमियों से बातें हुई हैं कोई भी नहीं समझता था कि decontrol होना चाहिये, या decontrol के हक में हो, लेकिन आल इन्डिया कांग्रेस कमेटी के फैसले के मुताबिक इस गवर्नमेंट को अपने best judgement के खिलाफ जाना पड़ा।

The Honourable Shri N. V. Gadgil: It is not yet the report of the All-India Congress Committee.

Shri Mohan Lal Gauram: It is only a report of a sub-committee to the A.I.C.C.

Dr. B. Pattabhi Sitaramayya: May I point out that this is not a Congress Government?

Mr. Speaker: We need not enter into that question now. May I know whether the report has been adopted by the A.I.C.C.?

An Honourable Member: The A.I.C.C. has not even considered it.

Shri Mohan Lal Gauram: Pandit Jawaharlal Nehru has signed it.

An Honourable Member: He has signed so many other things.

Mr. Speaker: That is not the point under discussion now. The Honourable Member may proceed.

श्री मोहनलाल गौतम: मैंने कभी नहीं कहा कि A. I. C. C. ने इसे मंजूर कर लिया है। मैं जो कह रहा हूँ वह यह है कि जो लोग एक्सपीडिएन्सी (expediency) की बिना पर इस चीज़ को सपोर्ट (Support) करते हैं कि अभी नेशनलाइज़ेशन (nationalisation) को पूरी तौर पर नहीं होना चाहिये।

मैं अर्ज करना चाहता हूँ कि पंडित जवाहरलाल नेहरू जिन पर इस गवर्नमेंट को चलाने की सबसे ज्यादा जिम्मेदारी है, वह यह रिपोर्ट मुल्क के सामने पेश करते हैं और वह इस मुल्क के सामने आ चुकी है जो ओपोज़ीशन (opposition) शुरू हुआ है, वह भी आपके सामने है। इसलिये मैं उन साहबान को जबाब दे रहा हूँ जो यह समझते हैं कि वह इस गवर्नमेंट की दिक्कतों को ज्यादा समझते हैं, बनिस्वत पंडित जवाहर लाल नेहरू के।

यही रिपोर्ट है जो सब-कमेटी ने पेश की है और A. I. C. C. के सामने पेश होगी मैं इस बहस में इसलिये गया कि इस वक्त जब कि आज़ादी हासिल हो चुकी है। इस वक्त सबसे ज्यादा क्रिटिकल टाइमज़ (Critical times) हैं। सवाल इस वक्त यह है कि क्या हम जो अभी तक वायदा करते रहे हैं मुल्क के सामने और जिन वायदों को सामने रख कर हम दुनियां को कहते रहे हैं कि हम को स्वराज्य इसलिये चाहिये। हम इलैक्शन मैनिफेस्टो (Election manifesto) में वायदा करके इन एसेम्बलियों में आये तो क्या हम आज इस तरह का इकोनोमिक सिस्टम (economic system) बनाना चाहते हैं या तरह तरह के बहानों से इस कैपिटलिस्ट सिस्टम (Capitalist system) को और मजबूत करना चाहते हैं। यह सवाल आपके सामने है इसका फैसला करने के बाद ही इसके फायदे और नुकसान पर गौर किया जा सकता है।

मैं यह आपके सामने रखना चाहता हूँ और इस बात का फैसला करना चाहिये कि इस कारपोरेशन (Corporation) के नुकसान और फायदों पर गौर किया जाना चाहिये, मैं अर्ज कर रहा हूँ कि मैं एक कांग्रेस का आदमी हूँ, उसके हुक्म मेरे लिए हैं और उसके मुताबिक जो भी बात इस हाउस में आयेगी उसको सपोर्ट (Support)

करूंगा या अपोज (oppose) करूंगा, मगर मेरे सामने यह दिक्कत पेश आ रही है कि अबतक हम दुनिया के सामने यह कहते आये हैं और जितनी बातें यहां आ रही हैं वह सब उसके खिलाफ जा रही हैं, मैं यह अर्ज करना चाहता हूँ कि यह बिल इस वक्त हाउस के सामने है बजाय इस के कि हम कैपिटलिस्ट सिस्टम (Capitalist System) को कमजोर करें और ऐसी इकनोमी (Economy) को कायम करें जो सोशलिस्ट (Socialist) ढंग पर चले और हम उसको कुछ मजबूत करते जा रहे हैं। बहुत तरह के आरग्यूमेंट (Arguments) पेश किये गये हैं, मगर मैं उनमें इस वक्त नहीं जाना चाहता हूँ। इसके हक में भी बहुत से दोस्त बोल चुके हैं।

एक चीज़ जो मेरी समझ में अब तक नहीं आई है वह मैं आपके सामने रखना चाहता हूँ। वह यह है कि जैसा कि आन्टरेविल फाइनेंस मिनिस्टर (Hon'ble the Finance Minister) साहब और बहुत से दोस्तों ने कहा है कि इसका इन्तजाम जो होगा वह बोर्ड आफ डाइरेक्टर्स (Board of Directors) के हाथ में होगा जिस में ६ डाइरेक्टर्स (directors) गवर्नमेंट की तरफ से होंगे और ६ प्राइवेट कैपिटलिस्ट (Private Capitalists) या शेअर होल्डर्स (Share holders) की तरफ से आयेगे। जब मैं इस क्लॉज (Clause) को देखता हूँ जिसमें बोर्ड आफ डाइरेक्टर्स (Board of Directors) का जिक्र है तो मुझे यह मालूम होता है कि गवर्नमेंट की तरफ से सिर्फ तीन डाइरेक्टर्स (Directors) होंगे और दो रिजर्व बैंक की तरफ से होंगे। अब सवाल यह होता है कि रिजर्व बैंक की तरफ से जो डाइरेक्टर्स (Directors) होंगे क्या वह गवर्नमेंट के डाइरेक्टर्स (Directors) हो सकते हैं। मैं अदब से कहूंगा कि नहीं, क्योंकि रिजर्व बैंक के बोर्ड आफ डाइरेक्टर्स मैजोरिटी में हैं और वह शेयर होल्डर्स के नुमाइन्दे होंगे, इसका कान्स्टीट्यूशन (Constitution) यह है कि इस में १ गवर्नर (Governor) और दो डिप्टी गवर्नर (Deputy Governor) होंगे जोकि बोर्ड आफ डाइरेक्टर्स (Board of Directors) की सिफारिश पर गवर्नमेंट नौमिनेट (Nominate) करेगी यानी ३ आदमी बोर्ड की रिकमेंडेशन (Recommendations) पर नौमिनेट (Nominate) होंगे वह कौन होंगे, इन तीनों को निकालकर अगर बोर्ड की कम्पोजीशन (Composition) को देखा जाय तो वह तीन भी उन लोगों के नुमाइन्दे होंगे जोकि प्राइवेट सब्सक्राइबर (Private Subscriber) या कैपिटलिस्ट (Capitalists) हैं, और चार गवर्नमेंट की तरफ से होंगे, इसमें ८ डाइरेक्टर्स होंगे लेकिन अब सिर्फ सात रह गये हैं क्योंकि अब इसमें रंगून नहीं है ७ तो वो और ४ गवर्नमेंट के ये सब कुल मिलाकर ११ हो गये, ३ नाम जो रिजर्व बैंक रिकमेंड (Recommend) करेगा उसको गवर्नमेंट मान लेगी और वह भी हिस्सेदारों के आदमी होंगे।

इस मुल्क में यह कायदा नहीं है कि जो गवर्नमेंट के अफसर हैं वह रिटायर (Retire) होने के बाद किसी इन्डस्ट्रीयल कनसर्न (Industrial concerns) में

[श्री मोहन लाल गौतम]

मुलाजिमत नहीं कर सकते हैं, यह बहुत बड़ी चीज है और दूसरे मुल्कों में ऐसा होता है दिक्कत यह है कि चार डाइरेक्टर्स (Directors) जो रिजर्व बैंक में गवर्नमेंट के होंगे उनको तरह तरह के लालच दिये जा सकते हैं क्योंकि दूसरों को खुश करने के लिए वह रिटायर (retire) होकर बड़े २ कारखानों में मुलाजिमत कर लेते हैं, तो ये चार आदमी भी इनके इनफ्लूएन्स (influence) से बाहर नहीं होंगे, लेकिन यह जो कहा जाता है कि वह गवर्नमेंट के नुमाइन्दे होंगे मैं इसको मानने के लिए तैयार नहीं हूँ। कहा यह जाता है कि नेशनलाइज (nationalise) हो जायगा। यह तो डिक्लरेशन (Declaration) से जाहिर है, लेकिन जब (nationalisation) होगा तो एकस्पीडिएन्सी (expediency) वीच में आ जाय तो यह मुझे मालूम नहीं है कि क्या क्या बातें बीच में आ जायेंगी जैसे कश्मीर की लड़ाई है। आप आज यह कह दें कि हमने नेशनलाइजेशन (nationalisation) करने का फैसला किया है तो यह एक पायस विश (Pious wish) है और इस कारपोरेशन (Corporation) की तस्वीर को आप इस तरह से देखें जो आज है न कि जो किसी जमाने में हो सकती है, ऐसा करना गलत है, इसकी आज तस्वीर यह है कि शेयर होल्डर्स (Share holders) की मैजोरिटी (majority) होगी और आपके बहुत थोड़े नुमाइन्दे होंगे, इसके अलावा इसमें कोआपरेटिव (Cooperative) की तरफ से जो दो नाम होंगे मुझे मालूम नहीं कि आप उन्हें अपने आदमी कहेंगे या कोआपरेटिव (Cooperative) के जो आदमी आयेंगे वह प्राइवेट इन्टरप्राइज (Private Enterprise) वालों में से ही होंगे। इसलिए बोर्ड आफ डाइरेक्टर में आपकी माइनोरिटी (minority) होगी मैजोरिटी (majority) नहीं होगी।

अब आप कहते हैं कि एक एक्ज्यूकेटिव कमेटी (Executive Committee) होगी और कंट्रोल (Control) उसके हाथ में होगा तो मैं इसकी तरफ जनाब स्पीकर साहब आपकी तबज्जो दिलाना चाहता हूँ कि इसमें गवर्नमेंट नौमीनेटेड (Nominated) आदमी नहीं होंगे। क्योंकि इसके लिए यह है कि मैनेजिंग डाइरेक्टर (Managing Director) गवर्नमेंट की तरफ से होगा लेकिन दो नौमीनेटेड (Nominated) में से होंगे और दो इलैक्टेड (elected) में से सेंट्रल बोर्ड (Central Board) की ओर से आयेंगे। इसमें जो अंग्रेजी का मतलब है वह तो इसके फार्म लिखने वाले ही जानते होंगे। सेंट्रल बोर्ड आफ दी रिजर्व बैंक (Central Board of the Reserve Bank) से जो चुने हुए आदमी होंगे वह नौमीनेटेड (Nominated) हो जायेंगे। "Two Directors nominated by the Central Board of Reserve Bank" मैं इसको नहीं समझ सकता। मैं यह समझता हूँ कि वह इलैक्टेड (Elected) होंगे। आपने जो शब्द नौमीनेटेड (Nominated) रक्खा है उसको

जैसा मैं समझता हूँ उससे यह जाहिर नहीं है कि वह रिजर्व बैंक के नौमीनेटेड मेम्बर (Nominated Member) कहलायेंगे। एक्ज्यूकेटिव कमेटी (Executive Committee) में आपका सिर्फ मैनेजिंग डाइरेक्टर (Managing Director) होगा और चार मेम्बर ऐसे होंगे जोकि प्राइवेट इन्टरप्राइज (Private Enterprise) चलाने वालों में से होंगे और ये कैपिटलिस्ट (Capitalist) होंगे। मैं अदब से अर्ज करता हूँ कि जो यह कहा जाता है कि इसमें गवर्नमेंट का कंट्रोल (Control) होगा मैं यह नहीं समझ सकता कि यह कैसे होगा। और यह बहुत आसानी से कैपिटलिस्ट (Capitalist) के कंट्रोल (Control) में चला जायेगा। इस तरह से इसके लिखने वाले ने बहुत होशियारी से इसको लिखा है। इस कारपोरेशन में गवर्नमेंट का शेयर (Share) आधे से ज्यादा नहीं मानता हूँ क्योंकि वहाँ आपका शेयर (Share) सिर्फ २० प्रतिशत है, इससे ज्यादा नहीं होगा। न आपका शेयर (Share) ही ज्यादा है और न आपकी बोर्ड आफ डाइरेक्टर्स (Board of Directors) में मैजोरिटी (Majority) है। और न एक्ज्यूकेटिव कमेटी (Executive Committee) में आप मैनेजिंग डाइरेक्टर (Managing Director) के सिवा और कुछ नहीं हो सकते हैं। इस लिये इस शक्ल में इस इम्पोर्टेंट (Important) मैटर (Matter) को हाउस के सामने रखने का मतलब यह है कि जो प्राइवेट इन्टरप्राइजेज (Private Enterprises) वाले हैं वह अपना प्रोफिट (Profit) ले जायें। लेकिन हमें इस वक्त इस बात की जरूरत है कि तमाम इन्डस्ट्रीज (Industries) और डिफेंस (Defence) का ख्याल रखते हुए, खाने, कपड़े की प्लानिंग (planning) करनी चाहिये जिससे इन्डस्ट्रीज (Industries) चले। अगर यह कैपिटलिस्ट (Capitalist) के हाथ में चली जायगी। तो उसका सिर्फ प्राफिट (Profit) मोटिव (Motive) ही होगा, इन्डस्ट्रीज (Industries) को बनाने का नहीं होगा। इस समय जरूरत इस बात की है कि हमें डिफेंस (Defence) और खाने पीने और कपड़े की तरक्की का ख्याल करते हुए इन्डस्ट्रीज (Industries) को बढ़ाना चाहिये जिस तरह से इस बिल को हाउस के सामने रक्खा गया है मुझे इसमें खतरा मालूम होता है।

एक आरग्यूमेंट (Argument) दिया गया था कि हमको १३० करोड़ रुपया दें। मिस्टर पट्टाभी बुजुर्ग हैं, विद्वान हैं, मैं उनके आरग्यूमेंट (Argument) को काट नहीं सकता हूँ। उन्होंने कहा है कि हमें ९२ करोड़ रुपया कर्जा देना है। मेरे ख्याल में उसे रिन्यू (Renew) किया जा सकता है और अभी उसको देने की कोई जल्दी नहीं है। हमारे पास रुपया भी है और सेविंग बैंक (Saving Bank) का रुपया भी है और मैं यहीं तक कहने के लिये तैयार हूँ कि टाटा प्लान (Tata Plan) में इस बात को बिल्कुल अलग नहीं कर दिया गया था कि हम नासिक में रुपया बनाकर इस कार्य को नहीं चला सकते हैं।

[श्री मोहन लाल गौतम]

इसलिए नासिक और नासिक मिन्ट (Mint) को इतना बुरा समझ लेना चाहिये यह कोई जरूरी नहीं है।

आनरेबिल श्री एन० वी० गैडगिल : वहां स्ट्राइक (Strike) भी हो सकती है।

श्री मोहन लाल गौतम : वहां अगर स्ट्राइक (Strike) हो जाये तो मुझे मालूम नहीं है कि यहां का जो काम है वह कैसे चलेगा और इसको आनरेबिल मिनिस्टर को सोचना होगा। असलियत तो यह है कि वहां की स्ट्राइक (Strike) के बाद इस बैठक का होना भी मुश्किल हो जायेगा। इसलिए उसकी स्ट्राइक (Strike) को दूर करने की पूरी कोशिश करेंगे, ऐसी मुझे पूरी उम्मीद है और यह जिला नासिक उन्हीं के सूबे में है और वह अपना आफिसियल (official) और नानआफिसियल (non-official) असर डालेंगे कि वहां कोई स्ट्राइक (Strike) न हो।

मुझे अस्ल में मुस्लीम लीग के एक आनरेबिल मेम्बर ने जो आरग्यूमेंट (argument) दिये थे कि “शेयर मार्केट (Share Market) बड़ा नीचे गिरता जा रहा है और बिजनेस (Business) खराब होता जा रहा है” तो मुझे इस पर कोई ताज्जुब नहीं हुआ। क्योंकि उनकी तो यह पालिसी (Policy) है और क्रीड (Creed) है और वह यह समझते हैं कि जो वैस्टेड इन्टरेस्ट (Vested Interests) है उसको मेन्टेन (maintain) करेंगे इसलिए वह तो हैकनीड आरग्यूमेंट्स (hackneyed arguments) है। इसलिए मुझे उसके बारे में कहना नहीं है मुझे तो अपने कांग्रेस मेम्बरों के कहने पर बड़ा ताज्जुब होता है कि अभी हम नेशनलाइजेशन (Nationalisation) की तरफ नहीं जा सकते और यह कहते हैं कि यह सिर्फ़ एक पायसविश (Pious wish) हैं इसको हम अमल में नहीं ला सकते। मैं कहता हूं कि आपका जो यह तरीका है और आप मुल्क को जहां ले जा रहे हैं वह बहुत खतरनाक हैं और इसमें किसी का भी इन्टरेस्ट (interest) नहीं है। और कम से कम उन लोगों का जिन्होंने आजादी की लड़ाई लड़ी थी उनका तो इससे कोई वास्ता ही नहीं। इस तरह का इकनॉमिक सिस्टम (Economic System) जो देना चाहते हैं तो उनको तो यह सोचना होगा कि जो कोशिश उन्होंने की थी वह वाकई इस काम के लिए की थी या बेकार की थी।

इन लफ्जों के साथ मैं यह दरखास्त करता हूं आपने फाइनेंस मिनिस्टर साहब से जो इस वक़्त हाउस में बहुत से लोगो ने कहा है उसको गौर करते हुए और जो गवर्नमेंट की पालिसी (Policy) डिक्लेयर (Declare) की गई है उस पर गौर करते हुए वह इस बिल को वापस ले लें। दो, तीन, चार दिन के लिए वापस ले लें और इस तरह की जो तजवीजें आ रही हैं उसकी लाइट में इसको एमेन्ड (amend)

करके फिर पेश करें। हमारी दिक्कत यह है कि जब एक मर्तबा किसी मिनिस्टर की तरफ से कोई बिल आ जाता है तो हम उस के फ़ंडामेंटल्स (Fundamentals) में उसके खिलाफ बहुत नहीं जा सकते हैं। हां, अगर ऐसा न किया जाये तो आनरेबिल मिनिस्टर साहब यह कर सकते हैं कि जो एमेन्डमेंट्स (Amendments) इस तरह के पेश किये गये हैं कि इसको एक स्टेट (State) कॉरपोरेशन (Corporation) बना दिया जाये उसको मंजूर करके इसको एक रियली (really) स्टेट कांसरन (State Concern) बनाने की मेहरबानी करें। यह मेरा कहना है।

(English translation of the above speech.)

Shri Mohan Lal Gautam (U. P.: General): Mr. Speaker, Sir, I would not have stood up to speak on this Bill had there been no latent implications which make me feel rather reluctant to support it. I cannot congratulate the Honourable the Finance Minister for having introduced this Bill, because the announcement regarding the nationalisation of the Reserve Bank of India and the Imperial Bank of India marked a fundamental principle which both the Government and the political parties had accepted and according to which it was agreed that the Banking Industry would be nationalised. If it is true that the Reserve Bank and the Imperial Bank are going to be nationalised, I do not want to enter into this discussion at this stage nor do I want to dilate on the difficulties it will entail and how much money we will have to pay. I do not desire to debate this point nor do I want to go into details of this issue. But I realise that now when we have got rid of the yoke of the British and when we are out to organise a union on altogether new lines, it is high time that we state clearly the principles we are going to adopt and the lines we are going to follow in future.

A friend has referred to the Election Manifesto; he has drawn our attention to one difficulty in this connection, viz., that it is not possible for us to proceed along these lines. May be, when we formulated this Election Manifesto, we did not know that we shall have to shoulder this responsibility. But I want to place before you later things, things of today, things that happened after the 15th August, at a time when the present administrators had assumed charges of their offices and when the British rule in India had come to an end. A meeting of the Congress Committee was held at that time and the All India Congress Committee passed a Resolution on the 17th November. I want to draw your attention to this Resolution which was put forth by the Sub-committee appointed by the All India Congress Committee and which Resolution is now before this country. It is not a report prepared by agitators or revolutionaries. The Prime Minister of our Government had a hand in its making and this report was prepared under his leadership. Therefore those Members who are not sharing the responsibilities of the Government and who are not as much acquainted with the difficulties of the Government as our Prime Minister is, and as he should be . . .

If it has been stated in the report submitted by the Committee with the Prime Minister as its head, that on this basis the union of this country and of this nation will be organised. I do not think it is proper for any private individual or any member of this House who is not properly acquainted with the hardships of the Government to say that present circumstances demand that we should proceed slowly.

I would submit, Sir, that responsible men of this Government and of this country, when they attended the meeting of the All India Congress Committee, gave to the nation a principle according to which they desire to organise the union of this country and along the lines of which they want to proceed. The

[Shri Mohan Lal Gautam]

House will excuse me if I take a bit of their time in reading out to them an extract or two from this Resolution. The Resolution which was passed by the All India Congress Committee runs as follows:

"Political independence having been achieved the Congress must address itself to the next great task, namely, the establishment of real democracy in the country, a society based on social justice and equality. Such a society must provide every man and woman with equality of opportunity and freedom to work for the unfettered development of his or her personality."

I solicit your attention, Mr. Speaker, to these lines:

"This can only be realised when democracy extends from political to the social and economic spheres."

Putting aside everything else of this Resolution, I want to quote one sentence from this Resolution:

"Such a social structure can provide an alternative to the acquisitive economy of Private capitalism."

Instead of 'private capitalism' we want to have in this country another form of economic system. The Committee included men like Pandit Jawaharlal Nehru, Maulana Azad and a good many members of this House and not a few responsible Congressmen. The report was drafted by this Committee after the month of November. It was a time quite different from that when the Election Manifesto was issued and when people could talk in an irresponsible manner. Our leaders fully realised their obligations to the public when they submitted this report. On the basis of this report I want to bring home to you, and it is clear, that we want to change the system of capitalism. It is unanimously held that we want to change this system of Private enterprise.

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

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

Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

Shri Mohan Lal Gautam: Sir, I was saying that the strongest of all the arguments that have been put forth against nationalisation was that expediency demands that the industry should not be nationalised at this time. I stated that the men who are at the helm of affairs at present and on whom rests the responsibility of steering the ship of the Government know best what expediency demands. There are some men today who are simply members of this Assembly and are utterly unacquainted with the inside of the Government. These men do not know what difficulties confront the Government and what they desire to achieve. It was for this reason that I had stated that I want to draw your attention to the decisions which were reached by our present Prime Minister, Pandit Jawaharlal Nehru, Maulana Azad and some members of this House. These decisions were taken not when the Election Manifesto was issued and when we were unfettered by responsibilities like the present, but they were taken after the 15th of August when we were alive to our responsibilities and also to our difficulties.

I stated that in their Resolution of the 17th November, the All India Congress Committee had clearly mentioned this thing. I will read out to you one or two quotations from this Resolution. It says explicitly that now, when 'political independence' has been achieved, the great task which remains to be done is to establish in this country 'social' and 'economic democracy'. Along with this it has also been stated that we want to replace our present system of 'private capitalism' by another form of 'economic system'. This Resolution was passed by the All India Congress Committee and its principle was accepted. A sub-committee was constituted. Pandit Jawaharlal Nehru,

Maulana Azad and some members of this House served on this 'sub-committee', and a report was submitted by it. Sir, I beseech your attention to some particular points in this Report and to say that in the face of these principles and this Report it is difficult for me as a Congressman to support this Bill because I fail to understand why we cannot put into practice those principles which we told the public we would adopt. I like to give you a few extracts from the Report of the Economic Programme Committee of the All India Congress Committee:

"Industries should be promoted on non-profit lines."

"No state aid should be given to an individual except through his co-operative society."

Following is the report of this Committee on Industries.

"New undertaking in defence, key and public utility industries should be started under public ownership. New undertakings which are in the nature of monopolies or in view of their scale of operations serve the country as a whole or cover more than one province should be run on the basis of public ownership."

An Honourable Member: Read out the remaining sentence as well.

Shri Mohan Lal Gautam:

"This is subject to the limit of the State's resources and capacity at the time and the need of the nation to enlarge production and speed up development."

The reply to my Honourable friend is given in the same report itself. I would draw the attention of Honourable Members who are interested to the following paragraph in the report:

"All resources available for investment should be subject to the control and direction of the State. The State should set up Finance Corporations for financing industries. Banking and Insurance should be nationalised."

Dr. B. Pattabhi Sitaramayya: May I know from what the Honourable Member is quoting?

Shri Mohan Lal Gautam: It is from the report of the Economic Programme Committee of the A.I.C.C. under the leadership of Pandit Jawaharlal Nehru.

Dr. B. Pattabhi Sitaramayya: May I know if it has been considered by anybody else?

Shri Mohan Lal Gautam: It is only a report and it has been considered at least by Pandit Jawaharlal Nehru.

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): He may have been in a minority, I am not quite sure.

Shri Mohan Lal Gautam: I can assure my Honourable friend that he has signed it without a minute of dissent.

Shri K. Santhanam: Was Pandit Jawaharlal Nehru then in the position of the Prime Minister?

Shri Mohan Lal Gautam: Shri Santhanam may know that Pandit Jawaharlal Nehru was not on this committee in the capacity of Prime Minister. He might be knowing that the decisions taken by the A.I.C.C. are binding on this Government and that the latter are expected to carry these out, and if it is not done the present ministers will have to resign their posts. May I say that in connection with the decontrol of commodities, I have had occasion of taking to a few officers of the Government. None of them opined that controls should be abolished; none of them favoured the idea. But according to the decision taken by the A.I.C.C. the present ministry had to go against the best judgment of their Government.

The Honourable Shri N. V. Gadgil: It is not yet the report of the All India Congress Committee.

Shri Mohan Lal Gautam: It is only a report of a sub-committee to the A.I.C.C.

Dr. B. Pattabhi Sitaramayya: May I point out that this is not a Congress Government.

Mr. Speaker: We need not enter into that question now. May I know whether the report has been adopted by the A.I.C.C.

An Honourable Member: The A.I.C.C. has not even considered it.

Sri Mohan Lal Gautam: Pandit Jawaharlal Nehru has signed it.

An Honourable Member: He has signed so many other things.

Mr. Speaker: That is not the point under discussion now. The Honourable Member may proceed.

Sri Mohan Lal Gautam: I never said that the A.I.C.C. has accepted it. What I am saying is about those persons who support it on the basis of 'expediency', who do not advocate complete nationalisation. I like to submit that this Report has come to the public from Pandit Jawaharlal Nehru who shoulders the greatest responsibility of the Government. This Report is before us now. The opposition to the Report is also not unknown to us. Therefore I am answering those persons who think that they realise better than Pandit Jawaharlal Nehru what obstacles and difficulties beset the Government. This is the report that has been submitted by the 'sub-committee' and which is going to be presented to the A.I.C.C. I had to enter into this discussion because the present is the most critical time after the dawn of Independence.

We have been giving promises to the public from time to time; keeping these promises before us, we have been telling the world that we want Independence for this purpose; we made promises in the Election Manifesto and came into the Assemblies. The question which confronts us at this time is whether we meant to establish this kind of 'economic system' when we made our promises or whether these are just excuses by which we only want to strengthen the present capitalist system. This question is before us. Only after deciding this issue can we go into its merits or demerits.

This is what I place before you. We should decide whether we ought to go into the pros and cons of this Corporation. I am saying that I am a Congressman. I respect the orders from the Congress and I shall support or oppose the various issues arising in this House according to these very behests. But I experience one difficulty. Up to this time we have been giving the people certain promises; but all things that are being brought before us are quite contrary to that. This Bill is before the House. Instead of weakening this 'capitalist system' and replacing it by an 'economic system' on the lines of socialism, we are only strengthening the 'capitalist system'. A variety of arguments have been given—I do not want to go into them—and many friends have also spoken in favour of this Bill.

I want to place before you one thing which I have not been able to understand. It is this. The Honourable the Minister for Finance, and many friends, have said that the management of this corporation will be in the hands of a Board of Directors which will consist of six representing the Government and six private capitalists or the share-holders. When I read this clause about the Board of Directors, I find that the Government will have only three Directors and two will be from the Reserve Bank. The question arises whether the Directors representing the Reserve Bank can be representatives of the Government. With respect, Sir, I will say 'no', because the Directors of the Board of Directors of the Reserve Bank of India are there by virtue of a majority; they will be representing the share-holders. The Constitution of this corporation is as follows:

There shall be a Governor and two Deputy Governors who will be nominated by the Government on the recommendation of the Board of Directors. In other words three men will be nominated on the recommendations of the

Board of Directors; who will be these three nominees? If we examine the constitution of the Board after taking out these three nominees, the remaining three Directors will also be representatives of the private subscribers or the capitalists; four shall be nominated by the Government. The Board shall have eight directors but now only seven remain because Rangoon has gone out of it. These seven and four from the Government of India make a total of eleven. The three nominees of the Reserve Bank of India will be acceptable to the Government and these three shall also be representatives of the share holders.

It is not binding upon the Government employees in this country not to take up appointments in Industrial concerns after they retire from service under the Government. This is important. The practice in other countries is different. The difficulty is that the four Government nominees on the Board of Directors of the R. B. I. are liable to be subjected to temptations, because by pleasing others they can secure sinecure posts in big industrial concerns. These four men, therefore, will not be immune from the influence of their colleagues. I am not prepared to accept that these four men will be representatives of the Government. What is said is that it will be a nationalisation. So at least the declaration says. But when we have nationalisation, I cannot say expediency may rise again. I do not know what other things may arise again like the Kashmir war. It would be a 'Pious wish' if the Government declared today that they have decided to nationalise the industries. You should look upon this picture as it exists today and not as it can be in the future. It would be a mistake if we did that. The picture as I see it today is that the share-holders will have a majority and the Government representatives will be in a substantial minority. Besides, there shall be two representatives from the Co-operative Society. I do not know whether these two men will be Government persons or representatives of the private enterprise. The Government therefore will be in a minority and not in majority on the Board of Directors.

It is said that there shall be an executive committee which shall control this institution. I like to point out to you, Sir, that no nominees of the Government will be there on this committee. The Managing Director shall be appointed by the Government but there will be two nominated members and two shall be elected to this Committee by the Central Board. The persons elected by the Central Board of Reserve Bank of India will become nominated members.

It says: "Two Directors nominated by the Central Board of Reserve Bank".

I cannot understand this. I take it that these men will be elected. The word 'nominated' as it stands, and as I read it, does not clearly indicate that these members will be called the nominees of the Reserve Bank. The Managing Director will be the only Government nominee on the Executive Committee and other four members will be representative of the private enterprise and they will be capitalists. I submit, respectfully that I cannot follow, how will the Government be able to control it. Easily the capitalists will be controlling it. The makers and writers of this constitution have very cleverly worded it. I do not think the Government will have more than fifty per cent. shares in this corporation. As a matter of fact it is only 20 per cent. and will not be more in any case. Neither the Government have a bigger share nor have they any majority in the Board of Directors and nor will they have on the executive committee any representative, other than the only one Managing Director. My object of placing this important point before the House, therefore, is that the lion's share in the profit of the concern shall accrue to the private enterprise. But what we need at this time is that, keeping in view all the industries and the defence of our country, we should plan our food and clothing problems in such a way as can enable the industries to run on unaffected. If the industry

[Shri Mohan Lal Gautam]. goes into the hands of the capitalists its only motive will be profit making and not the establishment of industry. The present times demand that industries should be organised with a view to meet in an improved way the country's demands, for defence, food and clothing. I have doubts about this Bill as it has been presented to the House.

An agreement was put forth for earmarking a sum of Rs. 130 crores. Shri Pattabhi is a venerable man. He is wise and erudite. I cannot refute his argument. He has stated that our national debt stands at 92 crores of rupees. I think this can be renewed and we need not hasten to pay it off just now. We can afford to wait. We have got money in our exchequer and have also money in the savings fund. I am prepared to say that in the Tata Plan it was not altogether rejected that we cannot do this work by issuing currency minted at Nasik. It is not necessary for us to think that the Nasik Mint is bad.

Honourable Shri N. V. Gadgil: There can also be a strike there.

Shri Mohan Lal Gautam: If there is a strike in the mint there, I do not know how will we be able to carry on our work here. The Honourable Minister will have to think over that. The fact is that if there is a strike it might become difficult for us to meet here. I have, therefore, full hopes that efforts will be made to avoid any chances of a strike there; moreover my Honourable friend belongs to the Province of which this district forms a part and I hope he will use his influence both official and non-official, for preventing a strike there.

In fact, I am not the least surprised at the argument given by a Muslim League friend, viz., that the share market is slumping down and business is being adversely affected. It is because this is their policy and creed and they have firm faith in it and they will maintain all the vested interests. These are, therefore, hackneyed arguments. I have therefore nothing to say about them. I am amazed at my fellow congressmen, when they say that this is not the time for nationalisation and think that this is merely an impracticable 'pious wish'. I affirm that the present policy of the Government is fraught with dangers and so is the path along which we are leading our nation. This does not serve any body's interest; at least it does not help those soldiers who fought the battle of Independence. If you want to give them this kind of economic system they will have to pause and think over again whether they contributed their efforts for getting only such things or whether those efforts have been in vain.

With these words I request the Honourable Finance Minister to consider the views expressed by a big number of the members of this House and keeping in view the declared policy of the Government to withdraw the Bill for a few days for amending it in the light of recommendations made here and for presenting it again to the House. Our difficulty is that once a Bill is presented by a Minister it is not advisable for us to go much against the fundamentals of that Bill.

If, however, the Honourable Minister finds it difficult to do this, he may accept the amendments suggested here for making this corporation a real state concern.

Shri C. Subrahmanyam (Madras: General): Mr. Speaker, Sir, the points at issue before the House have been pointedly put before us by my Honourable friend Mr. Santhanam in his able speech. The first point we have to bear in mind is that this Corporation is not an industrial concern by itself. It is only a banking concern for the purpose of helping other industrial concerns. The second point we have to bear in mind is that this Corporation is not intended to finance industries started by the state. It is primarily, and only, intended for the purpose of helping private enterprise. If that is so, the question arises

whether private enterprise has got any place in our national economy. If we decide once for all that there shall be no private enterprise, then certainly we have got to oppose this Bill. So this House as a body, responsible for the governance of this country has got to decide now whether there is going to be nationalisation in its entirety or we are going to give some scope for private enterprise. Before we decide that we should also decide the immediate objective before us. I have no doubt that if we want to build up a strong India, an India which would withstand the evil forces which are ranging against her both inside and outside the borders, industrialisation to the maximum extent possible and at the maximum speed is essential. That is the urgency of the situation; that is the necessity of the situation in which we are placed. If that be so, our policy should be modelled in such a way that the development of industry will not be hampered in any way. We have got to answer the question whether the State as it is constituted now, is in a position to take up the

entire industrial development of the country. Sir, the answer can only be that the State is not in a condition in which it will be able to undertake the entire industrialisation of the country. So in order to find out a formula for the purpose of the development of the industries in this country, a conference was called, and the second resolution adopted in this conference ran as follows:

"(1) The need for an equitable distribution of the country's wealth and production leading to rapid improvement of the standard of living and comfort of the masses of the Indian people, based on social justice.

(2) The need for the fullest utilisation of the country's resources without allowing wealth to accumulate in the hands of a section of the people.

(3) The need for central planning, co-ordination and direction so as to obtain maximum efficiency and output, a fair and reasonable distribution of the industries throughout the country in relation to the potentialities of each area, and also to determine a fair basis of wages and profit.

(4) The division of industries in three broad categories:

(a) Industries which should be under State ownership and management.

(b) Industries which may be jointly owned and managed by the State and private enterprise.

(c) Industries owned and managed by private enterprise."

So the resolution contemplated three categories: (1) Industries which would be under State ownership and management; (2) Industries in which the State will participate; and (3) Industries which will be completely left for private enterprise. This resolution was adopted to which the Government was a party and I think Government have accepted it.

Now, Sir, the Economic Committee's report has been cited by a previous speaker as saying that it is for complete nationalisation and that as Congressmen we cannot accept the principles of this Bill. It is not so. I am prepared to stand by that committee's report. If we go through it, it no doubt says that as far as new undertakings in defence, key and public utility concerns are concerned, and also industries which serve more than one province, they should be public owned. This is subject to the limit of the State's resources and capacity at the time and the need of the nation to enlarge production and speed up development. It is that need of the present situation and the resources and capacity, that we have got to take into consideration in coming to a conclusion whether we are going to give any place to private enterprise or not.

Shri K. Santhanam: 'Publicly owned' does not necessarily mean completely state-owned.

Shri C. Subrahmanyam: I am much indebted to my Honourable friend, Mr. Santhanam who says 'public owned' does not necessarily mean completely state-owned. Further, Sir, it is not as if private enterprise is completely shut out. Even in this long term plan a place is given to private enterprise. Otherwise I do not see the necessity for the following paragraph:

"In private industry the existing system of managing agency should be abolished as early as possible. Private industry will be subject to regulations and control in the interest of national policy in industrial development."

This economic programme which has been chalked out by the sub-committee contemplates private industry to a certain extent. Therefore it is not as if this Sub-Committee's report says there will be complete nationalisation and there is absolutely no place for private industry. Sir, private enterprise has got to be there at least for a limited period if we want to industrialise our country to the maximum extent possible and with the maximum speed. It is only for that purpose this Corporation comes into existence. Certain industries have got to be started whether they are profitable or not. They are essential for the economy of our country. They are basic industries or key industries. If the State is not able to start those industries, certainly private enterprise should be induced to start those industries. But they may be industries in which immediate profit may not be available. Therefore private enterprise may hesitate to take up those industries immediately. It is only to induce private industrialists to take up those industries which are essential but may not yield immediate returns that this Corporation comes into existence, and in the preamble to the resolution it is clearly stated 'it is particularly in cases where capital issue methods are not practicable this Corporation will come to the aid of the industry'. So it is only for the purpose of aiding those industries which are essential for our country but which may not be started by private industrialists because they may not yield immediate results, that this Corporation is coming into existence. I do not see any objection therefore, as a Congressman or otherwise, to the principles embodied in this Bill.

There is one other point which I would like to mention before resuming my seat. Some objection was taken to the taxation proposals in respect of state-owned corporations. As far as this corporation is concerned, there are certain private individuals also owning shares. They would be earning profits and there is nothing improper in taxing those incomes. But as far as the taxing of public-owned industries is concerned, as a layman I find it is merely a book adjustment. Here is a railway concern which is owned by the Government. Here is the Finance Department. The Railway Department earns say 12 crores of rupees as profit. You say 'Out of this 12 crores, transfer 2 crores as tax to the Finance Department. That is all. If the Railway loses, the Finance Minister will have to make some provision to make up that loss. So I do not see anything objectionable in taxing the state-owned concern. Perhaps I might say in respect of the State-owned concerns that they should be run on business lines. If we tax, it is only to test the efficiency of the concern. That is all, nothing more than that.' There are private-owned concerns which are being taxed; still they are able to show profits. It is only for the purpose of finding out whether the state-owned concerns are working efficiently or not we take out from their profits a certain amount as tax and if even then they are able to show the same returns as a private industry, then we may be quite sure these state-owned concerns also are run as efficiently as any private enterprise. I am unable to understand the other implications of it because I am not a financial expert. I hope it is only in that light that the Honourable the Finance Minister suggested that state-owned concerns also should be taxed and it was not intended as a counter-blast to the proposal for nationalisation as it was understood by some of my Honourable friends. With these words, I resume my seat.

श्री रामनारायण सिंह : सभापति जी, इस सभा में हम लोगों की हालत कभी २ वैसी ही होजाती है जैसा श्री तुलसी दास जी ने रामायण में कहा है कि (भई गति सांप छछुंदर करी) कहावत है कि यदि सांप छछुंदर को चूहा समझकर भूल से पकड़ ले जावे तो यदि उसे छोड़ देता है तब सांप अंधा हो जावे और यदि उसे निगल जाए तो सांप की मृत्यु होजाय। तो जब ऐसी परिस्थिति आ जाती है तो सांप सोचता रहता है कि उसको निगलकर मरजाऊं या उसको छोड़कर अन्धा होजाऊं। ठीक वही हालत हम लोग बहुत से कांग्रेस वाले जो यहां के सदस्य हैं, उनकी होजाती है। एक तरफ देखता हूं कि हमारी सरकार है और हमारी सरकार की तरफ से हमारे पुराने मित्र श्री षण्मुखम चेट्टी यह मसविदा लाये हैं। यह बात भी ध्यान में आती है कि यह मसविदा जब तैयार हुआ था अंग्रेजी राज्य था और अंग्रेजी राज्य की कैसी नीति थी वह हम सब जानते हैं। कानून तो पास होते थे हिन्दुस्तान में, यहां की एसेम्बली में, लेकिन उसका इशारा होता था व्हाइटहाल (White Hall) से, और विलायत से। और यह जानी हुई बात है कि यहां विदेशी सरकार थी, और उसकी जैसी नीति यहां पर थी, वह बिल्कुल निर्भर करती थी, सोसल नीति पर उसके साथ यह बात भी ठीक है कि इस कानून का मसविदा अगर अंग्रेजी सरकार की तरफ से पेश होता तो हम लोग बहुत गरज गरज कर इसका विरोध करते। हजारों दोष निकालते और कोशिश करते कि यह बिल न पास हो। लेकिन अब तो हमारी सरकार है। हमारे मित्र एक मसविदा हमारे सामने पेश करते हैं। बड़ी दिक्कत का सामना होता है। न तो इसे रद्द करते बनता है, न इसे मंजूर करते बनता है।

यहाँ देख रहा हूं कि बहस हो रही है, इतना समय लग रहा है। कोई नियम बनता है, जिसकी सख्त जरूरत होती है। बिल के पेश करनेवाले को बतलाना पड़ता है कि इस बिल के पेश होने से या पास होने से हमारे देश में अमुक २ लाभ होंगे और उसके साथ २ यह भी दिखलाना होता है कि यदि न पेश हुआ और पास न हुआ तो न जाने हिन्दुस्तान पर क्या २ आपत्तियां आयेंगी। मैं नहीं समझता हूं कि हमारे भाई श्री षण्मुखम चेट्टी ने ऐसा कहा है कि अगर यह बिल पास न हो तो हमारे देश में कौन कौन सी विपत्तियां आने वाली हैं और अगर यह बिल पेश होकर पास होजाता है तो न जाने कौन कौन से लाभ होंगे। वह भी इन्होंने नहीं बतलाया है हम लोगों के इलेक्शन मनीफेस्टो (election manifesto) में लिखा गया था कि हम लोग प्राइवेट एन्टरप्राइज (Private enterprise) को एनकरेज (encourage) नहीं करेंगे और हमलोग इसके राष्ट्रीय करण की नीति पर और राष्ट्रीय करण के आधार पर ले चलेंगे। हमारे अर्थ मन्त्री को इस पर गौर करना चाहिये कि अब क्या किया जाये। इतने बड़े बड़े कानून पेश हों, इतने बड़े बड़े

[श्री रामनारायण सिंह]

कारपोरेशन (Corporation) बनाये जाएँ, प्राइवेट एन्टरप्राइज (Private enterprise) व्यक्तिगत व्यवसाय की मदद की जाये, यह चीज तो इस बदले हुए युग में कुछ अच्छी नहीं जूचती और यह गौर तलब बात है। जिस वक्त नेशनलाइजेशन (nationalisation) की बात आती है, तो मेरा दिल बहुत खटकता रहता है और लोग कहते हैं कि अमुक व्यवसाय या अमुक वानिज्य या जमीन को नेशनलाइज (nationalise) किया जाये। मेरी समझ में यह चीज नहीं आती नेशनलाइज (nationalise) कब किया जाये जब देश में नेशनल माइन्ड (national mind) हो जाय नेशनल करैक्टर (national character) हो जाये जिसके मुताबिक हर एक व्यक्ति ऐसा समझने लग जाय कि मैं जीता हूँ देश के लिये न कि अपने लिये। अभी जैसी परिस्थिति है सारे देश में देखा जाय व्यक्तिगत लाभ या स्वार्थ की बात इतनी भरी पड़ी है कि ऐसी हालत में नेशनलाइजेशन (nationalisation) की बात समझ में नहीं आती है। लेकिन इसके माने यह नहीं है कि मैं नेशनलाइजेशन (nationalisation) के खिलाफ हूँ। मैं कोई पंजीपति तो हूँ नहीं जो नेशनलाइजेशन (nationalisation) हो जाने से मेरी कोई हानी होगी। नेशनलाइजेशन (nationalisation) हो तो उससे मेरा कुछ न कुछ लाभ ही होगा। लेकिन जैसा कि देखा गया है अभी ठीक वक्त नहीं है। हमारी सरकार तो नेशनल (national) संस्था है, राष्ट्रीय संस्था है केन्द्रीय सरकार के और प्रान्तीय सरकारों के जितने कार्य हो रहे हैं, वह सारे के सारे राष्ट्रीय ढंग पर हो रहे हैं और राष्ट्रीय हित के लिये सब काम ठीक २ हो रहे हैं, ऐसी बात तो नहीं हो रही है। और कहीं कहीं तो शक हो जाता है और कहना पड़ता है कि अभी लोगों का नेशनल करैक्टर (national character) ठीक नहीं बना है। तो इससे पहले कि व्यवसाय या संपत्ति या जमीन को नेशनलाइज (nationalise) करने की बात उठे मैं यह चाहता हूँ कि उसके संचालक जो बात करें वह राष्ट्र के नाम पर करें न कि अपने स्वार्थ के कारण। जब तक हमारे बीच में स्वार्थ की भावना है, तब तक नेशनलाइजेशन (nationalisation) की बात, राष्ट्रीयकरण की बात काहे को चलती है। यह देखकर तकलीफ होती है। तो जैसा मालूम हो रहा है और जैसी आवाज उठ रही है कि इस गवर्नमेण्ट से कोई विशेष नफा होने नहीं जा रहा है और हम लोग जो जो सिद्धान्त पहले घोषित करते आये हैं, उन सिद्धान्तों के प्रतिकूल जायें, इस वास्ते और लोगों के साथ साथ मैं भी अपने मित्र, अर्थ मन्त्री से कहूंगा कि इस बिल को वापिस लीजिये, उन्होंने यह भी कहा है कि हां यह तो ठीक है कि अंगरेजी राज्य के वक्त इसकी उत्पत्ति हुई थी, इसका जन्म हुआ था, लेकिन सिलेक्ट कमेटी में इसमें बहुत तब्दीलियां कर दी गई हैं। मैं मानता हूँ कि वह सब कुछ कर दिया गया है लेकिन फिर है तो वही न। इस वास्ते मैं समझता हूँ कि इसपर जोर न देकर किसी पर दबाव न डाल कर अच्छा है कि इस बिल को वापिस ले लें। और आयन्दा देखा जायगा जैसा

अवसर आयेगा, वैसा किया जायगा। तो मैं इस पर अधिक कहने को तैयार नहीं हूँ। इस मस्विदे को वापिस लिया जाय यह बहस, जो हो रही है, वह बेकार हो रही है।

(English translation of the above speech.)

Shri Ramnarayan Singh (Bihar: General): Mr. Speaker, we have to face similar circumstances here as a snake would face should it catch a mole mistaking it for a rat as described by Shri Tulsidas in Ramayan. In that case if the snake lets the mole go it loses its eye sight and if it swallows the mole it dies a certain death. In that position the snake has to decide whether it should prefer death or blindness. Similarly we the Congress Members find ourselves in the same position here. On the one hand we have a regard for our Government and we find that this draft has been presented by our old friend the Honourable Shri Shanmukham Chetty; while on the other, we know that this draft was prepared when India was under the rule of the British whose policy is so very well known to us. Bills which were passed by the Assembly at that time were all passed under the influence of White-hall from England. That was a foreign Government, and their policy which was applied to India was based on social basis. I can say had this draft been presented by the British Government we would have obviously raised a loud voice against it; we would have found a thousand defects in the draft; and we would have tried our level best that it should not be passed. But today it is a different case: it is our Government and it is one of our friends who has presented the draft. It has therefore become very difficult for us to say anything: we can neither reject it nor pass it.

We are discussing the Bill and a considerable time is being spent on it. When some important Bill is introduced the Honourable Member while presenting the Bill has to explain the advantages and disadvantages of that Bill. I do not know if our friend the Honourable Shri Shanmukham Chetty has explained the difficulties which would result if this Bill is not passed or the advantages that would accrue if the Bill is passed.

It was set out in our election manifesto that we would not encourage private enterprises but would follow the principles of nationalisation. The Honourable Finance Minister should think over it and say what has to be done in this matter? It will not do in the present changed times if lengthy legislation or unwieldy corporations are brought in to support individual enterprise. It is a matter for consideration. I am much troubled when I hear that such and such industry or trade or land would be nationalised. I really fail to understand why it should be done. Nationalisation should take place in the country only when the minds of the people have been nationalised, when they have a national character, through which every individual in the country should think that he would live not for his own sake but for the sake of his country. If you look around in the country you will find that the present atmosphere is so full of selfishness and a desire for individual gain that even a word on nationalisation is not welcomed. But it does not mean that I am here to oppose nationalisation. I am not a capitalist who would be affected by it. On the contrary if nationalisation comes in I am definitely going to gain something by it. But as has been explained it is not proper time for it. Our Government is a national body. The Central Government and the Provincial Governments are supposed to be working on national basis but one could not say that everything is being done for national welfare. Doubts have been arising and it has got to be said that the people have not built a national character so far. Therefore, before the question of nationalisation of trade, wealth or land arises, I would submit that the movers should place the national interest above their own; since so long as the idea of selfishness pervades it is futile to talk of nationalisation. Now when we see and hear that no special advantage will result from this Bill, I do not think we should go against our declared principles. I, therefore, along with my

[Shri Ramnarayan Singh].

friends request the Honourable Finance Minister that the Bill may be withdrawn. While admitting that the Bill was drafted under the aegis of the foreign Government the Honourable Finance Minister has stated that many changes have been made in it by the Select Committee. I quite agree with that, but I must say that it is after all the same piece of legislation. It will, therefore, be better if no compulsion is exercised and the Bill is withdrawn forthwith. If any necessity for such a measure arises in the future, it will then be time to consider it. The discussion which is at present going on is absolutely useless, and the Bill may therefore be withdrawn.

Shrimati G. Durgabai (Madras: General): Sir, the question may now be put:

Mr. Speaker: The question is:

"That the question be now put."

The motion was adopted.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I do not think it is necessary for me at this late hour to detain the House with any long speech. The main discussion on the motion has practically centred round the question whether the proposed Corporation should be a completely State-owned Corporation or whether the capital structure should be in the form in which the Select Committee has intended it to be.

Some Honourable Members have raised the wider question of the policy of nationalisation. I do not think, Sir, that this is the appropriate moment to call upon the House to give a verdict on that wider policy. The Honourable Member Mr. Karimuddin went to the extent of saying that a vote in favour of this policy as it is will be considered as a vote against the policy of nationalisation. I have no doubt that the House will not agree with this point of view of the Honourable Member. The Government of India have not yet formulated the policy of industrial and economic development of the country, especially with reference to the policy of nationalisation. I have no doubt that the Government, when they consider this question, will take into account the desire expressed both in this House and outside, the Resolutions of the Industries Conference and also the Report of the Economic Sub-Committee of the A.I.C.C. I do not know if it is the intention of that Sub-Committee's Report whether the State should straightaway launch on a policy of complete nationalisation of all the means of production and distribution. Honourable Members have placed different interpretations on that document. Reading that document myself, I interpret it to mean that the policy of nationalisation is recommended as the ultimate aim to be achieved and that the pace and the progress of nationalisation should be determined by the needs of the country, and more especially of the resources of the Government. If my interpretation of that document is correct, then whatever concrete shape a more definite enunciation of that policy might take, I feel that there would be scope for private enterprise in certain fields and so long as that scope exist for enterprise, the need for a Corporation of this kind is clear.

The more practical question which this House should take into consideration is whether in the present circumstances it is advisable to have a Corporation completely owned by the State. The most cogent and convincing answer to that question was given by my Honourable friend, Dr. Pattabhi. He himself at one stage of the discussion in the Select Committee strongly advocated the consideration of the question whether we should not have a completely State-owned Corporation and after the consideration of the various points of view, he and the majority of the Select Committee came to the definite conclusion that, for the present, the structure of the Corporation as they have evolved is the most suitable under the circumstances.

Prof. K. T. Shah (Bihar: General): On a point of order, Sir. I think

that what happened in the Select Committee is not to be mentioned here, because so far as my recollection goes the statement made by the Honourable the Finance Minister is not quite accurate.

Mr. Speaker: What the Honourable Member had understood about the point of order is correct, but I see a distinction in what the ordinary rule is and what the Honourable the Finance Minister is at present saying. His only point is that the principle of nationalisation as against encouragement of private enterprise was discussed in the Select Committee. He is not going to mention, nor has he mentioned, as to who said what.

Prof. K. T. Shah: May I point out, Sir, that he said just now that the Honourable Member Dr. Pattabhai Sitaramayya agreed in the Select Committee? I wish to submit that that is not quite accurate.

Mr. Speaker: He only said that this point was discussed in the Select Committee.

An Honourable Member: But he said that even Dr. Pattabhai mentioned it.

Mr. Speaker: All the same, the previous convention stands. The Honourable Minister may proceed.

The Honourable Shri R. K. Shanmukham Chetty: Sir, having sat in this House at many places. I am fully alive to the propriety of what ought to be mentioned and what ought not to be mentioned. It was not my intention.....

Mr. Speaker: I may add not only having sat but having sat in the Chair.

The Honourable Shri R. K. Shanmukham Chetty: Thank you, Sir.

After all, when you come to analyse the various Clauses of the Bill, the House will be convinced that the control exercised on this Corporation is indeed very rigid and there will not be the slightest scope for any group of private individuals to manipulate the operations of this Corporation to the individual advantage of any one person or a group of persons. 40 per cent. of the shares will be held by the Government and the Reserve Bank. The Co-operative Banks will hold 10 per cent of the shares, and as soon as we nationalise the Imperial Bank the shareholding of the Government will probably become 51 or 52 per cent. altogether, including the shareholding of the Reserve Bank. The balance in the Board is such that Government can exercise very effective control. Over and above this, we have made a provision that Government would be entitled to issue, from time to time, directives to the Board on the question of policy and that Government will be the sole judge as to what are questions of policy and what are not. With regard to the payment of dividends, it has been provided that until the Reserve Fund becomes equal to the share capital and until all subventions granted by the Government in virtue of their guarantee are repaid, the dividend declared shall not exceed the guaranteed rate of the Government dividend, which really means, Sir, assuming that the guaranteed rate is somewhere round about the market rate of Government securities, the dividend cannot exceed that rate for at least ten years to come, and even after that period, the maximum dividend permissible is 5 per cent. I put it to you, Sir, whether anyone has reasonable apprehensions that inspite of these rigid controls there is any chance of this Corporation being manipulated to the advantage of private individuals or Groups. I have no doubt in my mind on this point.

Taking all factors into consideration and more especially the present resources of the Government, I feel, Sir, that to set up a Corporation on the basis of the Bill that is now before the House, would be the wisest thing to do and I hope therefore that the House will accept this measure.

Mr. Speaker: The question is:

"That the Bill to establish the Industrial Finance Corporation of India, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Mr. Speaker: We may now take the Bill clause by clause.

Mr. Naziruddin Ahmad: Sir, I move:

"That in part (c) of clause 2 of the Bill, for the words 'the Legislature'; the words 'the Central Legislature' be substituted."

The word "Legislature" is not clear; in order to make the clause absolutely clear I suggest the inclusion of the word "the Central Legislature."

The Honourable Shri R. K. Shanmukham Chetty: The Honourable Member will be nullifying the object he has in mind by the inclusion of the words "the Central Legislature."

Mr. Speaker: Is the position clear to the Honourable Member? As the co-operative societies are governed by provincial legislation, if we are to make the change suggested by him, it will place the societies in an anomalous position.

Mr. Naziruddin Ahmad: There appears to have been some misunderstanding on my part. I do not, therefore, want to press this amendment.

Mr. Speaker: But what is the necessity of the article "the" before "Legislature." But I think it is better to leave this over for the third reading. The draftsmen may be consulted on the point in the meanwhile.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in part (c) of clause 2 of the Bill, for the words 'goods, mining', the words 'goods or in mining' be substituted."

This is only a verbal change in the text.

The Honourable Shri R. K. Shanmukham Chetty: I accept that amendment.

Mr. Speaker: The question is:

"That in part (c) of clause 2 of the Bill, for the words 'goods, mining', the words 'goods or in mining' be substituted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in part (c) of clause 2 of the Bill, for the words 'the generation', the words 'in the generation' be substituted."

This also is in the nature of a verbal change.

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment.

Mr. Speaker: The question is:

"That in part (c) of clause 2 of the Bill, for the words 'the generation', the words 'in the generation' be substituted."

The motion was adopted.

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

"That in part (c) of clause 2 of the Bill, after the word 'goods', the following be added: 'including material, instruments or vehicles necessary for equipping and working industries, services or utilities'."

Sir, I consider that it is necessary to add these words, not only to clear up the meaning of the expression "goods", but also to amplify more fully the utilities which are included. It is, in my opinion, not quite fair to select only one of the several public utilities commonly regarded as such and ignore the rest, or by implication suggest as though the benefits of this corporation would be confined only to one form of utilities, namely, the generation and distribution of electric power. As regards the meaning of the word "goods" some help may be obtained in this connection from such legislation as the Sale of Goods Act. From a reading of the sub-clause it would appear as though only one of the utilities, namely electricity, has been selected and others omitted. I feel that unless this is cleared up, it may go by default and therefore it is in my opinion necessary to add the words I have suggested. Sir, I move.

Mr. Speaker: Amendment moved:

"That in part (c) of clause 2 of the Bill, after the word 'goods', the following be added: 'including material, instruments or vehicles necessary for equipping and working industries, services or utilities'."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I don't exactly understand what the Honourable Member has in mind in moving this amendment. If it is his intention to include any industry engaged in the manufacture of any of the instruments or vehicles necessary for equipping or working industries, services or utilities, if this is what is in his mind, then it is covered by the general word "goods".

'Goods' include every article that is manufacture of whatever character it might be. But if it is his intention that this Corporation should be in a position to finance a shipping concern, then definitely I do not agree with his object. For example, a shipping concern in so far as it builds ships it certainly will have the benefit of this Corporation because it is covered by the word 'goods', but if merely a shipping company is running a service, this Corporation is not allowed to do that. If really the Honourable Member wants to include goods like ships and other development, I submit that it is already covered by the word 'goods'.

Prof. K. T. Shah: Sir, in the light of this explanation, I would like to withdraw this amendment.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was by leave of the Assembly withdrawn.

Mr. K. Santhanam: Sir, I beg to move:

"That in part (c) of clause 2 of the Bill, after the word 'electricity', the words 'or any other form of power' be added."

In tabling this amendment, I had specifically in mind the Gas Companies in Calcutta and in course of time we might have atomic power also and therefore it is not confined to electricity and we have included 'or any other form of power'.

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment.

Mr. Speaker: The question is:

"That in part (c) of clause 2 of the Bill, after the word 'electricity', the words 'or any other form of power' be added."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in part (g) of clause 2 of the Bill, for the word 'stock', the word 'stocks' be substituted."

The other words in this connection are in the plural while this is in the singular. This is perhaps a clerical error.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in part (g) of clause 2 of the Bill, for the word 'stock', the word 'stocks' be substituted."

The motion was adopted.

Shri K. Santhanam: Sir, I beg to move:

"That in part (g) of clause 2 of the Bill, the words 'of the amount' be omitted."

I think the words there do not read well and do not mean anything.

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment.

Mr. Speaker: The question is:

"That in part (g) of clause 2 of the Bill, the words 'of the amount' be omitted."

The motion was adopted.

Mr. Speaker: The question is:

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

The motion was adopted.

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

Mr. Nazruddin Ahmad: Sir, I beg to move:

"That in sub-clause (1) of clause 3 of the Bill, the words 'of India' be omitted."

Sir, this is also a verbal change. The name of the Corporation should be 'The Industrial Finance Corporation' I think if we give it this name, it will be quite enough. The words 'of India' appear in many previous enactments with regard to many names. The reason seems to be that in that time we were under the British Crown and they wanted to distinguish the various colonial laws from one another and that is why the name 'of India' was inserted. The word 'Indian' was necessary in the 'Indian Penal Code' in that context. But today we have no connection with any other country. If we say 'Industrial finance Corporation' that would be quite enough. In the long title in the name of the Bill also 'Industrial Finance Corporation' is mentioned. The words "of India" are no longer necessary.

Mr. Speaker: Amendment moved:

"That in sub-clause (1) of clause 3 of the Bill, the words 'of India' be omitted."

Shri M. Ananthasayanam Ayyangar: My Honourable friend must have seen that various Provinces are financing similar industries. They are also contemplating various Corporations. Thus we will have the Industrial Finance Corporation, Madras, the Industrial Finance Corporation, Bombay, in which case you must give this Corporation 'of India' and the other Province-wise.

Mr. Speaker: The question is:

"That in sub-clause (1) of clause 3 of the Bill, the words 'of India' be omitted."

The motion was negatived.

Mr. Speaker: The question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

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

"That for clause 4 of the Bill, the following be substituted:

4. (1) (a) The initial capital of the Corporation shall consist of such shares, or stock, not exceeding twenty crores of rupees to start with, as may be deemed necessary by the Central Government in consultation with the Reserve Bank of India.

(b) The Central Government may, after five years from the establishment of the Corporation, increase this capital from time to time as and when deemed necessary, in consultation with the Reserve Bank of India.

(c) Whenever the Central Government decides to increase the initial capital of the Corporation, the additional capital increased in pursuance of that decision, shall be distributed as between the Central, Provincial and State Governments in the same proportions in which each Government holds the shares or stock on the date of the additional issue:

Provided that if any portion of the additional capital issued is not taken up by any Provincial Government or by the Government of any Indian State that portion shall be taken up by the Central Government.

(2) In addition to the initial capital, and during the period of five years from the establishment of the Corporation, the initial capital of the Corporation may be increased by such Bonds or Debentures, not exceeding, in their aggregate, twice the amount of the initial capital on its own security. Such Bonds and Debentures may be declared by the Central Government to be negotiable instruments under the law relating to such Instruments in force for the time being in India.

(3) (a) The initial capital of the Corporation shall be provided by or through the Central and Provincial Government or by the Government of any Indian State in such amounts or proportions, as the Central Government, in consultation with the Reserve Bank of India, may consider appropriate:

Provided that the Central Government shall at any time have not less than 51 per cent. of the total initial capital of the Corporation:

Provided further that no State or Provincial Government shall be entitled to own more than 10 per cent. of the initial capital of the Corporation.

(6) The shares or stock, constituting the capital of the Corporation, shall not be transferable."

In submitting this amendment to the House I should like to make a few preliminary remarks to dispel some misapprehensions that seem to have been created by some speeches in connection with the general proposition to take the Bill into consideration. It is clear from the wording of this amendment that it joins issue definitely on principle about the ownership of the Corporation. And here by this amendment I seek to substitute for part ownership of the State, as provided for in the Bill a complete ownership by the State, whether represented by the Central Government, the provincial Governments, or such State Governments as join for this purpose. In fact it is an integral part of the amendment, as I have suggested, that the provincial and State Governments should be associated, so that not only should our unity be formal and political, but also real, economic and material in all that concerns the daily life of the people. Those artificial barriers, those distinctions which were created by accidents of history, by the existence of separate States, or by the necessity of administrative convenience by the creation of provinces which were hardly more than *ad-hoc* blocks, will, I hope, disappear very shortly. And nothing will mark the disappearance of those barriers, which have kept us separate from one another rather than united so far so much as the promotion of a truly uniform, harmonious, consolidated national economy.

It is for this purpose, Sir, that I am trying to make this key of all key industries, this provider of the life-blood of the economic system, particularly on the industrial side, a truly national concern. It is, if I may say so, a matter of very little difference between myself and those who do me the honour to support this view, and those on the other side who stand for the proposals as contained in the Bill. The difference is a mere matter of degree. I gathered from some speeches, for instance,—it is certainly evident from the example like that of the Reserve Bank,—that even those who would propose partial ownership now for this Corporation would be prepared within a measurable future—say five years—to admit that this Corporation should be wholly nationalised in ownership, in control and in management. If it is a matter which can be very well done five years hence, I for one fail to see why it should not be done now. If a thing is good to be done hereafter I think it may as well be done now. शुभस्य शिघ्रं कुर्यात् There is some force in the old saying:

"Shubhasya Shighram Kuryat"

4 P.M. and as such I for one would welcome and support the idea that it should be made now.

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

The only argument that seems to have influenced people is the argument of my very highly respected and honourable friend, Dr. Pattabhi Sitaramayya, who suggested the line of expediency as against the force of idealism. Amongst the many outstanding leaders of India today of Indian thought and public life, there are few for whom I have so much regard for the clarity of thinking, for conciseness in expression, and for relevancy of remarks, as for the honourable Doctor. And yet in this instance I am bound to say that he does not rise to the heights to which, in my imagination, in my experience I had placed him. It is not from leaders of this eminence that we should be taught to make

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of Expediency a fetish, and follow Expediency when it conflicts with ideals. It is, as I have thought, the task of leaders, of statesmen, to make expediency conform to the ideal and not *vice versa*. If leaders are there only to bend before difficulties, if leaders are there only to bow to expediency, if leaders are there only just to follow the popular will, or the fashionable fad of the moment or the mighty stream of numerical vote, then I for one would feel that it is not really doing the duty, carrying out the *Dharma* of true leadership.

Leadership in a country like this, which has just come into possession of its independence, and sovereign authority, should always be pointing high and ever forward and not suggesting to us that we should bow before expediency, that we must accept the gods of the market place, and regard that only as worth doing which is practicable.

In a beautiful series of alliterate expressions, Dr. Pattabhi spoke of a sense of proportion, of perspective, and of propriety. I wondered, even when I heard those alliterative expressions, whether they were applicable more to him or to me, or those of us who take the view that Expediency is not the god that the Honourable Doctor almost implied it ought to be.

Dr. B. Pattabhi Sitaramayya: To neither of us. It is a matter of policy.

Prof. K. T. Shah: Take the sense of proportion, for instance, he mentioned: It is true that a sense of proportion makes a distinction between the seed and the tree. I think he gave that illustration. I for my part am looking to this Corporation as a seed, which is going to germinate, flower and blossom and yield fruit of nationwide importance. I agree that there is a difference in proportion between the seed and the tree. But while if I do not misunderstand him, the Honourable Doctor regarded the tree to be more important than the seed. I beg to submit to this House that the seed is no less important—in fact it is even more important. That is why we pay much more attention to the education of the youth of this country for instance than perhaps looking after fogies like myself: and therefore it is even at the risk of being looked upon as a lunatic lacking in a sense of proportion, because I think of the seed more than the tree, or the blossom or the fruit, that I advocate immediate attention to planting this seed properly. We cannot devote too much time, too much attention, too much thought to this matter before we straighten it out, and see to it that even if our ideals are high-soaring, even if we are talking of something—may I say too idealistic to be worldly—let us have the misfortune if you like, let us make the mistake if you like, of pursuing the ideals. Let them like practical men emulate the worldly and the worth while. I personally would suggest that even at the risk of being considered impractical it is worth while our fixing our gaze upon this ideal and striving to attain it as immediately as possible and not postpone it.

Similarly, coming to his second alliterate phrase of perspective. There again there seems to be a basic difference. Whereas the perspective is seen, if the term is used in the artistic sense, most clearly given an avenue or distance, the Honourable Doctor seems to suggest as though the immediate was the true perspective. If you really desire to have proper perspective then I beg you to see, a little ahead, rather than merely the immediate necessity, the immediate possibility, the immediate fruitfulness of this institution. Think of the times to come. Think of what this may be a key to. And if you only see it in its proper perspective, I venture to submit if you only see far ahead: sufficiently far ahead and not too far ahead—I am certain you will be able to see that the force of argument, the force of artistry, the force of persuasion, may the benefit of this country, lies with me rather than with those who oppose this amendment or the principle contained in this amendment.

Last is the mention of propriety. I fail to see wherein one is sinning against propriety by suggesting that the Corporation should be wholly owned, controlled and managed by the State. I for my part do not think that propriety in politics, propriety in legislation means the same thing as mere practicability. And because I do not think that propriety means the same thing as practicability, I venture to submit that, in no sense have I offended or has anyone offended who has taken this view, who thinks that, in sheer necessity, and therefore in utter propriety, we must accept this from the beginning to be a Corporation owned, managed and controlled by the State in the public interest.

It must be in the common ownership of all the citizens of this country. And even though it is confined for the time being only to financing of industries, let me put it to you, Sir, that "Industries" is a conglomerate term in which can be included many things. If you were very meticulous you would not like it to be said, as a great leader of our country once remarked that "Agriculture is the greatest and most important industry of this country". Merely because we for convenience sake make a division between agriculture and industry, we must not keep agriculture out of sight, or ignore forestry. Mining has been included here by an amendment; but the original proposition would have confined it only to the financing of manufactured goods industries. That I submit would have been a very narrow and misleading idea. I know that you will have—and I think on an earlier occasion the Honourable Finance Minister had indicated—other similar proposals before the House to deal with other sectors of our economy. So far so good. But I suggest, that if you create a number of paralleled, co-ordinate, equal institutions with meticulously marked out fields, each for itself, you will not be really helping planned progress, to co-ordinate the activity of this nation's development. You must integrate them all; and for that purpose it would be necessary to centralise, to co-ordinate and work as from a common centre, so that the distribution of the benefit or the advantage that a corporation like this is intended to give will be uniformly and evenly distributed. It should not be made into compartments.

The business of financing the productive enterprises of this country should not be compartmentalised. For therein lies the danger of not only mutual conflicts and rivalries of certain interests against others, but also the danger of lopsided development as between the several regions, and not a uniform planned development such as I for one have been pleading all these years. We have had in the past history of this country many examples in which interests of one province or group of provinces were set off against another for the benefit of the foreigner amongst us and we have lived to rule the day. There was, for instance, the question of the ratio of the rupee to the pound sterling in which the interests of the more industrialised and commercialised provinces was alleged to be in conflict with that of the more agricultural provinces. I can quote many other instances in which the collective interests of this country had to be sacrificed, simply because our people of the several provinces fell into the trap of thinking in compartments rather than as a unified nation, as one solid people.

For these reasons I feel that it is not necessary for us to bow down to the argument of expediency, all the more so, because we have been assured that in course of time, in a very short distance of time, it is possible that this Corporation like the Reserve Bank may be nationalised in the sense I mean. The Reserve Bank, when it was first started, was also suggested by people like myself, should have been from the very start a nationalised institution in every sense of the term. Then it was urged that because the power in that day was in foreigners' hands, we might be playing the game of the foreigner.

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if we insisted upon the Reserve Bank becoming from the very start a nationalised corporation in the sense I mean. I was not convinced by such arguments even in those days. Nevertheless the interests concerned were sufficiently vocal, sufficiently powerful, and sufficiently mobilised to be able to influence votes, make it a shareholders' Bank, and so levy upon us for 14 years a tax for the benefit of the private proprietors of that national institution, entrusted with one of the most important and vital of services to the country—currency and credit, commerce and industry. If that institution has not done more mischief in private hands than it has, it is a matter for congratulation to those who have conducted it. If it had been a truly nationalised institution, it would have worked for the much greater advancement of our industry, agriculture, commerce and utilities. This is a proposition which I am prepared to maintain by facts and figures from actual experience. I would suggest, therefore, that we should be wiser by the lessons of the past, by what is happening before us; we should avail ourselves of the promises already made as to what is intended by Government themselves in the matter of these important institutions, *viz.*, the Reserve Bank and the Imperial Bank. Why should we not at the very start have this new financing institution nationalised?

The argument was put forward by some, and endorsed by the great authority of the Honourable the Finance Minister that the resources at our disposal may not suffice. I feel sceptic about that argument to say the least. The long list of publications, the long list of liabilities placed before us I grant is very formidable. But on the other side the assets the resources have not been mentioned at all. A glance at the financial columns of any paper on a Thursday or Friday would suffice to tell you what large deposits remain in the scheduled banks, cash deposits, call money. Even if that may not be suitable for utilisation in a corporation like this; even if that may not be utilisable for the long range credit in which this Corporation is intended to specialise, there are something like 200 or 300 crores in fixed deposits in these institutions—scheduled banks run by private enterprise. These remain idle, because there is not sufficient industry, sufficiently profitable field for investment in which these funds can be utilised, employed or invested. It would be the function of the Government, when they are freed from the present pre-occupations, to prepare and carry out a truly National Plan for an all round national development in every sphere of our national life and economy, wherein all this money which is lying idle, unused and unemployed; and which is becoming almost a burden and a risk, would be very fruitfully and productively employed.

Here, Sir, is a proposal for starting a nucleus, establishing a channel, making a conduit pipe through which those idle, immobilised funds would be utilised, and passed on to the nourishing fruitful fields of productive industry or enterprise, in every manufacturing process, in every kind of development of our inherent national resources, and of every kind of service and utility in which this country is still so very backward. It is for this purpose that I should suggest that the bogey (I am sorry to use this word) placed before us, *viz.*, lack of resources and lack of funds, ought not to frighten these leaders of India, these makers of modern India as it is going to be hereafter. If modern India is going to be frightened by such things as lack of resources; if we are going to hold our hand in the matter of national development, merely because we are not able to obtain what is called "capital" for these purposes, I for one would feel great doubt about the future of this country. Let me add at once that I have no doubt about the future possibilities, the real potentialities of this great and ancient land. We were and we shall soon be the workshop of the world; we were and shall again be the market of the world, the carrier of the world, and the banker of the world, too, God willing. In

that hope, in that belief I would not admit even a single mention of doubt, suspicion, or fear, that this country may not have the resources, human or material, with which to attain our objective. Those who give you the counsel of wait and watch, or go ahead slowly, those who preach the doctrine of practicability, the ground of expediency and wisdom of waiting, let me tell you, are not the best friends of this country. We are only waiting for the unexpected dangers that now confront and preoccupy our Government. Once they are over, we must not be found lacking in the programmes of our all round development.

For that purpose, therefore, there is no lack, I repeat, of resources. Even now they are readily available. You may question, indeed, what are the needs of this country for which the resources must suffice. No one has clearly estimated how much we shall need for our full industrial development in the shape of what is called fixed or initial and working "capital". All estimates are sheer guess. We have no data, no plans, we can, therefore, hardly say that the estimates now prepared, by whomsoever it may be, are likely to be maintained when our programmes come actually to be executed. The so-called Bombay Plan made an estimate of something like 10,000 crores of rupees for investment in an all round plan of national development.

I have my own idea as to what we shall need. But I do not stand for my idea any more than for other estimates, simply because, I repeat, we have not got the data, we have not the necessary information. We have not even tried to find out yet what will be our stages of progress in these directions. One thing, however, is clear. Whatever the amount you estimate—be it small or large—you will not need it all at once. That is a thing that people seem to forget, namely, that these big figures like Rs. 3,000 crores, for example, needed for the industrial development would not all be wanted here and now. You need not employ the Nasik security press or the Bombay or the Calcutta mint or—I do not know if there is a mint here—the Delhi mint. We need not create money nor borrow money, if only we properly mobilise available resources and really go ahead in a measured, planned and co-ordinated manner. That must necessarily take time, and while it is taking time we shall need only a fraction of what may be the aggregate requirements of the country in this regard. It must be added in the same breath that here is almost a bottomless pit. It is an expanding economy that we are thinking of. We are not going to be content with a more or less static position, and think after five years that heaven has descended on earth merely because we have accomplished our goal of a five years programme. The five years will hardly suffice to lay the foundation for the next stage forward, and in that stage we shall require more. It is the very nature of planned development and controlled progress, that every stage you attain, every problem you solve, every difficulty you overcome will lead you into new ones; and will make you think of new directions in which you must develop further. There are the actions and the reactions, so that the more you develop, the more and more and still more you would need to develop, till the goal becomes further and further removed; and endeavour and effort will become a sort of permanent sentence upon all of us. This is not to say that we should never think of the stage within controllable distances. For that purpose some working estimates can easily be made. But in making those estimates we must never forget that the figures are but mere guess work; and that in any case the need is elastic and that we shall have to provide also elastic or expanding supplies.

In applying this argument to the issue before us the amount of capital necessary has to be determined. The original Bill provided only for Rs. 5 crores. The Select Committee made it Rs. 10 crores. I am suggesting Rs. 20 crores. But if you follow what I have been saying you would realize that neither ten nor twenty nor even 100 crores would be enough to achieve our objective of developing this country in all the phases of its national economy,

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in all the sides of its national life, to the extent that alone could justify our claiming this to be a really great country, of which we may call ourselves but humble citizens and servants. The programme, as I envisage it, will need, even in the initial stages, far more than the paltry sum of the ten or twenty crores that we are thinking of providing. But I am full of hope and that hope is not merely an idle dream, I can assure you that we shall find all that we need. We have got it with us. It only requires to be drawn out from the hoards and places where it is lying concealed for this or that reason into which I need not go.

I am, therefore, not saying that this Rs. 20 crores I have suggested in the amendment is the last word in the amount of finance we shall need to carry out the objective before us. That objective also has yet to be defined authoritatively. I for one, however, would submit this for your consideration, namely, that we should have before us this aim that India should be able to produce, to manufacture and to work up all the natural resources with which she is gifted, those which are known and those which are not exploited and which may hereafter come to be exploited; so that in the pursuit of our ideal of national self-sufficiency and real independence—economic as well as political—we may have with us all the wealth wherewith to provide a fairly decent standard of living for our people. The "Standard of living" itself is an elastic term. No one has defined it. The National Planning Committee under the presidency of Pandit Jawaharlal Nehru had given some thought to the matter, and given some objective, some criteria, by which you may judge the progress of national development, and the improvement in the standard of living of the people. It is not enough, in fact it is utterly misleading, to think only in terms of money. Money is but a tool and a medium of working the national economy, or for the matter of that, international economy. Let it not become the master as it has threatened to be to those who think only of expediency, and forget in the array of charts and figures the real things that these charts and figures stand for. I suggest that the standard of living will itself go on progressively expanding, so that what is deemed to be quite reasonable today, or what is supposed to be liberal today, may seem to be utterly unacceptable, not to our children, but even to those who come five years hence. That which we think today is a great piece of legislation because we fix some sort of minimum wage for certain categories of workers may be regarded as hardly worth mentioning in—may I use the word without offence—the proper perspective of national development, let us say, in a period of twenty or thirty years, the lifetime of but one generation.

With these objectives before me, I naturally feel that the figures that I have suggested have no relation whatever to reality. But I had to suggest some. If I were to suggest something much bigger, if I were to suggest a capital of Rs. 200 crores, I should be exposed to the charge—and it will be too charitable a term to be used—of being a lunatic, qualifying myself for a lunatic asylum, by those very rational, very serious, very "practical" people, who advise us to submit to expediency, to recognize what is practicable and not what is ideal, to think of the immediate and not of the distant. I have no ambition to qualify to be an inmate of a lunatic asylum just now. And so I am suggesting what I think is a very modest and a very reasonable figure, which there ought to be no difficulty in realising from our immediate resources without even a moment's delay, and without going either to Nasik or, for the matter of that, to New York. It is here and we can get it. If there is only the will, the way will be found. That is all I have to say on the general character of my amendment.

I am not frightened, indeed I am somewhat amazed, if I may say so, by some of the *obiter dicta* I have heard in this House. An Honourable Member was going into the definition of what is a nationalised concern. The word

'nationalised', I admit, is somewhat confusing, especially in the setting of our recent past and our present environment. But one of the Honourable Members, I am sure, said this as regards the definition. I have taken it down myself. He said "every concern is nationalised if the Legislature has supreme control". This is a proposition which will apply to every concern in the country even as it is. Then there is no necessity whatsoever to make elaborate legislation for nationalising either the Railways or the Bank or anything if this doctrine that every concern over which this Legislature has sovereign and supreme control is nationalised.

Shri K. Santhanam: May I point out that this was one of the conditions mentioned by me? There were two other conditions also. All of them put together was the definition I gave to which he is referring.

Prof. K. T. Shah: I am much obliged to the Honourable Member for the correction. But he also admits that this was one of them. The three together do not alter this one. This remains and I am referring only to this one. The Honourable Member need not therefore get upset if I refer to this as one of the most precious gems that I culled from his speech. Then another honourable gentleman mentioned something more fundamental as regards the very object of this corporation. The object, it was stated, is to encourage private enterprise or private industry. I confess I do not see it in that light at all. The object is, as I conceive it, to have a quite adequate financial corporation which will develop all industries which come under the definition in clause 2. I am not quite satisfied with that definition; but I have accepted it. Taking it as such, I for the moment am unable to say that it shows the intention of only assisting private enterprise. In fact it is my objection to the whole of this Bill, that it thinks only of industry and enterprise being in private hands and the corporation we propose assisting them only. It is because the intention is so, it is because the objective is so, it is because the author of the Bill has throughout been thinking in this line, that many provisions, about which I have given notice of amendment, have been framed as they are. It is however, in my humble opinion, utterly misleading to think or to put forward that this is a machinery which should assist only private industry. Let me point out also the injustice of this machinery. The injustice lies in this, that every industry which may be weak at the start, every industry which is nervous, every industry which is in need of some form of assistance or help, would come to you: but the moment it gets on its feet, the moment it succeeds in the world of commercial economy, that moment it will part company, and swallow or take for itself all the profits and surpluses. Whereas at the initial stage at which it was being built up, it required the whole community to contribute to its success. It drops the collective aid crutches when it begins to earn profit. I say this is very unjust. That you should help an industry to stand on its own legs, and when it comes to a successful stage you leave it entirely to private proprietors to take whatever premium they can get out of it, is very unfair to the community, to the country as a whole. That may or may not be the intention of the author. But I submit that if that is so, it is unfair to the country and I take this inference from the provision of another section of this Bill wherein it is laid down that the corporation shall not hold the shares of any other enterprises; and that if by chance . . .

Shri K. Santhanam: On a point of order, Sir. Are we considering clause 4 or the entire Bill?

Mr. Chairman: The reference to other clauses is perfectly relevant as such reference supports one of the arguments the Honourable Mover is advancing in support of the amendment he has moved.

Prof. K. T. Shah: I was just pointing out that the amendment is necessary, because, unless you have the full right of ownership for this institution, you will be led into snares like this. That is what I am pointing out. That

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is the fundamental idea underlying it. We are all looking upon the utility and service of a corporation like this. We must see to it that a corporation like this not merely brings out the baby, but it nurses it during its infancy, protects it during its adolescence, educates it, trains it and develops it, but does not get the benefit of it when it has reached the highest stage of its full growth. I do not think that would be just to the community—that we should take all the risks, that we should take all the responsibility, that we should bear all the losses, and every time the fruits that come should be taken by somebody else. He may be a nationalist of this country. What of that. After all it is a class. He is not the whole country. Those who are able to subscribe to the industries which are assisted by the Corporation will after all be a relatively small class; and that is the reason why I want that from the start onwards this corporation should be state-owned, state-managed and state-controlled in the public interest of the country as a whole.

I shall say nothing more, Sir, now on the exact figure which I have proposed for the initial capital of this corporation. You will note, Sir, how modest I am in the amendment I have suggested. I pay homage to all the gods of this commercial world, including the Reserve Bank of India as I have suggested that the Government should determine the amount of the capital "in consultation with the Reserve Bank of India". Banks as banks deal in other people's money, and, therefore, are in my opinion parasites, class I, particularly when they are privately owned and privately operated. As bankers, however respectable they may be in the City, they are not to my liking. However, these parasites are with us. We must accept them, and the best of them, or at least the least harmful of them, the Reserve Bank of India, might as well be given the special function which has been given to it by law, of being the adviser, the consultant, the guide for the Central Government.

But remember it is the Central Government alone which has the initiative and which has the final voice in deciding. It may consult them, but are not bound to follow that advice. That is why I have provided what is said in the amendment 'in consultation', and if this figure is not enough, then I suggest that it should be expanded. It should be expanded by means of bonds and debentures. It should be on the security of the Corporation itself. What will be the security of the Corporation? The assets of all the industries which it will help to finance. That ought to be a very substantial sum. I do not think that it will be necessary to give any guarantee such as is proposed in this Bill. Money assistance will be easily forthcoming the moment it is known that this Corporation is handling all industries, or assisting those industries which are calculated to come to the front within a measurable time of five or seven years, or whatever the term may be; that we are only waiting till it matures in a proper manner, and then we shall be entitled to have the full benefit. Those of you who know the history of one of the greatest enterprises of this country, namely the Tata Iron and Steel Company, will know for how long a period the shareholders did not see a red pie of the dividends or profits of that corporation. And even when the profits began to come in, thanks to the first world war, these were only distributed—may I say dissipated—among the proprietors instead of being used to build up the industry. The benefit to the country was a very stunted size of growth of that industry, which, soon after the War, required very intense protection to enable it to keep its place in the world market. In this way what we receive by one hand we have in this economy to pay back by the other; and, therefore, it is that I suggest that the proprietary right, whether given by means of the initial capital or by means of bonds and debentures should, as far as possible, be under State control.

I am particularly referring to the latter. The bonds and debentures, I further submit, should be declared negotiable instruments and thereby such money as is lying idle in the country may be easily tapped and acquired for productive purposes through this institution. Incidentally, I think it will solve the problem of the spiral of inflation, which very often threatens to out-run all controls of the Finance Department, or for that matter even of the Reserve Bank, such as it is. The spiral must be checked. And here is an automatic means by which you will be able to do it, if you have on tap all savings made available for investment in the bonds and debentures of this Corporation, which will be secured by the total assets and possibilities of the industries which are financed by it. After all these are long term investments, and there ought to be no fear of their not proving attractive to the ordinary investor.

Sir, I recognise a slight inconsistency in what I have been saying so far, and the actual terms of my amendment; and that is that I have actually suggested a limit, a proportion, to which these bonds and debentures may be issued. This again is an indication of my homage, of my falling on my knees before the gods of the commercial world, to recognise the virtue of—shall I say modesty—in going slow in these matters. Technically, theoretically, I do not think it is necessary that you should have any such limit or restriction but I am quite prepared to admit that for the time being at any rate let us have some restriction. After all, as my Honourable friend who just recently corrected me pointed out, we have the supreme authority over this matter. The National Government can always raise it by a vote of this House at any time we think necessary, so that there is no need to insist on a particular limit being set.

That being said, the next stage of the Amendment is the association of the Provincial and States Governments in this concern. I submit that it is highly necessary. This is one of the constructive items in this Amendment. Sir, we should not suggest, even by implication, that there is anything like divergence of interests between the country as a whole and any part thereof. The Provinces and the States, who form the Union of India, must in every one of the acts of the Government of India feel that the Government of India is they and they are the Government of India; the people of India are the Government of India and the Government of India are the people. When this Government speaks it speaks for the whole country. But it can do so only if all the component constituent parts of this vast land are closely and solidly associated in all such matters—which are not matters of words or verbal homage only, but which are matters of material importance to the every day life of the ordinary citizen. I suggest, Sir, that for this purpose we must have in this Corporation from the start the closest association of the component parts of this Union. We must not leave it to them to form their own separate corporations for assisting what we call the national industries.

I do make the distinction between national industries and industries of a somewhat smaller scale or of local importance. There the local Governments—the Provincial or State Governments—may make their own arrangements though even there I should wish, in order not to dissipate the national resources, that in every such activity this Corporation should first be approached and only if and when this Corporation is unable to assist or show the ways and means of assisting, should the Provincial or State Government make its own separate arrangements.

Sir, in so far, however, as the existing industries are concerned I take it that they would not necessarily require assistance from this Corporation, particularly if the instructions, which we are assured will be issued to the Management of this Corporation, are couched in the spirit and worded in the letter that we hope they will be. If these instructions are such that the capitalist

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proprietor will not be able to make more than a reasonable profit, up to what is called the prevailing rate in the Market; if the instructions are such as to see that in the industries assisted by this Corporation labour gets its due and full due, that modern conditions of employment are provided for labour, then I do not think that the existing industries would necessarily come to seek assistance, at least not those of them who have already made of themselves a commercial success. Those, of course, who are on the rocks already may come and ask for assistance. But woe betide you to go to the rescue of these people who by their own fault, by their own folly, by their own speculativeness have come to such a pass.

I trust that this warning will be utterly unnecessary. But I do think that in the financing of industries which we are going to take up through this institution, a fair and square deal will be given to labour; otherwise it would be missing the bus completely. I for one would never fail to raise my voice of protest against any industry which would give something like a step-motherly treatment to them; even if my Amendment is not accepted, I say that a public Corporation of this kind should never countenance anything like a left-handed treatment to labour employed.

If the rules and instructions are of the type that I have suggested and are such as will see that the Corporation will be interested not merely in the commercial success of the venture assisted by it, but that it will see to it that it contributes really and substantially to the economy of the nation, to the development of the country, then I take it, Sir, that the figures he has suggested are not of absolute importance. I hope that my amendment seeking to associate from the start the component parts of the Union in the capitalizing of this Corporation would be taken heed of. Sir, there also the limits have been laid down as to how much shall be held by any Provincial or State Government and how much by the Centre. I do believe that the absolute control of the Centre should be there for reasons into which I need not go now as I have already taken a long time of the House. But I do say this, that I stand for maintaining the Central control in the last analysis and therefore have provided that 51 per cent. of the Stock of this Corporation should be held by the Centre and should be non-transferable. I think at the same time that the component parts should also be associated and associated from the start as intrinsic, equal partners—equal I mean in the sense of co-ordinated units in this venture. If they are so associated, if you have got their support, if you meet the needs of every possible corner of this land, the possibility of rapid development of this country into its full potentialities may be achieved. Then this Corporation may not only be well-born in this country but the Honourable the Finance Minister may well deserve every compliment that a grateful country may shower on him.

Sir, I would not take more of your time in further elaborating this amendment. The several parts of these amendments I have tried to explain in general terms. If you scrutinise each letter, perhaps here and there you might find a happier phrase or a happier word than I have suggested. That would not affect the essence of my proposition. That would not affect the nature or the spirit of the amendment that I am putting forward. I trust the House will realise that it is not merely in verbal pyrotechnics that we should have a debate like this. I hope the House will realise that it would not be by merely changing a figure here or a figure there that we could affect the spirit of this Bill, and what is more, the ultimate objective this Bill seeks to attain. In that hope and in that belief, in the faith that here is an instrument we are forging today, in the very first year of this country's independent national existence, which holds out a promise, of a great potentiality on a wide and intensive scale for the national development of all our resources, and all our material and human resources, so that, within a measurable distance of

time, this country may not only take its nominal place along with the leading nations of the world, but also an effective place as one of them, that Sir, I move.

Mr. Chairman: Amendment moved:

"That for clause 4 of the Bill, the following be substituted:

"4. (1) (a) The initial capital of the Corporation shall consist of such shares, or stock, not exceeding twenty crores of rupees to start with, as may be deemed necessary by the Central Government in consultation with the Reserve Bank of India.

(b) The Central Government may, after five years from the establishment of the Corporation, increase this capital from time to time as and when deemed necessary, in consultation with the Reserve Bank of India.

(c) Whenever the Central Government decides to increase the initial capital of the Corporation, the additional capital increased in pursuance of that decision, shall be distributed as between the Central, Provincial and State Governments in the same proportions in which each Government holds the shares or stock on the date of the additional issue:

Provided that if any portion of the additional capital issued is not taken up by any Provincial Government or by the Government of any Indian State that portion shall be taken up by the Central Government.

(2) In addition to the initial capital, and during the period of five years from the establishment of the Corporation, the initial capital of the Corporation may be increased by such Bonds or Debentures, not exceeding, in their aggregate, twice the amount of the initial capital on its own security. Such Bonds and Debentures may be declared by the Central Government to be negotiable instruments under the law relating to such instruments in force for the time being in India.

(3) (a) The initial capital of the Corporation shall be provided by or through the Central and Provincial Government or by the Government of any Indian State in such amounts or proportions, as the Central Government, in consultation with the Reserve Bank of India, may consider appropriate:

Provided that the Central Government shall at any time have not less than 51 per cent. of the total initial capital of the Corporation:

Provided further that no State or Provincial Government shall be entitled to own more than 10 per cent. of the initial capital of the Corporation.

(b) The shares or stock, constituting the Capital of the Corporation, shall not be transferable."

Shri T. A. Ramalingam Chettiar (Madras: General): Mr. Chairman, Sir, I am one with Professor Shah in his objective of attaining our industrial development as soon as possible and also in the largest measure, but he seems to have read into this Bill very much more than what it purports to be. After all, it does not provide for all the industrial development in the country. It does not say that it is going to help every type of industry that will be taken up both by the Government and by the people. All that it purports to do is mentioned in the Preamble, namely, that it is going "to make medium and long-term credits more readily available to industrial concerns in circumstances where normal banking accommodation is inappropriate or recourse to capital issue methods is impracticable". It is only in those cases where help is necessary and it cannot be found elsewhere that this Corporation is going to render aid.

And then, Sir, the main thing is this. We are all thinking of nationalising industries and by nationalising, Mr. Shah and others admit that there are only two ways according to our election manifesto also, in which industries can be nationalised. One is by State ownership and the other is by State control. Now, so far as State ownership is concerned, that is financed by the State independently. The State is going to find all the money that is necessary for State ownership. As far as State control is concerned, even there there will be State participation. The State is going to take 51 per cent. of shares, or it may be less, or it may be more. In all those cases, the State has to find money independently of this Corporation. All that the State is going to do by way of subscribing for capital either wholly or partly for industrial development is outside the scope of this Corporation. They are to be

[Shri T. A. Ramalingam Chettiar] found in addition to whatever help may be rendered by this Corporation. There is only the third class of cases, namely, those private agencies with which the Government does not want to concern itself. Those are the only ones which would require help from this Corporation. Even in that, Sir, it is not all the concerns that are going to seek the help of this Corporation. For instance, there are big institutions like those promoted by Tatas or Birlas. They will certainly be able to find money in the open market. They are not going to come to the Corporation and probably, even if they come, the Corporation would not be prepared to lend any aid to those big institutions. It is only those other institutions which cannot find funds from the public with the credit they have got or those concerns which, not being familiar to people here, will not be able to get the financial support that is necessary from the public,—it is only those two classes of people who will come to this Corporation for help. It is that help that is going to be given by the Corporation and it is for that purpose that the resources of the Corporation will be provided. Taking that limited sphere, Sir, the provision that is made, namely, Rs. 10 crores with the possibility of raising five times that amount by issuing debentures and also getting Rs. 10 crores by deposits,—all this money will not probably be required in the first two or three years. Therefore, Sir, to say that the vast development of industry required for the country would need very much more than Rs. 10 crores etc. etc. is speaking without really understanding the scope of the Bill and the Corporation's sphere of activity. I think that, ordinarily speaking, the demand that will be made on this Corporation will take at least four or five years before the amount of capital that is going to be subscribed will be exhausted, and in addition to that, as I said just now, they can raise five times the capital by debentures and another Rs. 10 crores by deposits.

An Honourable Member: It is not Rs. 10 crores deposits. It has not been raised. It is still Rs. 10 crores.

Shri T. A. Ramalingam Chettiar: Oh! I am sorry. Then, Sir, two other difficulties were mentioned by the Honourable Member Professor Shah. One of them was that he did not want that the shares or bonds of private companies taken by this Corporation should be sold within seven years and that they may be held by the Corporation itself. I have practically answered this question in the earlier part of my speech, namely, that wherever the Government thinks that it ought to participate either wholly or partly in the capital of an enterprise, that is excluded from this Bill. All that money is going to be found independently by the Government. They are not going to come to this Corporation for the money. So, Sir, the question relates only to those companies in which the Government does not want to participate and the shares which they do not want to keep. They cannot get the funds of this Corporation locked up in a concern like that in which they do not want permanently to hold shares. That is the reason, Sir, why a provision is

5 P. M. made that within seven years the shares or bonds that may be purchased by this Company on account of the advance they made should be sold in the market.

The third point raised by Prof. Shah was that the Provinces and the States should participate from the very beginning. Sir, the position of the Provinces—and I do not know very much about the States—does not help in this matter at all. What happens is that the Provinces have got their own idea. They want funds for their own development in so many ways and they have got no money to invest in a Corporation like this. On the other hand, I have been hearing from my Province that they do not know how to raise money for all their needs and it will be very much better for the province if the Centre can raise the funds necessary and loan to the Provinces. In that state of affairs, I do not know whether it will be fair . . .

Shri H. V. Kamath: Mr. Chairman, may I draw your attention to the clock?

Mr. Chairman: Let the Honourable Member finish this point.

Shri T. A. Ramalingam Chettiar: So, Sir, the Provinces will not be in a position to take shares in a concern like this for want of funds.

Mr. Chairman: I hope the Honourable Member will not take long.

Shri T. A. Ramalingam Chettiar: One or two minutes, Sir. So the three points that have been raised by my Honorable friend Prof. Shah are things which do not require very much consideration and are raised on account of his misconception about the functions of this Corporation. He is thinking that it is going to finance all the development activities of the country and that is why he has brought this amendment. So I beg to submit the amendment should not be accepted by this House.

Mr. Chairman: I may inform Honourable Members that the remaining agenda of today will be taken up after the non-official business of tomorrow is over.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 11th February, 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Wednesday, 11th February, 1948

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

STARRED QUESTIONS AND ANSWERS

ORAL ANSWERS

REFUGEE GOVERNMENT EMPLOYEES IN VARIOUS DEPARTMENTS

222. *Mr. R. K. Sidhva: Will the Honourable Minister of Relief and Rehabilitation please state the number of refugees from provinces other than the employees of the Government of India, employed in various Departments of the Government of India together with their designations?

The Honourable Shri N. V. Gadgil: A statement is laid on the table.

<i>Statement</i>	
Superintending Engineers	8
Executive Engineers	12
Assistant Executive Engineers	10
Assistant Engineers	15
Subdivisional Officers	12
Supervisors	59
Overseers	2
Sub-overseers	1
Subordinates	115
Technical Assistants	22
Head Draftsmen	2
Senior Draftsmen	7
Junior Draftsmen	18
Draftsmen A	2
Draftsmen Tracers	17
Estimators	19
Assistant Regional Commissioner	1
Magistrates	2
Deputy Superintendents	10
Inspectors	13
Wharfingers	2
Examiners	1
Information Officer	1
Assistant Information Officers	3
P. A. to I. G. P.	1
Dy. Superintendents of Police	1
Inspectors of Police	5
Sub Inspectors of Police	8
Police Officers	147
Head Constables	238

Constables	824
Public Prosecutors	1
Prosecution Inspector	1
Assistant Sub-Inspector	1
Assistant News Reporter	1
Programme Assistant	1
Programme Secretary	2
Process Server	2
Zanungo	2
Carpenters	1
Deputy Director Rehabilitation	2
Director of Evacuation	3
Senior Refugee Officers	17
Junior Refugee Officers	3
Welfare Officers	1
Registrar of Claims	8
Assistant Registrar of Claims	1
Budget Officer	2
Assistant Director (D. I. B.)	1
Supply Officer	1
Facts Finding Officer	2
District Facts Finding Officer	1
Deputy Facts Finding Officer	6
Assistant Facts Finding Officers	14
Inquiry Officers	6
Deputy Custodians	18
Assistant Custodians	55
Field Inspectors	2
Economic Investigators	1
Senior Research Officer	1
Office Supervisor	80
Medical Officers	6
M. O. Specialist	1
Chemical Assistant	1
Public Health Inspector	3
Health Visitors	10
Sanitary Inspectors	25
Compounders	1
Midwife	2
Malaria Assistants	7
Welfare Workers	8
Provincial Workers	4
Division Workers	6
Propaganda Workers	1
Chief Organiser	2
Organisers	1
Camp Workers	1
Assistant Guide in Camp	21
Supervision Staff in Refugee Camps	1
Traffic Manager	1
Officer-in-Charge Civilian Vehicles	1
Personal Assistants	1
Curator	1

Assistant Education Advisor	1
District Inspector of School	1
Assistant District Inspectors of Schools	1
Education Officer	2
Officer on Special Duty (Education)	2
Assistant Education Officers	2
School Medical Inspectors	18
Demonstrators and Instructors	6
Head Masters	2
Junior Masters	328
Teachers	3
Lecturers	2
Investigators	1
Assistant Circle Rationing Officers	5
Rationing Officers	17
Rationing Inspectors	31
Rationing Sub-Inspectors	2
Godown Keepers	8
Assistant Godown Keepers	2
Research Officers	46
Research Assistants	5
Translators	1
Glass Blower	9
Officers on Defence	69
Airmen and recruits	8
Traffic Foremen	2
Foremen	1
Leader (Non-technical)	1
Metrological Assistant	1
Assistant Agriculture Production Advisor	4
Professors of Agriculture	2
Agronomists	1
Textilologist	1
Gentil Botanist	1
Senior Marketing Officer	1
Ecologists	1
Marketing Officer	3
Assistant Botanist	1
Assistant Economic Botanist	2
Assistant Agriculture Chemist	5
Assistant Marketing Officer	4
Inspector Sann Hemp grading	5
Assistant Research Officer	1
Estate Manager	2
Assistant Director (Storage and grains)	1
Technical Officer (Storage)	1
Officer on Special Duty (Food)	1
Assistant Plant Pathologist	1
Assistant Dairy Chemist	1
Assistant Dairy Bacteriologist	1
Assistant seasoning Officer	1
Documentation Officer	1
Assistant Wood Technologist	1

Rat House Supervisor	1
Bacteriological Assistant	1
Research Scholars	2
Form Superintendents	3
Junior Supervisor	1
Form Assistant	1
Research Attendant	1
Senior Scientific Assistant	11
Senior Scientific Assistant	18
Research Fellow	1
Junior Field Officer	1
Field Assistant	2
Assistant (Myology Division)	2
Assistant Live Stock Advisor	1
Assistant Director of Inspection	1
Assistant Agronomist	1
Gangs Instructor	1
Junior Chemists	4
Junior Wheat Breeding Assistants	1
Photographer	1
First Grade Malhi	1
Turner	1
Statistical Assistant	1
Road Transport Advisor	1
Assistant Registrar Income-tax	1
Assistant Technical Inspector	2
Assistant Secretary (Technical)	1
Assistant Secretaries	2
Superintendents	19
Head Clerks	9
Accountants	9
Assistants	623
Upper Division Clerks	36
Second Division Clerks	18
Routine Clerks	2,438
Compilation Assistants	4
Reception Officer	1
Receptionists	16
Reception Clerk	1
Council Reporter	1
Stenographers	97
Store Clerks and Store Keepers	9
Cashier Clerk	1
Typists	11
Observer	1
Librarian	1
Assistant Librarian	2
Laboratory Assistants	10
Statistical Computer	1
Chemical Assistant	1
Labor Inspector	1
Information Assistant	1

Record Keeper	1
Warder	6
House-keepers	2
Packers	4
Daffries and Record Sorters	37
Telegraphists	3
Cypher Assistants	1
S. L. Storage	2
Analysers	2
Weighmen	1
Look Out	13
Control Operators	14
Airfield Supervisors	5
Signallers	7
Firemen	7
Storemen	2
Telephone Operators	181
Monitors	4
Junior Artists	1
Mechanics	8
Cleaners	4
Electricians	2
Painters	2
Darkroom Assistants	1
Workshop	17
Apprentice	1
Mistries	6
Proof Readers	2
Compositors	3
Counters	1
Drivers	8
Lino Operators	2
Attache	1
Camerman Cum Cinema Operator	1
Insect Collector	1
Jamadars	4
Peons	587
Chowkidars	17
Dais & Ayas	4
Cooks	2
Laboratory Attendants	8
Library Attendants	3

Mr. R. K. Sidhva: Can the Honourable Minister give us an idea of the number of refugees? I do not want names.

The Honourable Shri N. V. Gadgil: The total number is 6584 and there are innumerable categories and innumerable offices in which these refugees are employed.

Mr. R. K. Sidhva: What was the total number of applications received?

The Honourable Shri N. V. Gadgil: Obviously more than could be accommodated.

EUROPEAN REFUGEE FIRMS DEALING IN IMPORT AND EXPORT TRADE OF INDIA

†223. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Commerce be pleased to state how many European Refugee firms engaged in Export and Import trade are still operating in India?

(b) What is the value of Import and Export licences granted to such firms in the years 1945-46 and 1946-47?

(c) Are Government aware of the fact that these firms enjoy certain advantages over Indian-owned firms? If so, what steps do Government propose to take to remove the grievances of Indian firms in this matter?

The Honourable Mr. C. H. Bhabha: (a) and (b). Government have no information on the subject.

(c) No, Sir. The latter part of the question does not arise.

DEVELOPMENT OF FOREIGN MARKETS FOR INDIAN GOODS

†224. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Commerce be pleased to state what efforts are being made to step up exports of minerals and forest produces in order to secure foreign exchange?

(b) What are the prospects for the development of overseas markets for Indian finished goods?

(c) What action do Government propose to take to win the trust and goodwill of foreign buyers in the interests of India?

The Honourable Mr. C. H. Bhabha: (a) The question of the stepping up of the export of minerals with a view to the securing of the maximum amount of foreign exchange must be considered against the general background of the country's own industrial programme, her strategic requirements of these minerals and the need for paying heed to the conservation of these valuable wasting assets. In the circumstances it will no doubt be appreciated that a vigorous export policy of the kind advocated by the Honourable Member can scarcely be followed with regard to this class of commodity at this juncture.

In the case of forest produce, emphasis must be laid on the country's requirements and the need for judicious exploitation of the available timber resources. It has been found possible, however, to increase the quota of various types of timber to 72,000 tons in 1948 as against 26,800 tons in the previous year.

(b) The prospects for Indian goods in overseas market are certainly bright provided exporters in India conform strictly to standards and quality, and the closest attention is paid to the needs of these markets. It must be understood, however, that the availability of goods for export is not unlimited and that conditions of supply and the country's own requirements must to a large extent determine the quantum of the supplies available for overseas markets.

(c) The trust and goodwill of foreign buyers can only be won by the business community in India maintaining the high standard and quality of the goods they export from this country. Government on their part are alive to the need for retaining and expanding their overseas markets, and the recent setting up of an Indian Standards Institution is a measure designed to improve the quality and standard of Indian goods. Government have also under consideration the question of the formation of exporters groups in respect of various commodities to which they propose to entrust the task of ensuring that the goods that are exported from this country are such as will readily command the confidence of overseas buyers. Our Trade Commissioners abroad have also been instructed to give the maximum assistance to the trade both here and abroad with a view to popularising Indian products and to bring to the notice of the Indian manufacturer such information as may be of use to him in retaining and expanding his trade overseas.

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

RE-EXPORT OF JUTE PRODUCTS TO SOUTH AFRICA BY CERTAIN MIDDLE EAST AND EUROPEAN COUNTRIES

†225. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Commerce be pleased to state what are the quantities and values of jute products exported in the years 1945-46 and 1946-47, to North African, Middle East and South European countries, respectively?

(b) Are Government aware that the bulk of these jute products are being re-exported to South Africa constantly?

(c) If so, in view of Government's declared policy of applying economic sanctions against South Africa, do Government propose to control the export to such countries so as to stop re-export to South Africa?

The Honourable Mr. C. H. Bhabha: (a) A statement containing such information as is readily available is placed on the table of the House.

(b) and (c). Exports of jute and jute goods to all countries is strictly controlled and only such quantities are allowed to be exported as are considered adequate for meeting the minimum requirements of these countries and consistent with our supply position. It is true that there have been some leakages in the past, but it is hoped, with the co-operation of the Governments of the countries concerned which has been wholeheartedly promised, that such re-exports will not occur in future.

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

Statement showing exports of Jute Manufactures from India to North African, Middle East and South European countries during 1945-46 and 1946-47

(Value in Lakhs of rupees. Quantity in thousands of tons)

	North African Countries *		Middle East †		South European countries ‡	
	1945-46	1946-47 (Apr.—Dec. 1946)	1945-46	1946-47 (Apr.—Dec. 1946)	1945-46	1946-47 (Apr.—Dec. 1946)
	Quantity	Value	Quantity	Value	Quantity	Value
Gunny bags (No.)	17,986	1.42	8,943	86	9,104	65
Gunny cloth (Yds.)	14,711	40	10,853	81	102	0.3
Total	..	1.82	..	1.17	..	65.3

*North African countries include Egypt and Anglo Egyptian Sudan.

†Middle Eastern countries include Palestine, Turkey, Syria and Iraq.

‡South European countries have not been separately enumerated in the Monthly Sea-borne Trade Accounts, which means that export to these countries were not appreciable.

ISSUE OF EXPORT LICENCES DURING 1945-46 AND 1946-47

226. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Commerce be pleased to state the number and value of export licences that lapsed during the years 1945-46 and 1946-47 on account of the failure of licence-holders to utilise them?

(b) Is it a fact that fresh licences were issued to many such firms in spite of the lapsing of their previous licences?

(c) If so, in how many cases and on what considerations were they so issued?

The Honourable Mr. C. H. Bhabha: (a), (b) and (c). The information required is not readily available. As a large number of licences are issued annually, the time and labour involved in collecting the information will scarcely be commensurate with the results achieved. I may add, however, for the information of the Honourable Member that if it is found in an individual case that a licence holder is not capable of utilising his licence, no further licences are issued to him for export of that commodity.

INCLUSION BY U. N. O. OF IRRELEVANT ISSUES IN KASHMIR AND JAMMU QUESTION.

227. *Shri Rohini Kumar Chaudhuri: (a) Will the Honourable the Prime Minister be pleased to state what were the reasons for referring the Kashmir and Jammu issue to U.N.O. Security Council and who referred it so?

(b) In view of the subsequent decision of the U.N.O. to include in the Kashmir and Jammu question other irrelevant issues, have Government withdrawn their application from the Council or do they propose to do so?

The Honourable Pandit Jawaharlal Nehru: (a) The Jammu and Kashmir State issue was referred to the Security Council of the United Nations by the Government of India. The Government of India have, however, kept in close touch with the Government of Kashmir and consulted them whenever necessary or possible.

The reasons for the reference are fully set out in the memorandum presented to the Security Council, which has already been published in full, and a copy of which has been laid on the table of the House.

(b) Government of India have not withdrawn their application from the Council, nor has any question of withdrawal of India's complaint yet arisen. No final decisions have so far been taken by the Security Council, but it has been proposed to set up a Commission for the specific purpose of investigating facts and exercising mediatory influence. As soon as the present stage of negotiations is over, Government propose to make a statement before the House.

Sir, I may add to this answer that yesterday our delegation presented an application to the Security Council for adjournment. They stated in it that a stage had been reached when they had gone as far as they could in this matter, and they required to have consultations with their Government. I do not yet know what the result was, as it must have been presented only last evening. But in anticipation of the approval of the Security Council to this motion of adjournment they intended starting from New York today on their way back to India.

Dr. B. Pattabhi Sitaramayya: Is it an adjournment *sine die*?

The Honourable Pandit Jawaharlal Nehru: I cannot say because the thing has not been decided. They asked for an adjournment to a future unfixed date.

Dr. P. S. Deshmukh: What would be the position if this application is refused?

Mr. Speaker: That would be hypothetical at this stage.

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

‡Not printed in these debates. A copy has been placed in the Library of the House.—
Ed. of D.

IMPOSITION OF RESTRICTIONS ON SALE AND TRANSFER OF NON-MUSLIM PROPERTY IN PAKISTAN

+228. *Shri Damodar Swarup Seth: Will the Honourable Minister of Relief and Rehabilitation be pleased to state:

(a) whether Government are aware that the Government of Pakistan have in their Dominion imposed severe restrictions on the sale or transfer of immovable property of those non-Muslims who desire to leave for India, while no such restrictions have been imposed on the Muslims of India who have left or are about to leave for Pakistan; and

(b) if the answer to part (a) above be in the affirmative, whether Government propose to take up the matter with the Government of Pakistan or impose the same restrictions on the sale or transfer of property of the Muslims leaving for Pakistan?

The Honourable Shri N. V. Gadgil: (a) The legal restrictions on the sale or transfer of immovable property in West Punjab are embodied in the West Punjab Ordinance No. VII of 1947. Apart from this, the various Provinces of Pakistan have administratively banned movement to outside the Pakistan Dominion of various articles, from time to time. Sale or transfer of immovable property in East Punjab are governed by a similar legislation, namely, the East Punjab Act XIV of 1947 as amended by the East Punjab Ordinance No. II of 1948.

This Act as thus amended has been extended to the Delhi Province and Ajmer and Merwara. Government have also recommended the adoption of this law by the other Provincial Governments and States in the Indian Union.

(b) Does not arise.

NEGOTIATIONS BETWEEN INDIA AND BURMA ON LINES OF ANGLO-BURMA TREATY

+229. *Shri Damodar Swarup Seth: Will the Honourable the Prime Minister be pleased to state:

(a) what progress, if any, has so far been made in the direction of negotiating an Indo-Burma treaty on the lines of the treaty negotiated between the United Kingdom and Burma; and

(b) if the answer to part (a) above be in the negative, what the reasons for the delay are?

The Honourable Pandit Jawaharlal Nehru: (a) and (b). During the visit of the Prime Minister of Burma to Delhi last December, there was a preliminary and informal exchange of views regarding the settlement of certain questions outstanding between India and Burma. It was then decided that in the near future there would be an exchange of missions for the purpose of detailed discussions. We are in communication with our Ambassador in Burma regarding the visit of a Mission from Burma.

ESTABLISHMENT OF INDIAN COMMERCIAL CONCERNS IN FOREIGN COUNTRIES

230. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Commerce be pleased to state whether any foreign country offers any facilities to Indians for the opening and establishment of commercial concerns? If so, what are the countries and what are the rules and regulations governing the starting of such concerns?

(b) If Government are not in possession of this information, do they propose to obtain it from our Embassies, Legations or Trade Commissioners at an early date?

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

(c) Are there any restrictions as regards the manning and staffing of such commercial concerns?

The Honourable Mr. C. H. Bhabha: (a), (b) and (c). Government have no information on the subject, but it is extremely unlikely under present conditions that any foreign countries will offer facilities to Indians for the opening and establishment of commercial concerns in their country. Information is however being collected from our Embassies and Trade Commissioners abroad regarding the restrictions, if any, which have been placed on Indian businessmen setting up business concerns abroad. This information will be placed on the table of the House in due course.

Dr. P. S. Deshmukh: Does the Honourable Minister possess any information at the present moment?

The Honourable Mr. C. H. Bhabha: I have said that Government have no information at the moment on the subject.

Shri M. Ananthasayanam Ayyangar: If after the receipt of information it is found that there are restrictions either absolutely prohibiting the opening of commercial concerns in foreign countries or allowing our nationals to be agents, etc., in those countries of Indian concerns, will reciprocal steps be taken in this country imposing restrictions on foreign businessmen here?

The Honourable Mr. C. H. Bhabha: Suitable action will be taken after the receipt of information.

Shri M. Ananthasayanam Ayyangar: Is the Honourable Minister aware that already in no country in the world are Indian nationals allowed to carry on business? Therefore will steps be taken to see that foreign nationals are not allowed to carry on their business here except through Indian nationals in this country?

The Honourable Mr. C. H. Bhabha: The first part of this question does not arise and it is not correct.

Dr. P. S. Deshmukh: Does the Honourable Minister know the present extent of investments in this country of foreign capital? Can he give us an idea?

The Honourable Mr. C. H. Bhabha: That, Sir, does not arise out of this question at all.

RULES re ESTABLISHMENT OF FOREIGN CONCERNS IN INDIA

231. *Dr. P. S. Deshmukh: Will the Honourable the Minister of Commerce be pleased to state:

(a) whether any rules and regulations have been framed for regulating the starting of business concerns by foreigners in India;

(b) if so, whether Government propose to lay a copy of the same on the table of the House;

(c) whether any provisions have been made so as to see that Indians are given all facilities of training in those concerns; and

(d) what model has been followed in framing the rules referred to in part (a) above?

The Honourable Mr. C. H. Bhabha: (a) No, Sir.

(b), (c) and (d). Does not arise.

Shri M. Ananthasayanam Ayyangar: May I know why the rules have not been framed hitherto and if they will be framed immediately?

The Honourable Mr. C. H. Bhabha: As I said, on receipt of information from other parts of the world we will consider them and see what suitable rules can be framed.

Shri M. Ananthasayanam Ayyangar: May I know when this information is expected, and whether it will be implemented immediately on receipt of information from a particular country?

The Honourable Mr. C. H. Bhabha: Yes, Sir, very early steps will be taken.

Dr. B. Pattabhi Sitaramayya: Apparently the Honourable Minister is in possession of certain information that certain countries at least do not permit our concerns to be started there. May it not be reasonable to start with the framing of rules in regard to those countries at the outset?

The Honourable Mr. C. H. Bhabha: As I said, full or detailed information on the subject is not available to Government, and in the absence of complete data Government are not in a position to lay down general rules.

Dr. P. S. Deshmukh: If there are no rules and regulations, is there anything else on which the Government of India's policy is based, so far as this matter is concerned?

The Honourable Mr. C. H. Bhabha: There is no definite policy on the subject at the moment.

Dr. B. Pattabhi Sitaramayya: Will it be right to say that it is a policy of drift?

Mr. Speaker: Order, order.

Dr. P. S. Deshmukh: When shall we be in a position to know that Government has at least some idea of dealing with this matter even if rules and regulations are not framed?

The Honourable Mr. C. H. Bhabha: As I said, we are awaiting the receipt of sufficient data and information. Honourable Members are aware that the whole of our company legislation is under review at the moment and suitable action will be taken to amend that Act in the Bill that will be presented to the legislature.

Dr. P. S. Deshmukh: Are we to suppose that foreign concerns are at present allowed to do what they like?

The Honourable Mr. C. H. Bhabha: That is so, because there is no distinction between Indian and foreign concerns under our present Companies Act.

Shri M. Ananthasayanam Ayyangar: If there is no policy as yet, may I know how the Companies Act is going to be amended? Have Government evolved any policy regarding foreigners opening business in this country?

The Honourable Mr. C. H. Bhabha: As I said, the matter is being considered by Government.

RULES re ENTRY OF FOREIGNERS INTO INDIA

232. *Dr. P. S. Deshmukh: (a) Will the Honourable the Prime Minister be pleased to state if any rules and regulations have been framed for controlling the entry of foreigners into India?

(b) Is there any restriction as regards the number of foreigners permitted to enter India?

(c) If so, what is the number for each country and if not, do Government intend to impose any restrictions?

(d) Do Government intend to frame rules for supervising the activities of foreigners in India?

(e) Do Government propose to make it obligatory for foreign firms to employ Indians?

The Honourable Pandit Jawaharlal Nehru: The question has been transferred to the Ministry of Home Affairs and will be answered by the Honourable Minister for Home Affairs on the 19th instant.

RULES re INVESTMENT OF FOREIGN CAPITAL IN INDIA

233. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Commerce be pleased to state whether there are any rules governing the investment of foreign capital in India?

(b) Have any rules governing the employment of foreigners in business concerns in India been framed?

The Honourable Mr. C. H. Bhabha: (a) No, Sir.

(b) No, Sir.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Minister whether in the recent conference of industrialists held by the Industry and Supply Minister, one of the resolutions that was passed was how far foreign capital should be allowed to be invested in this country. If that was so, may I know what steps have been taken in that regard?

The Honourable Mr. C. H. Bhabha: As on another occasion, I have mentioned that the recommendations of the industries conference are being considered and a suitable policy will be announced.

Diwan Chaman Lall: Are there any countries which discriminate against Indians in the matter of starting business in those countries?

The Honourable Mr. C. H. Bhabha: There may be such countries.

Diwan Chaman Lall: Why is not it possible for India to take reciprocal action against such foreign business men operating in India?

The Honourable Mr. C. H. Bhabha: In the absence of any definite information as stated by me in answer to a previous question, we are trying to get all available data before taking any action.

Diwan Chaman Lall: How long does my Honourable friend think it will take to collect the data and come to a decision?

The Honourable Mr. C. H. Bhabha: Very soon.

Shri H. V. Kamath: Shall we say, the 1st April?

The Honourable Mr. C. H. Bhabha: I am unable to give any specific date at the moment.

Dr. P. S. Deshmukh: Can the Honourable Minister give any idea now of the extent of invested foreign capital in India?

The Honourable Mr. C. H. Bhabha: There are various estimates. As the Honourable Members of this House are aware, the Reserve Bank is collecting the data which will be I think on a subsequent occasion announced to the House.

RULES re EMPLOYMENT OF FOREIGN LABOUR IN INDIA

234. *Dr. P. S. Deshmukh: (a) Will the Honourable the Prime Minister be pleased to state if there are any restrictions on the employment of foreign labour in India? If so, have any specific rules been framed?

(b) Do Government propose to lay a copy of such rules on the table of the House and if rules have not been framed, do Government propose to do so now?

The Honourable Pandit Jawaharlal Nehru: (a) The Government of India have not imposed any restriction on the employment of foreign labour in India. In fact foreign labour is hardly employed in India.

(b) No rules have been made yet nor is it considered necessary to make any.

DISCRIMINATION AGAINST INDIAN LABOUR IN OTHER COUNTRIES

235. *Dr. P. S. Deshmukh: (a) Will the Honourable the Prime Minister be pleased to state whether Government are aware that Indian labour is discriminated against in many countries?

(b) If so, what steps do Government propose to take to bring about amelioration of the conditions of Indian labour employed in other countries?

The Honourable Pandit Jawaharlal Nehru: (a) Yes, Sir, in some countries.

(b) The responsibility for ameliorating conditions of labour in countries outside India devolves on the foreign Governments concerned and all that the Government of India can do is to make suitable representations to those Governments. This they are making from time to time through their representatives. In two countries in particular, Ceylon and Malaya, there are Agents of the Government of India specifically to look after the interests of Indian labourers.

Shri M. Ananthasayanam Ayyangar: Will the Honourable Minister try to introduce legislation to the effect that in case our Indian labour is discriminated against in foreign countries reciprocal treatment may be meted out here. Though there is no European labour here yet, so far as Ceylon and other countries are concerned, there may be similar employment. With respect to political matters, such legislation has already been introduced. In respect to labour conditions, is similar legislation under consideration, or will it be introduced at a short date?

The Honourable Pandit Jawaharlal Nehru: As the Honourable Member himself pointed out this would apply to countries like Ceylon, and may be Burma too. It does not apply really to western countries because there is no such labour here. In regard to Ceylon and Burma, there is hardly any Ceylonese or Burmese here. We may possibly pass some special legislation which does not effect anybody but which may be suitable to show our resentment. As a matter of fact, in regard to Ceylon and in regard to Burma, we are dealing with these Governments and negotiating with them all the time. It would hardly be proper for us to take any steps which would put an end to those negotiations.

Mr. R. K. Sidhva: Under the rules, can a member put more than five questions?

Mr. Speaker: The Honourable Member is perhaps referring to my allowing Dr. Deshmukh to put question No. 235. Is that so?

Mr. R. K. Sidhva: Yes.

Mr. Speaker: The reason was that one of his questions was not answered. The Honourable the Prime Minister stated that it is transferred to another list.

ANTI-INDIAN PROPAGANDA BY PAKISTAN IN MIDDLE EAST COUNTRIES

236. *Shri V. C. Kesava Rao: (a) Will the Honourable the Prime Minister be pleased to state whether Government are aware of the anti-Indian propaganda by Pakistan in the Middle East and if so, what steps are being taken to counteract the same?

(b) Which are the countries in the Middle East where the Government of India have established Embassies?

(c) In such of the countries where there are no embassies at present, what is the channel of diplomatic relations and what steps are being taken to give the true version of the incidents in India to the people of those countries?

The Honourable Pandit Jawaharlal Nehru: (a) The Government of India have from time to time seen reports of anti-Indian propaganda carried on in the Middle East countries. It is one of the duties of our representatives in these countries to counteract this kind of propaganda.

(b) An Indian Embassy has already been opened in Iran and it is hoped that our Ambassador-designate in Cairo will shortly present his credentials. The Government of India have also agreed to exchange Ambassadors with Turkey, and discussions for the establishment of diplomatic relations with Transjordan are in progress.

(c) The British representatives are for the present looking after our interests in the countries where we have no diplomatic missions. Publicity material relating to India is supplied to the British representatives in these countries, as well as to associations, newspapers and individuals who ask for them. A true account of events in India is also broadcast to these countries in the external services of All-India Radio.

Shri V. C. Kesava Rao: Is Government aware, after Feroz Khan Noon's visit to the Middle East, that anti-Indian propaganda has burst into violence and what steps are Government taking to counteract it?

The Honourable Pandit Jawaharlal Nehru: The Government is aware of that. I do not quite know what the Honourable Member wants me to say with regard to the steps we are taking. There are the normal steps to place the facts and the truth before the public there!

Shri H. V. Kamath: Apart from embassies, do Government propose to send goodwill and cultural missions to Middle East?

The Honourable Pandit Jawaharlal Nehru: No, there is no such proposal at present.

Shri H. V. Kamath: Will they consider this proposal?

The Honourable Pandit Jawaharlal Nehru: I do not quite understand this business of sending goodwill missions. I do not quite know what it means. These missions are normally sent where there are no embassies.

Shri H. V. Kamath: Where there is even a regular embassy, a mission like this may sometimes do some good.

The Honourable Pandit Jawaharlal Nehru: But these casual missions roaming about normally do not do good to anyone.

Shri V. C. Kesava Rao: For the better understanding of the Middle East countries, will the Government consider the question of publishing pamphlets in Turkish, Arabic and other languages?

Shri M. Ananthasayanam Ayyangar: In those countries!

The Honourable Pandit Jawaharlal Nehru: I suppose so. No doubt it is the business of our embassies there to issue pamphlets and such other publicity materials and if they do so they do so in the language of the particular country concerned.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Premier if any steps are being taken in his department to have a separate secretariat to deal with various matters that come from the various provinces to give information, to study their culture, their language, their religion, etc., so as to enable our embassies to contact them and give them information as to what ought to be done to spread our culture and also to get ourselves in touch with them?

The Honourable Pandit Jawaharlal Nehru: I have not quite grasped the question. The Honourable Member asked me to get in touch with provinces, to study their.....

Shri M. Ananthasayanam Ayyangar: With different countries. There was a proposal that an independent organisation should be established.

Mr. Speaker: I am afraid all this discussion does not arise out of this particular question.

Shri M. Ananthasayanam Ayyangar: Arising out of the question that my friend put, as to whether pamphlets and periodicals.....

Mr. Speaker: Only for the purpose of propaganda and giving the correct news.

Shri M. Ananthasayanam Ayyangar: Is there any machinery in his department to study individual problems of each country where embassies have been sent, so that we may be in touch with them, and also what kind of propaganda has to be carried on?

The Honourable Pandit Jawaharlal Nehru: I am afraid there is no such real machinery. We get full reports from our ambassadors, ministers, etc., and we also issue some kind of pamphlets for more or less departmental use. It may be desirable to extend that and give it a wider field. But normally we send our resumes and pamphlets on world politics and international conditions to our diplomatic representatives. The Foreign Office does not, so far as I know, usually deal with the public in terms of propaganda directly in its own country. That is the work of the Home Department or the Information Publicity Department.

Shri Rohini Kumar Chaudhuri: May I know whether the Government of India has any connection or control over the Indo-British Goodwill Mission which recently toured throughout India and whether that Mission could not be utilised to tour the Middle East countries?

The Honourable Pandit Jawaharlal Nehru: I have not heard of this Mission.

Shri Rohini Kumar Chaudhuri: This Mission went to Assam. In it there are Europeans, Englishmen as well as Indians and district officers were asked to receive the Mission and give them tea, lunch and dinner.

The Honourable Pandit Jawaharlal Nehru: Nevertheless the Government of India or any other Government has nothing to do with it.

Shri B. R. Diwakar: In addition to what the embassies are doing, may I know what is being done by the Department of Information in India?

The Honourable Pandit Jawaharlal Nehru: That is for the Information Department to say. I may say that there is at the present moment a certain amount of overlapping, or call it hiatus if you like. Foreign propaganda can be done through the foreign office as also through our Information and Publicity Department, and the matter has to be coordinated, I think, in order to achieve results.

Shri H. V. Kamath: Is it not possible for cultural missions to perform useful functions which an embassy cannot do? For instance a mission can establish intimate contacts with the people and popular institutions of the country.

Mr. Speaker: I am afraid questions of that type would involve discussions and suggestions for action.

Shri H. V. Kamath: Is it not possible for cultural missions to serve a useful purpose.....

Mr. Speaker: That is a matter of opinion.

Shri H. V. Kamath: Is there any arrangement for sending missions to perform useful tasks which embassies cannot perform?

Mr. Speaker: That question has already been answered.

ARRANGEMENTS FOR EVACUATION OF HINDUS AND SIKHS FROM SIND

237. *Giani Gurmukh Singh Musafar: (a) Will the Honourable the Prime Minister be pleased to state whether it is a fact that the Government of India have decided to evacuate all the Hindus and Sikhs from Sind?

(b) If so, what steps have Government taken to implement the decision?

(c) If total evacuation of Hindus and Sikhs has been decided upon, within what period do they propose to complete it?

(d) What extra transport arrangements are the Government of India providing for their speedy evacuation?

(e) Are the Government of Pakistan prepared to provide the same transport facilities for the evacuation of non-Muslims from Sind, as they did for the evacuation of non-Muslims from West Punjab and N.W.F.P.?

The Honourable Pandit Jawaharlal Nehru: (a), (b) and (d). The policy of the Government of India has been not to encourage the evacuation of non-Muslims from Sind, but at the same time to provide all facilities for transport to India for such non-Muslims as desire to leave Sind. In furtherance of this policy, facilities have been provided by us as far as lie in our power for non-Muslims to leave Sind by sea or railway train. This process however was delayed from time to time owing to the policy of the Sind Government and certain restrictions imposed by it. Recent events have made it clear that it is exceedingly difficult for non-Muslims to live in Sind owing to lack of protection and opportunity for leading a normal life and carrying on any profession. The Government of India thereupon impressed upon the Pakistan Government to withdraw all restrictions and to give every facility for removing non-Muslims from Sind to India. Special steamers have been arranged for carrying evacuees from Karachi to Bombay and Kathiawar ports and arrangements have also been made for the running of a special train from Mirpurkhas in Sind and the question of running one more special train is at present under consideration.

(c) It is difficult to fix any precise period as the total time required will depend on the facilities available. But at the present rate of evacuation, assuming that most of the non-Muslims want to leave Sind, evacuation to be completed may take six months.

(e) The Government of India are in communication with the Pakistan Government in this matter.

Shri Jainarain Vyas: Are the Government aware that refugees coming from Sind are detained at Marwar junction and Palia for want of specific plans to rehabilitate them?

The Honourable Pandit Jawaharlal Nehru: That is largely true, because a very large number of refugees suddenly descended upon Marwar junction. The Honourable Member is aware that a special board, called the Rehabilitation and Development Board, has been created to consider this very problem.

Shri Jainarain Vyas: Is the Government aware that some Harijans who had come down to Marwar Junction had to return back to Sind for want of specific rehabilitation plans?

The Honourable Pandit Jawaharlal Nehru: I have no personal information. Probably my Honourable colleague of the Relief and Rehabilitation Ministry may know.

Pandit Hirday Nath Kunzru: Are Government aware that the non-Muslims in Sind do not enjoy adequate protection from the Sind Government and if so, why is it the policy of the Government not to encourage non-Muslims to leave that province?

The Honourable Pandit Jawaharlal Nehru: Perhaps the Honourable Member did not follow my reply. What I said was that originally that was our policy but we had to change it because of these facts coming to our notice.

Shri T. T. Krishnamachari: Is it a fact that ships that are sent to Karachi to evacuate non-Muslim refugees are refused permission to enter the harbour, if they contained Muslim passengers from Bombay or other ports in India?

The Honourable Pandit Jawaharlal Nehru: There is some truth in that. Difficulties have been placed in the way of ships carrying Muslim passengers.

to Karachi and we have been told that if such ships are sent, they would not be afforded facilities, that is to say, the Pakistan Government does not welcome any Muslims coming over to Karachi from the Bombay or Kathiawar side.

DECISION *re* NEOGY COMMITTEE'S REPORT OF ADVISORY PLANNING BOARD

238. *Shri B. Das: (a) Will the Honourable the Prime Minister be pleased to state what actions, if any, have so far been taken on the Neogy Committee's report of the Advisory Planning Board?

(b) Have Government come to any decision on any of its recommendations so far?

(c) Have any steps been taken to implement the machinery of planning by creating (i) a Planning Commission; and (ii) a Central Statistical Office?

The Honourable Pandit Jawaharlal Nehru: (a) and (b). A statement of the action taken or decision reached so far on the main recommendations of the Advisory Planning Board is placed on the table of the House. If the Honourable Member desires any further information it will be collected from the Ministry concerned and supplied.

(c) No final decisions have yet been taken on the recommendations of the Board regarding the establishment of a Central Planning Commission and of a Central Statistical Office. The recent appointment of the Rehabilitation and Development Board is, however, a step in the direction of Central Planning.

Action taken in regard to the main recommendations of the Advisory Planning Board.

Paragraph 94 (1) and (2).—No final decision has been reached on these recommendations.

Paragraph 94 (3).—The question is still under consideration.

Paragraph 94 (4).—It has been decided that the question of converting the existing Tariff Board into a permanent statutory body should be held over until the future constitutional position became clearer.

Paragraph 94 (5) and (6).—Action on these was to be taken by Provincial Governments.

Paragraph 94 (7).—A circular letter together with a note was sent to all Provincial Governments and Chief Commissioners most of whom have included concentrated area development schemes in their development plans.

Paragraph 94 (8).—This recommendation has been endorsed by the recent Industries Conference. The question is under consideration in the Ministry of Industry and Supply.

Paragraph 94 (9), (10) and (16).—The Scientific Manpower Committee is taking necessary action regarding these recommendations.

Paragraph 94 (11).—This is being acted upon.

Paragraph 94 (12) to (15).—These are under consideration.

Paragraph 94 (17).—Government are taking action to implement this recommendation.

Paragraph 94 (18) and (19).—Decision on both of these has been announced in the Ministry of Works, Mines and Power Resolutions No. D.W. XVI-1 (1) and E.I.-I-251 (1), dated the 16th January 1948.

Paragraph 94 (20).—All Panels have reported.

Paragraph 94 (21) to (27).—These are under consideration.

Shri B. Das: May I know which is the Ministry referred to?

The Honourable Pandit Jawaharlal Nehru: It refers to various ministries connected with this work.

HINDUS AND SIKHS IN PAKISTAN AND MUSLIMS IN INDIA BEFORE AND AFTER PARTITION

239. *Shri Ramnarayan Singh: Will the Honourable the Prime Minister be pleased to state:

(a) the approximate number of Hindus and Sikhs who were living in the area now called Pakistan and the number of Muslims who were living within the present boundaries of India before the 15th August, 1947;

(b) the number of Hindus and Sikhs killed, wounded and abducted in Pakistan and number of Muslims killed, wounded and abducted in India during the period from the 15th August, 1947 to the 15th January, 1948;

(c) the number of Hindus and Sikhs who evacuated from Pakistan into India and the number of Muslims who evacuated from India to Pakistan;

(d) the number of Hindus and Sikhs still left in the West Punjab, Sind and East Bengal and the number of Muslims still living in India?

(e) the cash and property lost or left behind in Pakistan by Hindus and Sikhs and those by Muslims in India; and

(f) the way in which the property of Muslims in India is being disposed of and the steps which are being taken to recover the property of Hindus and Sikhs from Pakistan.

The Honourable Pandit Jawaharlal Nehru: (a) It is estimated that before the 15th August, 1947, there were 13 million Hindus and 1.6 million Sikhs in the Provinces and States which are now included in Pakistan and about 42 million Muslims in the Provinces included in India and the States which have acceded to India:

(b) No reliable figures are available;

(c) No reliable estimates are available of the numbers evacuated from one Dominion to the other before the Military Evacuation Organisation was set up in the first week of September. On a rough estimate, it is believed, that some 5 lakhs of non-Muslims had crossed the border into India before the 15th August and some 7 to 8 lakhs from the 15th August upto the first week of September. The Military Evacuation Organisation has evacuated 28 lakhs of Hindus and Sikhs from Pakistan to India and 29½ lakhs of Muslims from India to Pakistan upto the end of January, 1948.

(d) The number of non-Muslims left in Sind is about 9 lakhs and in West Punjab about ¼ lakh. There is no reliable estimate of the number left in East Bengal. The number of Muslims left in India is of the order of 37-38 millions.

(e) Claims aggregating to about 16 crores of rupees were filed by non-Muslim refugees before the Registrar of Claims, New Delhi upto 28th January, 1948. Similar claims filed before the Registrar at Ajmer amount to about Rs. 6 crores. No information is available about the value of the claims filed in East Punjab and other Provinces in India. No information is also available in regard to the claims filed in Pakistan by Muslim evacuees from India and it is not possible to say how much property was left by them in India.

(f) For the present, Custodians of Evacuees' Property who have been appointed in India and Pakistan have taken charge of the properties left behind by the Evacuees from the respective countries. In Delhi, residential buildings in predominantly Muslim localities have been kept under lock and key against the return of Muslim evacuees. Residential buildings in other areas as well as agricultural lands have been let out to evacuees from Pakistan while caretakers have been appointed for industrial property and business premises. No precise information is available of the procedure that has been adopted by the Custodian in Pakistan. The question of uniform treatment of the properties left behind by Hindus and Sikhs in Pakistan and Muslims in India was discussed at a conference which was held in December 1947, and details are now being examined by a Sub-Committee appointed by the conference.

Shri M. Ananthasayanam Ayyangar: Is it a fact that all the houses which have been vacated by non-Muslim refugees from Pakistan have been allowed to be occupied in Pakistan by the people of Pakistan?

The Honourable Pandit Jawaharlal Nehru: I cannot answer that question about all the houses vacated by non-Muslims in Pakistan but I think a very large number of them have certainly been occupied.

Shri M. Ananthasayanam Ayyangar: As in the case of agricultural land cannot the houses vacated by Muslims in India be allowed to be occupied by the non-Muslim refugees from Pakistan?

The Honourable Pandit Jawaharlal Nehru: They have been so allowed except in very selected areas of Delhi city.

Shri M. Ananthasayanam Ayyangar: What is the object in excluding entry into those areas? Is it on account of the fear that there may be some trouble?

The Honourable Pandit Jawaharlal Nehru: That is due to a certain policy which the Government has adopted. If the House desires to go into that question, the answer would be rather lengthy. After very careful consideration it was decided that in the predominantly Muslim mohallas (mohallas which are now predominantly Muslim in Delhi) all houses left in between other Muslim houses should be allowed to remain vacant, partly in order to allow the owners of the houses to return and secondly, because if they were occupied by Hindu or Sikh refugees, there was a tendency on the part of the Muslim residents of the other houses next door to leave their houses, because they felt that they were being pushed out. There was a tendency to push out the Muslim residents of the neighbouring houses. In order to prevent that tendency taking effect we decided in those particular areas to reserve those houses.

Even now there are a number of Muslim residents of Delhi in one or two camps near about, who, we hope, will return to their houses in the city.

Dr. B. Pattabhi Sitaramayya: Who pushes them out, Sir?

The Honourable Pandit Jawaharlal Nehru: Normally the Hindu and Sikh refugees who have come here.

Dr. B. Pattabhi Sitaramayya: Can it not be controlled by the authorities responsible for law and order?

The Honourable Pandit Jawaharlal Nehru: Yes, to a considerable extent it has been controlled.

Shri Ramnarayan Singh: Sir, what are the steps that Government are taking to recover property belonging to Hindus and Sikhs who have migrated from Pakistan?

The Honourable Pandit Jawaharlal Nehru: Does the Honourable Member refer to movable property or immovable property?

Shri Ramnarayan Singh: All kinds of property, Sir.

The Honourable Pandit Jawaharlal Nehru: This question of property has been considered repeatedly in conferences between the two Dominions and various resolutions—of course very good on paper—have been passed; but in effect nothing very much has been done. Both the Governments have agreed that property left behind by refugees belongs to their owners and would continue to belong to them. Certain custodians hold them in trust for their owners. The question of occupying immovable property has not at present arisen because the owners are not there to occupy them. The question of movable property has arisen on several occasions and some attempts have been made to transfer them, but not with much success.

Pandit Hirday Nath Kunzru: How long do Government propose to allow vacant houses in predominantly Muslim localities to remain unoccupied?

The Honourable Pandit Jawaharlal Nehru: I am afraid I cannot fix any definite date.

Pandit Hirday Nath Kunzru: Are Government clear in their mind that these houses should not be allowed to remain unoccupied indefinitely?

The Honourable Pandit Jawaharlal Nehru: But obviously no house can be allowed to remain unoccupied indefinitely.

Shri M. Ananthasayanam Ayyangar: Wherever agricultural land has been let out to tenant farmers have there been any applications from owners who have gone away to Pakistan for sending them the rent due to them on the land?

The Honourable Pandit Jawaharlal Nehru: I do not know, Sir.

ACTIVITIES OF WELFARE DEPARTMENT AT JHARIA re COAL MINE LABOURERS

240. *Shri Ramnarayan Singh: Will the Honourable Minister of Labour be pleased to state the present activities of the Welfare Department at Jharia, in connection with the coal mine labourers?

The Honourable Shri Jagjivan Ram: A statement giving an account of the welfare activities carried out by or on behalf of the Coal Mines Labour Welfare Fund was laid on the table of the House in reply to part (b) of starred question No. 724, put by the Honourable Member on the 9th December, 1947. A statement giving a brief account of the further progress in regard to welfare activities is placed on the table of the House.

A printed Memorandum showing the activities of the Fund in greater detail has been circulated to all members of the House at the beginning of this session.

Brief account of the activities of the Coal Mines Labour Welfare Fund during December 1947 and January 1948.

Housing:—The main pre-occupation of the Fund during this period was the scheme for the construction of 50,000 houses for coal miners at an estimated cost of Rs. 3,500 per house. Because of the difficulty in getting suitable plots of coal free land for building townships, it is proposed to construct about 25,000 houses on land now owned by collieries, on condition that the houses after construction are transferred to the Housing Board, which is being set up under the Coal Mines Labour Welfare Fund Act. 5,300 of these houses are expected to be on railway collieries.

Steps are being taken to construct a township of 9,000 houses in Mohuda and about 2,500 houses in Bhuli. For solving the transport problem in Mohuda, Ministry of Railways are arranging for a detailed engineering survey. The Central Waterways Irrigation and Navigation Commission have already examined the question of water supply and their report is expected shortly.

In Bhuli, where a few experimental houses have already been built, tenders have been accepted and works orders issued for the construction of the first 750 houses.

The Bengal Coalfields Sub-Committee of the Coal Mines Labour Welfare Fund Advisory Committee have been able to select 15 sites in the Raniganj coalfield for small group of about 500 miners' houses each. Steps are being taken to get the sites examined by experts and to acquire such of those as are suitable.

Direct responsibility for the execution of the housing scheme, as well as all construction works of the Fund in Bengal and Bihar, has been transferred from Central Public Works Department to the Fund itself. A Superintending Engineer with necessary staff has been appointed for this purpose.

Medical Facilities:—Regional hospitals and Maternity and Child Welfare Centres at Tisra, Katras, Chora and Searsole have been constructed and are being equipped. Some of the medical equipments are being obtained through the Directorate General of Disposals. Advertisements for staff have been issued and selection will be made shortly. Arrangements for water supply, electricity etc., are being made.

Anti-malaria operations are being continued as before and the incidence of malaria in the coalfields has been considerably reduced. On the preventive side, intensive larvicidal measures directed against aquatic stages of mosquitoes are reinforced by their spray killing with D. D. T. The new anti-malaria drug Paludrine is used on the curative side. With effect from the 1st March 1948, the Malaria Institute of India will take over the malaria control operation in the Koria coalfields also under their direct control.

With a view to tackle the problem of tuberculosis, it is proposed to construct during 1948-49 three static clinics at places to be selected by the Coal Mines Labour Welfare Fund.

Advisory Committee. The clinics are expected to cost about Rs. 6,00,000 non-recurring and Rs. 1,29,000 recurring. The possibility of reserving ten beds for T. B. patients in each of the two Central Hospitals under construction in the Jharia and Raniganj coalfields is also being considered.

A grant of Rs. 25,000 has been made for the purchase, from the Coal Mines Labour Welfare Fund, of an 'X' Ray Unit for the benefit of colliery workers in the Central Provinces coalfields.

Another grant of Rs. 14,000 has been made to the Bengal Coalfields Sub-Committee of the Coal Mines Labour Welfare Fund Advisory Committee for organising and conducting a second refresher course of training for the medical officers in collieries.

Women's Welfare.—Fourteen demonstration centres, where visual and craft education is provided to women and children in the coalfields, have so far started functioning. The section also runs shops where consumer goods are made available to miners at appreciably less than market rates—economy being effected by bulk wholesale purchase—and operates a mobile cinema displaying educative films.

Miscellaneous.—During the quarter ending December 1947, the mobile shops visited 52 collieries and sold consumer goods such as aluminium utensils, ready-made garments, woollen goods etc., worth Rs. 28,000.

The mobile cinema van continued to provide recreation to the mining folk. On an average, 20 shows per month were put up.

The mobile canteen is very popular and is running without loss.

A grant of Rs. 1,200 was recently sanctioned in favour of the Girdih Railway Collieries for holding a Labour Welfare Exhibition.

IMPLEMENTATION OF KOSI DEVELOPMENT SCHEME

241. *Shri Ramnarayan Singh: Will the Honourable Minister of Works, Mines and Power be pleased to state the steps which are being taken to implement the Kosi Development Scheme?

The Honourable Shri N. V. Gadgil: The Central Water Power Irrigation and Navigation Commission, who have been dealing with the Kosi Scheme, are still engaged on preliminary investigations and surveys. They have submitted to the Government of India a preliminary report† on the Kosi Project, copies of which are laid on the table. As soon as the investigations are completed, the Commission will submit a detailed Project report when further action will be considered in consultation with the Governments of Bihar and Nepal.

Shri Ramnarayan Singh: By what time does the Honourable Minister expect the investigations to be completed?

The Honourable Shri N. V. Gadgil: In about eighteen months' time, Sir.

Shri M. Ananthasayanam Ayyangar: May I know from the Honourable Minister if in the group of men who are investigating into this scheme there are any persons who were at any time connected with the building of dams in any part of India?

The Honourable Shri N. V. Gadgil: The persons engaged in the preliminary investigations are experienced engineers and are recruited from all the provinces of this country.

Shri M. Ananthasayanam Ayyangar: May I know if any of them had any practical experience in the construction of dams, e.g., the Mettur dam in Madras and other dams in the Bombay Presidency.

The Honourable Shri N. V. Gadgil: I require notice of that question.

Shri Ramnarayan Singh: Sir, what are the matters for investigation?

†Not printed in these Debates. A copy has been placed in the Library of the House.—
Ed. of D.

The Honourable Shri N. V. Gadgil: All matters which are relevant to the construction of this project are the matters which are to be investigated.

Shri Ramnarayan Singh: May I know what portion of the investigation has been completed by now?

The Honourable Shri N. V. Gadgil: I have laid a copy of the preliminary report on the table which contains about 2 dozen maps dealing with the various aspects of the scheme and if the Honourable Member is so interested and inclined he can go through them at leisure.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Minister if there is any proposal to send any of these gentlemen to foreign countries to get experience before they undertake the work.

The Honourable Shri N. V. Gadgil: Some of them have already been and are working not only on this scheme, but also on others.

Shri M. Ananthasayanam Ayyangar: May I ask the Honourable Minister if before finalising the scheme, it will be placed before other persons who are experienced in the construction of dams?

The Honourable Shri N. V. Gadgil: That is usually done and I may point out for the information of my Honourable friend that so far as the Mahanadi project is concerned, we have appointed a committee of experts in which there are two American experts whom we have invited for a period of two months.

INDIAN OFFICERS IN SECRETARIATS OF VARIOUS EMBASSIES.

242. *Shri Rohini Kumar Chaudhuri: (a) Will the Honourable the Prime Minister be pleased to state how many Indian Officers have been taken in the Secretariats of the different Embassies?

(b) How many of them were recruited through the Federal Public Service Commission?

(c) How many of them were directly recruited?

(d) How many of these directly recruited persons had previous experience of Secretariat work in Provincial or Central Government?

(e) To what provinces do the officers mentioned in part (a) above belong?

The Honourable Pandit Jawaharlal Nehru: (a) to (e). A statement containing the required information is placed on the table of the House.

Statement

S.No.	Name of Embassy	How many Indian officers have been taken in the Sectt. of the different Em. S. C. ?	How many of them were recruited through the F. P. ?	How many of these directly recruited persons had previous experience of Sectt. work in provincial or Central Govts.	To what Provinces Remarks do the officers mentioned in part(a) belong?		
1	2	(a) 3	(b) 4	(c) 5	(d) 6	(e) 7	8
1.	Indian Embassy at Nanking.	First Secy. 1 Third Secy 2	1 (IGS) 1 (IFS) 2	...	...	Punjab. Madras.	
2.	Indian Embassy at Moscow.	First Secy. 1 First Secy. 1 (Cultural Relations). 2	1 (ICS) 1 1	1 (Central Service, Class I).	1	United Provinces. Bengal.	
3.	Indian Embassy at Washington.	Counsellor. 1 Financial Adviser 1 First Secy. 1 Second Secy. 1 Third Secy. 1	1 (ICS) 1 (IA & SA) 1 (IPS) 1 (Genl. Admn. Reserve) 1 (I.F.S.)	...	...	United Provinces. Madras. Punjab. Madras. United Provinces.	
4.	Indian Embassy at Tehran.	First Secy. 1	1 (IGS)	...	...	United Provinces.	
5.	Indian Embassy at Paris.	Charge d, Affairs. 1	1 (ICS)	...	...	Madras.	
6.	Indian Embassy at Brussels.	Charge d, Affairs. 1	1 (ICS)	...	...	Bombay.	
7.	Indian Embassy at Rangoon.	First Secy. 1 2nd Secy. 1	1 (IGS) 1 (Indian Postal Service.)	...	...	United Provinces. Punjab.	
8.	Indian Embassy at Kathamandu.	First Secy. 1	1 (IA & AS)	...	...	United Provinces.	
Total:		15	14	1		U.P. 6, Madras 4, Bengal 1, Punjab 3, Bombay 1.	

I.C.S. means Indian Civil Service.

I. A. & A. S. means Indian Audit and Accounts Service.

I.F.S means Indian Foreign Service.

I.P.S means Indian Political Service.

ENTERTAINMENT OF APPEALS TO PRIVY COUNCIL BY FEDERAL COURT OF INDIA

243. *Shri Rohini Kumar Chaudhuri: Will the Honourable the Prime Minister be pleased to state if appeals which lie to the Privy Council from different High Courts and Chief Courts under the present law, are being now entertained by the Federal Court of India and if so, has the number of judges in the Federal Court been increased to cope with the additional work?

The Honourable Pandit Jawaharlal Nehru: I invite the Honourable Member's attention to sections 3, 5 and 7 of the Federal Court (Enlargement of Jurisdiction) Act, 1947. The question of increase in the number of Judges will be considered as and when necessary. No such necessity has thus far arisen.

RELIEF AND REHABILITATION OF REFUGEES FROM SIND

244. *Giani Gurmukh Singh Musafar: (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state what arrangements have been made for the relief and rehabilitation of refugees from Sind?

(b) Have Government prepared any plan to accommodate those refugees in particular regions, district-wise, as has been done in the East Punjab in the case of refugees from West Punjab and N.W.F.P.?

(c) If so, do Government propose to lay a statement showing the details of the said scheme on the table of the House?

(d) How many of the agriculturist Sindhi refugees have been allotted agricultural land and how many of the non-agriculturist Sindhi refugees have been granted loans to start business?

The Honourable Shri N. V. Gadgil: (a) A Directorate General has been set up to look after the immediate problems of reception and relief of refugees from Sind. Directors have been appointed at Bombay, Rajkot in Kathiawar, Marwar and Nagpur in Central Provinces. Adequate quantities of food supplies, clothing, blankets and medicines are being made available at the camps which have been and will be set up for the reception of these refugees near Bombay, in Kathiawar, in Rajputana and in the Central Provinces. The rehabilitation of Sind refugees will also be part of the duties of the Rehabilitation and Development Board.

(b) and (c). No district-wise allotment has been worked out; but it is expected that refugees from Sind will be accommodated mostly in Rajputana, Ajmer, Bombay, Central Provinces and Kathiawar. The primary need at present is to make adequate arrangements for evacuation and immediate relief and this is being done.

(d) It is known that some of the Sindhi agriculturists are being settled on land in Udaipur State. Others are returning to the places where they have ties. No separate statistics relating to relief and re-settlement of Sindhi refugees have been kept so far.

Shri Jainarain Vyas: Does the Government know that the refugees who have settled down in the States of Rajputana are not given the facilities which the *bona-fide* residents of the place enjoy in the matter of service, in the matter of carrying on professions, and therefore they have to leave for other places in order to eke out their livelihood?

The Honourable Shri N. V. Gadgil: It is not possible to give information on this particular point immediately, but I will call for information.

Shri Jainarain Vyas: Will the Government see that the Sindhi refugees settled down in Jodhpur are given the facilities accorded to the *bona-fide* residents of the place?

The Honourable Shri N. V. Gadgil: I do not understand what kind of facilities are given to Sindhi refugees as against facilities accorded to the *bona-fide* residents of the Jodhpur State. I think it is a matter of experience for the Honourable Member himself.

Shri Jainarain Vyas: In the case of the *bona-fide* residents....

Mr. Speaker: Does the Honourable Member propose to argue the matter?

Shri Jainarain Vyas: No, Sir. I am just putting a question. In my first question I said that in the matter of employment and in the matter of service the *bona-fide* residents of the place get certain facilities which the refugees do not. Will the Honourable Minister write to the States concerned to see that these facilities are given to the Sindhi and other refugees who have settled down there?

The Honourable Shri N. V. Gadgil: I shall consider this.

DIAMOND MINES IN HIRAKUD IN SAMBALPUR DISTRICT ORISSA

245. *Shri Lakshminarayan Sahu: Will the Honourable Minister of Works, Mines and Power be pleased to state:

(a) whether Government have any information that diamond mines existed in the past in Hirakud in the district of Sambalpur in Orissa; and

(b) if so, whether Government propose to take steps to prospect diamond in Hirakud?

The Honourable Shri N. V. Gadgil: (a) Government have no information that diamond mines existed in the past in Hirakud in Sambalpur district. It is said that diamonds were occasionally picked up in the past in the river near Hirakud. Dr. V. Ball of the Geological Survey of India visited the area in 1875-76 and made a thorough investigation; but no diamonds were discovered. Subsequent Geological investigations confirm the view that there are no diamond mines at Hirakud.

(b) Does not arise.

Shri H. V. Kamath: Where have all the diamonds of ancient India disappeared?

Mr. Speaker: Order, order. Next question.

REPRESENTATION TO PORTUGAL FOR INDEPENDENCE OF DAMAN, DIU AND GOA

246. *Shri V. C. Kesava Rao: (a) Will the Honourable the Prime Minister be pleased to state whether representations have been made to Portugal in the matter of granting complete independence to the inhabitants of Daman, Diu and Goa?

(b) Have Government any direct diplomatic facility at Lisbon, and if not, through what channel have these representations been made?

(c) If the answer to part (a) above be in the negative, do Government propose to consider the question of making an early representation in this matter?

The Honourable Pandit Jawaharlal Nehru: (a) No formal representation has been made to the Portuguese authorities but some informal conversations have taken place.

(b) There is no Indian diplomatic representative in Lisbon; the informal conversations have taken place in London between our High Commissioner and the Portuguese Ambassador.

(c) The Government of India are at present considering the question of exchanging diplomatic representatives with Portugal. Pending such exchange, the future of Portuguese possessions in India must remain the subject of informal discussion, as and when opportunity occurs.

Shri V. C. Kesava Rao: May I know the number of the Goans belonging to the Portuguese Settlements staying in India?

The Honourable Pandit Jawaharlal Nehru: There are a very large number of them.

LOSS OF INDIA'S FINANCES DUE TO FOREIGN INSURANCE COMPANIES

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

(a) the number of foreign Insurance Companies working in India—nation-wise in life, fire, marine and accident insurances;

(b) the amount going out of India to various countries from this source?

(c) the amount that Indian Insurance companies pay to foreign countries for re-insurance of risks; and

(d) whether in view of the financial drain to the country due to the operation of these insurance companies, Government propose to consider the question of bringing in legislation to control this drain?

The Honourable Mr. C. H. Bhabha: (a) I am placing on the table of the House a statement containing the requisite information.

(b) and (c). The information is not readily available.

(d) Government will consider this question.

Statement

Showing the number of foreign Insurance Companies working in India in life, fire, marine and accident insurances.

Country in which constituted	Life	Fire	Marine	Misc.
United Kingdom*	11	47	35	45
Australia	...	6	5	5
Canada	2	3	1	2
Hongkong	...	5	4	1
Straits Settlements	...	2	1	1
Africa	1	1	...	...
U. S. A.	...	8	5	...
Switzerland	1	2	...	...
Java	...	1	1	...

*Including 5 insurers holding standing contracts with Lloyds.

TRAINING OF INDIAN OFFICERS IN MARINE BIOLOGY AND CAPACITY OF TRAINING SHIP *DUFFERIN*

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

(a) what is the capacity of the training ship *Dufferin* for training executive, and engineering cadets;

(b) whether, in view of the contemplated expansion of the shipping industry, Government propose to consider the question of increasing the training capacity of *Dufferin* or having one or two similar establishments for training cadets;

(c) whether Government are aware that for fishing fleets, specially trained men have to be brought from England, as our officers are not trained in Marine Biology; and

(d) whether Government propose to consider the question of instituting a combined course for officers to merchant ships as well as deep sea fishing fleets?

The Honourable Mr. C. H. Bhabha: (a) The present annual intake of the training ship is fifty cadets, twenty-five for the executive branch and twenty-five for the engineering branch.

(b) Yes, Sir. Government have already set up a special Committee to examine the question of the expansion of training facilities for merchant navy officers and their final recommendations are awaited.

(c) and (d). The Special Committee has been asked to investigate the possibility of providing coaching facilities and of holding examinations for certificates of competency for Officers of merchant ships as well as fishing vessels.

ANDHRAS IN INDIAN SCHOOL OF MINES AND QUOTA FOR EACH PROVINCE

249. *Shri V. C. Kesava Rao: Will the Honourable Minister of Works, Mines and Power be pleased to state:

(a) the total annual intake of students in the Indian School of Mines and their number province-wise;

(b) whether Government have fixed a quota for each province;

(c) the number of Andhras undergoing training in the Indian School of Mines; and

(d) whether in view of the fact that some of the largest mica mines are in the Andhra districts, Government propose to fix an equitable quota for Andhras in this school?

The Honourable Shri N. V. Gadgil: (a) and (b). The existing annual intake of students, in the Indian School of Mines, Dhanbad, is twenty-four and their number province and state-wise, during the current year 1947-48, is as follows:

Madras	2
Bengal	2
Bihar	2
Orissa	1
Bombay	1
U. P.	1
Punjab	1
C. P.	1
Assam	1
N. W. F. P.	1
Baluchistan	1

Sind	1
Delhi Ajmer-Merwara	
Coorg	1
Hyderabad	1
Mysore	1
Minority Communities and War Service Candidates	6

24

(c) There are no students from the Andhra Districts now undergoing training in the School.

(d) Government have already fixed an equitable quota for the Madras Province in which the Andhra Districts are situated. They do not propose to fix quotas district wise.

Shri M. Ananthasayanam Ayyangar: May I know the number of applications received and how many have to be turned out for want of accommodation?

The Honourable Shri N. V. Gadgil: A large number. Only recently the Standing Finance Committee has sanctioned an expansion scheme and from next year the total number will be about sixty.

Shri V. C. Kesava Rao: May I know the post-war plans for the expansion of the School of Mines?

The Honourable Shri N. V. Gadgil: The Committee that was appointed has made a Report and some of the recommendations of that Committee have been recently implemented with the sanction of the Standing Finance Committee, and one of the recommendations is to increase the number of students which will become about sixty.

Shri Rohini Kumar Chaudhuri: May I know on what basis quotas of students are allotted to the different Provinces?

The Honourable Shri N. V. Gadgil: On all relevant considerations, including population, size of the territory and the capacity of the people of the Province.

Dr. P. S. Deshmukh: Will the Honourable Minister consider the proposal to open any other Schools?

The Honourable Shri N. V. Gadgil: Not yet.

Shri H. V. Kamath: By 'capacity' does the Honourable Minister mean intellectual or physical capacity?

The Honourable Shri N. V. Gadgil: Intellectual.

Shri Rohini Kumar Chaudhuri: In a Province like Assam mining has not been developed much though there are great resources. Will the position of such undeveloped Provinces be taken into consideration in allotting the number of seats?

The Honourable Shri N. V. Gadgil: I think that is also taken into consideration.

Shri H. V. Kamath: Has the Honourable Minister got any tests for gauging the intellectual capacity of the candidates?

The Honourable Shri N. V. Gadgil: The Honourable questioner knows very well that such things are usually practised in all the selection committees.

CRITERION FOR ALLOTMENT OF GOVERNMENT QUARTERS TO NON-GAZETTED STAFF FROM PAKISTAN.

250 *Shri H. J. Khandekar: (a) Will the Honourable Minister of Works, Mines and Power be pleased to state what was the criterion for allotment of Government quarters to non-gazetted staff repatriated from Pakistan?

(b) Is it a fact that claims of a number of such men holding permanent appointments were ignored, whereas temporary staff with shorter service was provided with accommodation?

(c) Do Government propose to consider the desirability of counting the service rendered by such staff in Pakistan as the sole factor for determining the eligibility for allotment of quarters as is done in the case of similar staff employed in New Delhi?

The Honourable Shri N. V. Gadgil: (a) The sole criterion for making allotments to the staff repatriated from Pakistan is total length of service, including service rendered in Pakistan prior to repatriation.

(b) No

(c) Does not arise in view of the answer to part (a) above.

COASTAL TRANSPORT DONE BY COUNTRY-CRAFT AGAINST POWER-DRIVEN SHIPS

251. *Shri R. R. Diwakar: (a) Will the Honourable Minister of Commerce be pleased to state separately the total coastal tonnage of cargo carried by country-craft and that by power-driven ships?

(b) What steps are being taken to encourage country-craft which is handling a good portion of coastal transport?

(c) In view of the shortage of the coastal shipping, do Government intend giving some protection to country-craft against competition by power-driven coasters?

The Honourable Mr. C. H. Bhabha: (a) The tonnages of coastal cargo carried by country-craft and power-driven ships per year are approximately 1 and 2.5 millions respectively. The figures include traffic to and from the port of Karachi.

(b) and (c). Government have at present under consideration the question of the steps to be taken for the development of the sailing vessel traffic and for securing co-ordination of shipping and sailing vessel services.

PRINTING AND CIRCULATION OF STATEMENTS LAID ON THE TABLE
IN ANSWER TO QUESTIONS AND DELAY IN PRINTING THE
ASSEMBLY DEBATES.

Dr. B. Pattabhi Sitaramayya (Madras: General): May I request you, Sir, to direct that the statement furnished in answer to question No. 242 today regarding recruitment to Foreign Embassies, be immediately circulated to us? You were good enough to state some time ago when the question was first raised that very important statements should be immediately furnished to us. This is a very important statement. Along with that, Sir, I would like to couple the contract relating to the Andamans in answer to a question dated the 6th February.

Your attention has already been invited to the fact, Sir, that we have not got the proceedings of even the first meeting of this session and this is rather unusual in view of the fact that in former sessions they used to be furnished much more quickly.

Mr. Speaker: As regards the latter request, I am sorry that the matter does not rest in the hands of the Assembly Department. Our difficulties chiefly are with the press, and I may inform Honourable Members that there has been a proposal, adopted long long ago, that the Assembly should have a separate press of its own. But at present difficulties are being experienced over obtaining the necessary machinery and necessary materials for building, etc. So that question has to be shelved over; and the position in the press, I may also invite the attention of the Honourable Minister, has considerably deteriorated. Not only are there delays in getting printing work done, but the work turned out is so inefficient that even the correction of proofs a number of times leaves a number of mistakes. I had referred to this point once, when I explained as to why Bills or Select Committee Reports could not be placed before the House as early as one would wish. So, that disposes of the latter part of the question. I might make a suggestion, as to whether it is not possible to set apart a section of the press only for the work of the Assembly during the period of the sessions, but it is for the Honourable Minister to consider as to how far it is possible.

As regards the two statements that the Honourable Member wishes to have circulated, I will look into them and then decide.

Dr. B. Pattabhi Sitaramayya: Thank you, Sir. I did not want to mention this as a complaint.

Mr. Speaker: I do not take it in that light.

Shri Rohini Kumar Chaudhuri (Assam: General): When a statement is laid on the table in reply to a question, is it possible to supply a copy?

Mr. Speaker: It has been stated by me before that, all the statements that are submitted are placed immediately on the table, and from lunch hour, they are transferred to the Library table. So, if any Honourable Member is desirous of having it immediately there and then, he can have a look at it.

Dr. B. Pattabhi Sitaramayya: But that cuts off all chances of supplementary questions unless you take them after the lunch hour.

Mr. Speaker: That is not possible. The point is that we must now, with the change in the set up, also appreciate the necessity of a change in the manner of putting questions and in the type of information that one calls for. I find many questions ask for information which cannot be supplied in a short reply. It does necessitate a statement. If, therefore, starred questions are restricted only for the purpose of obtaining information there and then and Honourable Members put in unstarred questions for information of a lengthy character, it will be more convenient.

Dr. B. Pattabhi Sitaramayya: When will that information be given?

Mr. Speaker: The same day. Later on, it will be printed, but on the same day it will be laid on the table as answers to starred questions.

Shri B. Das (Orissa: General): Unfortunately departments do not appear to help.

Mr. Speaker: That is a matter for argument. It will be for Honourable Members to help in that direction. If they begin, others will follow.

Shri B. Das: How can we help bureaucratic departments?

Mr. Speaker: We will discuss that in my chamber.

Haji Abdus Sattar Haji Ishaq Sait (Madras: Muslim): May I be permitted to add that invariably extra copies of statements and written replies are always available with the Secretary? As a matter of fact, just now I asked for answer to a question and I got it.

Mr. Speaker: These have been always given to the Honourable Members I have stated that before also.

Mr. R. K. Sidhva (C.P. and Berar: General): May I be permitted to add some remarks about the proceedings, which Dr. Pattabhi mentioned in the House? We are.....

Mr. Speaker: I am not permitting any debate.

Mr. R. K. Sidhva: I only wanted to draw your attention to the fact that we do not get the proceedings of this House very promptly and therefore we are considerably handicapped. I understand that previously the proceedings were available within a fortnight. In the Parliament of England proceedings are available within a week, and I understand our own press is working very expeditiously for the printing of the constitution and within a week that will be available. Until the Department has its own press, members should be enabled to have the proceedings at least within a fortnight. I would therefore request you, Sir, to tell the Government to expedite the printing of the proceedings as we really are considerably handicapped for purposes of reference.

Mr. Speaker: If the Honourable Member had followed me, I have already conveyed the suggestion to the Honourable Minister that a part of the press should be specially set apart for Assembly work only during the sessions and that will lead to expediting the work.

WORKMEN'S STATE INSURANCE BILL

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE

The Honourable Shri Jagjivan Ram (Minister for Labour): Sir, I present the report of the Select Committee on the Bill to provide for certain benefits to workmen employed in or in connection with work of factories in case of sickness, maternity and accident, and to make provision for certain other matters in relation thereto.

CHILD MARRIAGE RESTRAINT (AMENDMENT) BILL

(Amendment of Sections 8, 4, 5, etc.)

Mr. Speaker: The House will now proceed with the legislative business.

بلڈت تھاکر داس بھارگو : (ایسٹ پنجاب جنرل) جناب سپیکر صاحب - مجھے
مستحب ذریعہ سے پتہ لگا ہے کہ گورنمنٹ خود ہی ایک ایسا بل (جو بچوں کی شادی
کے روکنے کے متعلق بل لی ترمیم کریگا) ہاؤس میں لانا چاہتی ہے - اس وجہ سے یہ
امید کرتے ہوئے کہ وہ اس سیشن میں پیش کیا جائیگا - میں اپنے بل کے متعلق
Select committee کی موشن فی الحال پیش نہیں کرتا -

Pandit Thakur Das Bhargava (East Punjab: General): Mr. Speaker, I understand from a reliable source that the Government itself is placing before the House a Bill to amend the "Child Marriage Restraint Act". In the hope, therefore, that it will come up for consideration during this Session, I am not, at present, moving the motion for Select Committee regarding my own Bill.

Mr. Speaker: Is the Honourable Member not moving the motion?

Pandit Thakur Das Bhargava: I am not moving my motion.

INSURANCE (AMENDMENT) BILL

Shri T. A. Ramalingam Chettiar (Madras: General): Sir, I beg to move:

"That the Bill further to amend the Indian Insurance Act, 1938, be taken into consideration."

Co-operative Insurance Societies, Sir, have been formed for the purpose of helping the poorer section of the people both in the rural parts and in towns. They have got their agents in the villages and through the Village Co-operative Societies they insure people of small means up to Rs. 1,000 or Rs. 2,000. That is the general purpose for which these societies were formed. In view of that fact, in the Act of 1938 these societies were allowed to issue policies for all sums even below Rs. 500, which was the minimum fixed for insurance societies at the time. Later on, Sir, an amendment was proposed for the Insurance Act, one of the terms of which was that two other categories of societies, namely the Mutual Insurance Societies and Provident Societies, which were also allowed to issue policies below Rs. 500, should be taken away from this exemption as they were dealing generally with larger amounts and there was no need to allow them to continue the issue of these smaller policies and in

view of the fact that the Government thought that certain other restrictions ought to be placed on those Societies. But the Government intended that the exemption should continue to apply to the Co-operative Insurance Societies. So, in the Bill that was brought before this House by the Government the exemption was maintained so far as the Co-operative Insurance Societies were concerned and that exemption was taken away from the other categories of Societies. Unfortunately this position was not understood in this House and by an amendment which was moved on the spur of the moment the exemption was taken away from the Co-operative Societies also. It was quite unintentional and the Government never meant, Sir, that it ought to be done. When this was represented to the Government they brought forward an amendment in their own Second Amendment Bill to restore the exemption that was granted to these Insurance Societies. Well, Sir, the Select Committee also which sat on that amending Bill, in their Report which was placed before this House only a short while ago, recommended that the exemption should be restored to the Co-operative Insurance Societies. Sir, I have brought forward

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INSURANCE (AMENDMENT) BILL

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this Bill only to grant that exemption which unfortunately was taken away by a misconception on the spur of the moment by a member that moved the amendment when the first amending Bill was brought in this House, and which was admitted by the Government to have been taken away by an error and approved by the Select Committee which sat on the Second Insurance Amending Bill.

I have brought this forward separately for the simple reason that I feared that the Second Insurance Amending Bill which the Government brought forward may not be got through in this Session, and as I found the Government have withdrawn that Bill and are going to bring forward another Bill later on. So it has become very necessary that this Bill should go through now. I may say, Sir, that in the last two years the Co-operative Insurance Societies have suffered much because this exemption was taken away; and the poor people in both the rural and urban areas who were insuring for smaller amounts than Rs. 1,000 have also suffered because they could not be served by the other institutions which are in existence. So I move, Sir, that this Bill be taken into consideration.

Mr. Speaker: Motion moved:

"That the Bill further to amend the Indian Insurance Act, 1938, be taken into consideration."

The Honourable Mr. C. H. Bhabha (Minister for Commerce): Sir, as has been stated by the Honourable Member Mr. Chettiar, it was by inadvertence that the special concession or recognition that was given to Co-operative Insurance Societies was withdrawn by the Amendment Act of 1946. Government's attention was drawn to this and they themselves intended to rectify this error. As a matter of fact, after the Select Committee stage in the new Bill which was withdrawn with the permission of the House a few days ago, this mistake was sought to be rectified. Government feel that this is very necessary and that is why they are accepting this Amendment subject to a few technical changes; notice of such technical amendments has already been given to the House. So Government is accepting this Bill.

Mr. Speaker: The question is:

"That the Bill further to amend the Indian Insurance Act, 1938, be taken into consideration."

The motion was adopted.

The Honourable Mr. C. H. Bhabha: Sir, I move an amendment to Clause 2 as follows:

"That in clause 2 of the Bill, after the figure '4' the words and figures 'of the Insurance Act, 1938' be inserted."

Well, the notice that has been given by the Honourable Member is defective and the Legislative Department feels that to clarify the whole issue, as it has got a bearing on the Insurance Act of 1938, the words "of the Insurance Act, 1938" should be inserted.

Mr. Speaker: I feel a difficulty—only a verbal one. I believe the figure referred to is the Roman figure IV. Then what about the words "of this Act"?

The Honourable Mr. C. H. Bhabha: To make it more specific, instead of "of this Act", I have proposed "of the Insurance Act, 1938".

Mr. Speaker: That means the words "of this Act" must be deleted.

The Honourable Mr. C. H. Bhabha: Yes, Sir.

Mr. Speaker: Then I shall put it in the amended form.

Amendment moved:

"That in clause 2 of the Bill, after the figure 'IV' the words and figures 'of the Insurance Act, 1938' be inserted, and the words 'of this Act' be omitted."

Shri T. A. Ramalingam Chettiar: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in clause 2 of the Bill, after the figure 'IV' the words and figures 'of the Insurance Act, 1938' be inserted, and the words 'of this Act' be omitted."

The motion was adopted.

Mr. Speaker: The question is:

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

The motion was adopted.

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

The Honourable Mr. C. H. Bhabha: Sir, I move:

"That for clause 1 of the Bill, the following be substituted:

1. This Act may be called the Insurance (Amendment) Act, 1948."

In my amendment I have suggested that instead of the word "shall" the word "may" be inserted, and instead of "1947", "1948" be inserted.

Mr. Speaker: The question is:

"That for clause 1 of the Bill, the following be substituted:

1. This Act may be called the Insurance (Amendment) Act, 1948."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 1, as amended, stand part of the Bill."

The motion was adopted.

Clause 1, as amended, was added to the Bill.

The Honourable Mr. C. H. Bhabha: Sir, I move:

"That in the long title of the Bill, the word 'Indian' be omitted."

Sir, the reason for this Amendment is that the title of the original Act as it stands is "Insurance Act, 1938" only.

Mr. Speaker: The question is:

"That in the long title of the Bill, the word 'Indian' be omitted."

The motion was adopted.

Mr. Speaker: The question is:

"That the Title, as amended, and the Preamble, stand part of the Bill."

The motion was adopted.

The Title, as amended, and the Preamble were added to the Bill.

Shri T. A. Ramalingam Chettiar: Sir, I move:

"That the Bill, as amended, be passed."

Mr. Speaker: Motion moved:

"That the Bill, as amended, be passed."

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, I would like to say a few words. The point is that last time we had this amending Bill,—and it has been there for a very long time—we did not know under what circumstances the Honourable Minister in charge withdrew the Bill putting forward the same grounds that have been advanced now.

The Honourable Mr. C. H. Bhabha: No, there were other grounds mentioned by me.

Shri M. Ananthasayanam Ayyangar: This amendment in favour of the co-operative societies is a very wholesome one for the reason that insurance is essentially a co-operative institution, where a number of people join together and in case of accident provide help by their contributions. Therefore, the

tendency must be in favour of converting all proprietary concerns into other mutual concerns or co-operative concerns. I expected that when the Honourable Minister withdrew the Bill he would bring it after making suitable amendments, so that proprietary concerns may change over easily into other co-operative concerns as early as possible. I now again expect the Honourable Minister will introduce such a Bill at least in the next session.

Mr. Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

HINDU INTER-CASTE MARRIAGE REGULATING AND VALIDATING BILL

Shri Mohan Lal Saksena (U. P.: General): Sir, since the Law Minister has informed me that he proposes to make a motion for reference of the Hindu Code to a Select Committee during the present session, I do not want to move this motion.

Mr. Speaker: Do I understand that the Honourable Member does not want to make a motion now, but he wishes to keep it alive?

Shri Mohan Lal Saksena: Yes, Sir. In case the Law Minister does not bring in his motion, I may have to move mine.

1. INDIAN COMPANIES (AMENDMENT) BILL (Amendment of Sections 25, 31, 32, etc.)

2. INDIAN COMPANIES (AMENDMENT) BILL (Amendment of Section 86F)

Dr. P. S. Deshmukh (C. P. and Berar: General): Sir, I understand that the Honourable Minister is going to make a statement on these two motions. In view of that, perhaps, it may not be necessary for me to make any motion.

Mr. Speaker: Does the Honourable Minister propose to make a statement on both these motions?

The Honourable Mr. C. H. Bhabha (Minister for Commerce): Yes, Sir. With your permission, I wish to make a statement on these two items. These two Bills seek to amend certain sections of the Indian Companies Act, namely, with a view to affording greater protection to the shareholders than exists at present. Many Honourable Members are aware that two identical Bills were introduced in the late Legislative Assembly by Dr. G. V. Deshmukh. They were circulated for opinion, one as a result of a motion adopted by the House on 14th February 1947 and the other by executive instructions. The opinions so received were naturally not uniform. A large section of commercial interests was opposed to such piecemeal amendments of an important piece of legislation like the Indian Companies Act, 1913 and wanted Government to bring forward a comprehensive Bill at an early date and have it circulated for the criticism of commercial and other interests concerned. Independently of these two Bills of Dr. Deshmukh, Government themselves have felt the necessity of revising the Indian Companies law with a view to meeting the present day requirements. An eminent lawyer of Bombay was appointed in this connection to consider and suggest necessary amendments to the Act. His report is awaited, and he will doubtless be considering the amendments now proposed by the Honourable Member. Government feel that none of the individual amendments suggested by the Honourable Member now is so urgent as to require consideration in advance of the comprehensive legislation that is under

[Mr. C. H. Bhabha]

contemplation. In these circumstances, I would prefer that the present Bills should be held up till Government introduce their comprehensive Bill and I would appeal to the Honourable Member to withdraw them. If, however, the House feels it otherwise, I am prepared to re-circulate both these, but as I have just said, both these amendments were circulated previously, one by an executive order and another by a motion made by this House.

Dr. P. S. Deshmukh: Sir, in view of the statement made by the Honourable Minister, I have no desire to make any motion at this stage, but I would not like the Bills to be killed; I would like them to be kept alive.

Shri M. Ananthasayanam Ayyangar (Madras: General): May I know how long ago the Government appointed this lawyer who is examining the amendments to the Indian Companies Act? My information is that it is more than three years.

The Honourable Mr. C. H. Bhabha: No, Sir. That is not correct. It is almost two years, but I have taken up this matter personally with the man who was appointed, and he has promised to send his report within the next week or so.

Shri M. Ananthasayanam Ayyangar: That is very good.

INDIAN BAR COUNCILS AND THE LEGAL PRACTITIONERS (AMENDMENT) BILL

Shri T. A. Ramalingam Ohettiar (Madras: General): Sir, in view of the fact that the Government have tabled a similar Bill for reference to the Select Committee, I do not wish to move this motion now.

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL (Amendment of Sections 161 and 162)

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, I do not propose to make the motion now, but at a later stage. I would like to keep it alive.

PROVINCIAL INSOLVENCY (AMENDMENT) BILL

Shrimati G. Durgabai (Madras: General): Sir, I do not propose to make the motion now. I would like to keep it alive and move it at a later stage if I consider it necessary.

CRIMINAL TRIBES (REPEAL) BILL

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, there is another Bill brought by the Government. So I do not move it and would like to keep it alive.

INDIAN BAR COUNCILS AND THE LEGAL PRACTITIONERS (AMENDMENT) BILL

Shri M. Ananthasayanam Ayyangar (Madras: General): Sir, as there is a Bill brought by the Government, I would like to see how far they are prepared to go, and then move it if necessary. Therefore this may stand over.

BOMBAY PORT TRUST (AMENDMENT) BILL

Mr. R. K. Sidhva (C. P. and Berar: General): Sir, I move for leave to introduce a Bill further to amend the Bombay Port Trust Act, 1879.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Bombay Port Trust Act, 1879."

The motion was adopted.

Mr. R. K. Sidhva: Sir, I introduce the Bill.

WORKERS' PROVIDENT FUND BILL

Mr. R. K. Sidhva (C. P. and Berar: General): Sir, I move for leave to introduce a Bill to provide for the establishment and grant of Provident Fund to certain classes of workers by their employers.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to provide for the establishment and grant of Provident Fund to certain classes of workers by their employers."

The motion was adopted.

Mr. R. K. Sidhva: Sir, I introduce the Bill.

CHILD MARRIAGE RESTRAINT (AMENDMENT) BILL (Amendment of Sections 2 and 4)

Pandit Thakur Das Bhargava (East Punjab: General): Sir, I beg to move for leave to introduce a Bill further to amend the Child Marriage Restraint Act, 1929 (Amendment of Sections 2 and 4).

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Child Marriage Restraint Act, 1929 (Amendment of Sections 2 and 4)."

The motion was adopted.

Pandit Thakur Das Bhargava: Sir, I introduce the Bill.

CALCUTTA PORT (AMENDMENT) BILL

Mr. R. K. Sidhva (C. P. and Berar: General): Sir, I beg to move for leave to introduce a Bill further to amend the Calcutta Port Act, 1890.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Calcutta Port Act, 1890."

The motion was adopted.

Mr. R. K. Sidhva: Sir, I introduce the Bill.

DELEGATION OF AUTHORITY IN RESPECT OF INTRODUCTION OF BILLS

Pandit Thakur Das Bhargava (East Punjab: General): Sir, I beg to seek permission to be allowed to move for leave for introduction of the three Bills standing in the name of Dr. Sir Hari Singh Gour. I have been requested by him to do so.

Mr. Speaker: In the first place, has he got any authority?

Pandit Thakur Das Bhargava: Yes, Sir.

Mr. Speaker: Then the question is whether Members can be permitted to delegate authority, in respect of Bills, to introduce them on their behalf. I understand that the practice has all along been not to grant such leave.

Shri M. Ananthasayanam Ayyangar (Madras: General): Except in the case of Government Bills.

Mr. Speaker: In the case of Government Bills, the definition of a "Member in charge" includes a person to whom a delegation is made.

Pandit Thakur Das Bhargava: According to rule 20A if a Member introduces a Bill, then he becomes a Member in charge of the Bill and in regard to the further stages of the Bill, the rule is as you have been pleased to observe. In regard to introduction of Bills there is no such provision.

Mr. Speaker: The Honourable Member refers to rule 20A. I understand the point is that under rule 20A restrictions as regards the person who makes a motion are imposed in respect of motions for taking the Bills into consideration or for motions for passing the Bill, but so far as leave to introduce is concerned, that rule does not apply.

Pandit Thakur Das Bhargava: There is no restriction to get leave for introducing a Bill, but the restriction is if once a Member introduces a Bill, then in regard to the further stages of the Bill, he is regarded as the Member in charge and he alone can make a motion.

Mr. Speaker: There is room for that line of argument, but I think, looking to the practice both in the House of Commons and here—a continuous long practice so far as Bills are concerned—the delegation of authority is not recognized. I am afraid, I should not deviate from this practice just at this moment. I will, however, keep the point open for consideration. I will look into the point and decide it finally, but at present without creating a precedent, I am not inclined to give leave for departing from this long standing practice.

CHILD MARRIAGE RESTRAINT (AMENDMENT) BILL

(Amendment of Sections 10, 11 and 13)

Pandit Thakur Das Bhargava (East Punjab: General): Sir, I beg to move for leave to introduce a Bill further to amend the Child Marriage Restraint Act, 1929 (amendment of Sections 10, 11 and 13).

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Child Marriage Restraint Act, 1929 (Amendment of Sections 10, 11 and 13)."

The motion was adopted.

Pandit Thakur Das Bhargava: Sir, I introduce the Bill.

SPECIAL MARRIAGE (AMENDMENT) BILL

(Insertion of new Sections 2A, 4A, etc.)

Dr. P. S. Deshmukh (C. P. and Berar: General): Sir, I beg to move for leave to introduce a Bill further to amend the Special Marriage Act, 1872, for certain purposes. (Insertion of new Sections 2A, 4A, etc.).

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Special Marriage Act, 1872, for certain purposes. (Insertion of new Sections 2A, 4A, etc.)."

The motion was adopted.

Dr. P. S. Deshmukh: Sir, I introduce the Bill.

INDUSTRIAL FINANCE CORPORATION BILL—contd.

Mr. Speaker: The House will now proceed with further Legislative Business, namely, the further consideration of the Bill to establish the Industrial Finance Corporation of India, as reported by the Select Committee.

مولانا حسرت موہانی : جناب والا ! میں مسٹر شاہ نے جو ترمیم پیش کی ہے اس کی تہ دل سے تائید کرتا ہوں جناب ! میری تو خوشی یہ تھی اس بل کے متعلق جیسا قاضی کریم الدین صاحب نے کہا تھا کہ اس میں کپٹالیست (Capitalist) کو حصہ نہ دینا چاہئے وہ منظور کیا جاتا یا پھر اس کے بعد جیسا کہ میرے دوست مسٹر گوتم نے کہا تھا کہ آپ اس کو کم سے کم کچھ دن کیلئے ملتجی کر دیتے تاکہ غور کرنے کے بعد پھر یہ کیا جاتا لیکن افسوس یہ ہے کہ ہمارا جو ہاؤس ہے اور اسکے جتنے ممبر ہیں وہ جب قریب سب نیشنلسٹ مائنڈڈ (Nationalist minded) ہیں پھر ہمارے آنریبل مسٹر بھابھا اور مسٹر چیتنی جو کپٹالیست Capitalist کے بڑے ہمدرد ہیں انکی موجودگی میں کیا ہو سکتا ہے ہم لوگوں کی کوئی بات نہیں مانی جائیگی اب اگر اسکا کوئی فیصلہ ہو سکتا ہے تو وہ یہی ہو سکتا ہے کہ پروفیسر شاہ کی جو ترمیم ہے ہم اسکی تہ دل سے تائید کریں اسکے معنی یہ ہیں جیسا کہ انہوں نے اپنی ترمیم پیش کرتے ہوئے کہا تھا کہ ہم کو اگر سرمایہ کی ضرورت ہے تو ہم اسکو دوسرے ذریعہ سے حاصل کر سکتے ہیں جسمیں نیشنلسٹ کپٹالیست (Nationalist Capitalist) کی ضرورت نہیں ہے تو جب ہم دوسرے طریقہ سے اسکو حاصل کر سکتے ہیں تو پھر کیا ضرورت ہے کہ ہم انکو پہلے شامل کریں اور پھر ان پر نگرانی رکھیں ہمارے آنریبل چٹھار نے کہا ہے کہ آپ لوگ گھبراتے کیوں ہیں ہم کپٹالیست (Capitalist) کو شریک تو کر لیں گے لیکن ان پر ہمارا قابو رہے گا میں عرض کرتا ہوں کہ جب ان کا کوئی قابو نہیں رہے گا تو پھر انکو رکھنے کی کوئی ضرورت نہیں انکو ہرگز شریک نہ کیا جائے۔ ایک کامن سنس (Common sense) کی بات ہے جو میں آنریبل وزیر صاحب سے پوچھنا چاہتا ہوں اور یہی مسٹر شاہ کی ترمیم کا مطلب بھی ہے کہ جب کپٹالیست (Capitalist) کا قابو پرکٹیکالی (Practically) نہ ہوگا تو کامن سنس (Common sense) کا تقاضا یہی ہے کہ ہم مسٹر شاہ کی ترمیم کو قبول کریں جس میں انکو گنچائش نہ رہے۔ کپٹالیست (Capitalist) کو شریک بھی کر لیں گے اور انکا پرکٹیکالی (Practically) قابو بھی آپ نہ ہونے دیں گے۔ میں کہتا ہوں کہ اس طرح ناک گھما پھیرا کے پکڑنے کی ضرورت ہی کیا ہے۔ میں مسٹر صاحب سے اپیل کروں گا کہ وہ اپنے فیصلہ پر نظر ثانی فرمائیں اور پروفیسر شاہ کی ترمیم کو بخوشی منظور کریں تاکہ یہ قیصہ پہلے ہی سے ختم ہو جائے میرا تو عقیدہ یہ ہے کہ جب آپ نیشنلائز (Nationalise) کر رہے ہیں تو پھر وہ شریک کیوں نہ ہوں۔

[مولانا حسرت موہانی]

میں ان مختصر الفاظ کے ساتھ پروفیسر شاہ کی ترمیم کی تائید کرتا ہوں اور
منسٹر صاحب سے درخواست کرتا ہوں کہ وہ ضد کو چھوڑ دیں اور اسکو خوشی کے
ساتھ قبول کریں۔

(English translation of the above speech.)

Maulana Hasrat Mohani (U. P.: Muslim): Mr. Speaker, I heartily support the amendment moved by Mr. Shah. I should have liked, if the view of Qazi Karim Uddin that the capitalist should have no share in it, or else just as my friend Mr. Gautam suggested afterwards that you should postpone it for at least a few days, so that after due consideration it could be done had been accepted. But it is regrettable that almost all the members in our House are nationalist minded. And then nothing can be done in the presence of Honourable Mr. Bhabha and Honourable Mr. Chetty who are great sympathisers of capitalists. Nobody will accept our suggestion. Now the only way out for us is to support in strong words the amendment moved by Professor Shah. It means, as he said while introducing the amendment, that if we are in need of capital it can be raised from other sources wherein there is no need of Nationalist capitalist. If we can raise capital by other means there is no need of including the Nationalist capitalist in the first instance and then controlling them. Honourable Mr. Chetty has told us not to worry. We may include the capitalists but they will be under our control. I submit that if they will have no control then there is no need of including them. They may not be included at all. It is a matter of commonsense which I want to enquire from the Honourable Minister, and this is the purpose of Mr. Shah's amendment as well, that of the capitalist will have no control, commonsense demands that we should accept Mr. Shah's amendment which leaves no room for him. I submit where lies the need of resorting to such round about measures that we include the capitalist but will not allow them to have any practical control at the same time. I appeal to the Honourable Minister to kindly review his decision and accept Mr. Shah's amendment with pleasure so that this matter may end at its very inception. It is my conviction that when you are nationalising then why should they be included.

In these few words I support Prof. Shah's amendment and request the Honourable Minister not to be obstinate and to accept it gladly.

Mr. Naziruddin Ahmad (West Bengal: Muslim): Mr. Speaker, Sir, I cannot emulate the learning and the perspicuity of language of Prof. K. T. Shah and I shall try to attempt it. There were two speakers yesterday, Dr. Pattabhi Sitaramayya and Prof. Shah who had a clash over this small matter and brilliant scintillating eloquence on each side was the result. I shall, however, approach the question purely from a practical point of view, but before that I must state that there is no difference between the Members of the House with regard to the principle of nationalisation so far at least as this Bill is concerned. The only question is one of timing and approach. If we must have nationalisation of this institution, the question is whether we should do it all at once or do it by stages. I submit, Sir, that it is quite in order for us to accept the principle and proceed to our goal through appropriate stages. My Honourable friend Prof. Shah has severely criticised Dr. Pattabhi Sitaramayya for using the word 'expediency'. He seems to think that expediency is something immoral or at least something unethical. Sir, I submit that the whole of civilised mankind proceeds on expediency at every step. This Bill, like other Bills, commences with the words "Whereas it is expedient...". If an Honourable Member would like to be the Speaker of this House he must first of all get elected and then serve a period of apprenticeship. His ideal remains the

same but at the same time he has got to qualify for it. If an applicant for a Government post wants to occupy a high position he must serve a period of apprenticeship. In a large-scale business like this it is necessary to proceed cautiously, and there is therefore every reason to support the principle of State control preparatory to nationalisation. The question will be whether Government has or can have the experience and the necessary staff to manage all at once a gigantic concern like this. We have had very bitter experience of the State management of the Civil Supplies Department. I do not suggest that anything like it or on that scale will happen in a concern like this but that is a warning which should be remembered. I think the Honourable Minister has made it absolutely clear that the object or ideal of Government is to nationalise this institution later on, but he proceeds cautiously through successive stages. Sir, with these words I regretfully but most respectfully differ from Prof. Shah in his amendment.

Dr. B. Pattabhi Sitaramayya (Madras: General): Sir, it is perhaps but fitting that I should say a few words in reply to the criticism delivered by my Honourable friend Prof. Shah. I was feeling very proud to have been the cause of a magnificent speech delivered by him which for elegance of diction and for dignity and decorum of language may not be easily excelled. But I have no intention of making this forum of the national legislature into the arena of a gladiatorial show; and therefore I will confine myself to making a few pertinent remarks directly germane to the subject. I must, however, confess that I have been greatly improved by the bastinadoing and belabouring that I have received at his hands, the lathi charge that he administered and the shrapnel that he showered upon me. I would have improved much more and would almost have been converted to his view had he paid a little attention to the two items of criticism that came forth from two young friends on the other side of the House.

This amendment of his does not alter the scope of the Bill; it only wants to alter the structure of the Bill. I submit that the scope of the Bill is the main question before us and the structure of the Bill is always adjusted to the scope of the Bill. And so long as you allow the scope of the Bill to remain what it is, the structure of the Bill cannot be altered. Now what is the position that has been created by us? Yesterday my Honourable friend must have heard Mr. Santhanam say that it is not our purpose to make a lavish endowment of money to private industries because the object of this is to assist private industries. Is it the suggestion of my Honourable friend Prof. Shah that we should gather up all the money in the world through the Government and then utilise it, divert and canalise it along the channels of private industry? That is wrong. Therefore if he wants to lay the axe at the root of the disease he must lay it at the root of the tree and not at the top branches.

That is the first point. The second point is this. I refer to the very fine speech made by my young friend Mr. Subrahmanyam. He clinched the issue when he said that this question is really a dispute between private industry and State industry. The object of the Bill is to assist private industry, and then you must attack the disease at its root. You must choke off private industry betimes if you want to nationalise this Bank. It will not do to nationalise the bank and its functions while you do not nationalise the industries. There is an inconsistency between the two positions. Therefore unless my Honourable friend addresses himself to these two points and remedies them at the root he cannot improve the structure of this Bill at all.

Only these two points I wish to invite his attention to. I have great regard for him and I enjoyed his criticism very much; but I was all the while expecting him to answer these two points. But his amendment is strictly limited.

[Dr. B. Pattabhi Sitaramayya]

It is meant to give more capital, secure it from the centre and provinces; and the operative portion of the amendment is in cl. 3(a) which reads thus:

"The initial capital of the Corporation shall be provided by or through the Central and Provincial Governments or by the Government of any Indian States in such amounts or proportions as the Central Government in consultation with the Reserve Bank of India may consider appropriate."

I only say this. You want a lot of milk; it is good that you should get sterilised milk and all the cows and buffaloes should be sent to the dairy to be milked in the proper scientific manner and that the milk be tinned and sealed and brought to your door. But it is not available immediately; for various reasons it is not practicable to expect all the people of Delhi to be served with such milk. Can't I get milk from the udder of the cow in my backyard, and then try to get as much milk as possible, try to boil it well and thereby kill all the pathogenic germs there? Here you kill all the evils of capitalism by the controls that you assume, and therefore I say that this is a temporary measure.

As for capitalism I do not know who is a capitalist and who is not. I am not talking in a cynical or pessimistic mood. I want to know exactly what is the golden calf of the capitalist. There are very few in the world and they are objects of our criticism. We are capitalists too. I own about 25 acres of land which I do not cultivate; am I a capitalist in land? Again we produce books by the score and we draw heavy royalties for them.

Prof. K. T. Shah (Bihar: General): Sir, on a point of information, no heavy royalties are available to us here.

Dr. B. Pattabhi Sitaramayya: Nor are capitalists available in India in the sense in which Fords or Morgans or Montagues are capitalists. Each country has to judge by its own available material as each husband must admire his own wife. We cannot have cinema stars for our wives; we must be content with our lot. And as to the royalties we are having, is not intellect given to serve mankind? Why do we draw royalties of Rs. 30,000 or Rs. 40,000 a year and yet speak disparagingly of capitalists? The whole structure of society has to be altered. There is no doubt about it and I want to know who is amongst us who can rise and say "I am not a capitalist".

Shri Mohan Lal Gautam (U. P.: General): I stand here!

Dr. B. Pattabhi Sitaramayya: But you are using your intellect to draw Rs. 45 a day! Therefore, let us not make a prudery of this. This society is bad society. It has not been constructed by us. Later on there is a resolution on "Caste" coming up and I hope I shall have some occasion to say how the structure of society has been fashioned in our country: how capital was sought to be divided and controlled and how the balance was to be made between poverty and riches. I wish I could revive that state of society. But we have for no fault of ours and for the sins we had committed in our past birth, been subjected to the domination of a country alien in structure, convention, ideal and outlook and in every blessed matter, and we are inheritors of that system. We have to outlive that system. But we cannot throw it out as we can throw off our soiled shirts overnight. In other words, we are passing through a transition stage and as businessmen, as politicians, we must take note of that fact. What did we say after all? We said that it is not the time for us to nationalise wholly and Mr. M. Gautam was about to read a material point but certainly did not think it wise and subsequently was compelled to read it and there he read, all your programme, even if it has the stamp of finality, must be suited to the times and circumstances. Do you know what happened last year when we floated the loan? I do not pretend to know it but I want you to examine things carefully. Go to the market, to the Finance Department, to

the Reserve Bank and the Imperial Bank and go to those who had subscribed for the loan, and bear in mind what happened and we dare not risk such things happening once again.

After all, this Government is a young Government. It is on its trial and it is exposed to criticism from friends and foes. I am myself criticising it. But we should not make the attack so severe as to kill it, as to make it ineffectual altogether and "non-est". Who else is there to run the government of the country except the party that is running it. If other parties want to do it, let them do it by constitutional means. But taking facts as they are, are we not convinced that we have to take note of the realities? And finance is a terrible reality which we cannot ignore by running into flights of imagination or fancy.

I am putting my thoughts rather vehemently, but it does not mean that I do not appreciate the standpoint of our opponents. They are our friends as much as we are theirs. We are as much for nationalisation as anyone else, but only let us have first things first. We are providing for the amendment of this Act in three or four years and perhaps there is an amendment to that effect which has been tabled and which is likely to be moved. Therefore, let us avoid criticising our own cautious, business-like and matter of fact procedure in the light of radiant ideals and effulgent theories!

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): I must oppose the amendment moved by Prof. Shah. The subject matter of the amendment has been discussed so threadbare in this House that it is not really necessary for me to detain the House any longer.

Sir, I oppose the amendment.

Mr. Speaker: The question is:

"That for clause 4 of the Bill, the following be substituted:

"4. (1) (a) The initial capital of the Corporation shall consist of such shares, or stock, not exceeding twenty crores of rupees to start with, as may be deemed necessary by the Central Government in consultation with the Reserve Bank of India.

(b) The Central Government may, after five years from the establishment of the Corporation, increase this capital from time to time as and when deemed necessary, in consultation with the Reserve Bank of India.

(c) Whenever the Central Government decides to increase the initial capital of the Corporation, the additional capital increased in pursuance of that decision, shall be distributed as between the Central, Provincial and State Governments in the same proportions in which each Government holds the shares or stock on the date of the additional issue:

Provided that if any portion of the additional capital issued is not taken up by any Provincial Government or by the Government of any Indian State that portion shall be taken up by the Central Government.

(2) In addition to the initial capital, and during the period of five years from the establishment of the Corporation, the initial capital of the Corporation may be increased by such Bonds or Debentures, not exceeding, in their aggregate, twice the amount of the initial capital on its own security. Such Bonds and Debentures may be declared by the Central Government to be negotiable instruments under the law relating to such Instruments in force for the time being in India.

(3) (a) The initial capital of the Corporation shall be provided by or through the Central and Provincial Government or by the Government of any Indian State in such amounts or proportions, as the Central Government, in consultation with the Reserve Bank of India, may consider appropriate:

Provided that the Central Government shall at any time have not less than 51 per cent. of the total initial capital of the Corporation:

Provided further that no State or Provincial Government shall be entitled to own more than 10 per cent. of the initial capital of the Corporation.

(b) The shares or stock, constituting the Capital of the Corporation, shall not be transferable."

The motion was negatived.

Shri T. T. Krishnamachari (Madras: General): Sir, I move:

"That in sub-clause (1) of clause 4 of the Bill, before the words 'five crores', the words 'the total value of' be inserted."

This is a verbal amendment. It is not material but it makes clearer the idea. I hope the Honourable Minister will accept it.

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (1) of clause 4 of the Bill, before the words 'five crores', the words 'the total value of' be inserted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (1) of clause 4 of the Bill, after the words 'first instance' a comma be inserted."

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (1) of clause 4 of the Bill, after the words 'first instance' a comma be inserted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (1) of clause 4 of the Bill, the words 'with the sanction of the Central Government' be omitted."

I think these words are unnecessary.

Mr. Speaker: Amendment moved:

"That in sub-clause (1) of clause 4 of the Bill, the words 'with the sanction of the Central Government' be omitted."

The Honourable Shri R. K. Shanmukham Chetty: I cannot accept the amendment because the expression of opinion regarding the extent of Government control in this Corporation is that the Government must keep as much control as possible, and I do not want that the Corporation should expand this share capital without the previous consent of the Central Government.

Mr. Naziruddin Ahmad: Sir, I wish to withdraw the amendment.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw the amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (1) of clause 4 of the Bill, after the words 'from time to time' the following words be inserted:

'with the sanction of the Central Government'."

Mr. Speaker: I think this is a consequential amendment. So it goes.

Mr. Naziruddin Ahmad: Yes.

Sir, I move:

"That in sub-clause (2) of clause 4 of the Bill, the words 'of the Corporations' be omitted."

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (2) of clause 4 of the Bill, the words 'of the Corporations' be omitted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I move:

"That for sub-clause (3) of clause 4 of the Bill, the following be substituted:

"(3) The Central Government shall by notification in the official Gazette call for applications, together with full remittance of share monies for shares applied for by a date specified in the notification, for shares of the Corporation from scheduled banks, insurance companies,

investment trusts and other similar financial institutions, and from co-operative banks; and the Board shall allot not more than—

- (i) two thousand five hundred shares to scheduled banks,
- (ii) two thousand five hundred shares to insurance companies, investment trusts and other similar financial institutions, and
- (iii) one thousand shares to co-operative banks from among the applicants who have applied for shares within the time specified in the notification."

This is not merely a drafting amendment but there are one or two new things. In fact when shares are floated there is the procedure of inviting applications. It may be that the whole amount is to be paid along with the application or a part. In this case I have made it clear that the whole amount has got to be paid along with the application and then the shares should be allotted. Sub-clause (3) says that these parties should 'subscribe'. There is no mention of 'allotment'. Sub-clause (3) proceeds on the assumption that the number of shares available will be the number actually applied for but the applications may exceed the share capital issued. In these circumstances a little change in the phraseology would be necessary. I do not wish to press this amendment to its logical conclusion but I only desire that the points raised by the amendment be considered by the Honourable the Finance Minister and if he accepts any of the principles of the amended sub-clause a suitable amendment may be substituted for it. I have merely attempted to raise a few points which struck me on a study of the Bill.

Mr. Speaker: Amendment moved:

"That for sub-clause (3) of clause 4 of the Bill, the following be substituted:

"(3) The Central Government shall by notification in the official Gazette call for applications, together with full remittance of share monies for shares applied for by a date specified in the notification, for shares of the Corporation from scheduled banks, insurance companies, investment trusts and other similar financial institutions, and from co-operative banks; and the Board shall allot not more than—

- (i) two thousand five hundred shares to scheduled banks,
- (ii) two thousand five hundred shares to insurance companies, investment trusts and other similar financial institutions, and
- (iii) one thousand shares to co-operative banks from among the applicants who have applied for shares within the time specified in the notification."

The Honourable Shri R. K. Shanmukham Chetty: Sir, apart from the change in drafting the one new idea incorporated in this amendment of my Honourable friend is that these institutions must along with their applications remit the full amount of the shares for which they apply. I am sure my Honourable friend will agree with me that it is unwise to put such a rigid provision in the statute itself. The whole of the five crores may not be required immediately or even during the whole of the first year and there is no point in asking these institutions and even the Government to lock up its funds unnecessarily. In the regulations provision will be made as to the manner of payment of the application money and the allotment money and actually when the applications are called for the Corporation will specify how much of the share money should be sent as application money and how much they will have to pay as allotment money later on. I think it is best to leave it for the regulations and for actual notification at the time of the issue of shares. If my Honourable friend agrees with me on this point I would submit to him that so far as the drafting is concerned, sub-clause (3) as it stands is good enough and it is not necessary to change it.

Mr. Naziruddin Ahmad: I have only one difficulty. I fully accept my Honourable friend's explanation and I do not want to press the motion. There is one difficulty as to the expression "other like financial institutions" that is institutions like investment trusts. I fail to see what are the 'other like'

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financial institutions. When you are restricting share capital only to certain classes it is better to clearly specify the other classes. Investment trusts are well known but 'other like financial institutions' are not by any means clear. This leaves a little obscurity. Will the Honourable Minister kindly consider this and explain the point?

Shri M. Ananthasayanam Ayyangar (Madras: General): The Honourable the Mover himself has used the word "similar" in his amendment.

Mr. Naziruddin Ahmad: That was because I tried to stick to the Bill. I want clarification of the point I have raised.

The Honourable Shri R. K. Shanmukham Chetty: It is the intention to give these shares in that class to financial institutions and investment trusts. It is quite possible that some of the institutions may have some other name but the intention is perfectly clear and I do not think there is room for the apprehension in my Honourable friend's mind that institutions outside this category will be allotted these shares. It is not possible at the present moment for me to say exactly what is the kind of institutions that may not be covered by these two words.

Mr. Naziruddin Ahmad: In view of the clarification made by the Honourable Minister I beg leave of the House to withdraw my amendment.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw the amendment?

The amendment was by leave of the Assembly withdrawn.

Mr. Speaker: I may invite the attention of the Honourable Minister, only for drafting purposes, to have the idea cleared. The wording here is "may subscribe for". There is a difference between "subscribing for" shares and shares being "allotted". What he really intends may be the allotment of 2,500 shares.

The Honourable Shri R. K. Shanmukham Chetty: I will keep that in mind and if necessary move an amendment in the third reading.

Mr. Naziruddin Ahmad: That was also one of my difficulties.

Mr. Speaker: And then a further amendment is also necessary later on in another place. I hope this is acceptable to the Honourable Member.

The Honourable Shri R. K. Shanmukham Chetty: Thank you, Sir.

Shri T. T. Krishnamachari: There are two amendments to this sub-clause (3), one stands in my name and that of my friend Mr. Santhanam and the other in the name of my friend alone. I do not know whether the Chair will agree to my moving the amendment in Mr. Santhanam's name. I would like to restrict the shares to companies registered under the Indian Companies Act of 1913. Therefore with your permission, Sir, I shall move amendment No. 5 in place of mine No. 4. Sir, I move:

"That in sub-clause (3) of clause 4 of the Bill, after the words 'financial institutions', the words 'registered under the Indian Companies Act of 1913' be inserted."

The Honourable Shri R. K. Shanmukham Chetty: I have no objection to accept the idea. I think it would be wise to make it clear that only institutions registered in India should be allowed to be shareholders of this Corporation but I am not sure whether it will be appropriate to say "registered under the Indian Companies Act of 1913".

Shri T. T. Krishnamachari: That is why I did not move the previous amendment. An Insurance company has to obtain Indian registration. The requirement of registration of such companies as joint stock companies has more or less restricted the scope to Indian insurance companies. This was found necessary as even foreign insurance companies have to register themselves under the Insurance Act. But if the Honourable Member feels that he can cover this point by means of rules I shall not press the amendment.

The Honourable Shri R. K. Shanmukham Chetty: It is best to leave it for the Government to incorporate this idea either in the rules or in the directives on questions of policy to be issued to the Corporation. I will make a note of it, that we should tell the Corporation that the shares should be issued only to such companies as are registered in India; that is really Indian companies. That is the best way to deal with this matter.

Mr. Speaker: So that disposes of amendments No. 4 and 5 as not having been moved. Is it not a fact at present that foreign companies are also registered in India?

Shri T. T. Krishnamachari: That will not be under the Indian Companies Act. They may have foreign capital but no foreign insurance company is registered under the Indian Companies Act. They are registered only so far as the requirements of the insurance are concerned.

Mr. Speaker: I am not sure about insurance companies in particular. Take the case of the Remington Typewriter Co. India Limited.

Shri T. T. Krishnamachari: They are all registered under the Indian Companies Act. They will be entitled to rights just like any other company for which capital has been floated in this country, to come under this clause. Shares may be held by foreign people or by Indians; we cannot make a distinction at all. All such (India) Limited companies will be treated as Indian companies.

Mr. Speaker: My idea was to have the whole thing clarified.

Shri T. T. Krishnamachari: Sir, I move:

"That to sub-clause (3) of clause 4 of the Bill, the following Proviso be added:

'Provided that no institution shall be allotted more than ten per cent. of the shares reserved for the class of institutions to which it belongs'."

Sir, I crave permission of the Chair to change 'five' into 'ten'.

Mr. Speaker: Amendment moved:

"That to sub-clause (3) of clause 4 of the Bill, the following Proviso be added:

'Provided that no institution shall be allotted more than ten per cent. of the shares reserved for the class of institutions to which it belongs'."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That to sub-clause (3) of clause 4 of the Bill, the following Proviso be added:

'Provided that no institution shall be allotted more than ten per cent. of the shares reserved for the class of institutions to which it belongs'."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I move:

"That for sub-clause (4) of clause 4 of the Bill, the following be substituted:

'(4) The Board shall make the allotment under sub-section (3) in accordance with the regulations made in this behalf'."

I have attempted to simplify the language.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I do not think this amendment is necessary because the regulations will contain the manner in which the allotments have to be made, and even the prospectus calling for the applications will give some details about it.

Mr. Naziruddin Ahmad: In that case I will not press my amendment.

I beg to move:

"That in sub-clause (5) of clause 4 of the Bill, for the words, brackets, and figure 'If any shares referred to in sub-section (3) remain unallotted, they shall be subscribed for by', the following be substituted:

'If any shares applied for are not allotted, the application money for shares not allotted to the applicants, and if shares allotted are less than the number of shares reserved for any class of applicants under sub-section (3), they shall be subscribed by, and allotted to.'

The effect of the amendment would be like this. The Bill does not provide for a case where there are more applications than there are shares. In that case some shares applied for will not be allotted. It may be that in a certain class the shares reserved for a particular class are not fully subscribed. These are the two classes of cases which have got to be considered. I do not expect that any under subscription will follow, but from a drafting point of view this thing should be kept in mind. These are the two points which I have attempted to embody in this amendment.

Mr. Speaker: Is this not practically disposed of by what was stated at the time of the amendment to clause 3?

Mr. Naziruddin Ahmad: No doubt they overlap. The Honourable Minister has promised that the whole thing would be reconsidered and a fresh draft would be submitted by him. If this is kept in view by him I have no need to push this amendment further.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I have not been able to follow my Honourable friend as to what he has in his mind. This sub-clause, as it stands, seems to be perfectly simple and plain and it contains no ambiguity. The unallotted shares will be taken up by the Government of India and the Reserve Bank. I would rather prefer this simple language of the draft as it is. I cannot accept the language of his draft the implications of which I am not really able to follow.

Mr. Speaker: Does the Honourable Member want to press his amendment?

Mr. Naziruddin Ahmad: No, Sir. If the Honourable Minister cannot follow it, others will not be able also to follow it. I do not wish to press it.

I move:

"That in the Proviso to sub-clause (5) of clause 4 of the Bill, for the words 'subscribed for by', the words 'allotted to' be substituted."

This again refers to that drafting difficulty.

The Honourable Shri R. K. Shanmukham Chetty: I have no objection to accept it.

Mr. Speaker: Will the Honourable Minister keep this in mind that sub-clause (3) speaks of 'subscribing for'?

The Honourable Shri R. K. Shanmukham Chetty: Sir, it is purely a drafting matter. The whole of this clause—clause 4—can be examined by the draftsman, and if so advised I will move the necessary amendments at the Third Reading.

Mr. Speaker: So this may be considered later on. If considered necessary, the Honourable Minister will move an amendment at the next stage.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in the Proviso to sub-clause (5) of clause 4 of the Bill, for the word 'transferred', the word 'allotted' be substituted."

It seems to me that this was a clerical error. The real thing is allotment.

Shri T. T. Krishnamachari: Sir, if I may interrupt at this stage, I do not think that the view of my honourable friend is quite correct. Clause 5 refers to share *unallotted* and they are taken up by the Central Government. There is therefore nothing wrong in saying that the shares that remain unallotted should be transferred to somebody else. It is intended for some particular class of people, and "transferred" seems to be more appropriate than "allotted".

The Honourable Shri R. K. Shanmukham Chetty: I do not find the need for this amendment of my Honourable friend at all.

Mr. Naziruddin Ahmad: Sir, in that case I do not press it.

I beg to move:

"That for sub-clause (6) of clause 4 of the Bill, the following be substituted:

'(6) If and when the remaining shares or any part thereof are issued, the procedure laid down in sub-sections (3), (4) and (5) shall apply'."

The Honourable Shri R. K. Shanmukham Chetty: Sir, in some of these amendments my difficulty is I cannot see how they are different from the language of the draft, as it is. The same idea can be put in three different ways by three different people. Unless there is something radically wrong in the way we have drafted I think it is not really necessary to attempt this kind of redrafting in the House.

Mr. Naziruddin Ahmad: If it is not acceptable I am not going to press it.

The Honourable Shri R. K. Shanmukham Chetty: I am not able to follow the object. The idea conveyed by the Honourable Member is the same as is contained in the draft.

Mr. Speaker: All that may be done is to invite the attention of the Honourable Minister and he can examine it for what it is worth. In so far as the amendments are absolutely verbal I shall permit them in the Third Reading.

The Honourable Shri R. K. Shanmukham Chetty: To save the time of the House, I shall give an undertaking to my Honourable friend Mr. Naziruddin Ahmad that with regard to purely drafting amendments, I shall have the improvements that he has suggested very carefully examined before the Third Reading; and if found necessary I shall myself move some of these amendments. Unless there is any amendment of substance, I would suggest to my Honourable friend that we really are not doing anything useful on the floor of the House by considering these drafting amendments.

Mr. Speaker: Then I might follow that suggestion with the further suggestion that he might hand over a list of these amendments to the Honourable Minister so that the time of the House may be saved.

Mr. Naziruddin Ahmad: The amendments have been printed and circulated to Honourable Members, including the Honourable Minister and presumably to his expert advisers. The simpler course would be for them to consider them and let me know whether they will be acceptable, and then I shall be quite glad to move those amendments which are acceptable.

Mr. Speaker: It is possible that some amendments which appear *prima facie* to be verbal may be amendments of substance from the point of view of the Honourable Member. It is better that he himself should clarify as to which are, according to him, absolutely verbal amendments and which are not. If he clarifies as to which are verbal, then of course, the Draftsman will apply his mind from that point of view. Otherwise whenever any amendment is moved, one is naturally apt to look into what is the different idea which the

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Member is expressing in this kind or that kind of amendment. That is why I made the suggestion. However it is up to the Honourable Member to act up to it or not.

Dr. B. Pattabhi Sitaramayya: He may be put in touch with the Draftsman so that they may put their heads together.

Shri Mohan Lal Saksena (U.P.: General): May I make the suggestion that during the interval, my friend Mr. Naziruddin Ahmad may sit down with the draftsman and go through his amendments?

Mr. Speaker: It is rather hard on the Draftsman. Let the Honourable Member himself say which he thinks to be amendments which are of a verbal nature to improve the language and the form. He can say it more easily, or he may leave it to the opinion of the Draftsman. In that case, of course, matters would stand differently.

Mr. Naziruddin Ahmad: It is difficult for me to make a choice in view of the high pressure and speed with which we have to work. We have had to work under high pressure throughout the last several days. In these circumstances it is very difficult for a single member to attend to all the amendments on the floor of the House. The different departments are far better situated than a humble member who has no clerk, no draftsman, no typist, and who has to do everything himself, even carry amendments to the appropriate departments. In these circumstances I beg to suggest that the far better thing would be for the Draftsman to tell me in advance as to what amendments he would be prepared straightaway to accept. In fact it is not very proper for the department to say "we have not considered the amendments and therefore we cannot say". If they accept some of the amendments, that would be satisfactory to me; but if I consider one or two more amendments should be placed before the House, then I shall do it. It puts us to great disadvantage. There are obvious slips and errors in the Bill, and it is difficult for me without considering them just now on the floor of the House to tell in advance as to what amendments are merely drafting amendments or are necessary from my point of view. The only reason is want of time. We have had to work very hard, even late at night and early in the morning. In these circumstances the onus should be shifted to various departments who have different heads in each department as opposed to one single poor head in my humble self.

Mr. Speaker: I do not want to carry on this controversy, but I am afraid there is some misapprehension. The point I want to make is when a Member reads a Bill and suggests amendments, he himself drafts them, he has certainly some ideas as to whether the amendments which he suggests are amendments only of a verbal character or of a substantial character. For the Draftsman, it will require a longer time to examine all the amendments and then come to conclusions as to whether a particular amendment is a purely drafting amendment or amendment of substance; and as the Honourable Member himself is the author of these amendments, he must have surely applied his mind and, therefore, he knows much more quickly as to which are purely drafting amendments, and if he can give those amendments to the Draftsman, he will be helping the Draftsman in saving his time and the Honourable Members' time also. However I am prepared to take in the House all the amendments. It was a suggestion that came from the Honourable the Finance Minister to save the time of the House. Therefore I suggested that, if he makes a list of the verbal amendments and hands it over to the Draftsman, it will be better. As a matter of fact, as he knows, copies of all amendments are sent to the Draftsman also through the Departments concerned, and the Honourable Minister is acting on the instructions of the Draftsman, so far

as the amendments are concerned. So he is the mouthpiece of the Draftsman that way. There is no extra burden, in what I am saying, thrown on the Honourable Member because he has taken the trouble to put in a large number of amendments.

The Honourable Shri R. K. Shanmukham Chetty: I may put it this way. The Honourable Member may find it difficult to give a list of what he considers to be merely drafting verbal amendments. Then I suggest an alternative course. Let him move here only those amendments which he considers to be amendments of substance. Then we will examine the verbal amendments and see whether they can be adopted.

Mr. Speaker: It is coming to the same thing put in a different form.

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

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

Mr. Speaker: When the House adjourned we were discussing Amendment No. 26 in List No. 1, of Mr. Naziruddin Ahmad.

The Honourable Shri R. K. Shanmukham Chetty: That is only a verbal amendment, Sir.

Mr. Speaker: Yes.

Mr. Naziruddin Ahmad: Sir, I must know my position with regard to the amendment—it may be a verbal amendment.

The Honourable Shri R. K. Shanmukham Chetty: What I say is this, with regard to the verbal amendments. Some of the amendments of my Honourable friend may be accepted as improving the language; but with regard to others the draftsmen might take the view that it is not necessary to make the change at all. Therefore what I promise is that all these verbal amendments should be examined by the draftsmen and any of those which are considered necessary will be accepted. How can I give an undertaking that all the verbal amendments will be accepted?

Mr. Naziruddin Ahmad: No, no. I only ask that they first be considered on the floor of the House. Some of them may be accepted at once. I do not appreciate the procedure of considering them later on; they should not be thrown upon the House at the Third Reading—this is the proper time. I am not pressing anything which the Honourable Minister will not be able to accept on the floor of the House on hearing me.

Mr. Speaker: Well, as I understand it, the position is that, in case an amendment is a verbal one and the Honourable Minister says so, he will examine it as to whether that particular amendment fits in with the clause or not. It is just possible that in accepting even the verbal amendment as it stands, it might not carry out the purpose which the Honourable Member has in view or it might not fit in with the other parts of the clause. Therefore, the understanding is that the moment the Minister says that it is a verbal amendment, we will take it for granted that he will have it examined and see how far it fits in. If it does, then of course he will move it later on in the same form, or he might then say that it does not fit in and that it is not necessary and no amendment will then be moved. The position will be examined care-

[Mr. Speaker]

fully and the Third Reading amendments will come in if necessary. I will allow them.

So, all amendments to clause 4 are exhausted.

The question is :

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

The motion was adopted.

Clause 4 as amended, was added to the Bill.

Mr. Speaker: We now come to clause 5 of the Bill. There is Prof. K. T. Shah's amendment that the clause be omitted. I believe he can oppose the clause—that is how the amendment will come in. But let us dispose of first the other amendments and then we will take this up as the last one.

Haji Abdul Sattar Haji Ishaq Sait (Madras: Muslim): Sir, the procedure is that if there is an amendment for omitting a clause that amendment will get the first precedence.

Mr. Speaker: Technically speaking, the amendment is out of order. The point is that it is a negation of the original proposition and the Honourable Member can vote against the clause.

Shri T. T. Krishnamachari: Sir, I move:

"That in clause 5, of the Bill, for the words 'of the principal' the following be substituted: 'at their par value in the event of the liquidation of the Corporation'."

Sir, I have moved this amendment with a view to clarification and linking up this clause with the liquidation clause that comes in later on—clause 36. The idea is that repayment could only be made at the time of the liquidation. There is no other provision here so far as repayment is concerned. I thought it better be made clear and the principle is that it shall be the face or par value of the share and nothing more. Sir, I move.

Mr. Speaker: Amendment moved:

"That in clause 5, of the Bill, for the words 'of the principal' the following be substituted: 'at their par value in the event of the liquidation of the Corporation'."

The Honourable Shri R. K. Shanmukham Chetty: Sir, it is not necessary to have this amendment because the guarantee by the Government is that if there is any loss on the par value of the shares then the Government will make good the loss. "Repayment of the principal" means the whole amount of the principal and when liquidation takes place, naturally if it is found that the assets of the Corporation are not sufficient to pay the par value, then the Government will make good the loss. But if my Honourable friend thinks that his amendment ought to be made, as I said, it is not necessary, but still I have no objection to accepting it.

Shri T. T. Krishnamachari: I feel it is necessary.

The Honourable Shri R. K. Shanmukham Chetty: Then I shall accept the amendment.

Mr. Speaker: I was wondering whether the expressions "par value" and "principal" are identical?

The Honourable Shri R. K. Shanmukham Chetty: They are identical.

Dr. B. Pattabhi Sitaramayya: On a point of explanation, Sir, may I know whether the acceptance of the words "par value" will mean that at any time of liquidation the shareholder will be entitled only to the par value—

The Honourable Shri R. K. Shanmukham Chetty: No.

Dr. B. Pattabhi Sitaramayya: I understand that Government will guarantee at par value, that is to say, up to that value. Afterwards, should there be a liquidation, it might be at the market rate.

Shri T. T. Krishnamachari: If you will permit me, Sir, since I have moved the amendment, I will explain the position. This is governed by Section 36 which invests the entire power in the matter of liquidation in the Central Government. It can do whatever it likes. Even the question of liquidation is vested in the Government.

Dr. B. Pattabhi Sitaramayya: Therefore, it means that under any circumstances, whatever may be the market value of the share, if the Government should decide upon liquidation or if the concern goes into voluntary liquidation, whatever may happen, no shareholder can hope to get one single pie more than what he has paid for the purchase of the shares. Am I right?

Shri T. T. Krishnamachari: Unless there is some express clause in the Bill, which I am informed is coming later on. As it stands at present, it means that he would not get anything more.

The Honourable Shri R. K. Shanmukham Chetty: No, Sir. I am afraid there has been a little confusion.

Mr. Speaker: That is why I wanted to know the distinction between "par value" and "principal".

The Honourable Shri R. K. Shanmukham Chetty: On reconsideration, especially in view of what Dr. Pattabhi has said, I would suggest to my Honourable friend that his amendment is not appropriate. Suppose a liquidation takes place. There is no question of the market value. The affairs of the Company are wound up and suppose the assets disclosed that for Rs. 5 crores of paid-up capital after paying all liabilities there is Rs. 5½ crores, then the whole of the Rs. 5½ crores will be distributed among the shareholders. The shareholders are entitled to get the net assets remaining at the time of liquidation. That is the proper thing also. But if my Honourable friend's amendment is accepted, if there is a surplus, they will be entitled to get only at the par value, which I think Sir is not correct.

Shri M. Ananthasayanam Ayyangar: My own feeling, Sir, is this. In Clause 5, Government is undertaking the liability to guarantee. Now what does that guarantee mean? It means simply this that in case the assets of the Corporation go below the par value, the Government will bring it up to the par value. Therefore, this amendment merely seeks to clarify the position. It does not militate against the Honourable the Finance Minister's statement that it is open to pay to the shareholders what is left above the par value. This does not cover that matter at all. If Mr. T. T. Krishnamachari's amendment is accepted, it does not affect the position at all.

The Honourable Shri R. K. Shanmukham Chetty: It does affect.

Shri M. Ananthasayanam Ayyangar: No, Sir. Let us read Clause 5. It says:

"The shares of the Corporation shall be guaranteed by the Central Government as to the repayment of the principal and the payment of the annual dividend etc."

Now, here "guaranteeing" the repayment of the principal does not mean that only the amount of the principal shall be paid. It only guarantees that Government will pay the amount of the principal if the assets of the Company which is liquidated fall short; not if it goes above. Clause 36 says:

"No provision of the law.....shall apply to the Corporation, and the Corporation shall not be placed in liquidation save by order of the Central Government and in such manner as it may direct."

"In such manner it may direct." This is there. Therefore, this is only a clarification. You know too well, Sir, that with respect to any limited company—and this is a limited company—shares cannot be redeemed by the

[Shri M. Ananthasayanam Ayyangar]

Company itself. It is opposed to all principles. The shares must be transferred from one hand to another. The question of repayment contemplated in Clause 5 arises only in case of liquidation. In cases where Central Government by executive orders give some directions, there is no liquidation. I am not able to contemplate in that case whether repayment arises at all. In that case, the Government only guarantee the principal.

Mr. Speaker: Even then, there is one point which strikes me and it is this: will it be correct to use the expression "par value" and not "face value"?

Shri M. Ananthasayanam Ayyangar: "Paid-up value" will be the proper expression, because it is said here in clause 4 that it is a fully paid up share. There is no question of any par value or face value.

The Honourable Shri R. K. Shanmukham Chetty: Supposing at the time of liquidation, it is not fully paid up, then what happens? Supposing only four thousand out of five thousand have been paid? Are we bound to pay five thousand rupees?

Shri M. Ananthasayanam Ayyangar: Therefore, par value is wrong. Paid-up value is correct.

The Honourable Shri R. K. Shanmukham Chetty: Again the Honourable Member is confusing himself.

Dr. B. Pattabhi Sitaramayya: Sir, may I just interrupt for a minute? When the Government "guarantees the principal", the words are absolutely complete as to what it guarantees. What does it guarantee? Does it guarantee the principal at half its value? Does it guarantee the principal at zero value? Does it guarantee it at 1 per cent. value? There is no sense in that argument: "Guaranteeing the principal" means guaranteeing the principal paid up. Therefore, the words are complete in themselves and there cannot be any amendments, which I submit will mar the value.

Mr. Speaker: I think the matter requires consideration. Let us not rush into any kind of amendments just at present.

Shri T. T. Krishnamachari: Then, Sir, I wish to state that if the Honourable Minister is not willing to accept my amendment, then I will not press it now. I will take it up later. It may be left over.

Mr. Speaker: If the Honourable Member does not press it now, it is understood that it is left over. Anyhow, so far as the House is concerned, it is disposed of.

Then there is another amendment standing in the name of Mr. Naziruddin Ahmad. Does he move it?

Mr. Naziruddin Ahmad: Yes, Sir. I move:

"That in clause 5, of the Bill, for the word 'principal', the words 'capital in the case of' or 'capital' or 'the par value of shares' be substituted."

Here, Sir, let me say I have suggested three alternatives.

Mr. Speaker: This point has been thoroughly discussed.

Mr. Naziruddin Ahmad: But, Sir, my point is different. The thing which I had in mind when drafting it is this. I do not see how the word "principal" is applicable here. There is the question of principal and interest in case of a loan transaction. In this case, however, there is only the share capital—whether you call it "paid-up" or "par value" or "face value". The question of principal does not arise at all here. That is why I have suggested three alternatives. Whether the capital is paid up, or it is par value, or paid-up value, I do not quarrel about that, but I submit that the word "principal" is inappropriate.

Mr. Speaker: This may also be considered. We have now come to an arrangement that all these suggestions will be considered. I was treating them as verbal amendments, but, if at all, the Honourable Minister wants to move any during the last stage of the Bill, he may do so.

Prof. K. T. Shah: Sir, I would suggest that it is certainly unnecessary to provide any guarantee of the type which is suggested in this Clause and I will soon give you my reasons for that view. I was, however, somewhat amused, if I may say so, by the exhibition that took place of the capitalist mentality in trying to squeeze out.....

The Honourable Shri R. K. Shanmukham Chetty: It might probably shorten the discussion if I explain the object of "guarantee". We were not anxious to guarantee at all the capital, but the point is that a number of these financial institutions have got trust funds and they cannot invest them except in trustee securities and for a trustee security the capital and interest must be guaranteed by the Government. It is for that purpose that the guarantee is provided.

Prof. K. T. Shah: I am obliged to the Honourable the Finance Minister for this correction. But I confess I still remain unconvinced of the necessity of this provision being added. If the law governing the Trustee Securities may not permit Trust Fund investment or a very small part of the total Trust Funds available for investment in the shares of such a Corporation as this, then, I am afraid that legislation itself would require amending. I cannot see any reason why, in a Corporation in which the State itself is interested to the extent of 40 per cent. invested by itself and through the Reserve Bank in the proprietorship its security should not be for any other individual or corporate investor as sufficient guarantee by itself to safeguard perfectly the principal and interest. This is a typical case of the capitalist mentality, inasmuch as even a Corporation like this, partially financed if not wholly by the State, is suspected, feared, apprehended to come to a pass some day when it may not be able to repay to them their full or part of the face or principal value and also the interest due at the time. I confess, Sir, that I feel amazed at that exhibition. That you should suggest even that a Corporation of this kind could ever come into a situation, which will make it parallel to the position of an ordinary concern going into liquidation, is to me past imagination. It can only come into a stage like that if the entire country goes to bankruptcy. Even though we do not nominally guarantee the shares, even though we do not nominally guarantee the interest, I see no reason why there should be the slightest apprehension in the minds of the individuals investing in this Corporation, or of bodies investing in this concern, that their principal or their interest will at any time be in doubt.

I put it further on this ground, that after all we are not going in this connection to the individual investor. According to the provisions of the Bill they are all to be corporate investors,—scheduled banks and insurance companies. And these surely are not people who, according to an amendment accepted this morning, investing each not more than 10 per cent. of their shares of the total investment, would feel such investment too much lacking up of their resources. What will it come to? And for that would they have justification for the kind of apprehension against which this provision is supposed to provide? A suggestion was made this morning, about the fate of a recent loan, that our approach to the money market for loan had befallen. I am afraid this is somewhat misplaced. A loan is asked to be subscribed by private individuals also. These are corporate bodies, with immense resources seeking investment. I am not suggesting for a moment that they are not entitled to seek as much safety

[Prof. K. T. Shah]

as they want for their own investments. After all we recognize they are capitalists, and as such to them property is much more important than any interest of the country. I recognize that to them the income they derive from it and the principal they have invested is far more important than the welfare of the people or the progress of the country. And as such I realize that for the individual, at any rate, there may be some ground for fear. But for corporate bodies, whose very success, whose very existence, if I may say so, depends upon the solvency of the State, for them even to suggest and for us to respond to a suggestion like that, that there may be a conceivable possibility in which the Government, entire State, the entire public life of this country would be insolvent, would be bankrupt, would be in a stage parallel to liquidation, is to my mind, may I say it in all humility, an insult to the country, a mis-conception of the strength, resources and credit of this country. This is not a matter which is a question of either expediency or practicability. This is a matter, Sir, wherein the very life, the very soul, if I may say so, of the country's honour is being challenged by implication; and as such I think not only is this provision superfluous, not only is this provision needless to guard particular interests or the particular sections of those interests, but it is I suggest, Sir,—again I say it in all humility—opposed to the merest sense of propriety with which this measure should be looked upon.

If this Corporation is to succeed—and it will succeed—its success will be part of the successful development of this country; and if this country does not succeed, if we are not able to carry out our programmes of development, if we are not left in peace to develop our economic resources as we would like to, may I say it is not right for any individual Corporation or interest to demand, even at the point when the country is in danger of its very existence, its principal and interest should be made good to it. I do not think that was the point of view that has been properly envisaged by the authors or supporters of such a measure. Sir, if this particular point of view is looked at from the angle from which I look at it, I am perfectly convinced that those who have the best interests not only of this Corporation, not only of its investors but of the country as a whole at heart, they will hesitate before pressing such a clause as this.

It may be that I am suffering from a somewhat diseased mentality; it may be that I am too far gone in my fever of idealism to be quite free from a touch of *delirium tremens*; I hope it is not so. I hope what I am suggesting is the whole, earnest and absolute truth in the matter of the country's credit, in the matter of the country's future. Are we in the first year of our independence legislating for a corporation which would flourish on the success of this country, beginning in the very first measure of the kind that we are proposing in which the country as a whole is partially interested, beginning to doubt our future? Why fear that it may possibly become insolvent at some particular time hereafter. If you doubt your own potentiality, I say how can you expect outsiders, others, our critics to have faith in us, to believe in us, and to extend to us such co-operation as you may expect to obtain from them. I most, therefore earnestly and most humbly appeal to the sponsors of this measure, I appeal to the good sense, may I say to the patriotism of this House to see this point from the angle from which I see it. If they are not convinced of the reasonableness and the modesty of my proposal at least I request the sponsors of the Bill to give some thought to this matter. I realize, Sir, that as on the race course so here also, it is not only the merits of the horse that is running which decide the race. It is also the pedigree, the weight, the jockey and so many other things that decide the race, or at least induce the betters to bet. And in this case too the pedigree, or the sincerity of the sponsor of the amendment will, I am perfectly aware be a very material factor in influencing this House to come

to a final decision. I am fully aware of a spirit of disagreement that has been generated by the view I have had the honour to put before the House. That is why I am making an appeal as I am doing about the reasonableness of my clause. A suggestion was made as to what is capital when definitions were put forward about capitalists. I do not think this is the stage at which 3 P.M. I should answer those suggestions or question definitions. Nor am I anxious to take the time of the House by verbal pyrotechnics or gladiatorial displays, as my Honourable friend described this kind of speeches. Far be it from me to take the time of the House in mere gladiatorial displays or dialectical efforts. I say this that we are not helping to solve the fundamental problems of the country by drawing red herrings or using clichés in matters like this. I hasten to add that I myself might not be free from this sin of introducing into the argument a just cliché, a label that might side-track completely the main argument brought to bear upon the issue. I hope any time that I feel conscious of it, or if at any time anybody draws my attention to it, I would immediately apologise, and try to keep the argument as much as lies in my power within the merits and merits alone of the issue. The light-hearted asides that occasionally creep up in the amenities of debate should, of course, not vitiate the argument as such. And that is why I had ventured to put forward the amendment.

You, Sir, have rightly pointed out that that amendment in substance amounts to a negation of the main principles, and as such I am quite content that it should not be treated as an amendment. But in that case there is no alternative for me but to plead to this House to reject this clause, and let us have not even a suspicion or a trace of doubt in a measure of this kind by which an unkind critic may suggest that Indians themselves are not quite sure about the success of their Government, that they are putting forward guarantees even for a Corporation in which their whole State is interested as part proprietor and sole controller. And because there is a hope and chance of our utilising this Corporation not only for the enrichment of the proprietors and those who hold high offices in it, but also for the more intensive development in an organic form, in the form of creative and productive resources, that I suggest that such a suspicion or even a trace of suspicion ought to be avoided by us.

We are passing through very critical times; we, as time and again we have been reminded, are in the very beginning of our existence as an independent sovereign nation. We have much to think of in the matter of constructive programmes, which, when our Government is free from pre-occupations with other more urgent matters we shall surely take up. At such a time, when we need all the resources of our country, at such a time when we need all the co-operation that we can command in the inter-national market. I repeat that it is inopportune and improper for us by our own act and legislation even to suggest or imply that we shall be lacking in any degree of confidence in the success, the solvency and the permanence of this State.

Sir, I beg the House to consider this matter earnestly; and if they are able to see my point of view to negative this clause.

Mr. Speaker: The question is:

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

The motion was adopted.

Clause 5 was added to the Bill

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (1) of clause 6 of the Bill, for the words 'a Board of Directors' the word 'Board' be substituted."

We have defined "Board" to mean "Board of Directors". So the word "Board" is enough.

Mr. Speaker: Amendment moved:

"That in sub-clause (1) of clause 6 of the Bill, for the words 'a Board of Directors' the word 'Board' be substituted."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I do not accept the amendment.

Mr. Naziruddin Ahmad: Sir, I beg leave of the House to withdraw the amendment.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw the amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (4) of clause 6 of the Bill, the words 'under this sub-section' be omitted."

This sub-clause refers to disputes and a dispute between the Central Government and the Board can only arise under this clause. So the words "under this sub-section" are unnecessary.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept this amendment.

Mr. Speaker: The question is:

"That in sub-clause (4) of clause 6 of the Bill, the words 'under this sub-section' be omitted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (5) of clause 6 of the Bill, for the word 'principles' the words 'instructions on the question' be substituted."

We have already provided for instructions on a question of policy in sub-clause (3). This is what is referred to in the sub-clause under dispute. In sub-clause (4) it says "carry out the principles of policy". In fact there is a slight divergence in the wording, but probably the same thing is meant.

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (5) of clause 6 of the Bill, for the word 'principles' the words 'instructions on the question' be substituted."

The motion was adopted.

Mr. Speaker: The question is:

"That Clause 6, as amended, stand part of the Bill."

The motion was adopted.

Cause 6, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"(i) That clause 7 of the Bill be renumbered as sub-clause (1) and for the colon after the word 'Board' a full stop be substituted, and

(ii) That in the Proviso to clause 7 of the Bill, for the words 'Provided that the', the word 'The' be substituted and the Proviso as so amended be renumbered as sub-clause (2) of Clause 7."

Without the proviso the sentence is complete. A proviso always begins with a new sentence. So there should be a full stop after the main part of the clause. Then with regard to renumbering it as (1) and that containing the

a proviso into a separate sub-clause, the reason is this. The first part refers to certain directions being given by the Board to the Executive. The Proviso says that minutes of the Executive Committee be laid before the Board. They are absolutely independent subjects. The Proviso should be elevated to an independent sub-clause.

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendments.

Mr. Speaker: With regard to the second amendment it should be:

"That the proviso be renumbered as sub-clause (2) deleting the words 'Provided that'."

The point is that it does not stand as a proviso. It will be an independent sub-clause.

The question is:

"(i) That clause 7 of the Bill be renumbered as sub-clause (1), and for the colon after the word 'Board' a full stop be substituted"; and

"(ii) That the proviso be renumbered as sub-clause (2) deleting the words 'Provided that'."

The motion was adopted.

Mr. Speaker: The question is:

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

The motion was adopted.

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

Shri T. T. Krishnamachari: Sir, I move:

"That in clause 8 of the Bill, for the words 'securing the efficient discharge of the functions of the Corporation', the words 'assisting the Corporation in the efficient discharge of its functions', be substituted."

I think the word 'securing' puts an emphasis which is unnecessary.

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment.

Mr. Speaker: Amendment moved:

"That in clause 8 of the Bill, for the words 'securing the efficient discharge of the functions of the Corporation', the words 'assisting the Corporation in the efficient discharge of its functions', be substituted."

Shri M. Ananthasayanam Ayyangar: I want the Honourable Minister to consider this. There is a difference between 'securing' and 'assisting'. 'Securing' is getting it down from the other Committee, which is an advisory body. So 'securing' is different from 'assisting'. 'Assisting' implies a portion of the agency. 'Securing' means that he gives advice.

Shri T. T. Krishnamachari: There is an obligation involved in the word 'securing' which is different to what is conveyed by the word 'assisting'.

Shri M. Ananthasayanam Ayyangar: It may devise ways and means to do so.

The Honourable Shri R. K. Shanmukham Chetty: I think it is all right. I accept it.

Mr. Speaker: The question is:

"That in clause 8 of the Bill, for the words 'securing the efficient discharge of the functions of the Corporation', the words 'assisting the Corporation in the efficient discharge of its functions', be substituted."

The motion was adopted.

Mr. R. K. Sidhva (C. P. and Berar: General): Before I move, I would like to know whether he would make it clear whether it is for some other purpose or for making loans.

The Honourable Shri R. K. Shanmukham Chetty: The Advisory Committee contemplated in this section is not the Advisory Committee which is generally associated with the local management of a bank. What is contemplated are *ad hoc* advisory committees, more of a technical nature, so that if any loan is asked for the actual soundness of the concern from the technical and various other aspects may be examined by this Committee.

Mr. R. K. Sidhva: Would it not be desirable to have those Committees in each Branch?

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The Honourable Shri R. K. Shanmukham Chetty: My Honourable friend knows by experience, the work of these advisory committees and very often it is a clog in the wheel of the bank, and more often than not it is merely for pressing personal recommendations.

Mr. R. K. Sidhva: I do not know.

Shri C. Subrahmanyam (Madras: General): Sir, I move:

"That in clause 8 of the Bill, after the word 'circumstances' the words 'and conditions prevailing in' be inserted."

Mr. Alagesan feels that 'circumstances' is not a very happy word in the context as it appears. Hence it is suggested that 'circumstances and conditions prevailing in and requirements of particular areas' may be inserted.

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment

Mr. Speaker: Is the word "and" necessary?

Shri C. Subrahmanyam (Madras: General): No. It may be omitted.

Mr. Speaker: That would be better. The question is:

"That in clause 8 of the Bill, after the word 'circumstances' the words 'conditions prevailing in' be inserted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 8, as amended, stand part of the Bill."

The motion was adopted.

Clause 8, as amended, was added to the Bill.

Prof. K. T. Shah: Sir, I move:

"That in clause 9 of the Bill, after the word 'Director', the words 'shall be appointed by the Central Government, and' be added."

I am aware that later on there is a provision which empowers the Central Government to appoint a Managing Director in accordance with the procedure laid down. I suggest that that is utterly unnecessary. The Managing Director should be plainly and undoubtedly a nominee or a servant of the Central Government. I do not mean a servant in the sense of an official necessarily, but he must be appointed, nominated and given charge of the post by authority of the Central Government. In this may I cite the analogy of a common custom in our country, whereby much of the joint stock enterprise is still in the hands of the Managing Agents, who constitute themselves *defacto* managers, appoint Managing Directors, and who have therefore practically the entire control and conduct of the business in their hands. The Board may or may not be consulted. If it is, it is generally *pro forma*. The Board in such cases is a sort of Mutual Administration Society in which the directors of one concern appoint the managers, Managing Directors and so on in another, in consideration of the other also returning the favour at an opportune moment. I suggest that however objectionable the practice or the institution of the Managing Agent may be in regard to the organisation and working of joint stock concerns, here is an instance in which the State, which is part proprietor to the extent of 40 per cent. in the Corporation, must claim the right that the chief managing authority, the chief personage entitled to conduct the day to day administration of the Corporation, should be a nominee and a person appointed by the Central Government. I should like to leave no room in this matter of any consultation with any other authority. I should suggest that all other consultations may quite possibly be actuated by reasons other than the collective interests of the country as a whole. As such it is undesirable on principle, in my opinion that the Managing Director should be anyone else but the person nominated by the Central Government. Even in a scheme that I had in mind when I moved an earlier amendment for provincial governments being associated instead of private corporations which are now sought to be

associated in the proprietorship of this Corporation, I had definitely in view that the authority of the Central Government should be supreme and unchallenged; and that it should have the supreme control, supervision and the day to day administration also through its nominee the Managing Director.

Mr. Speaker: May I point out to the Honourable Member that clause 9 merely deals with the duties of the Managing Director and the emoluments that he is going to get. It is clause 10 which deals with the manner in which he should be appointed, and probably the observations which the Honourable Member is making now, will be more appropriate if he moves an amendment to clause (f) of clause 10, which deals with the manner in which the appointment of the Managing Director is to be made. The proper place for advancing his arguments would be clause 10. I would allow the Honourable Member to make suitable changes in his amendments, if he likes.

Prof. K. T. Shah: I accept what you say, Sir, and will make the necessary changes afterwards.

Mr. Naziruddin Ahmad: Sir, I move:

"That in clause 9, of the Bill, after the words 'Managing Director' the word 'shall' be inserted; and in parts (a), (b), (c) and (d) of the clause the word 'shall' be omitted."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in clause 9, of the Bill, after the words 'Managing Director' the word 'shall' be inserted; and in parts (a), (b), (c) and (d) of the clause the word 'shall' be omitted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I move:

"That for sub-clause (a) of clause 9 of the Bill, the following be substituted:

'(a) be a whole time officer of the Corporation'."

It is difficult for a Managing Director to devote his whole time to the affairs of the Corporation. It would be impracticable for the Honourable Minister to devote the whole of his time to the affairs of the State. He may sleep or visit a cinema.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That for sub-clause (a) of clause 9 of the Bill, the following be substituted:

'(a) be a whole time officer of the Corporation'."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 9, as amended, stand part of the Bill."

The motion was adopted.

Clause 9, as amended, was added to the Bill.

Prof. K. T. Shah: Sir, may I move with your permission all the three amendments (Nos. 11 to 13 on list 2). They are part of the same scheme.

I move:

"(i) That in part (a) of clause 10 of the Bill, for the word 'three', the word 'four' be substituted, and the words 'in addition to the Managing Director', be added at the end.

(ii) That for part (b) of clause 10, of the Bill, the following be substituted:

"Three elected by the Provincial Governments holding any part of the capital of the Corporation'."

And the last amendment is.

The Honourable Shri R. K. Shanmukham Chetty: Sir, the whole scheme of his regarding the capital structure has been rejected by the House and therefore these amendments do not arise.

Mr. Speaker: I was also considering this point. So far as the first part which he has moved is concerned, may I know how it is affected? I am afraid the Honourable Member's amendment No. 12 will be barred by the rejection of his previous amendment; No. 13 also will be similarly barred. Does the Honourable Member agree?

Prof. K. T. Shah: I am not able to follow you, Sir. It is true that as a result of the rejection of my previous amendment some of these wordings naturally become out of order. But if you could possibly permit me to bring out the sense of the point that the Managing Director at least shall be appointed without the formality of consulting anybody, the purpose I have in view will be served.

Mr. Speaker: So far as the appointment of the Managing Director by the Central Government is concerned, the Honourable Member may move any amendment he likes and I shall allow him to move it in a changed form.

The Honourable Shri R. K. Shanmukham Chetty: Sir, if I have understood the Learned Professor correctly, he wants to bring about by an amendment that the entire Board of Directors must be nominated by the Government and for that purpose he wants a Board of five, including the Managing Director—four Directors and one Managing Director, all to be nominated by the Government. Is that correct? If that is what he wants, then the amendment that he should move is this:

In clause (a), he should substitute 'four' for 'three' before the word 'Directors';

(b), (c), (d) and (e) should be omitted;

Clause (f) should read "One Managing Director appointed by the Central Government". The rest of the clause and the proviso should be omitted.

That will clearly bring out his intention.

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

"That in clause 10 of the Bill—

- (i) in sub-clause (a), for the word 'three' the word 'four', be substituted;
- (ii) sub-clauses (b), (c), (d) and (e), be omitted; and
- (iii) sub-clause (f), be renumbered as sub-clause (b) and in the sub-clause as so renumbered, the words beginning from 'after consideration', to the end, including the two provisos be omitted."

Mr. Speaker: Amendment moved:

"That in clause 10 of the Bill—

- (i) in sub-clause (a), for the word 'three' the word 'four', be substituted;
- (ii) sub-clauses (b), (c), (d) and (e), be omitted; and
- (iii) sub-clause (f), be renumbered as sub-clause (b) and in the sub-clause as so renumbered, the words beginning from 'after consideration', to the end, including the two provisos be omitted."

Prof. K. T. Shah: Sir, the idea that I hold is that whatever may be the manner in which the proprietary share in this corporation is brought about and the ownership provided for, the direct control and management of the corporation should at least remain with the Central Government. Now that some of the other suggestions that I have been making have been rejected by the House, I have to restrict the Board to only five men which in my opinion would be sufficient for the day to day administration, control and management of the institution; the more so, as we have by another section of the Bill provided for advisory committees which presumably will assist the Board in all technical

matters relating to the soundness of industrial financing proposals coming before them. The Corporation would also be guided, I take it, by a body of expert advisers, so that the number of Directors—whether they be four or five, or rather ten or twelve—does not really matter. In making this suggestion I am not overlooking the fact that under the prevailing convention the proprietor or part-proprietor has *pro rata* rights, so to say, to have a voice in the administration, direction and control of the Corporation. I suggest, however, for the consideration of the House that this is a Corporation which should be judged by standards different from those which apply to ordinary commercial joint stock concerns. There the interests of the proprietor, namely the share or stock holder is paramount. Here the interest to be considered is more of the country as a whole than individual proprietors. To the extent of forty per cent. the proprietorship vests in the government of the country—I include of course the Reserve Bank as part of the public financing authorities of this country. But even to the extent that some part does belong to the other shareholders in this Corporation I suggest that no harm would be done whatsoever if the entire control, management and day-to-day administration are vested in a Board of the kind that I am suggesting. These directors must realize that they owe their position to no other interest but to the government of the country and therefore to the responsible Ministry of this country. Because I wish this to be enforced I would suggest that no room should be left in the appointment of the Board and in supervision over the Board itself as regards the last voice, so to say, which should be with the Central Government. The qualification, or the right of entry if I may say so, of a member to the Board of Directors should not be determined by merely the proprietary interest that any group or section may have in the Corporation. That would judge mostly the suitability of a person suggested to be Director by the length or fatness of his cheque. I suggest, Sir, the size of the cheque is not necessarily a qualification for the administration in the public interest of a Corporation like this. After all, the individual who would come under the scheme of the Board of Directors as proposed in this Bill would be a nominee in part of some private Corporation, apart from those nominated by the Central Government directly. They naturally would have to think of the interests which they represent, and would be amenable presumably to those interests. I do not wish that such a situation should be permitted. The directors must feel their public responsibility as public servants; and that cannot be brought home to them, in my humble opinion, unless and until you make them whole-time public servants as suggested in another amendment. They should not really be free, if I may go to the logical conclusion of my argument, to have any other interests but the interests of this Corporation. Like, for instance, our Public Service Commission, like the Railway Board, like many other Corporations that have been created in this country or elsewhere, a Corporation of this kind should be managed, conducted, administered, controlled and supervised by servants of the country answerable to the public: they should have no other master or authority except the public which employs them.

Sir, I should be perfectly willing, were it necessary, to suggest that the emoluments of the Directors should not be fixed on a line that is commonly practised amongst the joint stock companies in India, which gives just a modicum of fee to the Directors, entitling them to be called Directors but hardly giving them sufficient incentive to pay their full attention to the actual conduct of affairs. More often than not the Directors, so far as my experience goes, are hardly present at the meeting of the Board more than the time required to record their presence. Whether their presence is for the full duration of the meeting or just for the time it takes to record their presence, they are entitled to their fee. That is an outlook which I suggest ought not to be allowed in a concern like this. Should it be necessary, I would advocate that the Directors might be paid as they are paid in other countries, commensurate with the time

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and labour they bestow, and we should expect of them their whole time, so that they be not in any way indifferent or have any other conflicting interests which might claim their time and attention, in preference to the public service which they are expected to carry out in this Corporation. The qualifications also in the selection of a Director would, in the hands of the public authority, be much more the intrinsic worth of the Director, the real suitability, the experience, knowledge and understanding he has of the business of such a Corporation, than only the majority of shares held or the influence the particular Director may be commanding in the various groups he or they may represent. It is of the utmost importance that we wake up to the necessity of having in some measure like this, the qualifications of the Directors. We are very particular about laying down the qualifications of the junior-most typist or clerk that we engage, and long lines of newspaper advertisements—I do not know at how many rupees per inch—are inserted everyday laying down qualifications for posts carrying Rs. 250 and 350 with duties of typing or such character. But as regards people who are to be called upon to manage the affairs of the entire development of this country not a word is said. If we are content only with giving them just a meeting attendance fee and if their interest in the matter is to be, as I hope it would be, whole-hearted attention to the business of the industrial development of this country, then I think it would be but fair that the labourer should be treated as being worthy of his hire even at the risk of making out of him a capitalist as was suggested. After all the labourer is worthy of the hire, and as such whether or not it becomes part of his capital I can assure you that it would be earned with the sweat of his brow so to say. It would be justified not only because of the personal qualification of the individual selected, but also because of the need to attend to the different regions of the country, to the different sectors of the industry which have to be assisted by this Corporation. In this matter too the eye of the Central Government would be much more impartial and would look to the claims, the needs and the interests of all parts of the country far more than is likely, in my opinion, if the choice of the Directors—or of any proportion of them—be left to private Corporations which take shares in this Corporation.

While the number five is not too small, the most important amendment that is suggested here is that the appointment of all of them should without exception be in the hands of the Central Government; for it is only that authority which is directly responsible to the people and, as such, may be expected to look to the interests of the country as a whole both immediately and in the long perspective. It is for this reason that notwithstanding the rejection of my earlier suggestion, I still venture to put forward to the House this. Even if you would not have the entire ownership of the Corporation in the hands of the Central Government, at least let us have its day-to-day administration, its control and supervision in the hands of the Central Government. I hope this would commend itself to the House.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I am sorry I cannot accept this amendment.

Mr. Speaker: The question is:

"That in clause 10 of the Bill—

- (i) in sub-clause (a), for the word 'three' the word 'four', be substituted;
- (ii) sub-clauses (b), (c), (d) and (e), be omitted; and
- (iii) sub-clause (f), be renumbered as sub-clause (b) and in the sub-clause as so renumbered, the words beginning from 'after consideration', to the end, including the two provisos be omitted."

The motion was negatived.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in the first proviso to clause 10, of the Bill, for the words 'nominated under this proviso', the words 'so nominated' be substituted."

The clause specifically provides for nomination. It is not necessary to say that somebody is nominated 'under this proviso'. The words "so nominated" would be enough to refer to it and it would be complete in every way.

The Honourable Shri R. K. Shanmukham Chetty: I do not think this is necessary. Even for the sake of improvement in language I think we should take into consideration whether it is necessary to put the press to the work of recasting the whole of this Bill where it is absolutely not necessary. I think the wording is perfectly suitable and I do not think it requires any further amendment.

Mr. Naziruddin Ahmad: I do not wish to press it. It is not necessary for the Honourable Minister to give full reasons. It is quite enough for me that he merely opposes it.

Mr. Speaker: What is the reaction of the Honourable Minister to the next amendment?

The Honourable Shri R. K. Shanmukham Chetty: Not necessary.

Mr. Naziruddin Ahmad: It seems to me to be important. I beg to move:

"That in the first proviso to clause 10, of the Bill, the words 'for the purposes of this Act', be omitted."

The clause says "Directors nominated under this proviso shall be deemed to be elected". The words "for the purposes of this Act" are unnecessary because if they are deemed to be elected, they are certainly so for the purposes of this Act and for no other Act or purpose. For this reason the words are not necessary.

The Honourable Shri R. K. Shanmukham Chetty: I do not think the amendment is necessary.

Sir, I move:

"That in the second Proviso to clause 10, of the Bill, after the word 'constituted', the words 'other than the Managing Director', be inserted."

In clause 9 we have provided that the office of the Managing Director shall be four years. Now even in the case of the first Managing Director, I think to keep up continuity it would be best to keep that Director also for four years and not to terminate his appointment at the end of one year. My amendment is intended to bring out that idea.

Mr. Speaker: The question is:

"That in the second Proviso to clause 10, of the Bill, after the word 'constituted', the words 'other than the Managing Director', be inserted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 10, as amended, stand part of the Bill."

The motion was adopted.

Clause 10, as amended, was added to the Bill.

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

"That for sub-clause (1) of clause 11 of the Bill, the following be substituted:

"(1) Every Director, whenever appointed or elected, shall hold office for three years:

Provided that the Central Government may provide that all the Directors appointed or elected in the first instance shall hold office for such term as may be specified for each. After the first term of three years, one-third of the total number of Directors shall retire every year; but the Directors thus retiring by rotation shall be re-eligible for another full term of three years:

Provided further that no Director shall hold office for more than two consecutive full terms."

[Prof. K. T. Shah]

Sir, I recognize that this also is consequential upon the changes that I have earlier proposed. Nevertheless there is intrinsic ground, apart from the consequences of the earlier vote of this House, for this amendment to be considered on its own merits; namely that the total number of Directors should be such as to be divisible by three, that one-third should retire every year, and that no Director should hold office for more than two full terms consecutively. My object is that the Directors should not make a close preserve, so to say, of the office in one and the same person being elected time and again as seems to be the practice in ordinary joint stock concerns, where every notice usually mentions that so and so retires by rotation but they really offer themselves for election which is taken to be a matter of course. The Directors offer themselves for election even if they have never been present at any meeting of the joint stock shareholders. I consider that the reasons are obvious for taking the view that I wish to take and if the House comes to the same view, it might accept my amendment. In case acceptance of such amendment necessitates further changes, I should be perfectly willing to agree to the same.

Mr. Speaker: Amendment moved:

"That for sub-clause (1) of clause 11 of the Bill, the following be substituted:

"(1) Every Director, whenever appointed or elected, shall hold office for three years:

Provided that the Central Government may provide that all the Directors appointed or elected in the first instance shall hold office for such term as may be specified for each. After the first term of three years, one-third of the total number of Directors shall retire every year; but the Directors thus retiring by rotation shall be re-eligible for another full term of three years:

• Provided further that no Director shall hold office for more than two consecutive full terms."

Shri M. Ananthasayanam Ayyangar: Sir, evidently this amendment was tabled as part of the scheme, which fell through, whereby he wanted to avoid elected Directors of any kind being also shareholders of industrial concerns. Two Directors have been provided in each of the categories. In all there are six Directors. As regards the term, he wants once in three years those people to go. That is also provided for here. At the end of two years, they have to go. The term is four years, and at the end of every two years, two persons have to go. Thus one-third of the number is going by rotation. The only thing that remains is whether we should make four into three years. I do not see what great significance there is in modifying four into three. If there is justification for three, there is equal justification for four. Some people wanted five, some wanted three. The term of the President of America is also four years. Why not we have some such arrangement here? It is a new venture that we are starting. Three years appear to be a little short period.

Prof. K. T. Shah: Sir, I shall be willing, if the House permits, to withdraw my amendment.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in the first Proviso to sub-clause (1) of clause 11 of the Bill, for the words 'directors so to retire', the words 'the retiring directors', be substituted."

With regard to this I should like to amend it slightly. In the words proposed—"the retiring directors", the word "director" should begin with a capital letter. That is a typing mistake. So if you would kindly permit me to move it with this little amendment, I think it will be all right. Then the revised amendment will read:

"That in the first Proviso to sub-clause (1) of clause 11 of the Bill, for the words 'directors so to retire', the words 'the retiring directors', be substituted."

Sir, the Directors are elected for four years; on the expiration of that term they are to retire. So there is a reference to Directors so to retire after the expiration of the proper term. I have suggested in place of that the expression "the retiring Directors". This is the usual expression found in Company Reports etc. So, if this is acceptable to the Honourable Minister I shall press it otherwise.

The Honourable Shri R. K. Shanmukham Chetty: The wording as it is is a better one because the Directors are yet to retire and before they retire they have to be elected by law. Therefore the "directors so to retire" is the proper thing than "the retiring directors".

Mr. Naziruddin Ahmad: All right, Sir.

Then I move the alternative amendment which is as follows:

"That in the first Proviso to sub-clause (1) of clause 11 of the Bill, for the words 'the directors', the words 'the Directors', be substituted."

The only alteration here is that instead of beginning it with a small letter, the word "Director" should begin with a capital letter.

An Honourable Member: He is a capitalist.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in the first Proviso to sub-clause (1) of clause 11 of the Bill, for the words 'the directors', the words 'the Directors', be substituted."

The motion was adopted.

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

Shri T. T. Krishnamachari: Sir, I move:

"That in the second proviso of sub-clause (1) of clause 11 of the Bill, for the words 'in no case shall a Director be required to vacate his office', the words 'a Director shall continue in office', be substituted."

Apart from its being in the positive sense, I think it is probably more in tune with custom in regard to such provisions. Sir, I move.

Mr. Chairman: Amendment moved:

"That in the second proviso of sub-clause (1) of clause 11 of the Bill, for the words 'in no case shall a Director be required to vacate his office', the words 'a Director shall continue in office', be substituted."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Chairman: The question is:

"That in the second proviso of sub-clause (1) of clause 11 of the Bill, for the words 'in no case shall a Director be required to vacate his office', the words 'a Director shall continue in office', be substituted."

The motion was adopted.

Shri Basanta Kumar Das (West Bengal: General): Sir, I move:

"That for sub-clause (1) of clause 11 of the Bill, the following be substituted:

"(1) A director, either elected or nominated, shall hold office for four years."

Sir, in the existing clause there is no mention as to whether a nominated director will hold office for four years or not. Therefore I move this amendment.

Mr. Chairman: Amendment moved:

"That for sub-clause (1) of clause 11 of the Bill, the following be substituted:

"(1) A director, either elected or nominated, shall hold office for four years."

Shri M. Ananthasayanam Ayyangar: Sir, then the difficulty arises that no man shall be elected for more than two consecutive terms. The proviso says, "Provided further that a Director shall be eligible for re-election for not more

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than two full consecutive terms after the rotation of Directors". That is for re-election. If he is only for four years he can be nominated any number of terms; he can go on for 12 years. What is the need for putting any restriction upon that? So long as there is no question of rotation in his case, so long as he has to be nominated, and the person who has nominated him has the right to withdraw him, I do not see any need to have any particular term for nominated directors.

Shri Upendra Nath Barman (West Bengal: General): Sir, I rise to support this amendment. The difficulty will arise in the interpretation of some clauses of this Bill. As regards sub-clause (2) it is stipulated there,

"A casual vacancy in the office of a Director shall be filled by election or nomination, as the case may be, and the Director elected or nominated to fill a casual vacancy shall hold office for the unexpired portion of the term of his predecessor."

So unless some term be fixed for a nominated Director, this question does not arise. Therefore this clause remains unintelligible unless some normal term is fixed for a nominated Director also. I support this amendment.

Shri C. Subrahmanyam: Sir, I think no period should be fixed for a nominated Director because some official may be nominated in his official capacity to act as the Director of this Corporation. Suppose he ceases to hold his office, does it mean that the Government cannot act and remove him and put another man in his place or ask him to resign? Suppose he does not resign? Therefore, as far as the nominated Directors are concerned, they should hold office during the pleasure of the Central Government.

Dr. B. Pattabhi Sitaramayya: In such circumstances usually a Government official resigns.

Shri C. Subrahmanyam: Supposing he does not?

Dr. B. Pattabhi Sitaramayya: He will be forced to resign.

Shri C. Subrahmanyam: After retiring from Government service, what is the hold the Government have on him?

The Honourable Shri R. K. Shanmukham Chetty: There is certainly a lacuna here. We had not fixed any term for a nominated Director but since the intention of nominating Directors is that the Central Government should exercise more direct control through those Directors, I think the suggestion made by my Honourable friend Mr. C. Subrahmanyam should be accepted, namely that a nominated Director should hold office during the pleasure of the Central Government. If that idea is accepted then I shall have a suitable amendment made in the Third Reading. A new sub-clause (1) should be inserted to read:

"(1) A nominated Director shall hold office during the pleasure of the Central Government."

The present sub-clause (1) will be re-numbered as sub-clause (2) and subsequent sub-clauses re-numbered similarly.

Shri M. Ananthasayanam Ayyangar: There is this difficulty in the suggestion. You will see that two Directors are nominated by the Central Board of the Reserve Bank; not all the Directors are nominated by the Central Government. Then does the Honourable Member feel that those Directors nominated by the Reserve Bank also should hold their office during the pleasure of the Central Government?

Shri T. T. Krishnamachari: As a matter of fact, in about six months or eight months, what the Honourable Minister says will apply to those Directors also. It does not matter very much therefore, if we say that they can be removed by the Central Government. There would be no anomaly in clubbing them together so far as their holding office is concerned.

Dr. B. Pattabhi Sitaramayya: But then, it does not look well that you give a certain power to nominate and then say that that nominated person can be dismissed by a third superior authority.

The Honourable Shri R. K. Shanmukham Chetty: I quite agree that as my Honourable friend Mr. T. T. Krishnamachari pointed out just now, after the end of this year there would not be any difference. But probably it would look awkward in a Statute to delegate a power to the Central Board or the Reserve Bank and then to take it away by another hand in that way. Thus, I shall incorporate an amendment somewhat on the following lines:

"A Director nominated by the Central Government will hold office during the pleasure of that Government and a Director nominated by the Central Board of Revenue and an elector Director shall hold office for four years."

Mr. Naziruddin Ahmad: May I suggest one thing which might obviate all this difficulty? There is Clause 16 of the General Clauses Act which says that if we use the word "appointed", the person or authority who appointed him can remove him. Therefore, if instead of the word "nominated" we use the word "appointed", that would dispense with all this reservation as to the pleasure of the Government, and all that sort of thing. "Pleasure" is something which is applicable to high personages like the King etc.

Shri M. Ananthasayanam Ayyangar: But the word "appointment" is used in sub-clause (f) whereas the word "nominated" is used in sub-clause (b). Where the Managing Director is paid the word "appoint" is used, and in the other case the word "nominated" is used.

The Honourable Shri R. K. Shanmukham Chetty: If the House has no objection, I suggest that Clause 11 be passed over and we shall take it up at the end. In the meanwhile, I shall look into all the amendments tabled on this Clause and the suggestions made by Honourable Members.

Some Honourable Members: Yes.

Mr. Chairman: Clause 11 is passed over. We shall now take up Clause 12.

Shri T. T. Krishnamachari: Sir, I have no desire to steal the thunder of my Honourable friend Mr. Naziruddin Ahmad, but I have a minor verbal amendment;

"That in clause 12 of the Bill, for the word 'will', the word 'shall', be substituted."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Chairman: The question is:

"That in clause 12 of the Bill, for the word 'will', the word 'shall', be substituted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I shall move amendment No. 11 standing in my name, in a slightly amended form in consequence of the amendment that has been made.

Sir, I beg to move:

"That in Clause 12 of the Bill, for the words 'No person shall be a Director who', the following be substituted:

'No person shall be eligible for nomination or election nor shall be entitled to remain a Director who'."

The text says "No one shall be a Director" if he has certain disqualifications. The better expression would be "No person shall be eligible for nomination nor shall be entitled to remain a Director" who has got those disqualifications.

The Honourable Shri R. K. Shanmukham Chetty: I think it is all right as it is. I do not accept the amendment.

Mr. Naziruddin Ahmad: Very well. I do not press it.

Mr. R. K. Sidhva: Sir, I beg to move:

"That in part (c) of clause 12 of the Bill, after the words 'unsound mind' the words 'or disabled' be inserted."

No disabled Director should be allowed to participate or allowed to remain a Director when he is not able to attend the meetings. This is a very healthy amendment that I have suggested and hope it will be accepted. Sir, I move.

Mr. Chairman: Amendment moved:

"That in part (c) of clause 12 of the Bill, after the words 'unsound mind' the words 'or disabled' be inserted."

The Honourable Shri R. K. Shanmukham Chetty: Sir, the word "disabled" has got a wide significance. Legally, a person, for example, who is lame may be called "disabled", but that lameness may not be of such a character as to prevent him from attending meetings of the Board. If it is the intention of my Honourable friend that persons who are not in a position to attend the meetings of the Board should not be allowed to continue, that object has been achieved by another Clause where it is provided that if a person absents himself from the Board meetings for three consecutive meetings without leave he ceases to be a Director. Naturally, if a person becomes so disabled as not to be able to attend Board meetings for three consecutive meetings, he will automatically not be allowed to remain.

Mr. R. K. Sidhva: I am thankful to the Honourable Minister for inviting my attention to this fact. I wish to withdraw my amendment.

Mr. Chairman: Has the Honourable Member leave of the house to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Chairman: The question is:

"That clause 12, as amended, stand part of the Bill."

The motion was adopted.

Clause 12, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That for clause 13 of the Bill, the following be substituted:

"13. Director's absence from three consecutive meetings. Any Director absents himself from three consecutive meetings of the Board without leave of absence granted by the Board, shall be deemed to have vacated his seat."

Sir, I think the expression is more direct and to the point.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I do not think it is necessary to change that clause at all.

Mr. Naziruddin Ahmad: Then I do not press it.

Mr. R. K. Sidhva: In view of that the Honourable the Finance Minister just now stated, I think the object will not be served unless some amendment is made here. A person shall cease to be a director if he absents himself from three consecutive meetings of the Board without leave of absence. If a director on account of paralysis is unable to attend the meeting, the Board must not grant him permission. I have seen such instances happen. It would be therefore desirable, if the Honourable the Finance Minister agrees with my view, he should be disqualified. Therefore, I feel some kind of amendment is necessary here.

Mr. Chairman: The question is:

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

The motion was adopted.

Clause 13 was added to the Bill.

Clause 14 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That for clause 15, of the Bill, the following be substituted:

"15. Chairman of the Board.—(1) The Chairman, of the Board shall be nominated in this behalf by the Central Government from amongst the Directors, not being the Managing Director, and only after considering the recommendations of the Board, except in the case of the nomination of the first Chairman:

Provided that no nomination of the Chairman, other than the first Chairman, can be made until the vacancies in the office of the Directors existing at the time due to efflux of time have been filled up by nomination or election as the case may be.

(2) The Chairman shall hold office for two years but shall continue in office thereafter until another nomination is made:

Provided that, subject to his being a Director, the Chairman, is eligible for renomination as a Chairman."

With regard to the original Bill clause there seems to be here some kind of confusion. In the first proviso in line 1, it is stated: "Provided that the nomination of the Chairman for any year..." The original idea seems to have been that a nomination would be for one year, but in sub-clause (2) of the Bill clause it is stated that "The Chairman shall hold office for two years." The words 'two years' have been substituted in the Select Committee but there is no consequential change in the first part of proviso to sub-clause (1) which speaks of 'any year' or one year. Then there has been a re-arrangement of the section taking into account all elements in the original clause. I think the clause as it is before us would answer all objections and be complete in itself.

The Honourable Shri R. K. Shanmukham Chetty: I do not find any need at all for changing the wordings there. My Honourable friend has simply changed the wording and the intention is absolutely clear in the draft as it is before us.

Mr. Naziruddin Ahmad: So far as proviso to sub-clause (1) goes it says that the Chairman's nomination for 'any year', which implies only that a Chairman should remain for one year, but later on it is stated that the Chairman shall hold office for 'two years'.

The Honourable Shri R. K. Shanmukham Chetty: In the proviso for the word 'year' wherever it occurs the word 'period' be substituted.

Mr. Naziruddin Ahmad: Sir, I move:

"That in the proviso to sub-clause (1) of clause 15, of the Bill, for the word 'year', wherever it occurs, the word 'period', be substituted."

Mr. Chairman: Amendment moved:

"That in the proviso to sub-clause (1) of clause 15, of the Bill, for the word 'year', wherever it occurs, the word 'period', be substituted."

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment.

Mr. Chairman: The question is:

"That in the proviso to sub-clause (1) of clause 15, of the Bill, for the word 'year', wherever it occurs, the word 'period', be substituted."

The motion was adopted.

Shri Basanta Kumar Das: Sir, I move:

"That the Proviso to sub-clause (1) of clause 15, of the Bill be omitted."

Mr. Chairman: Amendment moved:

"That the Proviso to sub-clause (1) of clause 15, of the Bill be omitted."

Shri Upendra Nath Barman: In support of this amendment, Sir, I like to point out that unnecessary difficulty has been put on the renomination of the Chairman. There might be cases where there would be a casual vacancy in the office of Chairman. Supposing that the normal period of four years of an elected Director has run out and his successor has not been elected. The old member still continues. If at such a time the Chairman dies or is disqualified for any other cause who shall elect the Chairman. For a casual vacancy there need not be this unnecessary difficulty in the Bill. The proviso to clause 11(1) says that until a successor is elected the old Director will continue. So there is no harm if that continuing member elects the new Chairman even in normal cases, because otherwise difficulty might arise in the case of a casual vacancy in the office of Chairman.

Shri T. T. Krishnamachari: Sir, provision for casual vacancies will be made by rules, and sub-clause (4) says that nothing will be vitiated because of a vacancy in or defect in the constitution of the Board. If there is a vacancy by death it must be provided for by rules. As it is, this particular amendment will not solve the difficulty for periods when casual vacancies exist by a mere omission of the proviso which ties up actually with the other sub-clause in a previous section. The idea really is that if a person does not vacate office, persons who have elected the previous Chairman or who are there merely because their successors have not been nominated or elected should not be permitted to elect the next Chairman. That will have to be done by the incoming members.

The Honourable Shri R. K. Shanmukham Chetty: Sir, this proviso is necessary. It certainly does not achieve the object that my Honourable friend has. As has been pointed out, persons retire from the Board by rotation. So in a year if two persons have retired by rotation the election of the Chairman should not be held until these two seats are filled up. That is, until the Board is completed the election of the Chairman will not take place. Otherwise a small number of persons will take advantage and the other men will be debarred from voting. If, for instance, the Board consists of six people of whom two have retired and the election is to take place next month, surely it is not proper that the remaining four should elect the Chairman before these two come in.

Shri Upendra Nath Barman: But the outgoing members will continue.

The Honourable Shri R. K. Shanmukham Chetty: But they may not be re-elected. I think the proviso is necessary.

Shri Basanta Kumar Das: Sir, I beg leave of the House to withdraw the amendment.

Mr. Chairman: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Chairman: The question is:

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

The motion was adopted.

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

Shri Upendra Nath Barman: Sir, I wish to make a few remarks on clause 16, Sub-clause (2) says:

"A director elected to be a member of the Executive Committee shall hold office as such for the rest of his term of office as Director for which he is so elected."

But Directors of the Executive Committee are of two kinds as is provided in sub-clause (1). It might be that one of the nominated Directors might be elected to the Executive Committee by the nominated Directors. Sub-clause (2) says, "for the rest of his term of office as Director for which he is so elected". Supposing he is a nominated Director, it does not say how long he shall continue in his office in the Executive Committee. An elected Director is elected for four years, so he remains in the Executive Committee for the unexpired term of four years. But what about a nominated Director?

Mr. Chairman: The question is:

"That clause 16, stand part of the Bill."

The motion was adopted.

Clause 16 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (4) of clause 17 of the Bill, for the words 'shall vote' the words 'shall be entitled to vote', be substituted."

The difference is that in the Bill clause there is a direction not to vote; the amendment would make it clear that he has no right to vote. If he votes in violation of the direction, a question may arise about the legality of the act. So his right should be absolutely cut off. Sir, I move.

Mr. Chairman: Amendment moved:

"That in sub-clause (4) of clause 17 of the Bill, for the words 'shall vote' the words 'shall be entitled to vote', be substituted."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I think the words "No Director shall vote" mean a direct mandate to the Director not to vote, and the amendment is not necessary.

Mr. Naziruddin Ahmad: Sir, I beg leave of the House to withdraw the amendment.

Mr. Chairman: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. R. K. Sidhva: Sir, I move:

"That in sub-clause (4) of clause 17, of the Bill, after the words 'No Director shall vote on', the words 'or be present at the meeting when' be inserted, and the words 'is discussed' be added at the end."

The object of this amendment is this. In the clause itself it is provided when the Director is interested then he shall not vote. I go further and state that he shall not be allowed to be present at the meeting when that subject is being discussed: otherwise his presence will influence the other members and the other directors will not be able to express frankly and impartially their views. It does so happen and it has happened in the past in directors' meetings. Although he does not vote, the other directors are not so strong to vote against him, though they feel the question is not justified in getting the subject passed. Therefore his presence, directly or indirectly, although he does not

[Mr. R. K. Sidhva]

participate in the debate, influences the other directors and the object for which it is meant is frustrated. I hope the Honourable Minister will accept it. It is a very healthy thing. We feel that the director who is interested in a loan when he cannot vote, he should not be allowed to be present at the meeting.

Mr. Chairman: Amendment moved:

"That in sub-clause (4) of clause 17, of the Bill, after the words 'No Director shall vote on', the words 'or be present at the meeting when' be inserted, and the words 'is discussed' be added at the end."

The Honourable Shri R. K. Shanmukham Chetty: I fully appreciate the spirit underlying the suggestion of my Honourable friend. But it so happens that where an application for a loan by a company in which a particular director is interested comes up for consideration, that director may be in a position to give some valuable information to the Board. After all, mere presence, we should not presume, would influence the consideration of the rest of the directors. We are effectively safeguarding the interests of the Corporation by saying that that director shall not vote. But I think some liberty should be given for that Director to be examined by his colleagues, if necessary, when a matter of that kind comes up. I think it is carrying it a bit too far. I think the suspicion is unwarranted in some cases.

Shri M. Ananthasayanam Ayyangar: This only reminds me of a case in the Federal Public Services Commission when a son-in-law of one of the Members appeared. As soon as that gentleman came, the Member went away saying he is my son-in-law. No better certificate is necessary than this. Even though he may get out of the meeting, he can certainly influence the other way. Secondly, there may be a number of items on the agenda. I think it is useless. The Honourable Minister has said he may give useful information and then the whole thing may be withdrawn or granted.

Shri T. T. Krishnamachari: Government can lay down that whenever a director is interested in a particular proposition that this fact should be recorded in the minutes so that an officer can check up whether the *bona fides* of the person is questioned and has to be safeguarded. We have made such provision in other Bills where detailed instructions were found necessary. That will serve the purpose my friend has in mind.

The Honourable Shri R. K. Shanmukham Chetty: I think the point may be met by including either in our rules or in the directions that ordinarily a director interested in a borrowing concern should not be present at the meeting when the subject is discussed unless the other directors want his presence for information. We will issue instructions to that effect.

Mr. R. K. Sidhva: That is my object.

Dr. B. Pattabhi Sitaramayya: That may not do. Shall we say that Directors interested otherwise than a shareholder: 51 per cent. of the shares may be his own, but he may be a proprietor practically. In all these matters, the Directors should not have an interest in these matters. A directive to that effect may be better. If a director is interested in such an affair, it may be a big interest. Mere absence will not help us.

The Honourable Shri R. K. Shanmukham Chetty: What is it you want?

Dr. B. Pattabhi Sitaramayya: He must resign the directorship or resign the interest. The remedy is obvious.

Shri M. Ananthasayanam Ayyangar: In that case the loan must be sanctioned subject to the approval of the Central Government. This is an industrial corporation where you may lend to the extent of Rs. 50 lakhs. A loan is sanctioned by a Board and where a director is interested that may be subject to the approval of the Central Government.

Mr. Chairman: The amendment only says that the director should not be present at the meeting. The question whether he is interested, and should resign on that account is beside the point. Does Mr. Sidhva want me to put the amendment?

Mr. R. K. Sidhva: In view of the Honourable Minister's statement that he is going to provide for this in the rules, I withdraw it.

Mr. Chairman: Has the Honourable Member the leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. R. K. Sidhva: Sir, I move:

"That in part (a) of sub-clause (5), of clause 17, of the Bill, the following words be omitted:

'of the Board, a Director (other than the Managing Director), authorised by the Chairman in writing in this behalf shall preside at that meeting and in default of such authorisation'."

My object is simple as shown in the amendment. When the Managing Director is absent, let the others elect their own Chairman. Why should the Managing Director say whom they should elect? It should be left to the other directors who will be in a better position to judge who will be the best Chairman at that time for presiding at the meeting. It is a slur upon the co-directors to state that they could not elect the best man.

Mr. Chairman: Amendment moved:

"That in part (a) of sub-clause (5), of clause 17, of the Bill, the following words be omitted:

'of the Board, a Director (other than the Managing Director), authorised by the Chairman in writing in this behalf shall preside at that meeting and in default of such authorisation'."

The Honourable Shri R. K. Shanmukham Chetty: I shall explain to my Honourable friend why this was put in. The Chairman and the Managing Director are all persons nominated by the Central Government. So to ensure that the interests of the Government is at no time at jeopardy, we want that either the nominee of the Central Government or in his absence someone whom he nominates should be there to act as Chairman. We do not want to take the risk that in the absence of our Chairman, someone else might be elected and things done which might jeopardise the interests of the Corporation. If you want to have more control then this is necessary.

Mr. R. K. Sidhva: Then I wish to withdraw.

Mr. Chairman: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Chairman: The question is:

"That clause 17, stand part of the Bill."

The motion was adopted.

Clause 17 was added to the Bill.

Clauses 18 and 19 were added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"That in clause 20, of the Bill, for the words 'or any' the words 'or of any', be substituted."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Chairman: The question is:

"That in clause 20, of the Bill, for the words 'or any' the words 'or of any', be substituted."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 20, as amended, stand part of the Bill."

The motion was adopted.

Clause 20, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"That in the proviso to sub-clause (1) of clause 21 of the Bill, for the word 'issued' the words 'paid up' be substituted and for the words 'and of' the words 'together with' be substituted."

In the first line of the proviso bonds and debentures issued should be paid up. It may be that the face value is not really the paid up value.....

The Honourable Shri R. K. Shanmukham Chetty: The word 'issue' applies to bonds and debentures.

Mr. Naziruddin Ahmad: If that is so that part of the amendment will have to be given up. As regards the second part of the amendment where, for "and of contingent liabilities", I suggest "together with contingent liabilities", that would be more precise.

The Honourable Shri R. K. Shanmukham Chetty: As it is it is perfectly safe.

Mr. Naziruddin Ahmad: Then I do not press my amendment.

Mr. Chairman: The question is:

"That clause 21, stand part of the Bill."

The motion was adopted.

Clause 21 was added to the Bill.

Clause 22 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in part (a) of sub-clause (1) of clause 23, of the Bill, a comma be inserted after the word 'guaranteeing', and for the word 'agreed', the words and a comma 'agreed upon,' be substituted."

I wish to draw the attention of the House to clause 23 sub-clause (a). The expression used is "guaranteeing on such terms and conditions as may be agreed". There is no comma at the end of the word "agreed", and there is no previous comma after the word "guaranteeing", as the expression "on such terms and conditions as may be agreed" is a parenthetical expression it should be enclosed by commas on both sides. I move for the insertion of a comma after the word "guaranteeing" and after the word "agreed" there should be a comma and the word "agreed" should not stand alone, it should be "agreed upon." When I said that there should be a comma after the word "agreed" I meant that it should come after the words "agreed upon" as amended.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Chairman: The question is:

"That in part (a) of sub-clause (1) of clause 23, of the Bill, a comma be inserted, after the word 'guaranteeing', and for the word 'agreed', the words and a comma 'agreed upon,' be substituted."

The motion was adopted.

Shri T. T. Krishnamachari: Sir, I move:

"That in sub-clause (2) of clause 23, of the Bill, the words 'in the manner prescribed by regulations', be added at the end."

The clause reads:

"No accommodation shall be given under sub-clauses (a) and (e) unless it is secured by a sufficient pledge, mortgage, hypothecation"

The word "sufficient" wants amplification. It could not, as it is, find any amplification in the text of the Bill. So the Government will have to issue instructions by means of rules as to what is the nature of the sufficiency required what kind of securities they must take, whether the loans should be granted on first mortgage and so on. All this will have to be covered by precise instructions. That is why I have suggested the words "in the manner prescribed by regulations" should be inserted at the end.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Chairman: The question is:

"That in sub-clause (2) of clause 23, of the Bill, the words 'in the manner prescribed by regulations' be added at the end."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I move:

"That in part (f) of sub-clause (1) of clause 23, of the Bill, for the word 'incidental', the words 'incidental to' be substituted."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Chairman: The question is:

"That in part (f) of sub-clause (1) of clause 23, of the Bill, for the word 'incidental', the words 'incidental to' be substituted."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 23, as amended, stand part of the Bill."

The motion was adopted.

Clause 23, as amended, was added to the Bill.

The Assembly then adjourned till Eleven of the Clock on Friday, the 13th February, 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Friday, 13th February, 1948

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

DECLARATION BY MEMBER

The following Member made the declaration under Rule 2C:

Mr. Abdul Kadir Abdul Aziz Khan (Bombay: Muslim).

STARRED QUESTIONS AND ANSWERS

ORAL ANSWERS

[252*—267*]† HIGH PRICES CHARGED BY PAPER MILLS AND STATIONERY MANUFACTURERS.

‡268. *Shri Deshbandhu Gupta: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether Government are aware that some paper mills are charging prices higher than those fixed for them under clause 5 of the Paper Price Order 1944?

(b) Are Government further aware that in the name of the paper control the movement of even stationery items is strictly restricted?

(c) What action do Government propose to take to enforce sale at the fixed price by the paper mills and to stop cancellation of the licences of stationery manufacturers?

The Honourable Mr. C. H. Bhabha: (a) Government have no information.

(b) Government are aware that due to scarcity of exercise and account books in Delhi the local administration have imposed restrictions on the export of these articles of stationery. The local administration is within its rights to impose any restriction considered necessary in the interest of its province.

(c) Government can take no general action in the matter. They will, however, be prepared to investigate any specific cases that may be brought to their notice.

GOVERNMENT DAIRY FARMS IN INDIA

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

(a) the total number of Government dairy farms in India; and

(b) the quantity of milk supplied to the public by such dairy farms?

The Honourable Shri Jai Ramdas Doulatram: (a) There are thirty-six Government Civil Dairy Farms and twenty-eight Military Dairy Farms in India.

(b) The information is not readily available, and will be collected and supplied to the House in due course.

†For these questions and answers, see pages 653-64 of these Debates.

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

Shri H. V. Kamath: Where are these dairy farms situated, may I know?

The Honourable Shri Jairamdas Doulatram: There are four in Assam, two in Bihar, eight in Bombay, two in the Central Provinces, one in Coorg, one in Delhi, two in Madras, one in Travancore, four in Orissa, two in East Punjab.

Shri Ramnarayan Singh: Are these dairy farms self-supporting?

The Honourable Shri Jairamdas Doulatram: I cannot say straightaway; I will require notice of the question.

Mr. R. K. Sidhva: For whom do these dairy farms cater? Do they supply milk to military people or to civilians or to government servants?

The Honourable Shri Jairamdas Doulatram: The civil dairy farms supply milk to the civil population, the military dairy farms to the military.

Mr. R. K. Sidhva: How many civil dairy farms are there?

The Honourable Shri Jairamdas Doulatram: As I said, there are thirty-six government civil dairy farms.

Dr. H. C. Mookherjee: Is it a fact that many of the civil dairy products somehow or other go to the houses of government servants?

The Honourable Shri Jairamdas Doulatram: I am not aware of that. As I said, I will supply detailed information as to the quantity of milk supplied to the public from each dairy farm. The information is being collected.

Shri Ramnarayan Singh: When I put the question whether these dairy farms are self-supporting, the Honourable Minister said that the question does not arise.

Mr. Speaker: He did not say so.

Shri Ramnarayan Singh: He wanted notice. It means . . .

The Honourable Shri Jairamdas Doulatram: I am not ready with the information. It is being collected.

Mr. Speaker: Order, order. No further discussion is necessary.

Begum Aizaz Rasul: In the list read out by the Honourable Minister may I know if there are any dairy farms in U.P.?

The Honourable Shri Jairamdas Doulatram: There are nine in U.P.

Shri H. V. Kamath: Among the milch cattle in these dairy farms are there any animals apart from cows and buffaloes—goats for instance?

(No reply)

Dr. P. S. Deshmukh: Are these dairy farms under the Central Government or under the Provincial Governments?

The Honourable Shri Jairamdas Doulatram: Most of them are under the Provincial Governments.

Mr. R. K. Sidhva: May I ask how many farms are maintained by the Government of India for the civil population?

The Honourable Shri Jairamdas Doulatram: There is one full-fledged dairy farm at the Indian Dairies Research Institute at Bangalore. They have a few other dairy farms: one connected with the Agricultural Research Institute, New Delhi, one connected with the Agricultural Research Institute, Karnal, one with the Veterinary Research Institute, Izatnagar, one with the Veterinary Research Institute, Mukhteswar.

Dr. P. S. Deshmukh: Is it a fact that all these military dairy farms were started during the war?

The Honourable Shri Jairamdas Doulatram: I cannot say at present.

Shri Mihiri Lal Chattopadhyay: In view of the fact that no dairy farm has been started by the Government in West Bengal, may I ask what steps are being taken by the Central Government to augment the produce of milk in the Province of West Bengal where milk is acutely short?

The Honourable Shri Jairamdas Doulatram: We have made frequent attempts to induce the Provincial Governments to increase their dairy farms, and I can again write to the Provincial Governments.

Shri V. C. Kesava Rao: May I know whether there is any proposal to increase the number of dairy farms?

The Honourable Shri Jairamdas Doulatram: Yes.

Dr. H. C. Mookherjee: May I ask whether the Government of India propose to help the West Bengal Government to start dairy farms and if so in what ways?

The Honourable Shri Jairamdas Doulatram: We have given a number of inducements: for instance we have given subsidy—financial assistance.

Dr. P. S. Deshmukh: Can the Honourable Minister say which is more economical to maintain—the civil or the military dairy?

The Honourable Shri Jairamdas Doulatram: I require notice as I shall have to work out figures for that.

پندت تھاکر داس بھارگو : کیا گورنمنٹ آف انڈیا کی یہ پالیسی ہے کہ گورنمنٹ کے

تیری فارم جو ہیں ان سے سپلائی ملک میں گورنمنٹ servants کو preference

دی جائے بہ نسبت اور حصہ population کے -

Pandit Thakur Das Bhargava: Is this the policy of the Government of India to give preference to Government servants in the matter of supply of milk?

The Honourable Shri Jairamdas Doulatram: I am not aware of that. But I will make enquiries.

Shri M. Ananthasayanam Ayyangar: In the Province of Madras, in the district from which I come, namely Chittoor district, where there was a military farm, the military authorities gave notice that the farm would be disbanded and if by a particular date the cows and calves were not taken they would be shot—and they were shot dead. Is the Honourable Minister aware of this?

The Honourable Shri Jairamdas Doulatram: I require notice of that question.

Shri M. Ananthasayanam Ayyangar: Would the Honourable Minister make enquiries and also see to it that no more such farms are disbanded?

Mr. Speaker: Order, order. Only information may be asked.

Shri H. V. Kamath: Do these farms manufacture cheese?

The Honourable Shri Jairamdas Doulatram: No, they produce only milk.

AGRICULTURE RESEARCHES FOR IMPROVING PRODUCTION AND FARMER'S ECONOMY
†270. ***Shri Damodar Swarup Seth:** Will the Honourable Minister of Agriculture be pleased to state:

(a) whether Government are taking any steps to fit in the results of valuable researches in agriculture in the farmer's economy;

(b) whether Government have sufficient number of field workers to apply the knowledge obtained through research to the field; and

(c) if not, whether Government propose to take action to obtain a sufficient number of such workers for improving the conditions of agriculture and raising the level of production?

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

The Honourable Shri Jairamdas Doulatram: (a) The Government of India and the Indian Council of Agricultural Research try to make known to the Provincial Governments and the public results of researches undertaken in their institutes or the commodity committees through periodical conferences and by means of various journals and popular publications. The Indian Council of Agricultural Research have during the last several years themselves financed a number of schemes to try out results of important researches in the fields. Improved varieties of seeds for instance are generally used now for wheat, rice sugarcane etc. all over the country. They have recently undertaken a scheme to develop twenty villages within the direct jurisdiction of the Central Government round about Delhi in all aspects of agriculture and animal husbandry. The Ministry of Agriculture have under active consideration the setting up a Land Utilisation Board to undertake on an integrated basis schemes for improvement of agriculture in all its aspects.

(b) The shortage of field workers all over the country is well known. The position compares very unfavourably with other countries. This shortage is affecting the production of food in the country. Government realise that much more should be done in this direction than has been achieved so far. Most of the provinces in their post-war plans have schemes for training of field workers whose duty it would be to help the cultivator utilise results of researches carried out at experimental stations. It is expected that these schemes will be pushed through rapidly.

(c) As stated above, Government are alive to the responsibility of training more workers for the field. Facilities for training in all agricultural colleges and schools have been expanded. The Government of India themselves have set up a new Central Agricultural College at Delhi. But Government intends to study this problem afresh and try and implement schemes for increasing the number of the right type of men for applying the results of research in actual practice.

QUICK GROWTH OF TREES BY FOREST DEPARTMENT FOR REMOVAL OF FUEL SHORTAGE

†271. ***Shri Damodar Swarup Seth:** Will the Honourable Minister of Agriculture be pleased to state whether the Forest Department has been directed to work on schemes of developing quick-growing trees to remove the shortage of fuel for the village people?

The Honourable Shri Jairamdas Doulatram: The attention of the Honourable Member is invited to the reply given by my predecessor to part (a) of the Starred Question No. 318 by Shri R. R. Diwakar on the 26th November 1947 a copy of which is placed on the table. A report is being called for from all the provinces as to the progress achieved so far.

PRIORITY TO PRODUCTION OF FOOD CROPS OVER COMMERCIAL CROPS.

†272. ***Shri Damodar Swarup Seth:** Will the Honourable Minister of Agriculture be pleased to state whether Government have taken any steps to give high priority to the production of food crops, oilseeds, fruits, vegetables and milk in preference to Commercial Crops?

The Honourable Shri Jairamdas Doulatram: Not so far as a matter of policy. Under the prevailing circumstances both food crops and commercial crops are needed in the interest of the national economy. Government will consider favourably plans for making India self-sufficient in regard to food without affecting the capacity of India to produce such commercial crops as it may need. Government will therefore take steps to have this question properly examined.

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

NAMES AND LOCATION OF SUGAR MILLS IN INDIA

273. ***Dr. P. S. Deshmukh:** (a) Will the Honourable Minister of Food be pleased to state the number of Sugar Mills in India in the years 1946 and 1947 with their names and places of location?

(b) What are the conditions governing the establishment of new Sugar and Textile Mills?

(c) What was the basis on which the Mills were allocated to different Provinces?

The Honourable Shri Jairamdas Doulatram: (a) A statement is placed on the table of the House.

(b) The conditions governing the establishment of new sugar mills are: (i) The applicant must obtain sanction of the Examiner of Capital Issues for issue of capital above five lakhs. (ii) The applicant must obtain an import licence from the Chief Controller of Imports for the import of machinery.

In approving applications for establishment of new sugar mills the Government of India take into consideration (i) the approved plan of immediate five-year expansion, and (ii) the recommendations of the Provincial or State Government concerned regarding Promoters and sites.

As regards Textile Mills, the Honourable Member should address the question to my Honourable colleague in charge of the Ministry of Industry and Supply.

(c) The allocation of 45 new sugar mills to different Provinces and States was made in two stages: (i) 20 new units of 800 to 1000 tons daily crushing capacity were recommended for allocation Province and Statewise by the Panel on Sugar, set up by the Government of India in the late Planning and Development Department and the recommendations were accepted by the Government of India. (ii) Consequent on Government of India's decision to raise the target of production recommended by the Panel from 16 to 18½ lakh tons, further 25 new units of the above daily crushing capacity were allocated by the Government of India to the Provinces and States. The principles (on which new units were allotted were dispersal) of the Sugar Industry in areas other than U. P. and Bihar where there is at present concentration; suitability of the area for sugarcane climatically and the state of development of sugarcane in it.

Statement showing the names of factories with their places of location for the years 1946 and 1947 (including factories located in Pakistan and those in Indian States).

Name of Factory	Location
<i>Bengal</i>	
1. North Bengal Sugar Mills Co., Ltd.	Gopalpur (Pakistan). (Rajshahi).
2. Setabganj Sugar Mills, Ltd.	Setabganj (Pakistan).
3. Shree Radha Krishna Sugar Mills, Ltd.	Beldanga, Murshidabad.
4. The Ramnugger Cane and Sugar Co., Ltd.	Plassey, P.O. Nadia.
5. Carew and Co., Ltd.	Darsana, P.O. Nadia (Pakistan).
6. The Deshbandhu Sugar Mills, Ltd.	Charsindur, Dacca (Pakistan).
7. Kaligunj Sugar Mills, Ltd.	Kaligunj, P. O. Dacca (Pakistan).
8. Dass Sugar Corporation Ltd.	P.O. Kishorganj, (Pakistan) Mymensingh.
9. Rajluxmi Sugar Mills	Maitra Bagan, Basirhat, Distt. 24 Parganas.

Name of Factory

Location

Bihar

1. Sakri Sugar Factory of the Durbhanga Sugar Co., Ltd. Sakri, P.O. Darbhanga.
2. Lohat Sugar Factory of the Durbhanga Sugar C. Ltd. Lohat, P.O. Darbhanga.
3. Ryam Sugar Co., Ltd. Ryam Factory, Darbhanga.
4. Samastipur Central Sugar Co., Ltd. Samastipur, Darbhanga.
5. New India Sugar Mills, Ltd. Hassanpur, Darbhanga.
6. Motipur Sugar Factory, Ltd. Motipur, Muzaffarpur.
7. Belsund Sugar Co., Ltd. Righa, P.O. Muzaffarpur.
8. Champaran Sugar Co., Ltd. Bara-Chakia, Champaran.
9. Shree Hanuman Sugar Mills, Ltd. Motihari, Champaran.
10. The Sugauli Sugar Works, Ltd. Sugauli, Champaran.
11. Motilal Padampat Sugar Mills Co., Ltd. Majhauria, Champaran.
12. Champaran Sugar Co., Ltd. Chanpatia, Champaran.
13. S.K.G. Sugar Ltd., M/S Dalmia Jain and Co., Ltd. Lauriya, Champaran.
14. The New Swadeshi Sugar Mills, Ltd. Narkatiagunj, Champaran.
15. Harinagar Sugar Mills, Ltd. P.O. Harinagar Sugar Mills, Champaran.
16. Ganga Devi Sugar Mills, Ltd. Naraipur, P.O. Champaran.
17. Gaya Sugar Mills, Ltd. Guraru, Gaya.
18. Gaya Sugar Mills, Ltd. Warisaliganj, Gaya.
19. The South Bihar Sugar Mills, Ltd. Bihta, Patna.
20. Mohini Sugar Mills, Ltd. Bikramganj, Shahabad.
21. Rohtas Industries, Ltd. Dalmianagar, Shahabad.
22. Ganga Deshi Sugar Factory Ltd. Buxar, Shahabad.
23. Sitalpore Sugar Works, Ltd. Sitalpore, Saran.
24. Cawnpore Sugar Works, Ltd. Marhowrah, Saran.
25. Maharajganj Sugar Factory Maharajganj, Saran.
26. The Behar Sugar Works Pachrukhi, Saran.
27. New Savan Sugar and Gur Refining Co., Ltd. Siwan, Saran.
28. Indian Sugar Works Siwan, Saran.
29. Siwan Deshi Sugar Factory Siwan, Saran.
30. Bharat Sugar Mills, Ltd. Lidhwalia, Saran.
31. Sasa Musa Sugar Works, Ltd. Sasa Musa, Saran.
32. The Vishnu Sugar Mills, Ltd. Gopalganj, Saran.
33. S.K.G. Sugar, Ltd. Hathua, Saran.

United Provinces

1. Purtabpore Co., Ltd. Mairwa, Deoria.
2. Noori Sugar Works Bhatni, Deoria.
3. Shree Sitaram Sugar Co., Ltd. Baitalpur, Deoria.
4. Cawnpore Sugar Works, Ltd. Gauribazar, Deoria.
5. Deoria Sugar Mills, Ltd. Deoria, Deoria.
6. Sind National Sugar Mills, Ltd. Deoria, Deoria.
7. Saraya Sugar Factory Sardarnagar, Gorakhpur.

Name of Factory.

Location.

United Provinces.—Contd.

8. Diamond Sugar Mills, Ltd. Pipraich, Gorakhpur.
9. Pipraich Sugar Mills, Ltd. Pipraich, Gorakhpur.
10. The Shankar Sugar Mills, Ltd. Captainganj, Deoria.
11. The Punjab Sugar Mills Co., Ltd. Ghughli, Gorakhpur.
12. Mahabir Sugar Mills Co., Ltd. Siswa Bazar, Gorakhpur.
13. The Vishnu Pratap Sugar Works, Ltd. Khadda, Deoria.
14. The Lakshmi Devi Sugar Mills, Ltd. Chitauri, Deoria.
15. Ishwari Khetan Sugar Mills, Ltd. Lakshmiganj, Deoria.
16. The Ramkola Sugar Mills Co., Ltd. Ramkola, Deoria.
17. Maheshwari Khetan Sugar Mills, Ltd. Ramkola, Deoria.
18. Padrauna Rajkrishna Sugar Works, Ltd. Padrauna, Deoria.
19. Jagadish Sugar Mills, Ltd. Kathuiyan, Deoria.
20. The United Provinces Sugar Co., Ltd. Seorahi, Deoria.
21. Ganesh Sugar Mills, Ltd. Anandnagar, Gorakhpur.
22. Shree Sardar Sugar Mills, Co. Ramchandri, Gorakhpur.
23. The Madho Kanhaya Mahesh Gauri Sugar Mills, Ltd. Munderwa, Basti.
24. Basti Factory of the Basti Sugar Mills Co., Ltd. Basti, Basti.
25. Walterganj Factory of The Basti Sugar Mills Co., Ltd. Walterganj, Basti.
26. Barhni Sugar Mills Barhni, Basti.
27. Shree Anand Sugar Mills, Ltd. Khalilabad, Basti.
28. The Saksaria Sugar Mills, Ltd. Bahnan, Gonda.
29. Nawabganj Sugar Mills Co., Ltd. Nawabganj, Gonda.
30. Balrampur Sugar Co., Ltd. Balrampur, Gonda.
31. Balrampur Sugar Co., Ltd. Tulsipur, Gonda.
32. R. B. Seth Lachmandas Mohanlal & Sons Sugar Mills. Jarwal, Bharaich.
33. The Burhwal Sugar Mills Co., Ltd. Burhwal, Barabanki.
34. Seth Ramchand & Sons Sugar Mills. Barabanki, Barabanki.
35. Ratna Sugar Mills Co., Ltd. Shahganj, Jaunpur.
36. Shree Krishna Deshi Sugar Works Jhusi, Allahabad.
37. Tribeni Deshi Sugar Works Naini, Allahabad.
38. The Lakshmi Sugar and Oil Mills, Ltd. Hardoi, Hardoi.
39. The Seksaria Biswan Sugar Factory Ltd. Biswan, Sitapur.
40. The Oudh Sugar Mills Ltd. Hargaon, Sitapur.
41. Lakshmiji Sugar Mills Co., Ltd. Maholi, Sitapur.
42. Aira Sugar Factory Khamaria, Kheri.
43. The Hindusthan Sugar Mills, Ltd. Golagokaran Nath, Kheri.
44. Rosa Sugar Works & Distillery of Carew & Co., Ltd. Rosa, Shahjahanpur.
45. H. R. Sugar Factory Ltd. Bareilly Bareilly.
46. The Kesar Sugar Works Ltd. Baheri, Bareilly.
47. L. H. Sugar Factories and Oil Mills Ltd. Pilibhit, Pilibhit.
48. Upper Ganges Sugar Mills, Ltd. Seohra, Bijnor.
49. Seth Shiv Prasad Banarasidas Sugar Mills. Bijnor, Bijnor.
50. The Dhampur Sugar Mills Ltd. Dhampur, Bijnor.
51. The Vijai Sugar Corporation Ltd. Doiwala Dehra-Dun.
52. The Ganga Sugar Corporation Ltd. Deoband, Saharanpur.

Name of Factory.

Location.

United Provinces.—Contd.

53. Rai Bahadur Narain Singh Sugar Mills, Ltd.	Lhaksar, Saharanpur.
54. The Lord Krishna Sugar Mills, Ltd.	Saharanpur.
55. Sir Shadi Lal Sugar and General Mills, Ltd.	Mansurpur, Muzaffarnagar.
56. Upper India Sugar Mills, Ltd.	Khatauli, Muzaffarnagar.
57. Amritsar Sugar Mills Co., Ltd.	Rohanakalan, Muzaffarnagar.
58. Upper Doab Sugar Mills, Ltd.	Shamli, Muzaffarnagar.
59. Diwan Sugar Mills	Diwanagar, Meerut.
60. Daurala Sugar Works	Daurala, Meerut.
61. Jaswant Sugar Mills Ltd.	Meerut City.
62. Ram Luxman Sugar Mills	Mohiuddinpur, Meerut.
63. The Modi Sugar Mills, Ltd.	Modinagar, Meerut.
64. Simbhaoli Sugar Mills, Ltd.	Simbhaoli, Meerut.
65. The Gokulnagar Sugar Mills Co., Ltd.	Kichha, Naini-Tal.
66. L. H. Sugar Factories & Oil Mill, Ltd.	Kashipur, Naini-Tal.
67. The Neoli Sugar Factory	Manpore, Etah.
68. Standard Refinery & Distillery, Ltd.	Unao.
69. Kamlapat Motilal (Sugar Mills)	Masodha, Fyzabad.
70. Experimental Sugar Factory	Nawabganj, Cawnpore.
71. Baijnath Balmakund Sugar Mills	Anwarganj, Cawnpore.
72. Kundan Sugar Mills	Amroha, Moradabad.
73. The Ajudhia Sugar Mills	Raga Ka Sahaspur, Moradabad.

Punjab.

1. The Gujranwala Sugar Mills, Co.	Rahwali, Gujranwala (Pakistan).
2. The Amritsar Sugar Mills Co., Ltd.	Gr. Trunk Road, Amritsar.
3. Saraswati Sugar Mills	Abdullapur, Ambala.
4. The Pattoki Sugar Works, Pattoki	Pattoki, Lahore (Pakistan).

Orissa.

1. Aska Sugar Works and Distillery.	Aska, Ganjam.
2. Jeypore Sugar Co., Ltd.	Rayagada, Koraput.

Madras.

1. The Vizagapatam Sugar and Refinery, Ltd.	Anakapalle, Vizagapatam.
2. Etikoppaka Sugar Factory	Etikoppaka, Vizagapatam.
3. The Sri Rama Sugar Mills, Ltd.	Bobbili, Vizagapatam.
4. The Sri Rama Sugar Mills, Ltd.	Seethanagaram, Vizagapatam.
5. The K.C.P., Ltd.	Vuyyuru, Kistna.
6. The Kirlampudi Sugar Mills, Ltd.	Kirlampudi, East Godavari.
7. The Deccan Sugar and Abkari Co., Ltd.	Samalkot, East Godavari.
8. The East Indian Distilleries and Sugar Factories, Ltd.	Nelikuppam South Arcot.
9. The India Sugar and Refineries, Ltd.	Hospet, Bellary.
10. Coimbatore Co-operative Sugar Manufacturing Society, Ltd.	Padanur, Coimbatore.
11. Al. Vr. St. Sugarmills and Distillery	Tachanallur, Tinnevely.
12. Lakshmi Sugar Mills	Near Lakshmanatope, Tinnevely.
13. The Marugappa Sugar Co., Ltd.	Mailpatti, N. Arcot.
14. The Deccan Sugar and Abkari Co., Ltd.	Pugalur, Trichinopoly.

Name of Factory.

Location.

Bombay.

1. The Saswad Mali Sugar Factory Ltd.	Malinagar, Sholapur.
2. The Brihan Maharashtra Sugar Syndicate, Ltd.	Shreepur, Sholapur.
3. Walchandnagar Industries Ltd.	Walchandnagar, Poona.
4. The Ravalgaon Sugar Farm, Ltd.	Ravalgaon, Nasik.
5. The Belapur Co., Ltd.	Harigaon, Ahmednagar.
6. The Maharashtra Sugar Mills, Ltd.	Tilaknagar, Ahmednagar.
7. The Belvandi Sugar Farm, Ltd.	Belvandi, Ahmednagar.
8. Godavari Sugar Mills, Ltd.	Sakarwadi, Ahmednagar.
9. The Sombaiya Sugar Factory	Lakshmiwadi, Ahmednagar.
10. Shree Changdeo Sugar Mills Ltd.	Changdeonagar, Ahmednagar.

Sind.

1. The Pioneer Sind Sugar Mills, Ltd.	Mohatta Nagar (Pakistan).
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N.-W. F. Province.

1. The Frontier Sugar Mills and Distillery, Ltd.	Takh-i-Bhai, Mardan (Pakistan).
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INDIAN STATES.

(Kashmir).

1. Shree Yuvraj Sugar Mills, Ltd.	Ranbirnigh Pura.
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(Punjab).

2. Jagatjit Sugar Mills Co., Ltd.	Phagwara, Kapurthala State.
3. The Mahalaxmi Sugar Mills Co., Ltd.	Hemira, Kapurthala State.

(United Provinces).

4. Raza Sugar Co., Ltd.	Rampur, Rampur State.
5. Buland Sugar Co., Ltd.	Rampur, Rampur State.

(Travancore).

6. The Travancore Sugar Chemicals, Ltd.	Thuckalay, Travancore State.
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(Mysore).

7. Mysore Sugar Co., Ltd.	Mandya, Mysore State.
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(Bombay).

8. The Kolhapur Sugar Mills	Kolhapur, Kolhapur State.
9. The Phaltan Sugar Works, Ltd.	Sakharwadi, Phaltan State.
10. Krishna Sugar Mills, Ltd.	Kittur Miraj Jr. State.
11. The Ugar Sugar Works, Ltd.	Ugar Khurd, Sangli State.

Name of Factory.	Location.
(Central India).	
12. The Jaora Sugar Mills	Jaora, Jaora State.
13. Bhopal Sugar Industries Ltd.	Sehore, Bhopal State.
14. Sri Lakshmi Narayan Sugar Works Ltd.	Harapalpur, Alpora State.
15. The Gwalior Sugar and Co., Ltd.	Dabra, Gwalior State.
16. The Jiwaji Rao Sugar Co., Ltd.	Dalanda, Mandasaur.
17. Maharani Parvati Sugar Mills Ltd.	Sarangpur, Dewas State.
18. Seth Govindram Sugar Mills	Mehidpur, Holkar State.
(Rajputana).	
19. The Bikaner Industrial Corporation Ltd.	Sri Ganganagar, Bikaner State.
20. The Mewar Sugar Mills, Ltd.	Bhupalsagar, Udaipur State.
21. Shree Bijay Sugar Mills	Bijainagar, Ajmere.
22. The Nizam Sugar Factory Ltd.	Shakarnagar, Hyderabad State.
23. The Salar Jung Sugar Mills Ltd.	Munirabad, Hyderabad State.
(Kathiawar).	
24. Bhavnagar Sugar Mills Ltd.	Dhola Jn., Bhavnagar State.

Dr. P. S. Deshmukh: On the whole is it the policy of Government to encourage the establishment of sugar factories or not?

The Honourable Shri Jai Ramdas Doulatram: Yes, it is.

Dr. P. S. Deshmukh: Does the Government do everything in its power to facilitate the establishment of such factories?

The Honourable Shri Jai Ramdas Doulatram: I presume so.

Mr. Speaker: The question is vague enough.

APPOINTMENT OF COMMITTEE FOR DEVELOPMENT OF A HARBOUR ON KANARA COAST

274. *Shri S. V. Krishnamurthy Rao: Will the Honourable Minister of Transport be pleased to state:

(a) whether it is a fact that in the tripartite Conference between the Governments of Bombay, Madras and Mysore held in June 1947, it was decided that the Government of India should appoint a committee to investigate as to which harbour was best suited to be developed on the Kanara coast;

(b) whether any committee has been appointed; and

(c) if not, when the committee would be appointed?

The Honourable Dr. John Matthai: (a) The Conference referred to could not come to a final conclusion in view of the constitutional changes then impending. The sense of the Conference, however, was that it was desirable to appoint a technical committee with comprehensive terms of reference to undertake a traffic and engineering survey to determine whether there was a need for a deep-sea port between Mormugao and Cochin; if so, where the port should be sited and what improvements are necessary in communications to the existing ports.

(b) No.

(c) The whole question was recently reviewed by the Central Board of Transport and an announcement is expected to be made shortly.

Shri S. V. Krishnamurthy Rao: May I know as to when such a committee is likely to be appointed?

The Honourable Dr. John Matthai: Very soon.

Shri S. V. Krishnamurthy Rao: Can there be any time or any month that may be indicated please?

The Honourable Dr. John Matthai: Within a few weeks an announcement will be made.

MAINTENANCE OF DIMAPUR-IMPHAL AND GAUHATI-SHILLONG ROADS IN MANIPUR AND KHASI STATES.

275. *Shri B. P. Jhunjhunwala (on behalf of **Shri Rohini Kumar Chaudhuri**):

(a) Will the Honourable Minister of Transport be pleased to state whether a major portion of the roads from Dimapur to Imphal in the Manipur State, and from Gauhati to Shillong in Khasi States which pass through Indian Dominion are maintained by the Government of India?

(b) Is there any proposal to transfer these roads or any portion thereof to the states through which they pass and if so, what steps do the Government of India propose to take in the matter?

The Honourable Dr. John Matthai: (a) The Manipur State portion of the Dimapur-Imphal road, and the portion of the Gauhati-Shillong road lying in the Khasi States are maintained at present by the Assam Government at the cost of the Government of India.

(b) No.

TRANSFERRED STARRED QUESTIONS AND ANSWERS†

NON-PAYMENT OF INCOME-TAX BY OXFORD UNIVERSITY PRESS IN INDIA.

252. *Dr. B. V. Keskar: (a) Will the Honourable Minister of Finance be pleased to state whether it is a fact that the Oxford University Press in India do not pay any income-tax?

(b) If so, what are the reasons?

(c) What steps do Government propose to take to remedy this defect in taxation regulations?

The Honourable Shri R. K. Shanmukham Chetty: (a) Yes.

(b) The Press is owned by the Oxford University which is a charitable Trust and therefore exempt under the Income-tax Act.

(c) The question of the desirability of amending the present law so as to confine the exemptions to such charities as enure exclusively to the benefit of the Indian public is being referred to the Income-tax Investigation Commission.

KILLING OF MAHADU MOTIRAM OF EAST KHANDESH DISTRICT BY AN ARAB OF NIZAM'S STATE.

253. *Shri H. V. Pataskar: Will the Honourable Minister of States be pleased to state:

(a) whether it is a fact that one Mahadu Motiram Pardeshi of Dighi, Talukam Pachora, District East Khandesh, Bombay Province, was shot down by an Armed Arab from the Nizam's State on 17th November, 1947;

(b) whether it is a fact that this Arab was an employee of the Nizam's Government;

†The meeting of the Assembly fixed for 12th February, 1948, having been cancelled, the answers to starred questions for that day were, in pursuance of convention, laid on the table of the House today.—Ed. of D.

(c) whether it is a fact that this Mahadu Motiram was killed while defending some property lying within the territories of the Dominion of India;

(d) if so, whether the Nizam's Government have been asked to pay compensation for this; and

(e) whether the Nizam's Government have handed over the offender to the authorities in the Bombay Province?

The Honourable Sardar Vallabhbhai Patel: (a) Yes.

(b) Reports indicate that he is in His Exalted Highness the Nizam's Government's employ.

(c) Yes.

(d) We have no information.

(e) Hyderabad Government had agreed to surrender the Arab on his identity being established and a *prima facie* case being made out against him. Bombay Government have not reported whether they have actually done so.

NUMBER OF INDIAN CASUALTIES RANK-WISE DURING WORLD WAR II.

254. *Dr. P. S. Deshmukh: Will the Honourable Minister of Defence be pleased to lay on table of the House a statement giving the number of Indian casualties for each year during World War II with their classification according to ranks?

The Honourable Sardar Baldev Singh: I lay three statements on the table of the House.

Statement of casualties during World War II.

(a) ROYAL INDIAN NAVY.

Year in which casualties occurred.	KILLED		WOUNDED		MISSING.	
	Officers.	Ratings.	Officers.	Ratings.	Officers.	Ratings.
1939	..	4	..	..	..	..
1940	1	7	..	13	..	..
1941	3	47	3	1	..	..
1942	3	60	..	10	..	..
1943	1	87	..	4	..	..
1944	3	76	4	40	..	..
1945	2	61	..	35	..	2
Total	13	342	7	103	..	2

(b) INDIAN ARMY.

Period during which casualties reported.	KILLED.			WOUNDED.		
	Officers	VCOs	IORs.	Officers	VCOs	IORs.
From date of declaration of war to end of						
1941	9	55	1237	12	130	5004
1942	11	86	1543	10	161	4520
1943	11	124	3306	21	147	3896
1944	60	323	10344	118	975	30647
1945	41	160	8113	70	440	13397
1946	24	135	7105	3	19	127
Total	156	883	31651	234	1872	57591

The number of personnel reported 'as Missing' or 'P.O.W.' during the same years is as follows:—

Period during which casualties reported	Officers	VCOs	IORs
From date of declaration of war to end of*			
1941	52*	89	305
1942	1390*	1859	86100
1943	387	1847	81720
1944	381	1786	89556
1945	80	665	36714
1946	80	238	16768

*Separate figures for Indian Officers not available as returns included both British and Indian Officers.

NOTES

1. The Japanese Government did not provide us with any information regarding the P. O.W. taken by them and therefore those who were in fact prisoners of war also treated as missing. The missing of Prisoners of War figures given above, therefore, include all personnel still to be accounted for and not known to be killed or wounded. At the end of the war it was found that a large number declared as missing had wither been killed in action or died in captivity. The number still shown as missing is the number about whom no definite information is yet available and who must therefore be presumed dead.

2. The figures given above show the latest position on the given dates.

(c)—ROYAL INDIAN AIR FORCE

Year in which Casualties Occurred	KILLED			WOUNDED			MISSING			PRISONERS OF WAR		
	Officers	Airmen	Others	Officers	Airmen	Others	Officers	Airmen	Others	Officers	Airmen	Others
1939	..	..	..	..	..	..	..	..	..	..	..	..
1940	..	..	..	..	..	..	..	..	..	..	..	..
1941	..	..	..	..	..	..	..	..	..	..	..	..
1942	..	..	..	..	..	..	..	..	..	..	..	..
1943	..	..	..	..	..	..	..	..	..	..	..	..
1944	..	..	..	..	..	..	..	..	..	..	..	..
1945	..	..	..	..	..	..	..	..	..	..	..	..
Total	160	56	36†	87	122	15	1	1	1	..	..	..

Note.—*Since recovered.

** represents the total number from 1941—1944

† represents the total number from 1939—1944

represents the total number from 1942—1945

Breakdown of these figures by years is not possible as these statistics were maintained by Base Personnel Office, R.A.F. and are not available with us. The collective figure has been taken from a consolidated return for the entire period.

AREA OF STATES ABSORBED IN CENTRAL PROVINCES

255. *Dr. P. S. Deshmukh: Will the Honourable Minister of States be pleased to state the area of the States that have been absorbed in the Central Provinces?

The Honourable Sardar Vallabhbhai Patel: 38 150 square miles.

RECRUITMENT OF ANDHRA COMMISSIONED OFFICERS IN INDIAN FORCES

256. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Defence be pleased to state the existing number of Andhra Commissioned Officers in the India Army, Navy and the Air Force? *

(b) What steps do Government propose to take to recruit an adequate number of Andhras in the armed forces of the country?

(c) Is there any proposal to establish an officers' training school at Bezwada?

The Honourable Sardar Baldev Singh: (a) It is regretted that figures of Andhra Commissioned Officers in the Armed Forces are not available.

(b) The deciding factor in selection is merit and no preference is given to any province or community.

(c) No, Sir.

ESTABLISHMENT OF HIGHER TECHNICAL INSTITUTIONS IN INDIA

257. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of Education be pleased to state whether Government propose to set up higher technical institutions in the country?

(b) If so, do Government propose to consider the question of opening one of these in the Andhra districts?

(c) What is the policy of Government in the matter of the location of these institutions?

(d) Do Government propose to give priority to areas deficient in technically trained personnel when locating these institutions?

The Honourable Maulana Abul Kalam Azad: (a) Yes. The Government have been giving serious consideration to the question of establishing higher technical institutions in the country and have decided to establish within the first quinquennium commencing from 1947 two of the four such institutions recommended by the Higher Technological Education Committee (Sarkar Committee). These will be located in or near Calcutta and Bombay respectively.

(b) The Government will consider the question at the appropriate time as for the present a beginning is to be made with two institutions only which, however, will cater to the needs of the country as a whole.

(c) The Government of India have not formulated any definite policy governing the location of the higher technical institutions but have accepted in principle the need for the establishment of four such institutions, one each in the East, West, North and South, the location to be determined from the point of view of establishing and maintaining the right relationship between the public, industry and education. The Government will of course be guided by the advice of the All India Council for Technical Education which has been set up with a view to co-ordinate plans for the improvement of technical education in this country.

(d) All relevant factors, including the deficiency in technically trained personnel, will be given due consideration at the appropriate time.

RETROCESSION TO HYDERABAD STATE OF VILLAGES DECLARING INDEPENDENCE

258. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of States be pleased to state whether it is a fact that the help of the Government of India has been sought by the Hyderabad State in getting back the eight villages that have declared themselves independent of the Hyderabad State?

(b) Have Government any information that the Madras Government sent police force to help Hyderabad in this connection?

The Honourable Sardar Vallabhbhai Patel: (a) No.

(b) We have no information.

CUSTOMS CHECK OF PLANES SMUGGLING BULLION FROM HYDERABAD STATE TO PAKISTAN

259. *Shri V. C. Kesava Rao: (a) Will the Honourable Minister of States be pleased to state whether Government are aware that bullion is being systematically smuggled from the Hyderabad State to Pakistan by air?

(b) If the answer to part (a) above be in the affirmative, do Government propose to consider the desirability of instituting a customs check of these planes bound for Pakistan?

The Honourable Sardar Vallabhbhai Patel: (a) Government have no information.

(b) Does not arise, but Government have the matter under consideration.

LEVY OF EXCISE DUTIES ON BETEL-NUTS

260. *Shri Rohini Kumar Chaudhuri: (a) Will the Honourable Minister of Finance be pleased to state the total amount of excise duties levied on betel nuts grown in India, in the years 1944-45, 1945-46, and 1946-47?

(b) What is the amount collected during the period from 1st April, 1947 to the 31st December, 1947, and what is the amount due to be collected for the period 1st January, 1947 to 31st March, 1948?

(c) In view of the hardship caused to the poor peasants of India, do Government propose to do away with the levy of excise duties on betel nuts?

The Honourable Shri R. K. Shanmukham Chetty: (a) and (b). The revenue so far realised from this excise is as follows:—1944-45 Rs. 1,32 lakhs. 1945-46 Rs. 1,84 lakhs. 1946-47 Rs. 85 lakhs. 1947 (1st April 1947 to 31st December 1947) Rs. 21 lakhs.

The amount expected to be collected in India from January to March 1948 is Rs. 8 lakhs. The figures in respect of the years 1944-45 to 1946-47 are for British India before partition.

(c) The matter will be given due consideration.

PURCHASE OF CRUISERS FROM BRITISH ADMIRALTY

261. *Shri Rohini Kumar Chaudhuri: (a) Will the Honourable Minister of Defence be pleased to state whether it is a fact that Government are going to purchase some cruisers from the British Admiralty at an early date?

(b) If so, how many and at what price?

(c) Are the cruisers sea-worthy and effective?

The Honourable Sardar Baldev Singh: (a) Yes.

(b) One, at a cost of approximately Rupees one Crore.

(c) Yes.

CASUALTIES AMONGST INDIAN TROOPS EMPLOYED IN KASHMIR

262. *Shri Rohini Kumar Chaudhuri: Will the Honourable Minister of Defence be pleased to state the casualties, if any, among the Indian troops employed in defending Kashmir?

The Honourable Sardar Baldev Singh: The casualties in Kashmir operations up to 8th February 1948 are as follows:

	Killed	Wounded	Missing
Officers	7	18	4
V & Os and others	293	550	78
Total	300	568	82 = 950

IMPLEMENTATION OF RECOMMENDATIONS OF BHORE COMMITTEE

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

(a) what measures Government propose to take to implement the recommendations of the Bhore Committee regarding the health survey of the country both for long and short term plans;

(b) in case Government do not find it possible to implement the recommendations of the Bhore Committee immediately, whether they have under consideration any other alternative scheme to improve the nation's health; and

(c) whether Government propose to consider the desirability of training Medical Assistants in big district hospitals both on the curative and preventive side together with an elementary instruction on preclinical subjects like Anatomy, Physiology etc.?

The Honourable Rajkumari Amrit Kaur: (a) Some of the important recommendations of the Bhore Committee were considered at a Conference of Provincial Health Ministers in October 1946. The responsibility for implementing these recommendations is primarily that of Provincial Governments. A statement is laid on the table of the House showing the action so far taken.

(b) Does not arise.

(c) The Honourable Member presumably refers to "Health Assistants" mentioned by the Bhore Committee. The training of such personnel is a matter with which Provincial Governments are primarily concerned.

STATEMENT

Indicating the action taken on the principal recommendations of the Bhore Committee report

1. Recommendations relating to:—(a) Objectives suggested by the Committee;

(b) District health organisation;

(c) Central and Provincial Boards of Health and Health Councils;

(d) The amalgamation of the medical and public health departments;

(e) Water supply and sanitation;

(f) Anti-malaria measures;

(g) Quinine production; and

(h) The Indian Systems of Medicine;

were discussed at a meeting of Provincial Ministers held on the 10th to 12th October, 1946, and copies of the resolutions passed are attached to this statement.

Provincial Governments who are primarily concerned are taking necessary action in regard to items (a) to (g) above. As regards (h), the Government of India have set up a Committee on Indigenous Systems of Medicine and the report of this Committee is awaited.

3. The other recommendations of the Bhore Committee on which action has been taken are as follows:

(a) *Professional education*.—The Indian Medical Council, to whom the Bhore Committee recommendations regarding professional education were referred, have accepted in general the broad principles contained therein.

(b) *Regulation of dental, pharmaceutical and nursing professions*.—A Bill to regulate the profession of dentistry was introduced in the Central Legislative Assembly on the 12th April, 1947. It has referred to a Select Committee of the Constituent Assembly of India (Legislative) on the 22nd November 1947. The report of the Select Committee was presented on the 28th January 1948.

The Indian Nursing Council Act, 1947 (Act No. XLVIII of 1947), has been passed.

A Bill to regulate the profession of Pharmacy was introduced in the Constituent Assembly of India (Legislative) and referred to a Select Committee of the Assembly in November 1947. The Bill as amended by the Select Committee was finally passed on the 5th February 1948, and awaits the assent of the Governor General.

(c) *Training of personnel*. (i) *Doctors*.—A scheme was started in 1946 to send selected medical graduates for post-graduate training in universities and institutions abroad primarily to fit them for higher teaching and research posts. Under this scheme 49 candidates were selected in 1946 and 76 candidates in 1947 from all parts of India. Candidates were selected for all branches of medicine. The selections were made on an all-India basis by a Central Selection Board.

(ii) *Dentists*.—Similarly, in 1947, 13 candidates were selected from the whole of India by a Central Selection Board for higher training abroad in Dentistry.

(iii) *Nutrition Workers*.—In 1947 ten candidates were selected from the whole of India for higher training in Nutrition in institutions abroad.

(iv) *Nurses*.—In 1945, 1946 and 1947, six, three and four qualified nurses respectively holding certificates were sent to the United Kingdom for post-graduate training. In 1946 ten and in 1947 twenty-seven probationer nurses were also sent to that country for training.

(2) The Americal Lake Hospital, Calcutta has been converted into a temporary College for providing degree courses for ex-Army medical licentiates from all parts of India.

(3) A College of Nursing has been established at Delhi to provide higher training for nurses.

(4) The staff of the All India Institute of Hygiene and Public Health has been increased to provide for 60 public health students a year and for other specialised courses.

(5) The Malaria Institute, Delhi, has been expanded to provide increased facilities for training and research.

(d) *All India Medical Institute*.—The Committee which was appointed to advise Government on the establishment of the All India Medical Institute has reported and the report is under consideration.

(e) *Medical Research*.—The recommendations of the Bhore Committee have been referred to the Indian Research Fund Association for their views.

(f) *Bureau of Standards*.—A Bureau of Standards for medical institutions has been set up.

(g) Other recommendations of the Bhore Committee are under consideration.

RESOLUTIONS AGENDA ITEM No. 2

OBJECTIVES

"The Conference endorses the objectives proposed by the Bhore Committee as objectives to be kept in view in formulating plans for a national health service".

AGENDA ITEM No. 3

District Health Organisation

The Conference considers that the District Health Organisation proposed is administratively sound and acceptable in principle. The programme for the first five years is not within present financial resources but it is agreed:

Firstly, that the scheme should be implemented on as wide a scale as possible consistent with financial limitations, taking full advantage of existing institutions and staff;

Secondly, that modifications in the scheme may be made where necessary to adapt it to local conditions;

Thirdly, that in areas where the full organisation cannot be set up immediately, schemes for development should be framed with due regard to the objective of building up a curative and preventive health service on the general lines recommended by the Committee;

Fourthly, that each Province should review its plans with these considerations in view.

AGENDA ITEM No. 5

The Provision of Facilities for the Training of Medical and Other Personnel

The Conference agrees that a review of training facilities in the light of probable future requirements should be undertaken and that particular emphasis should be laid on the training of personnel. It also agrees that as far as possible, the larger provinces should assist those provinces which have not yet been able to provide their own training facilities by admitting students to their training institutions.

AGENDA ITEM No. 6

Central and Provincial Boards of Health and Health Councils

The Conference agrees that Boards of Health and Councils of Experts should be constituted at the Centre and in the Provinces. It considers that representatives of the Central Legislature should be included in the Central Board of Health, that the constitution of the Provincial Boards should be left to the discretion of the Provincial Governments and that the health experts of the Central and Provincial Governments should attend the Central Board of Health. The Conference also considers that the functions of the Central Board and Council should be purely advisory.

AGENDA ITEM No. 7

The Amalgamation of the Medical and Public Health Departments

The Conference accepts the principle of amalgamation of medical and public health departments and considers that the amalgamation should take place when a suitable opportunity occurs.

The Honourable Ministers from Madras and Bombay dissented from this view. The Honourable Minister from Madras considered that co-ordination between the two departments was preferable to amalgamation.

AGENDA ITEM No. 8

Water Supply and Sanitation

The Conference agrees—

(1) that an active programme for the improvement of water supply and sanitation in both urban and rural areas should be undertaken;

(2) that in respect of water supply the objective should be to provide at least 50 per cent. of the population with a safe and abundant water supply within a period of not more than 20 years and the entire population within not more than 35 years.

(3) that in urban areas the objective should be to instal adequate sewerage in all towns with a population of 50,000 or over during the first 10 years;

(4) that the constitution and functions of provincial water and drainage boards should be left to the discretion of Provincial Governments.

AGENDA ITEM No. 9

Establishment of Anti-Malaria Organisations

The Conference agrees—

(1) that a vigorous drive against malaria should receive priority in development programmes;

(2) that, subject to adaptation to suit local conditions, anti-malaria organisations should follow the general framework of the organisation proposed by the Bhore Committee;

(3) that anti-malaria personnel trained in the Defence Services should be utilised to the fullest possible extent.

AGENDA ITEM No. 10

The Policy in Regard to Quinine and other Anti-Malaria Drugs

The Conference agrees that quinine production should be continued and developed up to about 200,000 lbs. a year, subject to review from time to time. It was also agreed that the views expressed by the Provincial Ministers on the subject of a guarantee to the producing provinces should be further considered by the Government of India in consultation with Provincial Governments.

AGENDA ITEM No. 11

Indian Medicine

I. In accordance with the recommendations of the National Planning Committee, this Conference resolves that adequate provision should be made in the Centre and the Provinces—

(a) for research in and the application of the scientific method for the investigation of the indigenous systems like Ayurveda and Unani with reference to (1) maintenance of health and (2) prevention and cure of disease.

(b) for starting schools and colleges for training for diploma and degree courses in Indigenous Systems of Medicine.

(c) for post-graduate courses in Indian Medicine for graduate in Western Medicine.

II. In accordance with Resolution No. 13 of the National Planning Committee this Conference resolves to absorb the practitioners of Aurvedic and Unani Systems of Medicine into the State Health Organisation by giving them further scientific training wherever necessary as health personnel, like doctors, physical training expert (Ustads), sanitary staff, messieurs, nurses, midwives, etc.

III. This Conference resolves that, in the Central Council and Provincial Health Boards and Councils the departments and practitioners of Indian Medicine should be given due representation, wherever possible.

AGENDA ITEM No. 12

Abolition of Civil Branch of Indian Medical Service

This Conference of Health Ministers is of opinion that there should be no civil branch of the Indian Medical Service and requests that the Central Government may arrange to take back immediately the Indian Medical Service personnel in civil employ in the provinces and post them on the Military side to which they rightly belong.

PROHIBITION OF SALE OF DRUGS BY 'Panwallas' AND GROCERS

264. *Shri Rohini Kumar Chaudhuri: (a) Will the Honourable Minister of Health be pleased to state whether Government are aware that aspirin products and other highly potent drugs such as "Bonemits" are being sold by *panwallas* and Grocers?

(b) Is there no restriction in the Drugs Act prohibiting sale of these drugs by shops other than pharmacies?

(c) Are Government aware that wrong drugs are being supplied by ignorant and illiterate salesmen in *pan* shops and grocery shops?

(d) If so, do Government propose to take any steps to stop sales through such agencies?

The Honourable Rajkumari Amrit Kaur: (a) Yes; patent medicines are sometimes sold by grocers and other shopkeepers.

(b) I would invite the attention of the Honourable Member to Chapter VI of the Drugs Rules, 1945. Under the Rules a licence has to be taken out for all retail sales of drugs. If medicines are supplied on a doctor's prescription or if preparations containing certain specified drugs which are poisonous are sold loose a qualified pharmacist will have to be employed for the purpose. If patent medicines packed in containers which are not opened on the premises are sold it is not necessary to employ a qualified pharmacist for the purpose.

(c) No such cases have come to the notice of Government.

(d) The provisions of the Drugs Rules are considered to be adequate.

RECRUITMENT TO ADMINISTRATIVE SERVICES AND NUMBER OF ASSAMESE APPOINTED

265. *Shri Rohini Kumar Chaudhuri: Will the Honourable Minister of Home Affairs be pleased to state:

(a) how many officers have been appointed after 15th August, 1947 to the Administrative Services;

STARRED QUESTIONS AND ANSWERS

(b) how many of them have been directly recruited and how many from among 'War Service' candidates—giving separate figures for Civil and Military;

(c) whether direct recruitment to these Services will be made annually;

(d) whether any written or oral examination is held for selection to this service and if so by whom;

(e) whether any facilities to prepare for such examinations are given to candidates and if so, whether candidates are selected from each province; and

(f) whether any direct recruitment has been made from *bona fide* natives of Assam to the Administrative Services and if so, the names of the officers and the places to which they have been posted?

The Honourable Sardar Vallabhbhai Patel: (a) It is presumed that Honourable Member is referring to the Indian Administrative Service. Six officers have been appointed to this Service after the 15th August 1947.

(b) All are 'war-service' candidates recruited by the Federal Public Service Commission for war-reserved vacancies for the I.C.S.

(c) Yes.

(d) War service candidates were recruited by the Federal Public Service Commission on the basis of interviews held by them. Recruitment in future will, however, be made by means of competitive examinations to be held annually by the Federal Public Service Commission. The examination consists of written papers on certain specified subjects followed by a *viva voce* test.

(e) The answer to the first part of the question is in the negative, the latter part does not arise.

(f) No candidate belonging to Assam has been appointed to the Indian Administrative Service so far.

EFFECT OF DEVALUATION OF FRENCH AND CHINESE CURRENCIES ON INDIAN CURRENCY

266. *Shri Biswanath Das: Will the Honourable Minister of Finance be pleased to state:

(a) whether Government are aware of the devaluation of the Franc in France as also of the devaluation of currency in China;

(b) whether Government are aware that the British currency notes are given circulation in America at a devaluation price lower than their face value by about 12 to 13 shillings a pound;

(c) if so, how far these devaluations affect Indian currency; and

(d) whether Government are considering the effect of all such devaluations of currencies on the rupee and also the question of the devaluation of our currencies?

The Honourable Shri R. K. Shanmukham Chetty: (a) Yes.

(b) Government have no information.

(c) Does not arise.

(d) Government are closely watching the effect of the devaluations of the currencies of countries with which India trades.

ARREST OF MESSRS. FARUQI, SHIV NARAIN BAWA RAM CHADRA AND SHAKIL AHMAD

267. *Diwan Chaman Lal: Will the Honourable Minister of Home Affairs be pleased to state:

(a) the specific reasons for the arrest of Messrs. Faruqi, Shiv Narain, Bawa Ram Chandra and Shakil Ahmad who are stated to be members of the Communist Party; and

(b) the law under which these arrests were ordered?

The Honourable Sardar Vallabhbhai Patel: (a) and (v). Messrs. Faruqi, Shiv Narain, Bawa Ram Chandra and Shakil Ahmad were arrested under section 3 of the Punjab Public Safety Act, 1947, in order to prevent them from acting in a manner prejudicial to the maintenance of public order.

NOMINATION OF PANEL OF CHAIRMEN

Mr. Speaker: I have to inform the House that under sub-rule (1) of rule 3 of the Constituent Assembly (Legislative) Rules, I nominate Mr. Hussain Imam, Pandit Thakur Das Bhargava, Shri K. Santhanam and Shrimati Ammu Swaminadhan on the Panel of Chairmen for the current session.

ELECTION TO INDIAN CENTRAL TOBACCO COMMITTEE AND INDIAN CENTRAL COCONUT COMMITTEE

Mr. Speaker: I have to inform the Assembly that up to the time fixed for receiving nominations for the Indian Central Tobacco Committee and the Indian Central Coconut Committee, three nominations in each case were received. As the number of candidates is equal to the number of vacancies in both the cases, I declare the following members to be duly elected:

I. *Indian Central Tobacco Committee*.—(1) Shri C. Subrahmanyam, (2) Shri V. C. Kesava Rao, and (3) Shri C. M. Poonacha.

II. *Indian Central Coconut Committee*.—(1) Shri P. Govinda Menon, (2) Haji Abdus Sattar Haji Ishaq Seth, and (3) Shri Satish Chandra Samanta.

INDUSTRIAL FINANCE CORPORATION BILL—contd.

Shri T. T. Krishnamachari (Madras: General): Sir, I move:

"That in clause 24 of the Bill, the words 'but in no case exceeding fifty lakhs of rupees', be added at the end."

The reason for this is this: As it was originally contemplated in the Draft Bill, the capital was only 5 crores and the 10 per cent. that was mentioned there puts an absolute ceiling of Rs. 50 lakhs as regards an advance that could be made to a single firm. Now the capital structure has been raised. So we feel that this ceiling which was originally absolute has now become relative. The intention of the amendment is that the ceiling of 50 lakhs should remain absolute. Sir, I move.

Mr. Speaker: Amendment moved:

"That in clause 24 of the Bill, the words 'but in no case exceeding fifty lakhs of rupees', be added at the end."

The Honourable Shri R. K. Shanmukham Chetty (Minister for Finance): I accept the amendment.

Mr. Speaker: The question is:

"That in clause 24 of the Bill, the words 'but in no case exceeding fifty lakhs of rupees', be added at the end."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 24, as amended, stand part of the Bill."

The motion was adopted.

Clause 24, as amended, was added to the Bill.

Shri T. T. Krishnamachari: Sir, I move:

"That in sub-clause (2) of clause 25 of the Bill, after the word 'appointed', the words 'by the Corporation' be inserted."

This is merely a verbal amendment in order to satisfy the requirements of clarity.

Mr. Speaker: Amendment moved:

"That in sub-clause (2) of clause 25 of the Bill, after the word 'appointed', the words 'by the Corporation' be inserted."

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (2) of clause 25 of the Bill, after the word 'appointed', the words 'by the Corporation' be inserted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 25, as amended, stand part of the Bill."

The motion was adopted.

Clause 25, as amended, was added to the Bill.

Clause 26 was added to the Bill.

The Honourable Shri R. K. Shanmukham Chetty: Sir, the two amendments to clause 27 given notice of by Mr. Naziruddin Ahmad are really verbal and I do not think they are necessary.

Mr. Speaker: Does the Honourable Member propose to move them?

Mr. Naziruddin Ahmad (West Bengal: Muslim): I shall not move the first one.

The Honourable Shri R. K. Shanmukham Chetty: I may tell my Honourable friend in pursuance of the promise I made to him that I shall have the amendments examined and wherever I find they are merely verbal amendments which it is not necessary to incorporate, I shall indicate them, and if my Honourable friend agrees, he may not like to move his amendments. But if my Honourable friend insists on moving, that is a different matter.

Mr. Naziruddin Ahmad: It is not my intention to insist on moving all my amendments except where I think some of them should be argued before the Honourable Minister. It is in a spirit of submission that I may say a word or two. But may I know what amendments will be accepted? In that case I may cut short my amendments.

Mr. Speaker: The point is that as each amendment is called the Honourable Minister will express his view. That is the understanding.

The question is:

"That clause 27, stand part of the Bill."

The motion was adopted.

Clause 27 was added to the Bill.

Mr. R. K. Sidhva (C. P. and Berar: General): Sir, I move:

"That in sub-clause (1) of clause 28 of the Bill, for the word 'any' in line two, the word 'a' be substituted and in line three, after the word 'repayment', the words 'of two consecutive instalments' be inserted."

The clause is not very clear in regard to default in repayment. My amendment is intended to make it very clear that if a person fails to pay two consecutive instalments, the Corporation may take possession in their own hands. That is prevalent in the Co-operative Act also. The Co-operative Act says that if a borrower fails to pay two instalments, then naturally the whole asset goes back for the purpose of administration, and this is very desirable and I hope the Honourable Minister will accept it.

Mr. Speaker: Amendment moved:

"That in sub-clause (1) of clause 28 of the Bill, for the word 'any' in line two, the word 'a' be substituted and in line three, after the word 'repayment', the words 'of two consecutive instalments' be inserted."

The Honourable Shri R. K. Shanmukham Chetty: I am sorry I cannot accept the amendment. This is a matter relating to default and when exactly the Corporation should insist on its right should be left entirely to the Corporation and I do not want to tie down the Corporation by this kind of amendment.

Mr. R. K. Sidhva: Sir, then I may be permitted to withdraw my amendment.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Shri T. T. Krishnamachari: Sir, I move:

"That in sub-clause (3) of clause 28 of the Bill, after the word 'produced', the words 'wholly or partly' be inserted."

Mr. Speaker: Amendment moved:

"That in sub-clause (3) of clause 28 of the Bill, after the word 'produced', the words 'wholly or partly' be inserted."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I am prepared to accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (3) of clause 28 of the Bill, after the word 'produced', the words 'wholly or partly' be inserted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 28, as amended, stand part of the Bill."

The motion was adopted.

Clause 28, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: Sir I beg to move:

"That in clause 29 of the Bill, at the end of each of the parts (a), (b), (c), (d) and (e), the word 'or' be inserted."

Sir, these various sub-clauses are alternatives and as such the word "or" is necessary in the places suggested in my amendment.

Mr. Speaker: The question is:

"That in clause 29 of the Bill, at the end of each of the parts (a), (b), (c), (d) and (e), the word 'or' be inserted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, may I invite the attention of the Honourable Minister to clause 12 also where several alternative conditions are laid down?

Mr. Speaker: That may be done later on. He may point it out outside the House and I shall allow the Honourable the Finance Minister, if he is pleased, to move an amendment; let it not be discussed at this stage.

Mr. Naziruddin Ahmad: I just wanted to point out

Mr. Speaker: Then we shall be going outside the present scope of discussion.

The question is:

"That clause 29, as amended, stand part of the Bill."

The motion was adopted.

Clause 29, as amended, was added to the Bill.

Shri T. T. Krishnamachari: Sir, I move:

"That in sub-clause (1) of clause 30, of the Bill, after the words 'the due date', the words 'or the due date has expired' be inserted."

Sir, my friend on my right says that the position as I envisage is not quite correct, but I still remain unconvinced for the reason that this particular clause is the governing clause regarding the procedure that should be followed in the case of default. My friend says this procedure could only be followed in cases where a default is not committed but where the Corporation for some reason or other wishes to take possession of the assets of the borrower. But I find, Sir, in the whole scheme of the Bill no other provision in regard to the procedure to be laid down in case of default. My feeling in the matter is that clause 30 governs the entire procedure to be followed for this purpose and if that is so, there must be a provision in regard not merely to the procedure to be adopted when the Corporation wants to take possession of the assets of the borrower prior to its becoming due, but also after the actual due date. I would like to know the views of the Honourable Minister in this matter: if he feels that the position taken up by my friend is correct, I am prepared to withdraw my amendment. I feel that no provision has been made in regard to how action under Section 28 would be proceeded with in a Court. Otherwise I think my surmise would be correct in which case my amendment would be necessary to make the position clear.

Mr. Speaker: Amendment moved:

"That in sub-clause (1) of clause 30 of the Bill after the words 'the due date', the words 'or the due date has expired' be inserted."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I am advised that the amendment of my Honourable friend Mr. T. T. Krishnamachari is all right, and I am prepared to accept it.

Mr. Speaker: The question is:

"That in sub-clause (1) of clause 30 of the Bill after the words 'the due date', the words 'or the due date has expired' be inserted."

The motion was adopted.

Shri T. T. Krishnamachari: Sir, I move:

"That in sub-clause (13) of clause 30 of the Bill, for the words 'the Chief Judge of the Small Cause Court' the words 'the bench of the High Court exercising original civil jurisdiction' be substituted."

Sir, my amendment is self-explanatory. We find that the powers exercised by a District Judge are analogous to those exercised by a Bench of the High Court while exercising original jurisdiction. Therefore, I felt it would be much better to transfer powers to that Bench rather than to the Small Cause Court. Sir, I move.

Mr. Speaker: Amendment moved:

"That in sub-clause (13) of clause 30 of the Bill for the words 'the Chief Judge of the Small Cause Court', the words 'the bench of the High Court exercising original civil jurisdiction' be substituted."

Shri T. A. Ramalingam Chettiar (Madras: General): Sir, I fear this amendment may not be quite correct because in several Provinces there is no original jurisdiction given to the High Courts. The point is that the High Courts exercising original civil jurisdiction are only three. The other High Courts have not got any original civil jurisdiction.

Shri T. T. Krishnamachari: Sir, if I may be permitted to explain the position a little further I would say this. The Presidency towns contemplated are only three—Bombay, Calcutta and Madras. I think what my friend has in mind is that it does not cover the other Provincial Capitals. The Presidency towns are only those three as the Government of India Act contemplates.

Mr. Speaker: I feel another difficulty in this. Is there any High Court in which the original civil jurisdiction is exercised by a Bench of the High Court?

Shri M. Ananthasayanam Ayyangar (Madras: General): Instead of using the word "Bench" we may say "by the High Court in exercise of its civil jurisdiction". So far as "Presidency Towns" are concerned, the Insolvency Act applies only to three major towns; it is a relic of the East India Company management.

The Honourable Shri R. K. Shanmukham Chetty: What happens in the Nagpur High Court, for instance?

Shri M. Ananthasayanam Ayyangar: It is a Small Cause Court. Sub-clause (13) at present says:

"The functions of a District Judge under this Section shall, in a Presidency-town, be exercised by the Chief Judge of the Small Cause Court."

Possibly in Nagpur there is a District Judge. Either there is a District Judge or a Bench of the High Court with original civil jurisdiction. Even in Madras there is a City Civil Court which is of the rank of a District Court. In Nagpur there is a District Judge and there is also a High Court. If the original jurisdiction is not exercised by the High Court there is the jurisdiction of the District Court. Why not this Amendment stand over till after Lunch? We will consider it during the Lunch interval.

Shri T. T. Krishnamachari: If my friend the Honourable the Finance Minister feels that the amendment is not quite necessary, I am prepared to withdraw it. Personally I am quite convinced that it is the right thing to do. But if there is any difficulty in accepting it, I am prepared to withdraw it.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I do not know enough to express an opinion on this point. Now, so far as I have understood this discussion, the position seems to be this. In Presidency towns like Madras or Calcutta the amendment proposed by my Honourable friend seems to be all right, but if we accept that amendment, what happens in Nagpur, for instance?

I, therefore, suggest that we leave the clause as it stands and if we find that there is any difficulty in its working, I shall later introduce a small amending measure.

Shri M. Ananthasayanam Ayyangar: Sir, I would suggest for the consideration of the Honourable the Finance Minister the use of the words "District Court" in place of the words "District Judge".

Mr. Speaker: That raises a different issue. At present it is not clear what was in the mind of the Select Committee or of the Honourable Minister, as to whether the jurisdiction should be exercised by the District Judge or by the District Court; and the acceptance of the Honourable Member's suggestion would necessitate the substitution of the words "District Court" for the words "District Judge" wherever they occur in the Bill.

Shri T. T. Krishnamachari: Then, I ask for leave to withdraw the amendment.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Speaker: The question is:

"That clause 30, as amended, stand part of the Bill."

The motion was adopted.

Clause 30, as amended, was added to the Bill.

Clause 31 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in the first proviso to sub-clause (2) of clause 32, of the Bill, for the words 'share capital', the words 'paid up share capital', be substituted."

Paid up share capital is what is really meant here.

Mr. Speaker: The question is:

"That in the first proviso to sub-clause (2) of clause 32, of the Bill, for the words 'share capital', the words 'paid up share capital', be substituted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 32, as amended, stand part of the Bill."

The motion was adopted.

Clause 32, as amended, was added to the Bill.

Mr. R. K. Sidhva: Sir, I beg to move:

"That in sub-clause (2) of clause 33 of the Bill, after the word 'discuss', a comma and the words 'amend, add, and adopt' be inserted."

Sir, the purpose of my amendment is: As it is, the shareholders can only discuss the annual report and accounts as they are brought before them. They cannot move any amendment or make any suggestions or even adopt the report. This is a real handicap in the way of the shareholders exercising proper control over the affairs of the Corporation.

Then there is the Directors' Report, which will be presented to the shareholders just for their information.

I, therefore, feel that the amendments I have suggested are very necessary and trust that they will be accepted by the Honourable Minister for Finance.

Mr. Speaker: Amendment moved:

"That in sub-clause (2) of clause 33, of the Bill, after the word 'discuss', a comma and the words 'amend, add, and adopt' be inserted."

The Honourable Shri R. K. Shanmukham Chetty: I am afraid, I cannot accept this amendment, Sir, because if the Directors bring a report it is the "Directors' Report" and there is no point in the shareholders forcing them to amend that report. The shareholders can exercise their powers in many other ways, and I think, so far as the powers of dealing with the reports and accounts are concerned it is advisable to give them only the power of discussion. I am not, therefore, prepared to accept the amendment of the Honourable Member.

Dr. B. Pattabhi Sitaramayya (Madras: General): The difficulty pointed out by my Honourable friend is a genuine one. But the fact is the report is the 'Directors' Report' and it cannot be amended or altered by the shareholders. It is a matter in which the shareholders cannot legitimately interfere.

The Honourable Shri R. K. Shanmukham Chetty: The very next clause provides for what my Honourable friend asks. It says: 'The auditors shall make a report to the shareholders upon the annual balance-sheet and accounts etc.' Therefore the Auditors' Report is before the shareholders.

Mr. Speaker: Does the Honourable Member press his amendment?

Mr. R. K. Sidhva: No, Sir.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw the amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. Speaker: There is an amendment for adding a new clause, but that can be moved after this Clause is adopted.

The question is:

"That clause 33, stand part of the Bill."

The motion was adopted.

Clause 33 was added to the Bill.

Mr. R. K. Sidhva: Before I move the amendment standing in my name. I would like to know from the Honourable Minister as to why there is no provision for a special meeting. Many a time the Directors desire to bring certain matters

[Mr. R. K. Sidhva]

before the meeting of the Directors or sometimes even the shareholders. I have seen in the Rules that there is provision for General meetings but there are no rules for special meetings. If the provision is to be made by rules, then I would not press; otherwise, I do feel that a provision must be made in the Act for calling a special meeting of the shareholders or the Directors. Therefore, I would like to know from the Honourable Minister what he thinks about it before I move.

The Honourable Shri R. K. Shanmukham Chetty: Sir, the Bill provides for the regular statutory meetings and any provisions relating to special meetings either of Directors or of shareholders will be provided for in the regulations.

Mr. R. K. Sidhva: Thank you, Sir. I would invite your attention to page 18, sub-clause (d) which says:

"the manner in which general meetings shall be convened, the procedure to be followed thereat and the manner in which voting rights shall be exercised."

All these will be exercised by the rule-making regulation. I would suggest that if the Honourable Minister proposes to provide for the holding of special meetings by these regulations, he may be pleased to add the word "special" after the word "general". I do not move my amendment, Sir.

Mr. Speaker: There are two amendments on this Clause by the Honourable Member, Mr. Naziruddin Ahmad.

The Honourable Shri R. K. Shanmukham Chetty: Both of these are unnecessary, Sir.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in sub-clause (1) of clause 34, of the Bill, for the word 'affairs', the word 'accounts', be substituted."

Sir, the text in the Bill says: the "affairs" of the Corporation shall be audited. I believe the correct expression is the "accounts" of the Corporation shall be audited. "Audit" concerns not the "affairs", but the "accounts". Therefore "accounts" seems more appropriate. That is why I have suggested the amendment.

The Honourable Shri R. K. Shanmukham Chetty: "Affairs" is a more comprehensive term than "accounts" and we want the affairs to be audited.

Mr. Speaker: The point seems to be that there may be some transactions which may be *ultra vires*. Shall the auditors not look into them?

Mr. Naziruddin Ahmad: They shall, Sir. But then "auditing" means the looking into of irregularities, illegalities and everything.

Mr. Speaker: Anyway, the Honourable Minister is not agreeable.

Mr. Naziruddin Ahmad: Therefore, I do not press it and it need not be placed before the House.

There is my other amendment, to which also I wish to draw the attention of the House. The amendment is:

"That in sub-clause (3) of clause 34, of the Bill, for the words 'full and fair', the words 'full and true' be substituted."

The text in the Bill says: The auditors shall report saying whether the balance-sheet is "full and fair" balance-sheet. Now, Sir, the recognised expression is "full and true" balance-sheet and not "full and fair" account. A thing may be fair but it may not be true. In fact, a man may commit unconscious errors. He may be fair but not true. "True" means that is must be accurate. Besides, "true" is the expression used by auditors in company reports. I submit, therefore, the substitution of the word "true" deserves consideration from the Honourable Members and the Minister.

Shri M. Ananthasayanam Ayyangar: 'Fairly true', it means!

The Honourable Shri R. K. Shanmukham Chetty: Sir, I am unable to accept this amendment. I prefer the word "fair".

Mr. Speaker: Then what does the Honourable Member propose to do?

Mr. Naziruddin Ahmad: 'Fairly true' implies that it is not cent. per cent. true. But I do not press the amendment.

Mr. Speaker: Very well. The question is:

"That clause 34, stand part of the Bill."

The motion was adopted.

Clause 34 was added to the Bill.

Mr. Speaker: There are two amendments in the name of Mr. Naziruddin Ahmad, Nos. 48 and 49.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I cannot accept No. 48, but I am prepared to accept No. 49.

Mr. Naziruddin Ahmad: Then, I shall move No. 49, Sir. I beg to move:

"That in sub-clause (3) of clause 35 of the Bill, for the words 'Gazette of India', the words 'Official Gazette' be substituted."

I find, Sir, in other parts of this Bill and in many other recent Bills, these two expressions, "Gazette of India" and "Official Gazette" are used as if they were interchangeable. The correct expression is "Official Gazette". That is defined in the General Clauses Act. It says in Section 3, sub-section (37a): "Official Gazette (or Gazettes) shall mean the Gazette of India". The amendment will secure uniformity.

Mr. Speaker: The question is:

"That in sub-clause (3) of clause 35 of the Bill, for the words 'Gazette of India', the words 'Official Gazette' be substituted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 35, as amended, stand part of the Bill."

The motion was adopted.

Clause 35, as amended, was added to the Bill.

Shri M. Ananthasayanam Ayyangar: Sir, before you proceed to the next Clause, I wish to state that I have tabled an amendment seeking to add a new clause after Clause 35. I move:

"That after clause 35 of the Bill, the following new clause 35A, be added:

35A. In the event of the Central Government at any time deciding to acquire the shares held by shareholders other than the Central Government and the Reserve Bank the shareholders shall be paid for the shares so acquired an amount equal to the paid up value of the shares together with a premium calculated at the rate of one per cent. of the paid up value for every year from the date of issue to the date of acquisition, subject to a maximum of ten per cent."

Sir, the object of the amendment is: We have heard long speeches and seen amendments also tabled that straightaway the Corporation should be taken wholly by the State as a State concern. Very many arguments have been advanced, that already no less than 40 per cent. of the shares are taken by the Central Government and the Reserve Bank and only the rest have been given to private industrialists and that the management also, to a large extent, vests in the Government. Also, it has been argued that guarantee is given by the Government as to the repayment of the share value as also the dividend and the loans. On these grounds, it has been pointed out that there is only a small portion left to make it an entirely State concern. On the other side, it is said by the Minister and other members and friends that the Corporation may be able to raise loans giving higher rate of interest and therefore that the Central Government, as it is constituted at present, with war, with rehabilitation.

[Shri M. Ananthasayanam Ayyangar]

schemes and so on, having large commitments, may not be able to take shares straightaway. Share taking, I submit, is not such an important matter as raising loans for the purpose of giving loans and make this machinery really helpful to various industrial concerns. That is a larger portion of the business, of this concern. Under those circumstances, there is an equally valid argument on the other side that we need not take it straightaway and therefore if the Honourable the Minister was not in favour of converting it into a State Bank straightaway to allay any apprehensions of the public he may say that the policy of the Government is not in favour of making this concern a State concern whenever it is possible to do so, though the State is taking away the Reserve Bank and the Imperial Bank as State Concerns and that with respect to other banks, it is not the policy

Pandit Hirday Nath Kunzru (U. P.: General): I am afraid I am not able to hear the Honourable Member.

Shri M. Ananthasayanam Ayyangar: For the past 12 years I have not corrected myself so far. I shall try to do so.

Pandit Hirday Nath Kunzru: It is a question of distinctness and not of speed.

Shri M. Ananthasayanam Ayyangar: My Honourable friend Pandit Kunzru very well knows that there has been a large body of opinion in this Assembly expressed by a number of important members and also amendments tabled to that effect that on account of the fact that the capital to a large extent is contributed by the Government, that the capital and the dividend as also the loans raised by the Corporation are guaranteed by the State, that to a large extent or at any rate the main administration of this Corporation will be in the hands of Governments and the Reserve Bank nominees straightaway, these concerns may be made a State concern and the balance of the capital may be subscribed by the Government itself. As against that we heard the Honourable the Minister say that on account of various commitments Government may not find it convenient to raise the capital of 5 crores of rupees and also it may not be convenient to raise the other loans in the market, particularly in view of the fact that it will be an expanding concern. Now in between these two to assure those persons who want to know and the large body of opinion both inside and outside the Assembly that a concern of this kind ought to be made a State concern, particularly in view of the fact that a policy has been recently laid down and the Honourable the Minister has himself said that within a short time soon after the 30th September 1948 he will take steps to take over the management of the Reserve Bank as also the Imperial Bank—those are short term banks and this bank or corporation which is now brought into existence under this bill is to give long term loans and medium term loans—, it might be possible for the State to take it over at some date whenever it finds it convenient. Therefore, Sir, this amendment that I have moved is a compromise amendment. It gives power or it enables the Central Government whenever it decides to purchase or acquire all the shares. It might do so on particular terms and conditions. The terms are that it might pay the par value or face value of its shares plus one per cent. of that face value per year after issue till the date of acquisition, the aggregate premium so added to the principal not exceeding 10 per cent. of the share value or the par value of the share. It might be asked as to why a provision of that kind is made, to give something more than the par value? There is a similar provision in the Reserve Bank of India Act where under section 57 it is provided that on liquidation of the Reserve Bank it is agreed that 25 per cent. of the reserve funds and other assets ought also to be distributed among the shareholders and that in the aggregate it is guaranteed to them that the shareholders will get the par value plus not more than 25 per cent. of the par value at the rate of one per cent. on the par value per annum from the date of

issue till the year of acquisition, subject to a maximum of 25 per cent. This provision in the amendment has been copied practically from the Reserve Bank Act and has been modelled on those lines. I have not gone to the extent of saying 25 per cent. ought to be the maximum. I have reduced the maximum limit to 10 per cent. After the amendment was tabled by me there has been a suggestion that there should be an alternative to this amendment that the par value may be paid plus 1 per cent. up to a maximum of 10 per cent. or the market value whichever is less. I am personally agreeable to this because the market value is fixed; it raises or falls according to the state of the market and the greatest demand that all persons who have purchased these shares will put forward seems to be a reasonable one or the other one whichever is less that will meet the case. The State would not unnecessarily commit itself to anything much above the market value. If the market value is more on account of this provision persons who take the shares ought not to expect to receive much more. No individual is allowed to purchase these shares. Institutions alone purchase them, institutions or other banks or Insurance Companies or other financial corporations or co-operative societies. Therefore, it is not so much for profit as for security these institutions invest in this Corporation. Therefore, Sir, I expect that the Honourable the Minister would accept this amendment and he might also consider whether the other amendment by another Honourable friend of this House would be acceptable or not. The Honourable the Minister may consider that amendment also if he moves this amendment.

Mr. Speaker: As regards the other amendment "provided the market value or whichever is less." It is not a question of the place where it should be put in but the difficulty which I may point out is: Does it not conflict with the provisions of clause 5 wherein the whole principal is guaranteed? The market value may be less. That will have to be taken into consideration.

Shri M. Ananthasayanam Ayyangar: That comes under liquidation under clause 36 the next one.

Mr. Speaker: I merely point out the possible difficulty. I am placing the amendment before the House.

Shri M. Ananthasayanam Ayyangar: One more point, Sir. The guarantee is the par value. If the market value is between the par value plus 10 per cent. this cannot stand in the way. We may think of a contingency where the par value at issue is 100 and 10 per cent., is 110. Now the market value is 105. It may be 105 and not 110. The guarantee will always be there.

Mr. Speaker: It will have to be thought out more carefully and the object will not be carried out by adding two or three words.

Amendment moved:

"That after clause 35 of the Bill, the following new clause 35A, be added:

"35A. In the event of the Central Government at any time deciding to acquire the shares held by shareholders other than the Central Government and the Reserve Bank the shareholders shall be paid for the shares so acquired an amount equal to the paid up value of the shares together with a premium calculated at the rate of one per cent. of the paid up value for every year from the date of issue to the date of acquisition, subject to a maximum of ten per cent."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I am thoroughly convinced of the reasonableness of the arguments that my Honourable friend advanced in support of this amendment and I accept it.

Shri R. R. Diwakar (Bombay: General): Sir, I want to move an amendment to Mr. Ananthasayanam Ayyangar's amendment. My amendment is that in the last sentence after the word 'acquisition' the words 'or at the market rate whichever is the less' be added. My Honourable friend has already referred to this point and I think the Government should not be under an obligation to pay at any time more than the market value. If at any time the

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Government is under such an obligation, then the whole purpose of this clause is likely to be defeated and that is the reason why I suggest this amendment.

Mr. Speaker: It is not, to my mind, merely a question of the merits of the amendment. I am in doubt whether this is an amendment which could be

12 Noon permissible, in view of the fact that the House has adopted clause 5. Perhaps the point involved in the amendment is running counter to the decision of the House as recorded in respect of clause 5.

Dr. B. Pattabhi Sitaramayya: That can be remedied, Sir, by adding the words, "Where the market value lies between the par value and the 10 per cent. increase so calculated."

Shri T. T. Krishnamachari: Sir, it is only common sense that if Government feel that they can purchase all the shares cheaper at the market value surely they will bring in legislation for the purpose of acquiring these shares. If the market value is going to be less than 110, they will merely acquire it from the market, and Government will surely safeguard their interest instead of paying more. I think the amendment is superfluous.

Shri M. Ananthasayanam Ayyangar: There is this objection. We have provided that Government will not hold more than 40 per cent. of the shares and will try to liquidate them as early as possible. Therefore they must disgorge all those shares; there is no provision that they may acquire other shares also. As a matter of fact it is based on the company law that a company shall not accept its own shares unless specific provision is made to that effect.

The Honourable Shri R. K. Shanmukham Chetty: Sir, this amendment to my mind is intended to indicate what will be the value that Government will be prepared or will be bound to pay for the shares in case they decide to nationalise the institution. Now if Government decide to nationalise the institution it is to be done by legislation. If at the time Government take this decision they find that the market value of the shares is less than what is contemplated here, what will be done is that the legislation will empower Government to buy shares. That was exactly done in the case of the Australian Government when they decided to nationalise the banks. When the Australian Commonwealth decided to nationalise the banks of the country they introduced a Bill authorising the Commonwealth Treasurer to buy the shares and then transfer them to the credit of Government. That is what will be done. As my Honourable friend Shri Krishnamachari pointed out, there is absolutely no room to apprehend that when the market value is really less than what is contemplated in the amendment of my Honourable friend, Government would be so foolish as to go and buy these shares or pay for these shares at the enhanced price. Therefore this is an apprehension for which there is no justification; and, as you, Sir, pointed out, the amendment in the form in which it has been moved by my Honourable friend is in conflict with the provisions of clause 5 that we have passed. For this reason I submit to the House that there is not the slightest danger of any apprehension in the minds of Honourable Members about the values to be paid; and that amendment moved by my Honourable friend covers the case. After all, the object of the amendment, if I have understood it correctly, is this. We are creating a Corporation in which we are giving a certain percentage of the shares to private institutional investors. We are so rigidly defining the powers of the institutional investors and also the return that they can get on their shares that there must be some incentive regarding some appreciation of the share value to persuade people to take shares in this Corporation. For that purpose I think my Honourable

friend's amendment is perfectly adequate and well thought out. I would therefore suggest that the purpose is served by simply accepting the amendment of my Honourable friend.

Mr. Speaker: I was thinking whether the Honourable Member Mr. Diwakar expects that his amendment should be placed before the House and the Chair should give its ruling as to whether it is in order or not.

Shri R. R. Diwakar: I only wanted to point out that Government should not in any circumstances be obliged to pay more than the market price. And as the Honourable Minister has pointed out, legislation will at the time necessary; and at that time the clause might very well form part of the legislation that nothing more than the market value should be paid. In view of that explanation I will not press my amendment.

Mr. Speaker: There is another difficulty which I am feeling about the main amendment of Mr. Ayyangar, and that is that under the Indian Companies Act, a company is not permitted to acquire its own shares. If that is accepted, it must be considered whether further amendment will not be necessary in clause 36 or elsewhere whereby, as the Corporation is given exemption from the winding up sections of the Companies Act, it will not also be exempted from the provisions of the Companies Act, laying a ban on the acquisition of its own shares by a corporation.

The Honourable Shri R. K. Shanmukham Chetty: No, Sir; I do not visualise any circumstances in which the Corporation as such will acquire the shares. It will not be permitted to do so because there is no provision for that in this Bill at all. Shares must be held either by the Central Government or the Reserve Bank or these institutional investors, and none else.

Prof. K. T. Shah (Bihar: General): Sir, I am afraid I am unable to follow the reasoning of my Honourable friend Mr. Ayyangar. He described this amendment of his as a compromise amendment. I feel very much tempted to say that it is not a compromise but a con-promise, i.e., *con* or *contra* to the people, and a promise to the subscribers or shareholders that they shall be assured in every possible way. In that light I am afraid I am unable to accept his amendment, though I would be prepared to accept any amendment which will change the spelling of that word in the dictionary. It does not say in the amendment, as I read it, that at any given time, say five or ten or twenty years hence, the shares will be acquired; it only leaves it so far,—"in the event of Government deciding to do so." That does not, therefore, satisfy, those who would want it here and now to be acquired, or rather to be from the start an institution owned and managed by Government on behalf of the State. Those of us who wish that the State should from the start own this institution cannot look upon this as any sort of assurance that at any known date in the future it would become a public property in the sense that they would desire. Government, or the market or the shareholders (including Government) may consider acquiring at any time; but without any definite provision that at such and such a time it shall be so considered. And we have no guarantee that within a given future Government or the Corporation itself may consider the possibility of the shares being made over. I am therefore not able at all to see the point of this amendment, at least in so far as it may be suggested to be a kind of half-way house, a kind of accommodation of two conflicting ideals that seem to have been before this House ever since this measure has come before it.

Sir, it is further said that in the event of Government desiring or deciding at any time to acquire it, they shall pay to the shareholders the full paid-up value. I am not able to see whether in that event the paid-up value, even if it is half the nominal value, should be paid up, without the Government or the State, entitled to call up the balance, which is not called up by that time.

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doing so at the time of acquiring. If the paid-up value is to be repaid, and if there is still some liability outstanding on the shareholders, why should not first recourse be had to the shareholders—the unpaid balance of the liability. This would be the case in the case of any other joint stock company? And why should the State be called upon to pay up the whole paid-up amount without recourse to the uncalled capital of the shareholders? After all, it is a very well known thing in Banks that, as a rule, a part of the capital is left as an uncalled reserve, only part of the nominal value of the shares being paid up. In the event of any difficulty, or in the event of the Banking company getting into hot water, the first recourse, after realising the assets, would be naturally to the uncalled capital. I do not understand why no mention has been made of that in this case. My Honourable friend, Mr. Ayyangar, is much too shrewd a lawyer not to have noticed this omission, if I may say so. To me it is highly suggestive that all the obligations, all the burdens, and all the responsibility shall be for the State: and all the benefit, all the advantage, all the gain shall be to the shareholders, of which 60 per cent. will not be the State.

I am further tempted to take this view because of the provision of a premium; I really do not see what the shareholders of the Corporation will do to entitle them to earn this gratuitous premium provided for them by this amendment. We guarantee their principal; we guarantee them the interest; we guarantee even the bonds and debentures they may raise. And if at any time we decide to take them over, we are called upon to pay not merely the principal or the paid-up value, perhaps without recourse to the unpaid capital to the fully paid-up capital, but also a bonus to the shareholders. Why? This is a premium for which I see no justification. Such a Corporation can come into a place where perhaps the proprietors themselves might decide to wind up or hand over the concern to the State, either because of the investments they have made proving unprofitable, or because of any grave calamity from which the general country may be suffering or that its working may not be profitable. In that case, why should there be any ground for a premium being paid to them? Is it not enough, I ask, that we guarantee them by pledging the entire credit of the State to receive a stated interest as well as the principal of their investment back if and when the shares are to be acquired? Why should they ask, and why should the law give, a guarantee of this kind, an assurance of a bonus a promise of this gift that, in the event of the State deciding to take the Corporation over, the shareholders shall be indemnified, shall be compensated for only making over to us what but for our guarantee, our providing all the opportunities for such safe and profitable investment, would scarcely have become really profitable?

They would not be losing in any eventuality. They have no vested right, so to say, for a perpetual proprietorship, or an uninterrupted ownership of this concern. After all the State has an inherent right to take over such a concern and in the exercise of that right why should the State be burdened, or be obliged to exercise that right only if it gives this additional compensation, so to say, or indemnity, or a premium as it is called? Had no legislation been added, or no such clause inserted here, then I take it the State would be free as ever to make whatever arrangement at the time of acquisition it thought proper. It would not be bound down as it is being bound down here, to pay this bonus, which, without being guilty of a breach of law or contract implied in this provision, the State cannot ignore. Should this amendment be made part of the law, then the State take it over without giving the full compensation to the shareholders as provided here. If the law says nothing on this point, I can understand. Then we will take our chance. But here, you are not providing a definite date of acquisition: you are not providing any special reason

for acquisition. You are making a provision of an additional character—that is in the event of your desiring to acquire, you will assure the shareholders in advance, without their showing the first trace of a profit or surplus, that they will get at least so much more than they have invested.

Some argument was used to say that if the market value at the time of the acquisition would be less, the Government will not be so foolish to offer this and not take up the share from the market. I am quite sure Government will not be so foolish, especially when a wide awake Finance Minister, like our present Finance Minister is at the head of our Finance Ministry. But let me plead that the market will also not be so foolish that, when it is promised 10 per cent premium, it will keep the price lower than 10 per cent. above par. If you think that those who operate in the Share Bazar are so foolish that, in the presence of a guarantee like this: with a statutory assurance that they are going to get this much: they would be content with less. If you believe that, you will believe the capitalists to be so altruistic, so unselfish and so devoted to the patriotic cause, that they will hand over their possessions free and gratis as their ten per cent. interest contribution or the ten days pay for the National Memorial Fund.

I do not believe that the capitalists are so altruistic, so patriotic, so selfless as not to claim that which is promised to them by law in this manner. Take another point discussed in this connection. I am not persuaded that there is much of a distinction between market value and the promised value of this amendment. You may be certain they will get their full pound of flesh either way. It will not do to say that, by placing a maximum on the premium obtainable, you are trying to get over the difficulty you may have because of the Reserve Bank precedent. Let me put it this way. You are inserting a provision only because there is a parallel provision in the Reserve Bank. But there the premium is a maximum of 25 per cent. I would submit most humbly for the consideration of this House that, even granted that the Reserve Bank Act has such a provision, is it any reason that we should repeat it like this? I regard the Reserve Bank provision to have been a mistake. We provide every opportunity, and guarantee, and every condition whereby an institution like this should succeed and flourish. And on the top of that, as though these obligations, on the State were not enough, we are being asked to pay something more. Why? Something more for having exploited the opportunities provided by Government? For having taken therefrom all the profits the law allows them?

I could understand if a compensation were offered for actual loss sustained, or for actual exclusion from going on earning. But that would presuppose that we were accepting the principle of a vested right of perpetual ownership in this Corporation of whatever opportunities we are providing. If you do not accept such a principal of perpetual ownership and an uninterrupted exercise of the opportunities given, as I do not, there is no case for providing such an arrangement for this. I for my part would be content to leave it to the then Legislature and Government to see that, if and when we decided to acquire this Corporation, we should not be bound by time and conditions, but be free to deal with the problem on the merits of the case at the time.

Therefore this amendment is really more harmful than helpful to the State and more of a promise against the interests of the State than a promise for the benefit of both. I, therefore, oppose it.

Shri M. Ananthasayanam Ayyangar: Though I have no right of reply may I ask, for information, that if bonds which are redeemable are redeemed 10 years later at par, do they not give a discount on them?

Mr. Speaker: That is a counter-argument.

Shrimati Renuka Ray (West Bengal: General): Mr. Speaker, this is no doubt even less than a half measure, but on the principle that even a quarter of a loaf is better than none, I support it. It is an enabling measure whereby the State has the power to transfer to itself and buy up the shares and obtain

[Shrimati Renuka Ray]

the full financial control of the Corporation when it decides to do so. I strongly feel that the State should, at the outset, own the initial capital. Financial power is, after all the most effective power. It is true that the Select Committee has made some little alterations but still to a large extent the financial power is shared by the State with capitalists. If private capitalistic organisations are to subscribe to so large an extent the capital of this Corporation, they will to that extent have an influence over and direct the policy of actual industrial development of this country.

I do not want to go into detailed arguments. Many Honourable Members of this House have spoken during the general discussion pointing out effectively that if such power goes to the capitalist the profit motive will naturally come uppermost in their minds. They cannot consider the relative importance of different industries that are to be developed from the point of view of the interests of the country. They would be guided by the question of what profits an industry would yield. Also undeveloped areas with potential powers are likely not to get a fair and square deal in this matter.

Political liberty, to my mind, has little or no meaning without economic freedom. My Honourable friend Dr. Pattabhi Sitaramayya has spoken to us much about expediency and of being practical realists. It is because we are practical realists that today we realise that the time is not yet when we can nationalise all industries or even a major portion of them. We are perfectly aware that at present our first and most important task is to increase the national dividend, the national wealth of the country and it is only thus that we can expect that equitable distribution will bring about a minimum of well being for all the people of this country. But even expediency can be carried too far. Are we going to allow, or tolerate a state of things where the capitalists shall decide to so large an extent, in what manner the national development of the country shall take place?

A great deal has been talked in the country in recent months about capital being shy and of the difficulty against raising the falling standards of production as talk of Nationalisation is in the air. This threat to the country and to the Government has now assumed the proportion of an effective blackmail. The capitalists too should be practical realists and understand that the vision of huge profits should not make them forget that times have changed, with a national Government vitally interested in the well being of the people, at the helm of affairs. Are we to understand that unless the profits of the war years are guaranteed production cannot increase nor the Industrial development of the country brought about?

Mr. Speaker: I am afraid the Honourable Member is going into the general question. She has to restrict herself to the clause before the House.

Shrimati Renuka Ray: I submit Sir, that it has a bearing on this clause, but I will confine my remarks. I do feel that this issue has been confused to some extent. The question of bringing in a clause whereby the capital of this Corporation is owned entirely by the Government or moving an enabling measure by which Government may own it at some future date, does not by any means show that we are seeking to bring about nationalisation of industry, whatever we may do in the future. The very fact that this Corporation is going to develop and foster private industries shows that the issue at stake is not nationalisation as such. The issue at stake, to my mind, is whether it is the State which shall decide in what measure and in what manner industrial development shall take place in this country or whether we shall leave the decision in this regard to private capitalists. In any case I feel that although capital may be shy for other undertakings, so far as this Corporation is concerned, a Corporation which is going to encourage and foster private industrial enterprise, there will be no question of capital being shy. If Government floats a loan for this

purpose that loan will be subscribed fully even if loans for any other purpose, falls short as it will be to the interest of private enterprise to do so.

The Congress has always stood for economic justice. Let us by all means be practical but at the same time I am sure that my Honourable friend Dr. Pattabhi Sitaramayya will agree with me that even expediency must not be carried so far that we lose sight of our very objectives. I would appeal to the Honourable the Finance Minister not only to accept this amendment but also to use the right at an early date it gives the Government through this enabling clause to take over full and complete control of this Corporation, if he will not agree to have the initial capital owned entirely by Government from the outset.

Pandit Hirday Nath Kunzru: Mr. Speaker, the proposal which has been put forward by the Honourable Member Mr. Ananthasayanam Ayyangar is not, in my opinion, one which ought to be accepted by the House. It can in no sense be regarded as a compromise between the two views expressed here in regard to the character of the Corporation. There were some people here who desired that the Corporation should be nationalised. There were others and they were in a majority, who desired that private capital should be associated with the Corporation. I do not see how this amendment can be said to effect a compromise between these conflicting views. It does not by itself enable Government to nationalise the Corporation at any future date. They will have to take action independently of the Bill, if they want to nationalise the Corporation. As was rightly said by the Honourable the Finance Minister, if Government decide to take the Corporation completely into their hands, they will have to pass legislation for the purpose. It is obvious therefore that what this amendment seeks to do is to lay down what payment should be made to private capitalists for their shares in the event of Government deciding to purchase them. I personally see no advantage in that course at the present time. Apart from that, is there any justification for paying the investors more for their shares than their par value? We have to bear in mind the fact that they are guaranteed against any loss. The Government have taken upon themselves the responsibility of assuring them that the shares will be repaid for, this is the Government have assured them with regard to the repayment of their capital. They have also given them an assurance with regard to payment of the value at a rate that might be fixed. I see no reason when they are insured against any loss. Why they should be allowed to benefit by any enhancement in the value of the shares. If the course suggested by the Honourable Member, Mr. Ananthasayanam Ayyangar, is accepted the capitalists will practically be saying to Government "Heads we win, tails you lose".

Again, Sir, if the value of the shares is enhanced what will be the position? Had the Corporation been a private banking concern and its shares were to be sold at a premium it could be said that as private enterprise was responsible for the good management of the bank it should be allowed to get some return for the efforts put forth by it in order to make the concern efficient. The Corporation, however, will owe its prestige to the fact that the Government will be behind it. If its shares are sold at a premium it will be because the Government will be in intimate relationship with this concern and because the Reserve Bank will also be closely concerned with it. I see no reason in these circumstances why the taxpayer should be mulcted for the enhancement in the value of the shares which will be due to the fact that the Government is behind the Corporation. It seems to me that the view put forward by my Honourable friend Professor Shah is perfectly correct. My Honourable friend the Finance Minister got up and summarily said that as Mr. Ayyangar's amendment was reasonable he was glad to be in a position to accept it. I wish that he had given some arguments in favour of doing so. He knows better than anybody else that the position which the Corporation will enjoy will be entirely due to the association of the Government with it. It is quite possible for private enterprise to start an industrial bank and a bank like this was started in

[Pandit Hirday Nath Kunzru]

the past. But Government do not want to leave such a bank open to the hazards of private enterprise. They want that it should work on certain lines and they want also to give a guarantee that, should the bank suffer any loss, the shareholders will not have to bear any portion of the responsibility for it. It is obvious therefore that if the bank becomes so sound that investors are willing to purchase its shares at a premium, the private capitalists should not be able to take advantage of this. I see no reason why Government should be prepared to pay more to the investors than the capital invested by them in this concern. I therefore strongly oppose the suggestion put forward by the Honourable Member, Mr. Ananthasayanam Ayyangar.

Mr. Hussain Imam (Bihar: Muslim): Mr. Speaker, I think that this amendment has not been considered in the spirit in which it has been moved. The Honourable Member has really tried to serve the cause both of the public and the capitalist in a manner in which it can best be served. The commercial and the financial world is so adjusted as Professor K. T. Shah pointed out, that if there is a prospect of getting a premium the prices are not likely to go down. That has also another effect which has been overlooked. If your capital is not only sure but is likely to appreciate, you can invest at a smaller rate of interest. What is done by means of this amendment is that the Government will not have to guarantee as high rate of interests as they would have to do if this premium were not offered. The offer of the premium does not bind down the Government to buy the shares at any given date, but it dangles something before—I will not name whom.

Pandit Hirday Nath Kunzru: The guarantee precedes this clause.

Mr. Hussain Imam: The guarantee precedes this clause, but the fact that a premium is promised will make it possible for the Government to obtain the shares at a smaller rate of interest than it would be possible to do if a premium were not guaranteed beforehand with the result that the accommodation given to the industries will cost more than it will do if this premium is offered to them. The offer of the premium makes it possible for the Government to guarantee a smaller rate of interest and for the industries to get accommodation at a smaller rate of interest. This is a great attraction of the amendment of Mr. Ayyangar. I will further suggest that the fact that the Government will have to go again before the Legislature for the purpose of nationalising this Corporation is another guarantee that this benefit will not be misused. As many shares as the Government wants to buy in the open market it will buy as and when it thinks proper. This has been clarified by the Honourable the Finance Minister, namely that the Government will buy it if it finds it suitable to buy. What is the position? If it is the intention of the Government or of the House to sail under false colours and give the capitalists a raw deal then it is perfectly open not to move this amendment because then you can guarantee a smaller rate of interest and as and when the Government rate of accommodation rises up the prices are bound to fall, with the result that you can buy up the shares of the Corporation at the cost of the capitalist at a discount. Is that the proposition which the House wants to enunciate today? If you want to be fair to the capitalist and to your own industries which are mostly privately owned. I suggest that the *via media* suggested by Mr. Ananthasayanam Ayyangar is the best and has rightly been accepted by the Finance Minister as a compromise.

Shri Satyanarayan Sinha: (Bihar : General) Sir, the question may now be put.

Mr. Speaker: I am afraid, looking to the importance of the amendment, I should not accept closure at this stage.

Diwan Chaman Lall (East Punjab: General): There has been great deal of debate on the principle which has been enunciated by my Honourable friend Professor K. T. Shah, to which I myself was a party. The question arose whether this Corporation should or should not be run by private interests combining themselves with state interests or whether it should be a purely state concern. The debate has gone on in regard to this matter and I am afraid some of my Honourable friends are not quite clear in their own minds that once the House has accepted this particular principle that it shall not be a purely state-owned concern, then some directive has got to be given later on if and when this concern is taken over by the state. It is not a question, as my Honourable friend, Pandit Hirday Nath Kunzru, put it whether there is a compromise or not. We are not concerned with that. There is no compromise. We have got the scheme before us of a concern unlike the American concern, which was a purely state concern, that is to say the capital was given by the state itself and the capital was not demanded of any private institution. We have accepted a different principle now. We have accepted it on the floor of this House that it shall be an institution which is run as far as its capital is concerned both by the state and by private institutions. Therefore the question of a compromise does not arise. All that this amendment of my friend Mr. Ananthasayanam Ayyangar seeks to do is to give a directive to the public and the investing public as well as to the world at large that in the event of this corporation's capital being taken over and subscribed entirely by the State, then certain things will happen. What will happen? Under section 5 of this Bill it has been laid down that a guarantee is to be given regarding the capital invested in this institution and the dividend that may be issued by notification by the Central Government. Now we have guaranteed the capital. Having guaranteed the capital, what objection can there be also to say that we guarantee a certain price of the share capital which is taken over by the state? We have swallowed the camel and now we are trying to strain at the last hair of the camel's tail! I suggest that in view of section 5, which guarantees the capital, it is right and it is proper that that directive should be given, that when the shares are taken over they are not taken over at an exorbitant price. Having guaranteed the capital, it is obvious that the shares will not go down. What is obvious is that the shares are likely to appreciate. I do not remember my Honourable friend Pandit Hirday Nath Kunzru raising an objection when the Reserve Bank of India Bill was being discussed to this very particular point. There we have guaranteed 1 per cent. up to 25 per cent., that is for a period of 25 years. We do not go as far as 25 years. We anticipate that in a short while government will make up their minds as to what their policy is. The necessity and the need for a corporation like this is urgent, but the necessity and the need for coming to a quick decision regarding the principle upon which this corporation should be based is a matter for dispute. Therefore we agree to the proposition laid down by my Honourable friend the Finance Minister. Having accepted that proposition, we want to safeguard the interests of the state by suggesting, as my Honourable friend Mr. Ananthasayanam Ayyangar has suggested, that at the time when the private interests are taken over by the state, these shares will be taken over at par plus 1 per cent per year up to the period that they are taken over. Now what objection can there be? I submit that in my own opinion—and possibly in the opinion of other experts—I am not an expert—the share value of the holdings held by private individuals are likely to appreciate to a very large extent. Then does my Honourable friend Pandit Hirday Nath Kunzru want the state to pay that exorbitant rate or would he not be satisfied with this proposition, a very meek and mild proposition, that the premium shall be strictly limited to 1 per cent per year? That is the proposition that we have to consider. We must not therefore get involved in considerations regarding compromises because as I have said, there is no question of compromise in this. It is only a question of arriving at a working arrangement in the eventuality of this corporation being taken over entirely by the

[Diwan Chaman Lal]

state. Now, Sir, if that proposition is considered from this point of view, I submit that my Honourable friends who are opposed to this proposition will agree to give up their opposition to it.

Now originally, as Honourable Members will notice if they look at list 4, my Honourable friend Mr. Ananthasayanam Ayyangar had given notice of an amendment, which is amendment No. 5, according to which he suggested that there should be another clause, clause 55A, which runs as follows:

"35A. The Central Government may at any time by a notification issued in the Official Gazette, fix a day for transfer to itself of all shares held by shareholders other than the Central Government and the Reserve Bank and from such date all the said shares shall stand transferred and vested in the Central Government."

Now that has been given up because it is not right to come in through the back door and try to nationalize this institution when it would be proper for such a step to be taken in the full light of the day. It will be necessary therefore when the Government comes to a decision regarding the nationalization of this institution for it to come before this House, present a Bill for the transfer of those private holdings to the State, and when it comes a debate will take place as to whether that should or should not be accepted. If this other amendment of Mr. Ananthasayanam Ayyangar's had been tabled and moved by him, I could have understood all the objections that have been raised: but the present amendment merely stipulates the safeguarding of the interests of the state itself. At the time when the Government comes to a decision finally to nationalize this institution, that time we say we shall not pay more than what is stipulated there, and I submit that from that point of view it is a very reasonable amendment and fits in with the entire concept of this measure, and should be accepted by this House.

Shri B. Das (Orissa General): My Honourable friend Mr. Ananthasayanam Ayyangar has moved this amendment. As a member of the Select Committee he did not append any minute of dissent that his mind was revolving between the two, whether he would be a socialist or show certain sympathy to the class of people known as capitalists. Some of us had very different ideas and being members of the Select Committee we did not table any amendment. It is a well known convention of this House that members of the Select Committee should not raise any issue which creates a very difficult position as is contained in the amendment of my Honourable friend. I do not thank him even for the sympathy he has shown to the unfortunate class of investors and capitalists. All along when the Bill was discussed in the Select Committee, I had been under the impression that this corporation is going to be fully under State control though partially financed by the state. I would like to have a clause in this Bill or by a separate Act, that stock exchanges would not dabble in affairs of those companies that are under state control.

Sir, the shares are very limited. A few Banks and a few Insurance Companies will hold part of the shares and the State—the Central Government or the Reserve Bank—will hold the rest. Who are going to benefit by this Amendment? It is the people in the Stock Exchange who are always gambling and who have introduced in this country the pernicious practice of gambling, a principle to which this House will not subscribe or give its blessings. If my friend Mr. Ananthasayanam had an idea that the gambling people will raise the price of these shares very high in the Stock Exchanges and his idea is that he will save the State some ten or twenty years hence certain sums of money, I think this is a new idea which he conceived after he signed the Select Committee Report. I am sorry I was not here when the Honourable the Finance Minister was speaking—I came in a little late—but I understand the Honourable the Finance Minister had shewn a grain of sympathy for the amendment which my Honourable friend has moved.

Shri M. Ananthasayanam Ayyangar: You are opposing the amendment?

Shri B. Das: I am not, but I am stating the objections which I have to such a kind of revolutionary amendments, especially emerging as it does from a Member of the Select Committee and who at times poses to be a great socialist and.....

Some Honourable Members: Sir, it is personal.

Shri M. Ananthasayanam Ayyangar: I have once been converted by my Honourable friend.

Shri B. Das: My objection to this amendment is that the principle we are discussing is a fresh principle which we did not discuss in the Select Committee. It did not arise there. But now my friend has done one mischief: he has roused the passions of all those people that gamble in the Stock Exchanges—in the Share Bazar, in Dalal Street in Bombay and Clive Street in Calcutta. These people would now be examining how there will be money, how there will be some potentialities for gambling.

Let us examine how we can take the shares out of the Stock Exchanges. Sir, the Honourable the Finance Minister is the authority that controls the Stock Exchanges in India. I cannot understand why any imaginary shares should be gambled in the Calcutta, Bombay or Madras Stock Exchanges, because these shares are all earmarked: they cannot be transferred. Do you think that the shares of a particular Company, which are not available for sale, will be gambled in like horse-race gambling in the streets of Bombay and in bucket shops? Are we, we that legislate for the Nation, are we to think of the bucket shop-habit of the Bombay Dalal Street or the Calcutta Stock Exchange? I do request my Honourable friend to withdraw his Amendment. I do request the Finance Minister.....

Shri M. Ananthasayanam Ayyangar: Sir, my Honourable friend commits a mistake. The shares are transferable: two Insurance Companies can transfer these shares among themselves. Banks can transfer them among themselves, and so can the Insurance Companies. On this point I want to correct my friend.

Shri B. Das: But the Co-operative Banks, Insurance Companies and Scheduled Banks are not Stock Exchange gamblers in the sense of the ordinary gamblers in the Stock Exchange. They are Companies; they are controlled by the Banking Act, by the Insurance Act and by the Companies Act. I do not think the shareholders of the Company authorise the Managing Director of the Bank or the Insurance Company or of the Co-operative Bank to gamble in the shares with a view to earn some money in these shares. That sort of logic may suit a Court but not here where my friend wants the Managing Directors of Banks and Insurance Companies to exceed the intentions of the shareholders and to gamble on the Stock Exchange for a few thousand rupees of profit.

The thing is that my friend Mr. Ananthasayanam has raised a new principle: what premium will be paid in case the State decides to purchase this moiety of shares which is not owned by the State? I raise another principle—a pertinent principle—that it is high time that the State should prohibit gambling on the Stock Exchange, particularly in shares which can never be transferred, which is only a fictitious, bogus transaction. Naturally, my friend Mr. Ananthasayanam has moved this amendment and my friend Diwan Chaman Lal has supported him. My friend is afraid that the Stock Exchange may raise the prices, take it up to fifty or seventy-five per cent of the share value and that when Government would purchase it at some distant date, the State would have to pay a high price. I am sorry this suspicion has been roused, that my friend has roused the suspicion of all the *sattawalas*. But I think it is high time, and I strongly urge on my friend the Finance Minister, that he will examine whether the Stock Exchanges will not be controlled in order not to gamble in shares which are controlled by very few. And that is more pertinent for the purity and honesty of the Financial Market of India than this slogan of paying

[Shri B. Das]

some day, some time, a fixed percentage as premium to the few Banks and Insurance Company promoters shareholders.

With these observations I appeal to my friend Mr. Ananthasayanam to withdraw his Amendment. He owes it to this House and to the Select Committee because he has raised principles that were not discussed at any time in the Select Committee. He is raising herein principles that were not discussed at the first stage of discussion of this Bill. Even my Honourable friend Prof. Shah who makes a strong plea for nationalization, does not thank him, and I, who am dubbed to speak on behalf of the investor class, am not thankful to him for inciting people to practise gambling propensities on the

1 P.M. Stock Exchange. Under the circumstances, I hope he will withdraw the amendment and I do hope my Honourable friend the Finance Minister will prevent gambling on the Stock Exchanges for such fictitious company shares by legislation or otherwise.

Mr. Speaker: I propose to call upon the Honourable the Finance Minister at 2-30, because we have only fifteen minutes left.

Shri H. V. Kamath (C.P. and Berar: General): May I remind you, Sir, that today is Friday?

Mr. Speaker: That is right. It is time for us to adjourn now. We shall meet again at 2-30.

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

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

Mr. Speaker: The amendment under discussion was Mr. Ananthasayanam Ayyangar's amendment for insertion of new clause 35A.

Prof. Shibban Lal Saksena (U.P. : General): Mr. Speaker, I have been surprised at this amendment especially because none of the two parties about whom the mover said that he wanted to compromise accept this amendment. On the one side Prof. Shah has said that this is in favour of the private industrialists and on the other Mr. Das says that this is a socialistic and revolutionary amendment. Apart from this the very fact that the Finance Minister has said that it is acceptable to him makes me wonder that he is giving up the whole case of the Bill. My Honourable friend Mr. Santhanam had said when I signed this Bill that it was intended to help private industry and as such only private industrialists should be allowed in the Corporation. The fact that the Honourable Finance Minister accepts the amendment shows that Mr. Santhanam was not correct and it also shows that this Corporation if nationalised may be of greater use if developed by private industry than it might be if it is only in the hands of capitalists. If he accepts that principle, then why not do it today. There is no ground left now after his acceptance of this amendment and has given up the whole case. Afterwards we shall have to pay 1 per cent. or 10 per cent. and my Honourable friend Mr. B. Das said it is much higher. There is no reason whatsoever to have it done later on. I have really not been able to hear a single argument to suggest that it should not be done today. The argument Mr. Santhanam had given really falls to the ground, because if you want five years to pay 5 per cent. additional premium upon the shares, then why cannot you decide it today to avoid any complications. I really wonder why still this amendment is being moved. One friend suggests now to me that the investors will be very shy. When this amendment was put I was told that one of the main reason why the Bill was kept was as a private capitalist Bill and they wanted to attract capital. I therefore do not see whom is the mover obliging by this amendment, neither the two parties to this Bill: one is opposing it and one is saying that it is all right, nor anybody else and instead of attracting the capitalists is trying to endanger them. I therefore think that this amendment should be withdrawn.

Again, Sir, the argument has been advanced that we have no capital, and that Government should not finance it. I really think that this is a wrong argument. After all, money will come from the public whether they purchase shares or they will invest in Government loans and I think that if Government floats the loan for the Corporation it will get more money than they can by the shares of the Company. I therefore think that the argument that money will not be coming is a fallacious one. Money will come with probably greater confidence when the Government floats the loan and if they only say boldly that they have a nationalisation plan and they want to develop the whole country, money will have to come and will be forthcoming. In fact Prof. Shah gave a very logical argument that by accepting this amendment we are tying the hands of this Assembly, and thus prevent it from making this Corporation a national body at any time. I think it is not proper and fair that we should tie the hands of the Members of this Assembly by this amendment and I therefore think this amendment must not be passed. When the British Government took over the Railways they did not guarantee the rates but said they will settle the matter. This sort of guarantee that they will get so much money for the shares is really very very awkward and very much against the interests of the State. I therefore think that my Honourable friend the mover who is not present in the House will not press it and the Honourable the Finance Minister will not accept it. He cannot defend it because there is no reason to do so. There is the Congress resolution in favour of nationalization and there is nothing whatsoever said to postpone it. If it is said there is no money, I think that will apply to all nationalising projects and this amendment is really giving up the whole argument and if we accept the amendment in its present form, then we must also accept the amendment of Prof. Shah. In fact I am surprised that even the amendment about managing agency, whether it should be appointed by Government, was not accepted. In fact this kind of treatment of this amendment really makes us feel that there is no sincerity behind the statement that these will be nationalised. I therefore think this should be withdrawn and the Bill should be passed either as it is or it must be completely nationalised as Prof. Shah suggested.

Dr. B. Pattabhi Sitaramayya: Sir, let me say a word in order to clear up some misunderstanding about this point. At the very outset I should like to say that it is not a collusive amendment nor is it a command performance. Its birth was accidental or perhaps in the course of conversation towards the last stage it incidentally occurred to us that some such amendment might allay the apprehensions of those who were fearing that a heavy premium would have to be paid at a later date if Government should decide to take over the concern. Then some wise friends drew our attention to the fact that the Reserve Bank Act contained a wise and healthy provision. In those days it was both wise and healthy. But 13 years have rolled by and we have moved towards more liberal ideas at present, and what was considered healthy might now be considered unhealthy and what was reckoned as wise might now be regarded as unwise. However, this was only a copy of a provision which is contained in the Reserve Bank Act. But care was taken to see that the maximum limit to which the premium went on in the Reserve Bank Act, viz. 25 per cent. was reduced to 10 per cent. We may have been wrong but to that extent it was considered a particularly moderate measure in order to prevent an inflation of the value of these shares at a later time. Then Mr. Ayyangar volunteered to bring up this amendment but used the unfortunate argument that it was a compromise, it was made to appear that it was a compromise arrived at. It was nothing of the kind. In his own mind he regarded it as a compromise, a means by which the apprehensions of people who fear that extraordinary amounts may be given to the shareholders might be allayed. Then he thought he would be doing a service if he came forward with such an

[Dr. B. Pattabhi Sitaramayya.]

amendment. Later on, however, in the course of conversations in our peregrinations some one suggested that it might be even better that the reference to the market value also should be incorporated in it. In these circumstances I should like that the argument of compromise need not be ridden to death.

Secondly, it is now realised that the amendment pleases nobody, and I think the Finance Minister was very cautious in his response to Mr. Ayyangar's speech when he "accepted the arguments"; he did not go farther. I thought those words were very measured and perhaps he reserved to himself the alternative of accepting or not accepting the amendment later. Later on however he appeared to be inclined to accept it. In the light of the discussions, it is clear that Government would have ample power to deal with the situation whenever they should think it necessary to do so in view of nationalisation of the scheme. And if nobody is satisfied about it and if nobody wants it there is no reason why we may not cut off further discussion and save our time and avoid all complications. Mr. Ayyangar unfortunately is not here; he has left the place. But I take the responsibility, if such a thing is permissible, of withdrawing the amendment on his behalf, and I suggest this course for the consideration of the House and of the Chair.

The Honourable Shri R. K. Shanmukham Chetty: Sir, there is really not very much for me to add to the observations made from various parts of the House. The inherent right of this legislature as a sovereign body to take under State ownership any institution is unquestioned and it always exists. In fact I would submit that this legislature itself has not got the power to take away that inherent power of the legislature at any time by a present enactment. When this amendment was suggested to me I was told that in view of the widespread desire expressed by certain Members for the State ownership of this Corporation there might be given in the measure itself some indication of the possibility of the State acquiring this Corporation as a national concern. So this amendment was primarily intended to bring out that objective, though I submit it is superfluous. I therefore accepted it because it was innocuous, to say the least. And with regard to the premium fixed I accepted the limits fixed also because I considered them very reasonable. For one thing when institutions or individuals invest their money in the share capital of any concern, they very legitimately look forward to some capital appreciation also in addition to the return that they may get on their investments. In this scheme of the Corporation we have limited the dividend to such narrow limits that there is not very much chance of the institutional investors getting a very attractive dividend on the share capital. They would therefore naturally expect that within some limits there might be an appreciation of the capital. Now at the time when Government and the legislature may decide to acquire this Corporation the question would arise as to what value should be given; and I think the authors of the amendment did not want to leave that question also completely vague and unspecified. They wanted to indicate some measure within which alone the premium will be recognised. I accepted 1 per cent per year subject to a maximum of 10 per cent. There is one other consideration that I would ask Honourable Members to remember when they consider whether this premium is reasonable or exorbitant. Assuming that after five years we decide to acquire this Corporation we would be paying 5 per cent. over the share capital,—Rs. 5 for every one hundred rupees. But the institutional investors will not get away with all these Rs. 5 because the Income-Tax Department at that time will step in and treat this sum of Rs. 5 as a capital gain of which very nearly Rs. 2.8 will come back to Government. So if you look at it from this point of view I am sure everybody—unless he has

got his dagger into private individuals and private Corporations—must accept that this in no circumstances can be considered to be an extravagant premium. I think it is an expectation which the institutional investors have every right to expect. For these reasons I find no objections, so far as I am concerned, to accept this amendment.

Mr. Speaker: The question is: . . .

"That after clause 35 of the Bill, the following new clause 35A be added, namely:

- 35A. In the event of the Central Government at any time deciding to acquire the shares held by shareholders other than the Central Government and the Reserve Bank the shareholders shall be paid for the shares so acquired an amount equal to the paid up value of the shares together with a premium calculated at the rate of one per cent. of the paid up value for every year from the date of issue to the date of acquisition, subject to a maximum of ten per cent."

The motion was adopted.

New clause 35A was added to the Bill.

Mr. Speaker: The question is:

"That clause 36, stand part of the Bill."

The motion was adopted.

Clause 36 was added to the Bill.

Mr. Speaker: There are two amendments on clause 37 by Mr. Naziruddin Ahmad.

The Honourable Shri R. K. Shanmukham Chetty: There are amendments Nos. 24 and 25 in List No. 2 by Mr. Santhanam before that.

Mr. Speaker: In order of sequence, Mr. Naziruddin Ahmad's amendments take precedence.

Mr. Naziruddin Ahmad: Anyone will do.

Shri T. T. Krishnamachari: Sir, I move:

"That in sub-clause (1) of clause 37 of the Bill, for the words 'happen from', the words 'are caused by', be substituted."

The Honourable Shri R. K. Shanmukham Chetty: I accept it.

Mr. Speaker: The question is:

"That in sub-clause (1) of clause 37 of the Bill, for the words 'happen from', the words 'are caused by', be substituted."

The motion was adopted.

Mr. Speaker: Let us first dispose of Mr. Naziruddin Ahmad's amendments to sub-clause (1) of clause 37. These are amendments Nos. 50 and 51 in List No. 3. What has the Honourable the Finance Minister to say.

The Honourable Shri R. K. Shanmukham Chetty: Amendment No. 50 is unnecessary. I am prepared to accept amendment No. 51.

Mr. Speaker: All right, amendment No. 51 in List 3.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (1) of clause 37 of the Bill, for the word 'happen', the word 'arise', be substituted."

Shri T. T. Krishnamachari: That is already in my amendment which was just now passed.

Mr. Speaker: I am afraid he has stolen a march on Mr. Naziruddin Ahmad in the arrangement.

Mr. Naziruddin Ahmad: That is all right. So I do not press it.

Mr. Speaker: We now come to amendments Nos. 52 and 53 in List No. 3.

The Honourable Shri R. K. Shanmukham Chetty: I cannot accept them.

Mr. Naziruddin Ahmad: At least I have a right to move them and to explain their object.

Mr. Speaker: The Honourable Member has that right if he insists.

Mr. Naziruddin Ahmad: Sir, I move:

"(i) That in sub-clause (1) of clause 37, of the Bill, for the words 'wilful act', the words 'wrongful act', be substituted"; and

"(ii) That in sub-clause (2) of clause 37, of the Bill, for the word 'wilful act', the words 'resulting', be substituted."

The reason is this. It is provided in these two sub-clauses that every Director shall be indemnified for any expenses or losses which he may incur in the discharge of his duties 'except such as happen from his own wilful act' or default. A Director does a certain wilful act honestly and in the proper discharge of his duties and he is sued in the Civil Court or is prosecuted in a Criminal Court and incurs losses and expenses. It is said that if it is a 'wilful act' then he cannot claim to be indemnified from the Corporation.

This is absurd. All proper acts are 'wilful acts'. If it was a wrongful act then and then alone he should not be reimbursed. But if it is wilful, though honest, he cannot be reimbursed under the clause. Every act which is rational is wilful. He cannot be reimbursed if he acted wrongfully or in grossly negligent manner.

It comes to this that if a man does an act wilfully for the benefit of the Corporation and thereby incurs losses and expenses he will never be reimbursed. The clause says just the opposite.

The Honourable Shri R. K. Shanmukham Chetty: I am not convinced by what the Honourable Member has said.

Mr. Naziruddin Ahmad: In that case I am not pressing for them to be put to the House.

An Honourable Member: Why do you withdraw them?

Mr. Naziruddin Ahmad: This is on account of the agreement.

Mr. Speaker: Amendments Nos. 54 and 55 in List No. 3.

The Honourable Shri R. K. Shanmukham Chetty: I am prepared to accept No. 54. No. 55 is unnecessary.

Mr. Speaker: The Honourable Member may move No. 54.

Mr. Naziruddin Ahmad: Sir, I move.

"That in sub-clause (2) of clause 37 of the Bill, for the word 'happening', the word 'resulting' be substituted."

The reason is this that things 'happen' without logical reason. But things which 'result' are related to something by relation of cause and effect. "Resulting" therefore would be more appropriate.

The Honourable Shri R. K. Shanmukham Chetty: I accept it.

Mr. Speaker: The question is:

"That in sub-clause (2) of clause 37, of the Bill, for the word 'happening', the word 'resulting' be substituted."

The motion was adopted.

Shri T. T. Krishnamachari: Sir, I move:

"That in sub-clause (2) of clause 37 of the Bill, after the word 'done' the words 'in good faith', be inserted and the words 'or otherwise, than for his own wilful act or default', be omitted."

I should like to put it in a positive form, rather than in the way it is put here, to exempt a Director when anything is done in good faith so far as he is concerned. If this amendment is accepted then "or otherwise than for his own wilful act or default" automatically goes.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (2) of clause 37 of the Bill, after the word 'done' the words 'in good faith', be inserted and the words 'or otherwise, than for his own wilful act or default', be omitted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 37, as amended, stand part of the Bill."

The motion was adopted.

Clause 37, as amended, was added to the Bill.

Clause 38 was added to the Bill

Mr. Naziruddin Ahmad: Sir, I move:

"That in the heading of clause 39, of the Bill, for the word 'Income-tax', the word 'income-tax', be substituted."

The so-called heading is really a marginal note but the change is necessary and it should be corrected.

Mr. Speaker: It does not form part of the statute and therefore no amendment is necessary.

Mr. Naziruddin Ahmad: Even then the amendment would not be out of place. A marginal note is meant for catching the eye. Sometimes marginal notes have been allowed to be amended, where an obvious error has really caught our eye.

Mr. Speaker: I am told it is not the practice here.

Shri T. T. Krishnamachari: Sir, I have no desire to move my amendment to this clause but I would like to make a few remarks. This provision has been changed from what it was in the original Bill. The Select Committee accepted it and I have no quarrel with it. The position is this: that the guarantee given in regard to clause 5 is partly affected by the change in the position, because formerly when the Corporation was not liable to income-tax and corporation tax the dividend that was to be given was not income-tax free. But the Corporation is now subject to income-tax and corporation tax and the dividend that is to be given will be free of income-tax. Therefore in order to provide that the guaranteed dividend given is not further affected when the dividend is paid out of the subvention made by the Central Government proviso 3 of this particular clause is put in. This is rather a complicated provision which only income-tax experts can understand. What I would like to point out to the House and as workers draw the attention of the Honourable the Finance Minister (not that he is not aware of it) is this. I want an assurance from him in this regard. This provision in the bill will have the effect of reducing the amount of dividend which the Central Government will be fixing in terms of section 5 of the bill. For instance, supposing normally the guaranteed dividend is about 3 per cent. which would be the average rate of interest given by the Central Government on its borrowings; with this alteration this 3 per cent. or Rupees 3 per hundred Rupees grosses up to Rs. 4/5. That is what will happen and obviously it cannot be allowed as it will be considerably in excess of the Government borrowings and the guaranteed dividend being tax free would have a figure which is grossed up would approximate to the Government rate of borrowing. I want to draw the attention of the Honourable the Finance Minister that when rules are made this fact should be borne in mind.

The Honourable Shri R. K. Shanmukham Chetty: The Honourable Member has interpreted the intention correctly. That is the intention. Under the original scheme the dividend, whether it came from the actual profits or from the guaranteed subvention, will be liable to tax in the hands of the shareholder. Now when we say income-tax free it means that the Corporation will deduct the income-tax at source and pay him only the net dividend minus the tax. We want to keep that procedure uniform, whether the dividend comes from the earned profits or, from subvention or partly from the subvention and partly from the earned profits. That being the position, in deciding the guarantee to be given under clause 5 Government will only fix such a figure which will be what was originally intended to be gross minus the actual tax on it.

Shri K. Santhanam (Madras: General): Sir, I have one or two points on which I would like to have some clarification. Clause 39 says:

"For the purpose of the Indian Income-tax Act, 1922 the Corporation shall be deemed to be a company within the meaning of that Act and shall be liable to income-tax and super-tax accordingly on the income, profits and gains."

I want to know whether this will be liable to corporation as well as to the business profits tax. If that is so, then you should put it also there. It is not sufficient to say that it will be liable to income-tax and super-tax, it would be also necessary to say that it would be liable to other taxes also. If you say that it is to be treated as a company it is liable to all taxes, the presumption would be that you can levy other taxes just as a company is subject to. I would therefore like to know whether this point was considered and whether there is any defect in drafting which will be remedied. Otherwise if you do not stop with saying that it is a company, other things will not automatically follow. Therefore there is no necessity to mention either the income-tax or the super-tax. But once this has been said anybody may interpret that the Corporation will be free from Corporation tax and the business profits tax. These taxes should also be mentioned.

The other point is that under Section 32 surplus over 5 per cent. is taken away by the Central Government. I do not object to it. If the Corporation is not able to pay the guaranteed dividend the Government has to pay from its own funds owing to the guarantee for the minimum rate of dividend. Therefore all this refers to is the taxation between the 2½ and 5 per cent. on the total of ten crores. That is to say, the entire clause refers to 25 lakhs of the profit. On the whole it would have been simpler and much better if we had even limited that profit to 4 per cent. and made it free of income-tax and super-tax. There are three principles involved in this,—guaranteed minimum dividend, taking profits and taxation, which is a very complicated system. If that is systematically applied to other concerns started by the state, it will make for a very complicated system, instead of making for simplicity. I do not want to obstruct the measure but I would request the Finance Minister to consider more carefully when he wants to put in a provision at any future date.

The Honourable Shri R. K. Shanmukham Chetty: Sir, with regard to the omission of the mention of business profits tax specifically in clause 39, the difficulty contemplated by my Honourable friend will not arise. By any section in this Act the provisions in another Act cannot be superseded or vetoed unless it is so specifically mentioned. The liability of companies and individuals to pay business profits tax or excess profits tax as the case may be arises from a separate enactment, and when that enactment is applied to this as a company then automatically the company becomes liable to pay that particular tax. It is not possible for us now to foresee what all will be the kinds of new taxes. Suppose you mention the word 'business profits tax' here and afterwards we find that the situation in the country is such that we want to impose

excess-profits tax. Surely it is not contended that this company will not be liable to pay the excess profits tax. Therefore that complication will not arise.

With regard to the observations of my friend regarding the obligation that we have imposed on this Corporation to pay the usual taxes, I submit that my scheme is really more socialistic than what my Honourable friend has in view, because I would like that the State should first get all the taxes due and then also the surpluses. I think that is a very much better system from the point of view of the State. Therefore I am of opinion that what we have devised here is not only good but that it will be very good for future legislation.

Mr. Speaker: The question is:

"That clause 39, stand part of the Bill."

The motion was adopted.

Clause 39 was added to the Bill.

Clause 40 was added to the Bill.

Mr. Speaker: There is an amendment to clause 41 by Mr. Naziruddin Ahmad.

The Honourable Shri R. K. Shanmukham Chetty: I am sorry, Sir, I cannot accept the amendment.

Mr. Naziruddin Ahmad: So far as my first amendment is concerned, it was an attempt to redraft the clause in the light of certain observations which I am going to make. But I cannot now hope that the entire clause 41 as I have drafted it will be acceptable. I have therefore analysed that into five parts (a) to (f) and I shall move them separately so that they may be considered separately. Sir, I move:

"That in clause 41 of the Bill,—

- (a) for the words 'The Central Government', the words 'Notwithstanding anything in section 42, the Central Government' be substituted;
- (b) the words 'from time to time', be omitted;
- (c) for the words 'make rules', the words 'make rules, not inconsistent with the provisions of this Act', be substituted;
- (d) for the words 'in respect of matters concerning the Corporation', the words 'to give effect to the provisions of this Act', be substituted;
- (e) for the word 'inconsistency', the word 'conflict', be substituted; and
- (f) the words 'and where there is any inconsistency between the rules and the regulations made under this Act the rules shall prevail', be omitted."

With regard to part (a) of the amendment I may say that clauses 41 and 42 have to be considered together: clause 42 gives the Board the right to make regulations while clause 41 gives the Government the power to make rules to override, if necessary, the regulations made by the Board under clause 42. While in clause 42 there is the usual salutary check that the regulations must not be inconsistent with the provisions of this Act, there is no similar check on the power of the Central Government in making rules. I submit that this power given to the Central Government to make rules which may be inconsistent with the provisions of this Act is a power given to the Central Government to legislate for themselves. This is a most unheard of power. So far as I know such power to defy the Act itself has never before been given by any Legislature. In fact the Government would then be enabled to amend the Act itself by means of rules which under clause 41 need not be in consistent with the provisions of the Act which may even be in conflict with the Act.

Mr. Speaker: In that case the rules would be absolutely *ultra vires*, that is, if they go beyond the provisions of the Act. It will not be interpreted that such rules will be valid. It is obvious to my mind.

Mr. Naziruddin Ahmad: The question would be one of serious doubt, Sir, and I do not think it is so obvious because in clause 42 we clearly say that the Board may make regulations "not inconsistent with this Act" but these words are entirely absent in clause 41. It may then be argued that the Legislature, in inserting the said words in clause 42 but omitting them in 41, has deliberately given the power to Government to make rules which may be inconsistent with the provisions of the Act. I respectfully ask how can this interpretation be shut out? I want by the amendment to make the position absolutely clear. The implication is at least a matter of doubt because of this difference in the phraseology in the two clauses which exist together. Though in the case of the Board the Legislature gives the power to make regulations which are only consistent with the Act there is no check up on the Government in making rules which may be inconsistent with the Act. That is point Number One.

Pandit Thakur Das Bhargava (East Punjab: General): If the words "not consistent with" were not there then could the rules or reputation be inconsistent with the provisions of the Act? It is an impossible situation.

Mr. Speaker: The argument is that because the words "not inconsistent with this Act" are used in clause 42 with reference to regulations, the absence of any such words in this clause is likely to be construed as giving the Government power to make rules which may be inconsistent with the Act. One may or may not agree with that interpretation, but that is the line of argument of the Honourable Member.

Mr. Naziruddin Ahmad: The power is so unusual and so extraordinary. There is no such power given anywhere to Government, under the rule-making power, to over-ride the law. It is wrong. That is why a great lawyer like my Honourable friend Pandit Bhargava thinks that it is impossible. There is no precedent for this. I would therefore ask the House to consider the absence of these words. Is the Legislature incompetent to give unfettered authority to the Government? I think this Legislature being a sovereign Legislature has the right to give them power even to legislate, if they think fit. I submit it could not be said that this House has no power to give a power of attorney to the Government in this respect. Whatever they do will be regarded as having been done under the Act. I do not say that that interpretation would be absolutely untenable and that no other interpretation is possible, but I submit that it is quite easy to show that the Government will have the power. At any rate my amendment seeks to clarify that the rule should be subject to the provisions of this Act. That is item (c) of my amendment.

With regard to the over-riding power by the Government under clause 41...

The Honourable Shri R. K. Shanmukham Chetty: If I can do anything to save time I will accept that portion of his amendment, that is part (c) in which he says that the rule should not be inconsistent with the provisions of the Act. I am prepared to accept that amendment.

Mr. Speaker: Or delete the words in clause 42.

The Honourable Shri R. K. Shanmukham Chetty: No, Sir, I will accept this portion of his amendment.

Mr. Naziruddin Ahmad: That is one point gained, but there are others. I respectfully submit, Sir, that the Honourable Minister has been very open to conviction. Wherever he feels that an argument is sound, he has been pleased to accept it. I draw his attention to item (b). The words "from time to time", I beg to submit, are redundant in view of section 14 of the General Clauses Act. "Where by any Central Act... any power is conferred then... that

power may be exercised from time to time as occasion arises"—that is the provision of section 14 of that Act. This principle we have already adopted in other Bills in this session and previous sessions. So I submit that item (b) in my list of amendments should also be accepted.

And then, with regard to item (a), it is a question of draftsmanship, but I have my sample from the Government of India Act section 100. In sub-section (2) of section 100 of the Government of India Act

The Honourable Shri R. K. Shanmukham Chetty: Sir, I am prepared to accept the whole amendment.

Mr. Speaker: Which amendment? Perhaps there is some confusion. What the Honourable Minister means is probably item (b)—omission of the words "from time to time"?

The Honourable Shri R. K. Shanmukham Chetty: I accept, to satisfy my friend, the whole of his amendment to clause 41 that he has moved just now, but I would suggest to him that in item (a), it is not necessary to have these words "Notwithstanding anything in section 42" because section 42 gives only to the corporation power to make regulations. Surely when you give to the Government power to make rules and when you say the rules will prevail, it is unnecessary to have these words "Notwithstanding anything in section 42." Since the Honourable Member is so meticulous about the nicety of language, I would accept, subject to that, the whole of his amendment.

Mr. Naziruddin Ahmad: I agree as to the effect of the wording of the clauses. I only wanted to get rid of the words "where there is any inconsistency between the rules and regulations, the rules shall prevail." I insisted only on a drafting change. In fact this very idea has been incorporated in section 100, sub-section (2) of the Government of India Act. There it is said "Notwithstanding anything in the next succeeding sub-section", and so forth. This is only drafting device. I preferred the wording of the Government of India Act.

Mr. Speaker: If I may be permitted to say so, it does not resolve the conflict which the Honourable Member has in view. The inconsistency referred to here is between the rules and the regulations, and as against the regulations, the rules shall prevail. That is the idea. That is not carried out by his amendment. On the contrary, the draft will look awkward with this amendment incorporated.

The Honourable Shri R. K. Shanmukham Chetty: So, except (a), I will accept the rest.

Mr. Naziruddin Ahmad: All right, Sir. I will not further labour the point. I am extremely grateful to the Honourable Minister for his open mindedness.

Mr. Hussain Imma: May I point out Sir, that parts (a) and (f) go together and with the abandonment of (a), (f) also must go as it was only consequential upon part (a).

Mr. Speaker: (f) must go.

Mr. Naziruddin Ahmad: That is a correction for which I am grateful.

Mr. Speaker: The amendment will then read as follows:

"That in clause 41 of the Bill,—

(a) the words 'from time to time', be omitted;

(b) for the words 'make rules', the words 'make rules, not inconsistent with the provisions of this Act,' be substituted;

(c) for the words 'in respect of matters concerning the Corporation', the words 'to give effect to the provisions of this Act', be substituted; and

(d) for the word 'inconsistency', the word 'conflict', be substituted."

I was just wondering about the last clause (e).

Shri K. Santhanam: Would it not be better to use the language of clause 42, and say "not inconsistent with this Act"?

Mr. Speaker: The word used in clause 42 is 'inconsistency.'

Mr. Naziruddin Ahmad: It is not very important. I am not going to press it.

Mr. Speaker: Very well. I shall now put the amendment as finally agreed to. The question is:

"That in clause 41 of the Bill,—

(a) the words 'from time to time', be omitted;

(b) for the words 'make rules', the words 'make rules, not inconsistent with the provisions of this Act', be substituted; and

(c) for the words 'in respect of matters concerning the Corporation', the words 'to give effect to the provisions of this Act', be substituted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 41, as amended, stand part of the Bill."

The motion was adopted.

Clause 41 as amended, was added to the Bill.

Shri H. V. Kamath: On a point of information, Sir. Are we going to accord statutory recognition to business threats? I find sub-clause (e) of clause 42(2) seems to provide for the regulation of the conduct of business threats.

Mr. Speaker: It is not a threat. It is "threat". It is only a misprint. The printer expects that Members will read the Bill reasonably and correct the mistakes, he might have committed. Now we will take up the amendments.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That after part (c) of sub-clause (2) of clause 42 of the Bill, the following part be inserted: '(cc) the delegation of duties by the Board to the Managing Director;'"

This seems to have been an omission and I have therefore attempted to introduce it. There is provision in the Act, but there is no mention of it in the list.

The Honourable Shri R. K. Shanmukham Chetty: It is not necessary here.

Mr. Naziruddin Ahmad: In that case I do not press it.

Mr. Speaker: All this might be covered, I think, by clause (c).

Mr. R. K. Sidhva: I beg to move:

"That in part (d) of sub-clause (2) of clause 42 of the Bill, after the word 'general', the words 'and special', be inserted."

The Honourable Shri R. K. Shanmukham Chetty: It is not necessary here.

Mr. R. K. Sidhva: You will make rules for general meetings only. For special meetings you will not be able to make rules unless the word 'special' is there.

Mr. Speaker: What I feel is this. Clause 33 provides for general meetings and says:

"A general meeting (hereinafter referred to as the Annual General meeting)"

So what is the idea?

Mr. R. K. Sidhva: Any meeting other than the annual general meeting would be a special meeting.

Mr. Speaker: If the general meeting is the annual general meeting then what is the idea of rules for other meetings? The expression "general meeting" is used there, and then in the very first line it is said:

"A general meeting (hereinafter referred to as the annual general meeting), shall be held annually"

And then in clause (2) it says:

"The shareholders present at the annual general meeting"

Therefore, the "general meeting" is the same as the "annual general meeting".

Shri K. Santhanam: The last line in sub-clause (1) refers to other general meetings. So all meetings are called general meetings.

The Honourable Shri R. K. Shanmukham Chetty: It contemplates a number of general meetings one of which will be called the annual general meeting. Clause 33(2) refers to the annual general meeting and that is why sub-clause (1) contains the statement:

"A general meeting (hereinafter referred to as the annual general meeting)"

Therefore this amendment is not necessary. The phraseology "general meeting" is used for all meetings except for "annual general meetings". So there is no need for the addition of "special meeting". That special meeting is necessary under the Companies Act where there are definite provisions as to percentage of voters who should vote to make a resolution effective. That complication does not arise here.

Mr. R. K. Sidhva: Even if it is more than one in a year? Sir, I do not press it.

Mr. Naziruddin Ahmad: Sir, there is an amendment standing in my name, No. 64. It refers to the substitution of the word "thereat" for the word "threat" in part (e) of sub-clause (2) of clause 42. This was referred to earlier by Mr. Kamath. This is evidently a printer's mistake but it was there in the original Bill before it was sent to the Select Committee and is there even in the re-print after the Select Committee Stage.

Mr. Speaker: I will see that it is corrected before the Bill is sent to the Governor General for his assent.

Shri T. T. Krishnamachari: Sir, I move:

"That in sub-clause (2) of clause 42 of the Bill, after part (g) the following new part be inserted:

'(gg) the manner of determining the sufficiency of the security taken under sub-section (2) of section 23;'"

Sir, this amendment arises, because the House has accepted my amendment to Section 23, in order to define the sufficiency of the security taken in the manner prescribed by the Bill. So it is more or less obligatory on the House to accept the amendment.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (2) of clause 42 of the Bill, after part (g) the following new part be inserted:

'(gg) the manner of determining the sufficiency of the security taken under sub-section (2) of section 23;'"

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That part (k) of sub-clause (2) of clause 42 of the Bill be omitted."

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[Mr. Naziruddin Ahmad]

Sir, this is only to draw attention to the fact that there has been some amount of haste in the selection of these items. Clauses (a) to (o) deal with the subjects on which rules and regulations may be made, that is, 'prescribed.' Sub-clause (k) reads:

"(k) any other matter which is to be or may be prescribed;"

In fact, this begs the question. The fact is that we make a list of all those matters upon which the Government may prescribe. Then this clause is absolutely unnecessary which says:

"any other matter which is to be or may be prescribed;"

This is already provided for in the definition of the word "prescribed" and in clauses 41 and 42. So the mere repetition of a power which is already given by clause 42 and by the definition of the word "prescribed" which means 'prescribed by rules and regulations', seems to be unnecessary. Probably it is due to a desire that there may be some gap somewhere but if a power is given in the sections then a further mention of this here is needless. So, I suggest that these words be omitted. Sir, I move.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That part (k) of sub-clause (2) of clause 42 of the Bill be omitted."

The motion was adopted.

Mr. Naziruddin Ahmad: Sir, I move:

"That in part (m) of sub-clause (2) of clause 42 of the Bill, for the words 'breach of its agreement', the words 'breach of any agreement', be substituted."

Sir, I think this is merely a drafting error.

The Honourable Shri R. K. Shanmukham Chetty: Sir, the words "breach of its agreement" are specific and correct.

Mr. Naziruddin Ahmad: In that case I do not press my Amendment. Sir, I move my next amendment. I beg to move:

"That after the semicolon occurring at the end of part (n) of sub-clause (2) of clause 42 of the Bill, the word 'and', be inserted."

It supplies an obvious omission.

The Honourable Shri R. K. Shanmukham Chetty: I accept the amendment, Sir.

Mr. Speaker: The question is:

"That after the semicolon occurring at the end of part (n) of sub-clause (2) of clause 42 of the Bill, the word 'and', be inserted."

The motion was adopted.

Mr. Naziruddin Ahmad: The last, though not the least, of the amendments which I beg to move is:

"That in sub-clause (3) of clause 42 of the Bill, for the words 'Gazette of India', the words 'official Gazette', be substituted."

The Honourable Shri R. K. Shanmukham Chetty: I have great pleasure in accepting it.

Mr. Speaker: The question is:

"That in sub-clause (3) of clause 42 of the Bill, for the words 'Gazette of India', the words 'official Gazette', be substituted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 42, as amended, stand part of the Bill."

The motion was adopted.

Clause 42 as amended was added to the Bill.

The Honourable Shri R. K. Shanmukham Chetty: At what stage should I move some of the amendments which I have?

Mr. Speaker: At the last stage. If it is possible for the Honourable Member, I might also suggest that, in view of the adoption of a new Section 35A as also the addition of some new sub-clauses and the deletion of some others, it will be necessary to re-number the clauses and to examine whether the references to the original sections are correct or not. And any amendments resulting therefrom could be moved during the Third Reading.

The Honourable Shri R. K. Shanmukham Chetty: That means it will not be possible for me to move the Third Reading today. But I do not think there is any difficulty in re-numbering because I have been carefully following the clauses.

Mr. Speaker: For example a new clause 35A has been added?

The Honourable Shri R. K. Shanmukham Chetty: Why not leave it as 35A?

Mr. Speaker: It does not look nice in a new legislation. One can go on adding like that in an existing legislation but it should not be so in a new enactment.

The Honourable Shri R. K. Shanmukham Chetty: Suppose I move a new amendment saying that all new consequential amendments may be added?

Mr. Speaker: Yes, that may be done.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I move.

"That for clause 11 of the Bill, as amended by the House, the following be substituted:

11. Term of office and retirement of Directors.—(1) A nominated Director shall hold office during the pleasure of the Central Government.

(2) An elected Director shall hold office for four years:

Provided that one out of the two Directors elected to represent the shareholders referred to in each of the clauses (c), (d) and (e) of section 10 shall retire at the end of two years after the first election; the Directors so to retire shall be determined by lot:

Provided further that an elected Director shall be required to continue in his office until his successor has been elected:

Provided further that a Director shall be eligible for re-election for not more than two full consecutive terms after the rotation of elected Directors has begun.

(3) A casual vacancy in the office of an elected Director shall be filled by election and a Director so elected shall hold office for the unexpired portion of the term of his predecessor:

Provided that no casual vacancy occurring within three months of the date of expiry of the normal term of office of an elected Director need be filled under this sub-section.

(4) Directors other than the Managing Director and not being servants of the Government, shall be paid such fees for attending meetings of the Board and if they are members thereof, of the Executive Committee, as may be prescribed.

(5) No act or proceedings of the Board shall be questioned on the ground merely of the existence of any vacancy in, or any defect in the constitution of the Board."

The House may remember that one point that arose for consideration was since the Directors nominated directly by the Central Government and nominated by the Board of the Reserve Bank were described as Directors, whether it would be appropriate to say that all these nominated Directors should hold office during the pleasure of the Central Government. So from a purely practical point of view as within a few months even the Reserve Bank will become a State Bank and therefore it is not necessary to attempt to differentiate these

[Shri R. K. Shanmukham Chetty]

two classes of nominated Directors, the best course would be to provide that nominated Directors of whatever category will hold office during the pleasure of the Central Government.

Mr. Speaker: The question is:

"That for clause 11 of the Bill, as amended by the House, the following be substituted:

"11. Term of office and retirement of Directors.—(1) A nominated Director shall hold office during the pleasure of the Central Government.

(2) An elected Director shall hold office for four years:

Provided that one out of the two Directors elected to represent the shareholders referred to in each of the clauses (c), (d) and (e) of section 10 shall retire at the end of two years after the first election; the Directors so to retire shall be determined by lot:

Provided further that an elected Director shall be required to continue in his office until his successor has been elected:

Provided further that a Director shall be eligible for re-election for not more than two full consecutive terms after the rotation of elected Directors has begun.

(3) A casual vacancy in the office of an elected Director shall be filled by election and a Director so elected shall hold office for the unexpired portion of the term of his predecessor:

Provided that no casual vacancy occurring within three months of the date of expiry of the normal term of office of an elected Director need be filled under this sub-section.

(4) Directors other than the Managing Director and not being servants of the Government, shall be paid such fees for attending meetings of the Board and if they are members thereof, of the Executive Committee, as may be prescribed.

(5) No act or proceedings of the Board shall be questioned on the ground merely of the existence of any vacancy in, or any defect in the constitution of the Board."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 11, as amended, stand part of the Bill."

The motion was adopted.

Clause 11, as amended, was added to the Bill.

The Schedule was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in sub-clause (2) of clause 1 of the Bill, for the words 'the Act', the words 'this Act', be substituted."

The Honourable Shri R. K. Shanmukham Chetty: I accept it.

Mr. Speaker: The question is:

"That in sub-clause (2) of clause 1 of the Bill, for the words 'the Act', the words 'this Act', be substituted."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 1, as amended, stand part of the Bill."

The motion was adopted.

Clause 1, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in the Preamble to the Bill, for the word 'long-term', the words 'long term', be substituted."

Mr. Speaker: Is it incorrect as it stands?

Mr. Naziruddin Ahmad: The hyphen is not necessary.

Mr. Speaker: It seems to be doubtful.

Shri K. Santhanam: It is an appropriate hyphen.

Mr. Speaker: Anyway the Honourable Member does not press it.

Mr. Naziruddin Ahmad: It is only a sign of union. Sir, I beg to move:

"That in the Preamble to the Bill, the word 'more', be omitted."

In the Preamble, it is said that "for the purpose of making medium and long term credits more readily available". If we say "readily available" it will serve the purpose. We need not be emphatic. In fact the Legislature may be too emphatic as whatever the Legislature says is always seriously meant. The word 'more' is to be used between friends where some seriousness is not implied. Here the word 'more' is absolutely unnecessary and may be omitted.

Mr. Speaker: Does it balance the further sentence "where normal banking accommodation is inappropriate. . .?"

The Honourable Shri R. K. Shanmukham Chetty: As it is, I think it is quite correct.

Mr. Naziruddin Ahmad: My next amendment is this, Sir:

"That in the Preamble to the Bill, all the words beginning with the words 'particularly in circumstances' and ending with the word 'impracticable', be omitted."

This is about making the declarations of the purpose of the Bill. The Bill clause is rather too emphatic.

Mr. Speaker: But I must say, having accepted the retention of the word 'more', the deletion of this becomes a rather very difficult proposition.

Mr. Naziruddin Ahmad: As we are generous in the use of words, let us be over-generous a little bit here also.

Diwan Chaman Lal: May I point out to my Honourable friend that this is a phrase which is employed in the Corporation Set-up in Great Britain where the same difficulty arises, namely, "where accommodation is not readily available from other sources," and it is for that purpose that this emphasis is laid.

Mr. Naziruddin Ahmad: I do not press my amendment, Sir.

Mr. Speaker: The question is:

"That the Preamble, stand part of the Bill."

The motion was adopted.

The Preamble was added to the Bill.

Mr. Speaker: There is an amendment by Mr. Naziruddin Ahmad to the Title of the Bill.

Mr. Naziruddin Ahmad: I understand it is not acceptable to the Honourable Minister. So I do not move it.

Mr. Speaker: The question is:

"That the Title stand part of the Bill."

The motion was adopted.

The Title was added to the Bill.

Shri K. Santhanam: Sir, I move that all the consequential alterations regarding numbering and lettering be made.

Mr. Speaker: I was just wondering whether this should be done at this stage or in the third reading stage.

Shri K. Santhanam: Just as you like, Sir.

Mr. Speaker: I think it would be better to have it done at the third reading, because there are some other verbal amendments going to be moved by the Honourable Minister at that time.

Mr. Naziruddin Ahmad: Sir, I want to make one suggestion for consideration at the proposed third reading amendment stage. In Clause 12, there are four sub-clauses (a) to (d). There is an 'or' between (b), (c) and (d) but none between (a) and (b). This is obviously an omission. I suggest that the word 'or' be added after the sub-clause (a) also.

Mr. Speaker: That will be a verbal change.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I move:

"That the Bill, as amended, be passed."

Mr. Speaker: Motion moved:

"That the Bill, as amended, be passed."

The Honourable Shri R. K. Shanmukham Chetty: Sir, I move:

"That in the proviso to sub-clause (5) of clause 4, of the Bill, for the figure and brackets '(6)', the figure and brackets '(7)', be substituted."

This is an error.

Mr. Speaker: The question is:

"That in the proviso to sub-clause (5) of clause 4, of the Bill, for the figure and brackets '(6)', the figure and brackets '(7)', be substituted."

The motion was adopted.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I move:

"That for sub-clause (6) of clause 4 of the Bill, the following be substituted:

"(6) If and when the remaining shares or any part thereof are issued, the Central Government and the Reserve Bank shall, and the institutions referred to in sub-section (3) of this section may, subscribe for such shares in the same proportion as for the first issue, and the provisions of sub-sections (4) and (5) of this section shall also apply to such shares."

Mr. Speaker: The question is:

"That for sub-clause (6) of clause 4 of the Bill, the following be substituted:

"(6) If and when the remaining shares or any part thereof are issued, the Central Government and the Reserve Bank shall, and the institutions referred to in sub-section (3) of this section may, subscribe for such shares in the same proportion as for the first issue, and the provisions of sub-sections (4) and (5) of the section shall also apply to such shares."

The motion was adopted.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I move:

"That in sub-clause (a) of clause 12, of the Bill, as amended by the House, after the words 'is a salaried official of the Corporation other than a Managing Director;' the word 'or', be inserted."

Mr. Speaker: The question is:

"That in sub-clause (a) of clause 12, of the Bill, as amended by the House, after the words 'is a salaried official of the Corporation other than a Managing Director;' the word 'or', be inserted."

The motion was adopted.

The Honourable Shri R. K. Shanmukham Chetty: Sir, I move:

"That the re-numbering and re-lettering of the Clauses and sub-clauses consequential on the amendments made by this House be carried out."

Mr. Speaker: The question is:

"That the re-numbering and re-lettering of the Clauses and sub-clauses consequential on the amendments made by this House be carried out."

The motion was adopted.

Mr. Speaker: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

DAMODAR VALLEY CORPORATION BILL

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power):

Sir, I beg to move:

"That the Bill to provide for the establishment and regulation of a Corporation for the development of the Damodar Valley in the provinces of Bihar and West Bengal, as reported by the Select Committee, be taken into consideration."

Sir, when this Bill was referred to the Select Committee in the last session, a comprehensive description of the whole scheme that has been contemplated and for which an agency called the 'Damodar Valley Corporation' has been evolved, was given by me. The Bill was welcomed here in the House unanimously, and to the extent to which I was able to ascertain public opinion as expressed in the various newspapers all over the country, and particularly from the Provinces of Bihar and West Bengal, I should say that this Bill has been well received.

The Select Committee, on which were representative members from West Bengal and from Bihar, has gone very carefully into the various provisions of the Bill, and has suggested a few modifications. As I stated in my speech while making reference to the Select Committee, it is our intention to make this Bill as model, as perfect and as grammatically correct as my Hon'ble friend Mr. Naziruddin Ahmad would have it, and yet it is possible that several amendments may be moved in this House. To those amendments, if and when moved, I shall certainly make suitable replies, but just now I want to give the House some idea as to the changes made by the Select Committee.

[At this stage, Mr. Speaker vacated the Chair, which was then occupied by Mr. Hussain Imam (one of the Panel of Chairmen).]

The first important change that has been suggested by the Select Committee is one which deals with the provision which has now been made for a Financial Adviser for this Corporation. In the original Bill there was no such provision;

4 P.M. it provided for a Treasurer to be appointed by the Central Government. The members of the Select Committee thought that this was going to be a Corporation, the first of its kind in this country, and the enormous task this Corporation will be called upon to perform was such as to justify the assistance of a financial adviser. From the provisional estimate as to capital expenditure that will be required for this scheme it appears that nearly 55 crores would be required; it is possible that this figure may go up when the work actually starts. But this is enough to show that when the scheme is completed the annual budget of this Corporation may be round about five to seven crores. If that is the position it is only meet and proper that this Corporation should have—so to speak—an expert in financial matters. It is not the idea of the framers of this Bill—certainly it was not the idea of the members of the Select Committee—to create impediments or to give opportunities for red-tapism or create scope for delay in the normal and day-to-day work of this Corporation. It is only fair to the taxpayer of this country who will be in the first instance asked to supply this huge amount of Rs. 55 crores or thereabout that he should at least have some confidence that the finances of this Corporation are well looked after.

The general principles on which this Corporation will have to work are that for all purposes it is going to be an autonomous body, that it will be free—within the framework as contemplated in the provisions of this Bill—to manage the affairs of the Corporation. There is only one limitation—and the House will agree that it is a very good limitation—that in matters of policy the Central Government will have the final voice. That provision was already in the Bill. Indeed the provision for the financial adviser is only carrying out what was implied in the said provision. I want to assure this House—because I find that two members of the Select Committee have shown their disagreement with respect to this particular provision—that there is not the slightest intention

[Shri N. V. Gadgil] to create any difficulties in the smooth working of this Corporation. I therefore want to bring to the notice of this House that this provision is salutary; it is in the best interest of the Corporation, a sort of safeguard for the taxpayer and to give sufficient faith for him that whatever he has contributed for the successful working out of this scheme will be well spent.

Then the second important change that has been introduced by the members of the Select Committee is about the Corporation being subject to central taxation. Originally there was no provision; in fact the provision was that this Corporation should be exempt from any central taxation. Now this was a matter of very high importance from several points of view. In fact while the Bill that has just now been passed was under discussion this very issue was discussed fairly sufficiently, and I do not want to take the time of the House by going over the same grounds which have been covered by my Honourable colleague the Minister for Finance. There are undoubtedly two views held with equal sincerity, and sometimes when two experts disagree it is very difficult for a layman like me and many others in the House to find what the better course is. In such circumstances I have always believed that the best guide is one's common sense. We have followed a policy in which wherever the State, whether in the centre or in the provinces, enters upon commercial undertaking, whether it should or should not contribute to the revenue is a question which must be decided not dogmatically but in the context of circumstances existing on the relevant occasion. Today, Sir, the Central Government has the monopoly of railway transport; it has the monopoly of posts and telegraphs and telephones. It is possible that in future years to come the State activities will embrace more and more fields; but we cannot immediately accept a position in which there will be no taxation whatsoever and services will be admissible to every citizen free, or probably on the payment of cost. But until such a millenium comes it is only practical wisdom that we should move cautiously and not bring into trouble the financial system of the country. Therefore after giving a good deal of thought the members of the Select Committee—and on this point there was unanimity—came to the conclusion that the Corporation should be subject to central taxation whatever be its nature. The opposite view was that if this is done the provinces are deprived of their legitimate share. So far as the activities of this Corporation are concerned, by broad categories they may be said to embrace irrigation and generation of power. So far as irrigation is concerned, it is a provincial subject and even electricity is a provincial subject. Irrigation dues are recovered by the provincial Governments and they will be recovered by the provincial Governments even under this scheme. As regards electricity the sales tax is already there. Quite a large proportion of the selling price of electricity is consumed by the sale tax. Having given both the provinces their dues, it would be only fair if the Central Government claims just a little. After all, whatever the Central Government gets by way of income-tax, they have a partner in that business also. Under the provisions of the Government of India Act as it stands today, if the yield from the income-tax from all sources is above a certain figure, then it is shared by the Central Government along with the Provincial Governments. So if this Corporation is made subject to income-tax it is not going to work any hardship. But at the same time it will have a good feature about it, namely, that the affairs of the Corporation will be conducted on sounder and commercially acceptable principles. If we are to leave the Corporation with the autonomy which we have contemplated for it, then probably the budgetary position which may be made available may not be exactly in compliance with ordinary commercial standards. Therefore, taking every point of view into consideration, this important change has been suggested by the Select Committee and I have no doubt that this House will accept it.

Then another important change that has been suggested by the Select Committee is about the presentation of the annual budget and the annual report, not only to the Central Legislature but to the Legislatures of both the provinces concerned. It is just possible, Sir, that the affairs of this Corporation may evoke certain criticism and if we did not make any provision by way of a forum where such criticism can be ventilated, that state of things would not be such as ought to exist in a democratic Government. The original provision was that the annual budget estimates and the annual report should be kept on the table of the Central Legislature, questions could be asked, information solicited and possibly even resolutions could be moved. Now it is possible, Sir, that the Members of the Central Government may not be so much interested in the affairs of this Corporation as may be the members of the local Legislature of Bihar or Bengal. Naturally they will be much nearer the activities of this Corporation and this point of view was appreciated by the Members of the Select Committee and a provision has now been made under which copies of the annual budget and report will be laid not only on the table of the Central Legislature but as well as on the tables of the provincial Legislatures.

Then another provision, somewhat important, has also been made. In the original Bill provision has been made for the removal of members under certain specified circumstances. We are moving on the assumption that these three persons—two Members and the Chairman who will constitute this Corporation—will act up to the high ideals which we hope are absolutely necessary in order to work up this scheme, a scheme which is going to bring prosperity to nearly fifty lakhs of people and to two provinces. But it is possible that either owing to political pressure or other influences, or circumstances which we may not be able to visualise now and here, they may not discharge the duties, they may not carry out the functions or the directions of the Central Government. What then? Therefore, a provision has been made, although in the report itself, it is in somewhat wider terms described, still I am prepared to accept certain amendments. The provision will be that the two members and the Chairman should be removed in those circumstances and replaced by others. And, Mr. Chairman, you will agree that this is a salutary provision and a safeguard that is absolutely necessary in the circumstances which I have just retailed.

There are other minor suggestions of no great consequence, but which have been suggested in order to make the whole thing complete and cohesive.

I hope that this House will pass this Bill because already five years have been lost in thinking, in putting it on paper, in revising, doing this, that and the other. Already, Sir, in anticipation, some work has started. How urgent is the scheme has been described by me when I made a speech while referring this to the Select Committee. I gave figures as to the additional acreage that will be brought under irrigation, as to the kilowatts of power that will be generated, the fish culture and all other advantages. The sooner we pass this Bill, the better it will be as an encouragement to those of us who are determined to see this through. In fact, I should think destiny is beckoning the members of Bihar and Bengal, and asking them to have the progress of this Bill made quicker.

As I find from the paper, the amendments are far more numerous than the tributaries of the Damodar itself. But in the case of the Damodar River tributaries, they contribute wealth and happiness. But I wish I could say that of all the 120 amendments that have been tabled. I have no desire to belittle the efforts and pains taken by those who have drafted these amendments. I have every respect for them but let not grammar dominate the sense and meaning of the sentences. I therefore appeal to every member of this House to co-operate with me by moving only those amendments which I am advised to

[Shri N. V. Gadgil]
accept by those who are going to work this Corporation. That is all I have to say, Sir. Sir, I move.

Mr. Chairman: Motion moved:

"That the Bill to provide for the establishment and regulation of a Corporation for the development of the Damodar Valley in the provinces of Bihar and West Bengal, as reported by the Select Committee, be taken into consideration."

श्री रामनारायण सिंह : सभापति जी, मैं अपने दोस्त माननीय मिनिस्टर एन० वी० गाडगिल साहब को हृदय से बधाई देता हूँ और इस बिल को स्वागत करता हूँ। सभापति जी, जब से यह महान् सभा भवन है, मैं तब से ही इसका सदस्य हूँ बीच २ में जेल यात्रा तो करनी पड़ती थी, लेकिन इसके अलावा बराबर से इसका सदस्य हूँ। इसके अन्दर बहुत से कानून बने और बहुत से बिगड़े। यहां तक कि एक सरकार गयी और दूसरी सरकार आई। बहुत २ बदल बदल हुए। लेकिन मेरे अपने जीवन और इस सभा भवन के इतिहास में यह पहला दिन है, जिस दिन मैं हृदय से इस बिल के लिये बधाई देता हूँ और यह कहने को तैयार हूँ कि यह एक ऐसा मस्विदा है, यह एक ऐसा बिल है जो देश का और राष्ट्र का सच्चा हित करेगा। मेरे कहने का यह मतलब नहीं है कि जितने और बिल और कानून पास होते थे, बेकार होते थे, लेकिन मेरे कहने का यह मतलब जरूर है कि सरकार चलाना एक बात है, सरकार की रक्षा करना दूसरी बात है, लेकिन देश के लोगों के सच्चे हित के लिये काम करना दूसरी बात है।

सभापति जी, जैसा हमारे मन्त्री महोदय ने कहा है यह प्रश्न बिहार और बंगाल का है, इतना ही नहीं, बल्कि बिहार के उस हिस्से का सवाल है जो छोटा नागपुर कहलाता है। छोटा नागपुर भी उस जिले की बात है जो मेरा जिला है। तो यह किसी जिले के लिये हो, किसी सूबे के लिये हो, वह दूसरी बात है। लेकिन यह जरूरी बात है कि सारे देश का इसमें बहुत बहुत भला है।

आप जानते हैं और सारा देश जानता है कि इधर कई वर्षों से खासकर जबसे लड़ाई शुरू हुई थी और अब लड़ाई खत्म होने के बाद देश में अन्न कष्ट कितना हो रहा है। मैं कहता हूँ कि ऐसे २ प्रोग्राम और ऐसे २ कार्य हमारे देश में हों तो ऐसे कार्यों से देश का कितना लाभ हो। और मैं जो दूसरे २ देशों में भिक्षा भंग की तरह यहां के लोगों के लिये अन्न और भोजन के लिये भिक्षा मांगता था, तो ऐसे कार्यों से इसके बदले में अनुज और कई चीजें हम खुद बाहर भी भेज सकेंगे और बाहर के लोगों की मदद भी कर सकेंगे।

मेरे कहने का मतलब खासकर यह है देखिये सरकारी बजट जब २ आता है और हम लोग देखते हैं कि उसमें अमुक २ डिपार्टमेंट्स के लिये कितना २ रुपया खर्च होता है, लेकिन देश के हित के लिये जो सच्चा काम है, उसके लिये अब तक देश का ऐसा दुर्भाग्य था और सरकार भी ऐसी थी जो देश का सच्चा हित किसमें है, इस पर विचार नहीं करती थी। लेकिन अब तो अपनी सरकार है। और इसका सबसे पहला ध्यान ऐसे २ विषयों में देना चाहिये जो हमारे देश के लिये जरूरी हों। यह तो शुरू का काम है। ऐसे २ काम हजारों की तादाद में करने हैं। और इसके लिये रुपयों की कमी नहीं हो सकती है। इसके लिये रुपया हो जायगा। इसके बहुत २ लाभ हैं। अन्न पैदा होगा और जहां २ यह कार्य हो रहा है, कार्य हो जाने के बाद बहुत सी बिजली पैदा होगी जिससे बहुत व्यवसाय बढ़ेगा और बहुत लाभ होंगे।

एक बात मैं भाई गाडगिल साहब से कह देता हूँ जिसके बारे में पहले भी कुछ बात-चीत हुई थी। वह बात यह है कि इस कार्य में बहुत सी जमीन लेनी होगी। और बहुत जगह बहुत से लोगों को हटाना पड़ेगा। यह तो राष्ट्र के हित के लिये कार्य है, इस वास्ते यह काम करना ही है, लोगों को तकलीफ तो होगी ही। लेकिन इसको ऐसी नीति के साथ करना चाहिये, ऐसी खूबी के साथ करना चाहिये जिसमें व्यर्थ लोगों को तकलीफ न हो। मिसाल के लिये मैं कहता हूँ कि यह काम ऐसा है कि कहीं कहीं तो सारे मौज्जा का मौज्जा ले लिया जायगा और कहीं २ सारे मौज्जा का मौज्जा पानी में डूबेगा। वहां के लोगों को हटाना है। इस कार्य के लिये यह जमीन कानून के जरिये लेली जायगी, लेकिन यह जमीन लेने से पहले यह होना चाहिये कि इन लोगों को रहने के लिये दूसरी जगह जमीन देनी चाहिये और रुपया दिया जाय ताकि वह लोग अपने मकान बनाने का प्रबन्ध करें और उन्हें रहने की तकलीफ न हो। और उनको जमीन जोतने का कष्ट न हो, तभी इस कार्य की खूबी होगी यह ठीक है कि बहुत से लोगों को सुख देने के लिये यह कार्य किया जाता है, लेकिन साथ ही साथ इसके करने में किसी को व्यर्थ कष्ट न हो और वह उनका निवारण कर सकें और उसको दूर कर सकें। ऐसा यदि हम कर सकें तो हमारे लिये बड़ी योग्यता की बात होगी। इस वास्ते मुझे बहुत ज्यादा कुछ कहना नहीं है मैं तो केवल इसका हृदय से स्वागत करने के लिये खड़ा हुआ हूँ। लेकिन मैं मन्त्री महोदय से इतना जरूर कहना चाहता हूँ कि इस कार्य के करने में पूरी कोशिश करते रहें ताकि किसी एक आदमी को भी व्यर्थ कष्ट न हो। यह कह कर मैं समाप्त करता हूँ।

(English translation of the above speech.)

Shri Ramnarain Singh (Bihar: General): Mr. Chairman Sir: I heartily congratulate my friend Honourable Shri N. V. Gadgil and I welcome this Bill.

Sir, since the inception of this Assembly I have been its member. But for the period of my incarceration I have been regularly attending the Sessions of this House. Many a law were enacted here and many were repealed. So much so that this Assembly has seen the end of one era of Government and the beginning of another. Many changes have taken place. But during my life time and the history of this Legislature this is the first day when I give my warmest greetings to the introducer of a Bill and when I am prepared to say that this is such a draft or a Bill which will benefit the country and the nation in the real sense. I do not mean that all other Bills that were passed and all other laws that were enacted were useless, but I do mean that it is one thing to run a Government and another to protect it, but it is altogether a different thing to work for the real good of the people.

Sir, as our Honourable Minister has said, this thing pertains to the provinces of Bengal and Bihar. Not only that but it is a question which concerns a part of Bihar known as Chhota Nagpur. Rather it is about that District of Chhota Nagpur to which I belong. It is a different matter whether it concerns this district or that, one province or another, but I must say that the Bill aims at doing good to the whole of this country. You know it and the whole nation knows it, that for the past so many years, particularly since the beginning of war, and even after its termination, the country has been passing through the travails of food scarcity. The inauguration of such programmes and works will, I am sure, go a long way in doing immense good to this country. I have been begging other countries for food for my countrymen; but Bills of this kind augur well for us and instead of importing we will be in a position to export to other countries food and diverse other things and will also be able to help the people of other countries. I have particularly to say that Budgets have been presented by the Government from time to time and we have been witnessing the funds allotted to different Departments, but it has been a bad luck for this country that it had such a Government which did not care much for the benefit for our motherland and failed to do good to the country in the real sense. But we have a popular Government today, and the first attention that this Government ought to pay would be to such matters as are vital for India. This is just a beginning. Many more such tasks have yet to be accomplished, and there can never be a lack of funds for them. We have ample funds for this purpose. This will be very useful; food will be grown and there will be a production of electricity at places where this work is being done. This will increase our income and benefit as in many other ways. Let me say one thing to my friend Honourable Shri Gadgil. We have already talked about it. It is this. This work will require vast land. Consequently many persons will have to surrender their lands to the Government. This is a work for the national welfare. It has to be done. People will no doubt be put to some difficulties but our policy in handling this work should be such and we should do it in such a nice way that people are not put to unnecessary troubles. Let me say, for example, this is such a work as will require villages after villages, and some times the whole of the village will go under water. The inhabitants of these places will have to be removed from there. This land will be acquired by means of law; but before acquiring it we should provide its owners with land elsewhere to live upon and with money so that these men may be in a position to construct houses for themselves and have not to face difficulties of accommodation, and tilling of land. Only then this work will be praise worthy. This is true we work here for the good of the masses but along with that we should also see that people do not suffer unnecessary privations and are enabled

to put an end to them. If we can do that it will prove our ability. I have therefore, not to say much. I only stood up to welcome this Bill heartily but I must say to the Honourable the Minister that he should not slacken his efforts so that not a single person has to bear any unnecessary inconvenience. With these words I close.

Shri B. Das (Orissa: General): Sir, I join my Honourable friend Mr. Ram Narayan Singh in felicitating my Honourable friend Mr. N. V. Gadgil for the first fool-proof development measure which he has brought before this House. The other day I was a little disappointed when I asked a question of the Honourable the Prime Minister about the action taken on the report of the Advisory Planning Board and I understood from his reply that the various ministries are taking the necessary action. We have no planning minister and at that time we understood that the Prime Minister was the Planning and Development Minister. But today I find my Honourable friend Mr. Gadgil has become the *de facto* Development Minister by sponsoring this first development measure. I hope he will bring similar other development projects before us and I wish him in advance all success in his development proposals. Sir, I entirely agree with the observations made by the Honourable Minister as to the salutary changes brought about in the Bill by the Select Committee. I felicitate the members of the Select Committee for the most businesslike way in which they have devoted their attention on this matter. I did criticize at an earlier stage the drafts of various clauses, but today all my objections have gone except one in regard to which I have tabled an amendment and on which I will speak at a later stage. I do hope, after what my Honourable friend Mr. Gadgil has said, the two dissentients to the institution of a Financial Adviser for the project will be convinced that the Financial Adviser is not an obstructionist but rather helps in national economy. In any new measure we are introducing in India in line with the Tennessee Valley Project where hundreds of crores of rupees were spent—under the Damodar scheme it is a modest fifty-five crores of rupees, but for a poor nation like India that is a huge sum—strict financial control is necessary. Apparently my Honourable friend Mr. Gadgil gave out that there has been difference in ideology about financial investment and taxation policy in the Cabinet; we also find that in this House we differ from one another. The present method by which every project—Central or Provincial—has to pay income-tax is the right approach to the taxation policy of India. I also agree with my Honourable friend Mr. Gadgil that the Provincial Governments—of Bihar and Bengal in this case—will share the amount of income-tax that will accrue to the Centre in this behalf. If I have read aright the Report of the Financial Committee that is advising the Constituent Assembly, the Provinces will now get more share of income-tax and corporate tax than they used to get.

Sir, I welcome the redraft of clause 18. It is a much better draft than the previous one.

I also welcome the redraft of clause 12 relating to the functions of the Corporation where, as I pointed out in my previous speech, the draft was incomplete. The present draft is much more welcome and I accept it.

I welcome the provision that the budget of the Corporation will be laid on the floor not only of this House but of the two Provincial Legislatures concerned. I do hope that the salutary practice will be introduced in this House and in the two Provincial Legislatures that Members of all the three Houses will take interest and discuss the budget provisions of the Damodar Valley Corporation expenditure.

The other provision I welcome is that the Annual Report will be laid before the Dominion and Provincial Legislatures. I do hope members of the Provincial Legislatures and members of this House will take intelligent interest in those Reports and raise discussions so that there should be neither extravagance nor mistakes repeated.

708. CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE) [10th FEB. 1948]

[Shri B. Das]

A few minutes ago this afternoon we passed the Industrial Finance Corporation Bill. There in the last clause—clause 42—we have said in sub-clause (3) that “all regulations made under this section shall be published in the *Gazette of India* and shall come into force on such publication and shall also be laid on the table of the Legislature”. The only omission I find in the Report of the present Select Committee is this. In clause 59 of the Damodar Valley Corporation Bill it has not been laid down that all regulations made should be laid on the table of the Legislature. I have tabled an amendment for this purpose and I hope the Honourable the Minister will see the justice and equity of that demand of mine. I do hope that in every legislation that Free India Government makes hereafter there will be similar clauses and that different Acts will not contain varied provisions.

Sir, although we had been stressing on the inclusion of the provision for rules and regulations our past experience has been very bad. Rules have been framed not by the Government but by the departmental bureaucracy. The “Honourable Member” of the past merely put his signature and sometimes such rules and regulations had worked adversely and against the Act under which they were framed and also against the national sentiments and principles of the people. But here the Government is our national Government, and the Government and we are all one. It is fair they are allowed to make rules and regulations which they publish in the official Gazette and also lay on the table of this House so that the members, if so minded, can raise a discussion on it if they find the draft is not in the spirit of the Act or does not conform to what was in the mind of the members when the Act was passed.

With these remarks I wholeheartedly support the Bill. I hope it would soon come into operation and that in three or four years we will see its effect in the Damodar Valley area. Whether it will immediately enable the areas to produce wheat and everything which my Honourable friend Mr. Ramnarayan Singh expects it to produce. I have my own doubt as to whether the Damodar Valley area can produce wheat. But I do hope it will remove the flood horrors and the terrors to the fifty lakhs of people that inhabit that area and rehabilitate those people who will be displaced, particularly the *Adibasis* who are children of nature and who should not be allowed to be reduced to slum condition of living to which we people are accustomed. I do hope that whatever is done, the displaced persons of the hills and forests who are mostly tribal people and who have been living in those areas for tens of thousands of years will be allowed to live under similar conditions as they are living under now; they should not be ‘civilized’ under our conception of civilization!

Mr. Naziruddin Ahmad (West Bengal: Muslim): Sir, I unreservedly and wholeheartedly congratulate the Honourable Minister for being the author of one of the monumental legislations of our times. My Honourable friend the Minister has very politely referred to the dissentient notes which I and another Honourable Member of the House, Mr. Jaipal Singh, had put in. I can assure the Honourable Minister from the bottom of my heart that it was not done in a spirit of obstruction or in a spirit of criticism but in a constructive spirit. Whatever may be the decision of the Honourable Minister on the points on which we differ, whatever be the views of this House, I can assure the House that our attitude was actuated by genuine necessity and high principles.

An Honourable Member: You will not press them, I think?

Mr. Naziruddin Ahmad: With regard to some of the principles for which I shall contend, it is suggested that I will not press them. They are not all amendments merely of a drafting nature. They are mostly substantial and vital.

It is well to realise what tremendous injustice was being perpetrated over a period of 90 years to the people of Burdwan. In fact the flood havoc which began over a long series of years was due to the installation of the East Indian Railway in the fifties of the last century. For the protection of the railway, which lay at about a distance of a mile from the left bank of the River Damodar, a big embankment was erected. That was about 90 years ago and at that time several engineers predicted that this would mean the ushering in of a series of recurring floods and other disasters, but they were overruled. Its obvious result was that all the water was allowed to pass over the right bank and was for a long series of years devastating a large tract of land. The other mischief was that there was no regular outlet to the river Hooghly where the Damodar and the Hooghly meet. That was again for the protection of the shipping interests of European concerns which dominated at the time. Large quantities of sand and silt would otherwise accumulate in the Hooghly river necessitating costly dredging operations. The Damodar had thus no free outfall on the river Hooghly and the left bank was strongly guarded in the interests of the railway which was then held by a British-owned company. Owing to these two factors considerable silt and sand which were washed down from the hills of Bihar annually accumulated on the bed of the river and on a large tract of land, rendering it in the end completely unculturable. The bed of the river was being raised by the deposits and ultimately it was found that it was eight feet above the level of the town of Burdwan, and the result was that in 1920 water rose to such a level that the left bank gave way and a large part of the town and as a large part of the railway was washed away, and absolutely tore off the steel rails of the East Indian Railway. The people of Burdwan cried for relief. Some remedy was asked for. But what did the Government do? They strengthened the embankment and raised it 3 feet higher. The result was that more silt and sand accumulated on the river bed. The river bed rose higher and in 1935 nature had its revenge again and the embankment on the left broke again and a large part of the town was again submerged and washed away. We were crying all along for relief. Then some sort of patch-work was again resorted to and in 1943 we had another breach creating a serious state in the war transport. The rush of water washed away a large part of the Grand Trunk Road, broke away a large part of the double line of the East Indian Railway, and stopped communication altogether. That drew the attention of the military authorities. Military necessity drove them to look into the matter more carefully—it meant a tremendous set back to the war effort: the whole military traffic and others had to be diverted to various other channels and this meant a great deal of delay and expense. Fortunately the American authorities were there. They were familiar with the Tennessee Valley Scheme and experiments began, and as a result we have now the crowning achievement the culmination of our hopes in the shape of the present Bill. The conditions of the people of Burdwan should be visualized in this context. On the right bank it was a case of annual floods. Men women and children had to live on house tops. Sometimes houses were washed away. They climbed on to trees, and even trees were sometimes submerged in water leaving them no escape. It was only when the left bank gave way the people on the right bank sighed in relief. In the *Ayeen-i-Akbari* the district of Burdwan is reported to have been the most advanced in agriculture on account of its river system and its tributaries and numerous water channels. On account of the embankment on the left bank, those water channels were absolutely closed and irrigation stopped. There was some cess levied called the *phulbandi* tax and that was a tax to enable the government to maintain water channels. When the Damodar embankment was constructed, these channels were closed and it was contented that the *pulbandi* rents should be remitted, but they were not remitted, and so a most fertile district in the whole of India has become malarious and its

[Mr. Naziruddin Ahmad]

lands desolate. By this measure you are doing us belated justice for which the people of Burdwan would be grateful. Now, Sir, in these circumstances the question of taxation should require thorough consideration in the light of the facts which I shall state more fully later on in detail. My Honourable friend the Minister has given a polite hint that the interests of grammar should not be allowed to interfere with the sense.

Shri H. V. Kamath (C. P. and Berar: General): It should not dominate.

Mr. Naziruddin Ahmad: I do not see why the sense should dominate or the grammar should dominate. I think there should be a perfect harmony between sense and grammar and practical considerations. Considerations of grammar do not obstruct the sense and require only a little attention to details. The Honourable Minister may look into questions of draftsmanship and succeed in producing a model legislation which should be better than its predecessors. We have only today passed a Bill with more than 30 amendments of a drafting nature which cured a large number of grammatical irregularities. This does not show the Administration to the best advantage. In fact clerical errors of the most glaring type are only too apparent in recent Bills. The attempt to submit amendments is due to a desire to avoid all this bad draftsmanship. In fact whenever there is a bad Act, the entire Legislature is abused.

An Honourable Member: Otherwise you will be jobless.

Mr. Naziruddin Ahmad: Of course bad legislations give jobs to lawyers for which the lawyers should be extremely grateful. The few Bills which we have passed will certainly give them big jobs; there will be plenty of room in the clauses for difference of opinion and litigation. But so far as this Bill is concerned, as it is based on the model of the T. V. A. scheme, I think its draftsmanship should be on a par with its illustrious predecessor. I beg to submit that so far as improvements in draftsmanship are concerned, some work was done in the Select Committee Stage. I sent in a large number of drafting amendments to the Select Committee. It appears—I am not going to say what happened in the Select Committee—but I find only a few of them have been accepted. All that I say is that the Select Committee instead of giving full consideration to them was in evident haste. Wherever amendments have been accepted, they have been accepted in a most perfunctory manner; in order to remove one mistake another mistake has been committed, as I shall have occasion to point out later on. I submit that a consideration of these drafting points should not be taken as a dilatory measure.

I submit that drafting is a matter of great importance. I can speak with long experience—experience of over 34 years—in the practice of law. We have had experience of a large number of Acts—the entire Statute laws from 1793 onwards and even from before. Mistakes which abound in recent Bills were never traceable in those enactments. There were no mistakes of any kind whatsoever; they were extremely carefully done, they were models of good English, good grammar, and good sense. I do not see why an attempt to effect a combination of good English, good sense and good Act should be regarded as dilatory and why the Honourable Minister should consider it necessary to appeal to the Members.

Shri H. V. Kamath: On a point of order, Sir. The Government Benches are empty.

Mr. Chairman: The Honourable Minister is there.

Mr. Naziruddin Ahmad: The Honourable Minister has turned his back to us.

Mr. Chairman: Order, order. The Honourable Minister should be in his seat.

Mr. Naziruddin Ahmad: I beg to submit with great respect that generous as the Honourable Minister is, he should not grudge any attempt to amend the Bill, to improve its diction and grammar, and regard it as a dilatory measure. In fact, he has already destroyed a large part of his argument of delay by his declaration that the work is in progress, that it has been undertaken in anticipation. No one in the House would obstruct the Bill or delay action. Action is in progress; therefore, I submit with respect that a consideration of the Bill cannot be regarded as a dilatory measure or as in any way delaying the construction that is in progress. Where we differ is not much in the essentials of the Bill but really in the diction and our attempt in removing glaring errors.

Then with regard to the text, as the Honourable Minister has kindly said, there are honest differences of opinion. It is on those differences that there is some likelihood of any debate; but as regards other matters there will be no long debate. With regard to drafting improvements for which I am accused, they will all be of a simple nature; they will be moved and in case the Honourable Minister is not in a position to accept them, of course, they will not be pressed unless their nature require them to be pressed. I have found from experience in this House that a long list of errors pointed out have been ignored on the ground that notices were received too late. It has been the lot of the poor printer to take all the responsibility for bad drafting. I am in a position to show without doubt that the printers were the least responsible in this respect. What were the staff doing?—Those who are the proof-readers? Why did they not correct the proofs? It is the experience of publicists accustomed to deal with printing know that printers make mistakes; there is the printers' devil, as we say. But it is the duty of the proof-correctors to correct the proofs very accurately and very meticulously. They are however really proof against corrections themselves. The points where we differ will not delay matters but will rather improve matters.

Sir, I do not wish to delay the House any more. With these few words, I submit that the House would take not merely the solid principles of the Act but also the language, the structure and everything that will go to make the Bill a monumental statute befitting an Independent Legislature, by its diction, its grammar as well as by its sense.

Shri Arun Chandra Guha (West Bengal: General): Mr. Chairman, Sir, I wish to welcome the Bill and congratulate the Honourable Minister, Mr. Gadgil. The Bill as it was first presented to the House and as it emerged from the Select Committee—between these, there has been some changes and some improvements. The Honourable Minister has pointed out some of the improvements and there are also other changes made in the Select Committee. One important change made by the Select Committee but which, as far as I recollect, has not been mentioned by the Honourable Minister, is the appointment of Advisory Committees. In the original Bill the appointment of Advisory Committees was exclusively in the hands of the Corporation; now it has been taken over practically by the Central Government under its rule-making powers. Also the regulation-making powers of the Corporation have been subjected to the consultation of the Central Government. In addition to this, the appointment of a Financial Adviser and his functions and duties—all these are to be settled by the Central Government,—has also been provided by the Select Committee. It may appear that the Select Committee has tried to curb the autonomy of the Corporation. But in fact this is not the case. This Bill, as is well known, is rather in imitation or rather on the lines of the T.V.A. In the T.V.A. we find the American Congress has lots of authority to scrutinise the activities of the Administration there. Here also the tax-payers will have to spend about fifty crores or more and yet the representatives of the tax-payers would have had no

[Shri Arun Chandra Guha]

authority to criticise; so the Corporation has been subjected to the healthy criticism and scrutiny by the Central Legislature and by the Central Government.

As for the purposes of the Corporation and its scope, the three main purposes are flood-control, irrigation and generation of electricity; besides, there are some other minor purposes which will benefit the entire Provinces of Bengal and Bihar. The portions of Bengal and Bihar to be covered by this Corporation are poorer than the other parts of Bengal and Bihar. Agriculturally, these are the two most backward areas; the river system has almost been silted up; there is hardly any irrigation and there is hardly any industry also. It is expected that by setting up this Corporation both the provinces will benefit immensely; not only that, portions not covered by the Corporation

are also expected to benefit. Besides the area covered by this Corporation, there will be areas of operation which will be settled by the Central Government, and in this areas some of the functions of the Corporation will operate. This will give benefit to other parts and wider parts of the two provinces.

As my Honourable friend Mr. Naziruddin Ahmad pointed out, the Damodar was notoriously a turbulent river and it has created havoc in Bengal. The 1943 famine, though primarily due to the deliberate policy of the British imperialists for their war purposes, was also partly due to the floods of the Damodar and other adjacent rivers in previous years. Those parts of Bengal have repeatedly suffered from the floods of the Damodar and other rivers of that area.

Shri. H. V. Kamath: On a point of order, Sir. It is already more than 5. If the Honourable Member will take long, he may continue his speech tomorrow.

Mr. Chairman: That is what I wanted to ask him too.

Shri Arun Chandra Guha: Sir, I shall take a few more minutes. Therefore, I shall continue my speech tomorrow as suggested.

Mr. Chairman: The House will now adjourn till 11 A. M. tomorrow.

The Assembly then adjourned till 11 A.M. on Saturday the 14th February 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Saturday, 14th February, 1948.

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

STARRED QUESTIONS AND ANSWERS

ORAL ANSWERS

ISSUE OF IMPORT AND EXPORT LICENCES TO CO-OPERATIVE MARKETING SOCIETIES OR FEDERATIONS

†276. ***Prof. N. G. Ranga:** Will the Honourable Minister of Commerce be pleased to state:

(a) whether Government have adopted any policy for giving precedence to Co-operative Marketing Societies or Federations in granting licences either for imports of industrial goods or for exports of our raw or processed products including oils with a view to encourage co-operative marketing and thus eliminate middlemen's profits;

(b) whether any licences have been granted to any of the Co-operative Societies and if so, to how many societies and in what provinces; and

(c) whether it is a fact that the Guntur District Marketing Federation (co-operative) has applied for such a licence to export groundnut oil to Burma and Ceylon and whether it is proposed to encourage this co-operative enterprise?

The Honourable Mr. C. H. Bhabha: (a) Government are prepared to recognise the prior claim of co-operative marketing societies and federations to a share in the import and export trade provided they are in a position to fulfil the conditions prescribed for eligibility to receive quotas in respect of the commodities concerned.

(b) The information readily available with Government discloses that in the second half of 1946 the Assam Provincial Co-operative Textile Society Limited was granted an *ad hoc* licence for export of 250,000 yards of handloom cotton piecegoods to Burma. The Madras Handloom Weavers Provincial Co-operative Society were also recently granted an *ad hoc* licence for export of 3,750 bales of handloom cotton piecegoods. They were also granted a licence for the import of dyes.

(c) No application in the manner prescribed by the rules was received from this Federation who have however now been advised as to the correct manner in which such applications should be made in future.

EXPENDITURE ON FOREIGN EXPERTS FOR SURVEYING HIMALAYAS.

277. ***Shri Deshbandhu Gupta:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state whether it is a fact that in February, 1947 ninety-nine foreign experts were employed by the Government of India on salaries ranging from Rs. 800 to Rs. 4,000 p.m. for surveying the Himalayas and that one of these experts known as "Snow Surveyor" received an allowance of \$600 per month plus actual hotel expenses?

(b) If so, what was the total expenditure incurred by Government on the survey and what are the results achieved?

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

The Honourable Shri N. V. Gadgil: (a) Only one foreign expert was employed by the Government of India in connection with snow surveys in the Himalayas. He was employed for a period of 4 months and was granted an honorarium of 600 dollars per mensem plus actual hotel expenses during his stay on duty under Government.

(b) The total expenditure on the expeditions was about Rs. 98,000. Half this amount was spent on equipment which would be useful in future for such expeditions. The first expedition was in the Kesi catchment for reconnaissance purposes upto about 16000' above mean sea level and was led by an officer of the Central Waterpower, Irrigation and Navigation Commission. The second and third were in Sikkim States in Teesta catchment for selecting snow courses upto a height of 15000 feet above mean sea level and were led by Dr. Church, President of the International Snow Surveys. The fourth one was along the Sikkim-Nepal border upto 16000 feet and was also led by Dr. Church. The expeditions included officers from different Departments of the Government of India, interested in this science. These expeditions explored and established the possibilities of snow survey in the Himalayas, which would enable a fairly accurate forecast to be made of the amount of water likely to come down into the rivers as a result of snow melting. This forecast would provide data of great value to engineers for schemes of Irrigation and hydro-electricity.

Shri Deshbandhu Gupta: Was the attention of the Honourable the Minister drawn to a news item appearing in one of the local English dailies giving the figure of ninety-nine foreign experts?

The Honourable Shri N. V. Gadgil: It is 98 per cent. false.

RECOGNISED TRADE UNION ORGANISATION

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

(a) the names of the Trade Union Organisations recognised by Government; and

(b) the membership of these Unions and the number of supporting unions affiliated to them?

The Honourable Shri Jagjivan Ram: (a) and (b). I presume the Honourable Member requires information regarding the unions of employees of the Central Government which are recognised by the Government of India. This information is being collected and will be laid on the table of the House in due course.

ANTI-INDIAN PROPAGANDA AND PROTECTION OF INDIANS IN IRAN

279. *Shri Damodar Swarup Seth: Will the Honourable the Prime Minister be pleased to state:

(a) whether it is a fact that on the 11th January, 1948 there was a demonstration in the Iranian Capital demanding declaration of a holy war against Indians; and

(b) whether Government have taken steps to counteract the anti-Indian propaganda in Iran and whether they have drawn the attention of the Government of Iran to take necessary measures to give adequate protection to Indians living there?

The Honourable Pandit Jawaharlal Nehru: (a) No, Sir. There was a public meeting in Tehran on the 11th January at which speeches were made expressing sympathy for the hardships of Indian Muslims who had suffered in communal disturbances. There was no reference to a holy war against India.

(b) Yes, Sir. Representations were made to the Government of Iran, and we have been assured that necessary steps have been taken.

Shri H. V. Kamath: Is it a fact, Sir, that of late the position of the Hindus and Sikhs in Iran is not as happy as it was formerly?

The Honourable Pandit Jawaharlal Nehru: Perhaps not; in fact probably not. There was a great deal of agitation conducted by outside sources in Iran which produced a difficult situation so far as the Hindus and Sikhs there were concerned. But lately there has been an improvement since our Ambassador went there.

Shri Deshbandhu Gupta: May I know, Sir, if it is a fact that the Pakistan Ambassadors and others have been doing some propaganda on these lines in some of the Muslim countries in the Middle East, and if so, whether steps have been taken by the Government of India to counter-act that propaganda?

The Honourable Pandit Jawaharlal Nehru: I have had occasion to deal with this matter in answers to previous questions. The Government of India naturally has taken such steps as it can and it will continue to take them.

Shri Deshbandhu Gupta: May I know, Sir, whether the attention of the Honourable the Prime Minister has been drawn to the writings in the Pakistan Press, particularly the Urdu Press, which have been styling the inroads on Kashmir as a holy war or something of that nature persistently? If so, whether the Honourable the Prime Minister and the Government of India have taken any steps in this matter?

The Honourable Pandit Jawaharlal Nehru: I do not know what this has got to do with this question, but my attention has been drawn. I do not also know what my Honourable friend expects me to do in order to deal with the Urdu Press of Pakistan.

Shri H. V. Kamath: During the last eight or nine months, Sir, has there not been any social or commercial boycott or discrimination of any kind against the Hindus and Sikhs in Iran?

The Honourable Pandit Jawaharlal Nehru: I cannot give any particular reply to that. There may have been, but so far as I know there is no regular boycott. There may have been some feeling existing for some time.

EVICITION ORDERS PASSED AGAINST TENANTS UNDER NEW DELHI RENT CONTROL ORDER.

280. *Dr. V. Subrahmanyam: Will the Honourable Minister of Works, Mines and Power please state:

(i) the number of eviction Orders passed against tenants;

(ii) the number of Decrees executed; and

(iii) the number of execution proceedings pending under the New Delhi Rent Control Order 1939-44?

The Honourable Shri N. V. Gadgil: (i), (ii) and (iii). It is not proposed to collect the information asked for as it will not be commensurate with the labour involved.

Dr. V. Subrahmanyam: Is it a fact that under the New Delhi Rent Control Order 1939-44, all eviction orders have been passed by the Rent Controller's Office in a summary way and without any judicial trial?

The Honourable Shri N. V. Gadgil: The Rent Controller must obviously have passed orders as contemplated in the provisions of the Order.

Dr. V. Subrahmanyam: May I ask if the Honourable the Minister will give the tenants the benefit of judicial trial or at least make provision for the scrutiny by civil courts of orders passed by the officer concerned?

The Honourable Shri N. V. Gadgil: I do not think it will be to the benefit of tenants however, I promise to look into that.

INDIAN LABOURERS IN BURMA.

281. *Shri V. C. Kesava Rao: (a) Will the Honourable the Prime Minister be pleased to state the total number of Indian labourers in Burma?

(b) Is it a fact that these labourers who had purchased lands before the war are not allowed to take possession of them, when they returned to Burma after the war?

(c) If the answer to part (b) above be in the affirmative what steps are Government of India taking to have their landed properties restored to these labourers?

The Honourable Pandit Jawaharlal Nehru: (a) No post-war statistics of the number of Indian labourers in Burma are available.

(b) and (c). Government are not aware that there was any substantial purchase of lands in Burma by Indian labourers before the war. There was a certain amount of dispossession of agricultural land during the Japanese occupation partly because of the exodus of Indian cultivators and partly because of the general lawlessness prevailing in the country. The Land Disputes (Summary Jurisdiction) Act was promulgated in 1945 to enable restoration of possession by summary procedure on application by the aggrieved persons, but Indians, whether agriculturists or labourers, have not claimed relief under this legislation on any large scale, nor has the Ambassador of India in Burma been approached by the Indian population for assistance in this matter.

LEGISLATION re POSSESSION OF LAND AND INDIANS' INTERESTS IN BURMA.

282. *Shri V. C. Kesava Rao: (a) Will the Honourable the Prime Minister be pleased to state whether the Government of India are aware of the recent legislation passed in Burma that no person should possess more than 40 acres of land?

(b) If so, what steps are Government of India taking to safeguard the interests of Indians in Burma, who have more than 40 acres of land?

The Honourable Pandit Jawaharlal Nehru: (a) The Honourable Member is presumably referring to the Disposal of Tenancies Act, 1948 recently promulgated in Burma. This Act, *inter alia*, enables Government to make leases of agricultural lands in possession of any person in favour of a tenant to whom the land may be allotted by Government, subject to the payment of prescribed rent by the tenant. The Act does not, however, apply to agricultural lands not exceeding fifty acres in the possession of a person who cultivates it himself. In effect, therefore, a person who is himself engaged in cultivation can hold upto fifty acres of land without interference by Government.

(b) Our Ambassador in Burma has already made suitable representations to the Government of Burma in respect of this and other recent legislation affecting agricultural lands in Burma. It would not be in the public interest to disclose at this stage the nature of these representations.

CONVICTS AND NON-CONVICTS IN ANDAMAN AND NICOBAR ISLANDS.

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

(a) the total number of convicts living in the Andaman and Nicobar Islands;

(b) the number of non-convicts who have settled there;

(c) whether Government propose to keep these islands only for the use of convicts; and

(d) if the answer to part (c) above be in the negative, whether Government propose to allow people, who wish to settle there, to do so and also to grant them lands free of cost for cultivation?

The Honourable Mr. C. H. Bhabha: The question should have been addressed to the Honourable Minister for Home Affairs. It has accordingly been transferred to the list of questions for 19th February, 1948, when the Honourable Minister for Home Affairs will answer it.

AGRICULTURAL LABOUR UNIONS REGISTERED UNDER TRADE UNION ACT.

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

(a) the total number of Agricultural Labour Unions registered under the Trade Union Act; and

(b) the total membership of such Unions?

The Honourable Shri Jagjivan Ram: (a) and (b). According to the latest information available, there are ten unions of purely agricultural workers, registered under the Trade Unions Act. Figures of membership are not available in respect of two unions. The total membership in respect of the remaining eight unions is about 1065.

In addition there are seven registered unions of 10,503 workers in plantations and eight registered unions with a total membership of 9,000 including both farm workers and factory workers in sugar factories.

COUNTER CHARGES AGAINST PAKISTAN BY INDIA'S DELEGATES AT U. N. SECURITY COUNCIL.

285. *Giani Gurmukh Singh Musafar: Will the Honourable the Prime Minister be pleased to state:

(a) whether India's Delegates at the U. N. Security Council have been advised to formally put in a complaint of genocide against Hindus and Sikhs in Pakistan; and

(b) whether Government are considering the advisability of formally filing counter-charges about the treatment meted out to our nationals in Pakistan, in view of the decision of the U. N. Security Council to investigate all the complaints made by Pakistan?

The Honourable Pandit Jawaharlal Nehru: (a) and (b). The Government of India have not advised their delegates to the United Nations Security Council to present formally a fresh complaint against Pakistan as suggested in the question. Their original reference to the Security Council dealt with the Kashmir issue only. In replying to this reference the Pakistan delegate brought in all manner of irrelevant issues and made very serious charges which had no bearing on the Kashmir issue. Many of these charges had no foundation in fact while some of them, separated from the context of events which occurred in the Punjab, gave a completely wrong impression of what had actually taken place. The Government of India spokesmen made a full reply to the complaints and charges made by Pakistan against India before the Security Council and drew the Council's attention to the treatment suffered by non-Muslims in Pakistan. They made it quite clear that the Government of India were prepared for the fullest inquiry into all the events that have taken place in the Punjab or in India and Pakistan as a whole, but that the only question requiring immediate attention of the Security Council was the Kashmir issue and, more specially, the cessation of fighting in Kashmir. The Government of India have not considered it desirable to present a formal counter-complaint against Pakistan on other issues, but they are perfectly prepared to do so if necessity arises. In their view the Kashmir issue has to be considered urgently and separately from any other issue. These other issues would not only involve prolonged investigation but would also reopen old wounds which, it is hoped, would be healed. If, however, the Pakistan Government or the Security Council desire such an investigation on other issues, the Government of

India will not object. But it must be clearly understood that this must be considered apart from the Kashmir issue; or else the reference in regard to Kashmir would be nullified. In response to the Indian Delegate's request for an assurance that the Kashmir case should be dealt with first and the other matters only when the occasion arose, the Council agreed that this was their intention.

Shri K. Santhanam: May I know if it is a fact that the Security Council will be discussing non-Kashmir issues in the interval when our delegation returns to India?

The Honourable Pandit Jawaharlal Nehru: From the accounts appearing in today's press it would appear that such was the fact.

Shri T. T. Krishnamachari: Have the Government of India received any information from their delegation to the contrary or confirming this news?

The Honourable Pandit Jawaharlal Nehru: Unfortunately the accounts that we receive from our delegation are always somewhat delayed owing to coding and decoding of telegrams. The first news normally comes through the press; then come our own messages and these are slightly delayed. We have not, so far as I am aware, received any detailed account of the proceedings of the Security Council in the last day or two. We have received an account, broadly speaking, saying that an adjournment has been agreed to and that in the meanwhile they might refer to other matters in the Security Council.

Shri T. T. Krishnamachari: Should this discussion take place are the Government of India suitably represented in the absence of the Indian delegation?

The Honourable Pandit Jawaharlal Nehru: The present intention is that three of our delegates, viz., Shri Gopalaswamy Ayyangar, Mr. Setalvad and Sheikh Abdulla, will return to India. Indeed they may very well be on their way back just now. Mr. Vellodi will stay behind assisted by some staff.

Mr. B. K. Sidhya: May I know if under the U.N.O. Charter the Security Council is justified or competent to discuss internal affairs that have no bearing on Kashmir?

Mr. Speaker: That is a matter of opinion and relates to the powers of the Security Council. That need not be answered.

Shri H. V. Kamath: At the adjourned meeting which is scheduled for the 18th of this month, will Government advise our delegates to insist on red-hot priority being given to the Kashmir issue only?

The Honourable Pandit Jawaharlal Nehru: That is exactly the attitude that our delegates have taken up all the time. We have advised them accordingly and they have acted according to that advice. We shall continue to advise them but sometimes questions go beyond the extent of the advice given. We hope, when our principal delegates come back to India, to discuss the whole problem with them, and I hope at that stage to make a fairly full statement to the House.

EFFORTS FOR EXPANSION OF EXPORT MARKETS FOR INDIAN PRODUCTS IN EASTERN COUNTRIES.

†286. ***Shri M. Ananthasayanam Ayyangar:** Will the Honourable Minister of Commerce be pleased to state:

(a) whether any plans for an intensive export drive have been prepared by Government;

(b) if so, whether Government propose to lay a statement showing the details of the same on the table of the House; and

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

(c) whether any special efforts have been made to expand export markets for Indian products particularly in Eastern Countries, like Burma, Malaya, China, etc., and if so, whether Government propose to give the details and the results of such efforts?

The Honourable Mr. C. H. Bhabha: (a), (b) and (c). No detailed plans have yet been formulated. Certain tentative proposals were however discussed at the meeting of the Export Advisory Council held in New Delhi some time ago and it was agreed that the Members of the Council should form sub-committees for formulating detailed plans in respect of various commodities which now largely enter into our export trade. The receipt of these reports is awaited.

PROPOSALS FOR RECONSTITUTION OR MODIFICATION OF INCOME-TAX APPELLATE TRIBUNAL

†287. ***Shri M. Ananthasayanam Ayyangar:** (a) Will the Honourable Minister of Law be pleased to state whether there are any proposals for the reconstitution or modification of the Income-tax Appellate Tribunal and, if so, what are the proposals?

(b) Do Government propose to consider introducing Legislation for abolishing references from the Income-Tax Appellate Tribunal to the Provincial High Courts, and substituting instead references direct to the Federal Court in all cases under the Income-Tax Act, where a reference is provided?

(c) Do Government propose to consider raising the status of the Income-Tax Appellate Tribunal, by appointing as its chairman a person who has held office as Judge of a High Court?

The Honourable Dr. B. R. Ambedkar: (a) No.

(b) The suggestion for making the Federal Court an original Court for References under the Indian Income-tax Act was fully considered in 1945-46 in connection with the proposal for enlargement of the jurisdiction of the Federal Court and in pursuance of Legislative Department Resolution dated 15th January, 1945 public opinion was consulted. The opinion was overwhelmingly against the suggestion, and the late Mr. Bhulabhai Desai characterised it as highly objectionable in principle and unjust to the assessee. Now that the Federal Court is the Supreme Court for civil appeals, it would be inappropriate and anomalous to make it an original Court for Income-tax References.

(c) References on points of law lie from the Income-tax Appellate Tribunal to the High Court and it is not necessary to raise its status by appointing as its President a person who has been Judge of a High Court. The existing status of the Tribunal is sufficiently high and care is always taken to appoint as President or Judicial Member either a senior member of the Bar or a senior District Judge, who is due to be promoted to the Bench. In fact both the previous Presidents are now serving as High Court Judges.

AUCTION OF MUSLIM LANDS AND CROPS CULTIVATED BY HINDU TENANTS IN DELHI PROVINCE

288. ***Giani Gurmukh Singh Musafar:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether it is a fact that the land and crops in Delhi Province belonging to Muslims but cultivated by Hindu tenants, have been auctioned by Government on the evacuation of Muslim owners? If so, why?

(b) If the answer to part (a) above be in the affirmative, what share of the proceeds do Government propose to give to the Hindu tenants, who cultivated the land?

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

The Honourable Shri K. C. Neogy: (a) No lands belonging to Muslim evacuees have been auctioned by Government in the Delhi Province. Crops standing on lands belonging to Muslim evacuees and cultivated by Hindu tenants have been auctioned in four villages e.g. Nangloi Syed, Rithala, Jhangola and Jasola. The owners of the land were entitled to certain proportions of the produce. The proceeds of the sale have therefore been divided in that proportion and the tenant's share paid to the tenant except in one case which is under inquiry; the owner's share has been retained by the Custodian of Evacuee Property.

(b) The share of the tenants varies from 1/2 to 2/3rds of the gross yield, according to local custom and contract.

APPOINTMENT OF THE HONOURABLE DR. JOHN MATTHAI TO PERFORM FUNCTIONS OF THE FINANCE MINISTER AT RAILWAY BUDGET—GENERAL DISCUSSION

Mr. Speaker: I have to inform Honourable Members that His Excellency the Governor General has, under rule 2 of the Constituent Assembly of India (Legislative) Rules, been pleased to appoint the Honourable Dr. John Matthai to perform the functions assigned to the Finance Minister under rule 46 of the said Rules on the occasion of the General Discussion, appointed for Thursday the 19th February, 1948, of the statement of the estimated Receipts and Expenditure of the Dominion in respect of Railways.

ELECTION TO INDIAN COUNCIL OF AGRICULTURAL RESEARCH

Mr. Speaker: I have to inform the Assembly that upto the time fixed for receiving nominations for the Indian Council of Agricultural Research, three nominations were received. As the number of candidates is equal to the number of vacancies, I declare the following members to be duly elected to the Council: (1) Shri Ram Sahai, (2) Dr. B. Pattabhi Sitaramayya, and (3) Shri B. Shiva Rao.

DAMODAR VALLEY CORPORATION BILL—contd.

Shri Arun Chandra Guha (West Bengal: General): Sir, yesterday I was speaking about the flood control scheme of the Damodar Valley Corporation. The Damodar with its tributaries and other rivers rising from Chota Nagpur are all notorious for creating flood havoc in some parts of Bengal. These parts have suffered frequently from floods and consequent famines during recent years. The scheme of controlling flood will be of immense good to these parts of Bengal. As such, coming from Bengal, I welcome this part of the scheme which, as enunciated in the Bill, will benefit only parts of Bengal. Then comes the irrigation scheme of the Damodar Valley Corporation. This scheme will benefit both the provinces of Bengal and Bihar. About one million acres of land will be irrigated by this scheme, and it will do a great deal to remove the chronic dearth of foodstuffs in India. As such, it will benefit not only those parts of Bengal and Bihar but the whole of India is to be benefited by this scheme.

The next and most important from the point of view of the Central Government is the generation of electricity. Apart from the General point of view that the generation of cheap electricity in those parts will develop cottage industry and other industries, and will lead to the better economic conditions of the people, I do not like to enter into the details of so many watts, kilowatts and volts and all that labyrinth. These are the three main purposes of this multi-purpose scheme.

But there are other items which are no less important. The control of the erosion of soil will be useful for that area. In recent years there has been a process of de-forestation but there has not been any systematic plan for afforesting those areas. That has led to the loss of fertility and grazing land for the cattle and the erosion of soil. The Chota Nagpur parts of Bihar are slopy hilly tracts. In the upper catchment of the Damodar Valley, there is soil erosion annually due to the accumulation of floods and the on-rush of flood waters.

Then the control of malaria, particularly for that part of Bengal is of very great importance. Malaria has devastated the western parts of Bengal and this Corporation has a scheme of controlling malaria and developing the general sanitary conditions of the tract.

The scheme as a whole has taken up the general uplift not only of the land but of the people. Man and nature are to be taken together. That is the scheme of the plan. Without considering the uplift of the people it is no use considering the betterment and development of the land. So the scheme has in its scope the development of education and culture and other developments as well.

Then there is also the fishery plan. Reservoirs will produce lots of fish and a huge revenue is to be achieved from fishery also. The Bengalees are notorious for their fondness for fish and for this reason the Hindus and Muslims of Bengal are rather looked down upon by their co-religionists in other parts of India. I hope the peoples of other parts will not cast any lusty looks on the fish to be had from this scheme.

Then, Sir, from this multi-purpose scheme, I hope there will come about a general psychological change also. In spite of so many points of similarity and so many points of common interest between Bengal and Bihar, in recent years there has developed a spirit of mutual jealousy and suspicion between the peoples of the two provinces. This Damodar Valley Corporation, operating in some considerable portions of both the provinces, will, I hope, generate a sense of unity, a sense of belonging to one economic unit among the people of these two provinces. So, I hope this scheme will not only tend to the material and economic betterment of the people but will also tend to the moral and psychological betterment of the inhabitants of both the provinces.

The scheme as it has emerged from the Select Committee contains certain changes from the original Bill. The important changes have been mentioned by the Honourable Minister in charge of the Bill, Mr. Gadgil. To one point I would like to draw his attention—the flood control scheme. I wish the Central Government could have taken some more responsibility, instead of putting the entire deficit on the shoulders of the West Bengal Government. I hope the Honourable Minister in charge of the Bill will be more generous during the second reading, and if any amendments come in that direction, he may accept them, so that the entire responsibility of shouldering the deficit may not be laid on the West Bengal Government.

The Honourable Minister in charge has spoken of there being numerous amendments on the Bill. I think the Minister has the unique good fortune that this Bill will be welcomed by all sections of the House in spite of the numerous amendments he has referred to. This is the penalty of democracy, which I hope the Minister will not grudge. He is a Minister of a democratic organisation, of a democratic government, and in a democratic country. So he must put up with all these amendments and I hope he will look into them with an open mind.

As for the grammar of Mr. Naziruddin Ahmad, the Honourable Minister in charge has passed some remarks on his insistence on grammatical correctness. While engaged in our fight against British rule, we have broken all laws and all the English rules in India including the rules of grammar. Whatever little

[Shri Arun Chandra Guha].

grammar we were taught in schools by this time we have managed to forget them all. As for myself, my culture of English has been confined to writing hardworded applications and representations to Government during my long years of jail life. Besides that, I have had seldom any occasion to increase my knowledge in English grammar. And if Mr. Naziruddin Ahmad has kept a bit of his English grammar, we should not grudge him that consolation and satisfaction. After all, grammar is no enemy of sense. There is no contradiction between grammar and sense. Grammar is meant to make words convey sense more clearly and more explicitly.

With these words, Sir and with the expectation that the Bill will be passed as soon as possible, and will be given effect to as soon as possible, and with the expectation that the Bill will lead to the all-round betterment economic, moral and psychological (within which I include the psychological rapprochement of the inhabitants of the two provinces) I commend this Bill to the House and I hope it will be accepted.

Pandit Hirday Nath Kunzru (U. P.: General): Mr. Speaker, Sir, the measure before the House is one of far-reaching importance. The Bill is modelled on the constitution of the Tennessee Valley Authority which provides for regional planning on so comprehensive a scale that it has been called by Prof. Julian Huxley an "adventure in planning". The activities of the T. V. A. are too multifarious to be mentioned, but it is a pleasure to me to see that the functions which the Damodar Valley Corporation may discharge under the Bill will enable it to undertake probably most of those activities for which the T. V. A. is known all over the world. The functions of the Corporation were much more limited under the Bill that was placed before us, but by the addition, or rather the inclusion of the words "the promotion of public health and the agricultural, industrial, economic and general well-being in the Damodar Valley and its area of operation" by the Select Committee the scope of the Bill has been considerably widened. I feel that the Honourable Minister has made the Bill more far-reaching and more capable of providing for planning on a comprehensive scale than it would have been, as introduced.

There is, however, one point in connection with the functions of the Corporation which I should like to bring to the notice of the Honourable Minister for Works, Mines and Power. Sir, the Corporation is to promote schemes for irrigation, water-supply and drainage, the benefits of which will be shared by all. But I am not sure that its schemes for the generation, transmission and distribution of electrical energy will be successful if a policy of *laissez-faire* is adopted with regard to its consumption. The production may be so large that a large surplus may remain even after all existing requirements within the Damodar Valley and the area of operation of the Corporation have been satisfied. I think, therefore, that following the precedent set by the T. V. A., the Damodar Valley Corporation should undertake to study schemes for the increased use of electricity for developmental purposes.

Prof. Julian Huxley in his book entitled 'T. V. A.' says:

"In the body of the Act, the Board is 'authorised and directed to make studies experiments and demonstrations' to promote the use of electric power for agricultural, domestic and industrial purposes, and is instructed that it may co-operate with the widest possible variety of other agencies, from State and local governments to educational and research institutions, so as to ensure the application of electric power 'to the fuller and better balanced development of the resources of the region'."

My Honourable friend, the Minister of Works, Mines and Power, who I know has studied fully the material relating to the T. V. A. is aware of the power conferred and the obligations imposed on the T. V. A. to promote the use of electrical power for agricultural, domestic and industrial purposes. But so far as I understand, clause 12 of the Bill before us which deals with the functions of the Corporation it will not be able to undertake that research work for

increasing the use of all the available electrical energy in the way that the T. V. A. can. I attach a great deal of importance to this subject and I hope, therefore, that either the Honourable the Minister in charge of the Bill will satisfy the House that this point is covered by clause 12 or accept such amendments as would enable the Damodar Valley Corporation to enjoy the power that I have referred to.

Sir, as regards the 'other activities' of the Corporation, sub-clause (2) of clause 21, runs as follows:

"(2) The Corporation may set up its own planning, designing, construction and operating agencies, or make arrangements therefor with the participating Governments, local authorities or any person carrying on the business of an architect, an engineer or a contractor."

I do not object to the participation in the Corporation of any of the agencies referred to in the sub-clause but I desire that the scope of the sub-clause should be widened so as to enable the Corporation to take the help of educational and research institutions in the difficult and important problems with which they will have to deal in connection with the increased use of electrical energy for the fuller development of the industrial and agricultural resources of the Damodar Valley. I am sure that the Government have no intention of keeping the educational and research institutions at arms length and that they would indeed welcome the assistance of these bodies. I hope therefore that provision will be made in the Bill to enable the Corporation to benefit by the experience and knowledge of research which such bodies may be expected to have.

As I have already said, it is not merely desirable but necessary that every effort should be made by the Damodar Valley Corporation that the fullest use is made of the electric power generated by it. It will succeed in this task not merely if it engages itself in research or receives the help of competent agencies but mainly if it sees that the rates charged for the supply of electricity are such as to encourage its use while not being unremunerative, at the same time. One of the purposes of the United States Federal Government in laying on the T. V. A. the responsibility of producing electrical energy and making adequate arrangements for its full use was to make a comparison between the activities of the Board and of private agencies from the financial point of view in respect of this matter and so far as I remember, Julian Huxley states in his book that it was found that the T. V. A. was operating more economically, not because it charged higher rates than private companies but because it kept the rates down as much as it could. This led to a much greater use of electrical energy at a reasonable cost. This matter need not be dealt with in the Bill itself. I mention it here only to draw the attention of my Honourable friend the Minister for Works, Mines and Power to this important matter. I hope when the Corporation is set up he will instruct it that the test by which its work in connection with the generation and distribution of electrical energy will be considered will be its cheapness in comparison with private agencies.

I have submitted already what steps the Damodar Valley Corporation should take in order to ensure the fullest use of the power generated. I should now like to make an observation on this with regard to the manner in which the Damodar Valley Corporation should function. I have no doubt in my mind that the Corporation, in order to achieve the success which we all desire it should, will cooperate with the local governments and local bodies. This is the manner in which the Control Board of the T.V.A. works. The T. V. A. is not a central organisation displacing completely the authority of the states and making itself wholly responsible under the Federal Government for the development of the regions within which it operates. Its method of planning and operating its schemes is perfectly democratic. This means that it takes the local governments, the local bodies and the people in general fully into consultation before deciding what steps should be taken in order to achieve certain results. And, what is more, it takes their help in the execution of

[Pandit Hirday Nath Kunzru]. The approved schemes. Its officials do not replace the officials of the local governments or local bodies. Their work is so organised as to be divisible between these three agencies and the plans are successful in proportion as each agency contributes its own share to the securing of the desired result. I have no doubt that the Board which will govern the affairs of the Damodar Valley Corporation will proceed in this manner but I think it would be desirable to impress on the Board from the very beginning that it should keep in view the absolute necessity of securing the goodwill and the utmost help of the local governments and the local bodies.

In the end I would like to say a word with regard to the constitution of the authority which will govern the affairs of this Corporation.

The Bill proceeds on right lines. When it is passed my Honourable friend the Minister for Works, Mines and Power will have the satisfaction of seeing that the foundation of a great enterprise in India has been securely laid. But the Bill will have to be worked by human agency. It is necessary therefore that the persons who are chosen to carry out the objects of the Bill should be men who, in the words of President Roosevelt, "will have the spirit and vision of a pioneer". They must be men who will be chiefly concerned with formulating policy and who will take a large view of the responsibilities entrusted to them. A great deal will depend therefore on the choice of the right kind of men. The success of the T. V. A. is to no small extent due to the good fortune of the United States in being able to secure the services of men who were distinguished for those qualities which were required. I may stress this point, Sir, because the choice of the Government in regard to the constitution of other Boards has not always been such as to secure public confidence. If I may refer to one Board which is going to be set up, or which has just been set up, namely the East Punjab Rehabilitation Finance Administration Board, the selection of the personnel has not been welcomed by the public at all. As everyone of us I am sure, knows it has been subjected to a great deal of criticism outside this House. I am not going to consider the question whether the criticism is justified or not. My purpose in referring to it is to impress on the Honourable Minister in charge of the Bill the absolute and urgent necessity of so constituting the authority that will carry out the objects of the Bill as to secure public confidence and to make the achievements of the objects of the Bill absolutely certain.

Sir, this undertaking will be the greatest of its kind in India and my Honourable friend may legitimately feel proud when this Bill is laid on the statute book. I wish the enterprise which will be created by him the fullest success. But that success will depend on the quality and the calibre of the men chosen by him to carry out his policy.

Prof. K. T. Shah (Bihar: General): Mr. Speaker, Sir, I rise to support mainly the points that the Honourable Member, Pandit Hirday Nath Kunzru, has placed before the House. On a previous occasion, when this Bill was first presented to this House, I had welcomed it as cordially as any other Member; and today I would as heartily repeat my welcome of the measure, about the wisdom and propriety of which there can be no two opinions. If, therefore, here and there in the remarks I am going to offer today, there may seem to be a note of criticism, may I say at once that that is not intended in any way to disparage, to object, or to obstruct this Bill now before this House.

In considering measures of this kind we must remember that most of these great constructive proposals that are being placed before the House in this session have been, in one way or another inherited, if I may say so, from the past. That is to say, the original authors or the planners of such measures were officers or advisers of the then Government of India, who did not look always at such matters from the strictly Indian point of view; and who were

influenced very much by the parallels they had seen elsewhere that may perhaps not fit into this country. This is a country, if I may say so, of the small men, in the sense of producing organizations. Amongst the principal products of this enterprise, when it comes to fruition, would be, for instance, water supply; and that water supply, badly needed as it may be, will have to be used by cultivators with an average holding perhaps of one or two acres and not much more. If the purely mathematical calculations on paper of the amount of water likely to be produced and supplied are co-related with the amount of charges now being made, or which have been made in the past for such water, it may quite possibly happen that water charges which the Provincial Governments will have to charge, if they are to make good the price they pay for the bulk supply of water from this Administration, may be disproportionately high for the small cultivator who is supposed to benefit by this scheme.

Sir, in offering observations of this kind there is a great handicap, in the sense that the technical papers, the data, information and the material on which this project has taken its final shape are not before the House. It is true we are not qualified technically to pronounce any judgment on material of this character. Nevertheless, if this country is to be governed democratically, with the final imprimatur coming from the representatives of the people, whether they are qualified or not, I think it is desirable that such material as is available upon which judgment of this kind is to be passed, should be placed before the House. If necessary, it may be prepared and edited so as to be suitable for our laymen's judgment, and not the judgment of experts and technicians. I submit, Sir, to the Honourable the Minister's consideration this point, that though this Bill has come at a stage at which information of this kind may not be helpful to enable Members of this House to pass their judgment or to make up their mind within the time now available there may be other projects of that kind wherein information of this kind if not available in time, will seriously handicap the House in making up its own mind, should anybody bring out a point that has not been considered in the past.

Lest I might be misunderstood, may I say that there is another project—I do not know exactly at what stage it is today—for construction of a dam on the Hirakud island, which has been very seriously and strongly criticized by experts of equal eminence that have prepared also the project for the consideration of the Government. Critics with the experience of 12 Noon similar works in Mysore have criticized the site of the dam, the material of the dam, the character of the dam, and the use of the products. It passes one's understanding how, if this criticism is at all well-founded, the project could be accepted and pushed forward as it seems to have been so far. I do not suggest for a moment, Sir, that on the brief notes that I have read I, or perhaps a majority of the members of this House, would be competent to pronounce any judgment. But I do submit, Sir, that if the Honourable Minister and the Government desire wholehearted support and intelligent cooperation in such matters for giving effect to these projects and carry them to the success that they deserve, it is but right and proper that as much information as is available, however technical it may be, should be placed before this House, so that the House may have a chance of understanding, or at least some members of this House may have a chance of understanding matters from a correct angle; and if the House so choose, they may ask for further information or explanation.

As I have already mentioned, most of these projects and schemes have been prepared by officers and experts, who were not necessarily considering the condition of this country: not necessarily familiar with the conditions and requirements of this country. Perhaps they lived more in the past, and were unable to visualise the future, as we in this House would like to do. I have

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tried to make these observations as reasonably and as circumspectly as I could. But I for one am definitely suffering from this handicap, namely the lack of sufficient information on which to give my opinion after proper consideration.

The point has been made by the Honourable Member who has just preceded me with regard, for instance, to the consumption of the electrical energy that will be produced by the successful carrying out of this project. There is no dispute that a very large quantity of electrical power would be produced. May I add that, with the industrial ambitions that we have, and with the relative paucity of our coal resources, it is of the utmost importance that we should have substitute sources of power and energy, which is to be found in the tremendous amount of water that is running waste in this country, and that could be advantageously harnessed to produce for us electrical energy of the required quantity. I have heard from technical experts qualified to speak in the matter that hardly 2 per cent. of the total available hydro-electrical power is utilised so far in this country. That means a great margin of development available, which can make up for any lack of either coal or petroleum in this country; and which is very often suggested as likely to handicap our programme of development.

Sir, in the region in which this project is to be established, there are mines, and there are railways; and so there are potentially great consumers of electrical energy that is to be generated. The use of that electrical energy would certainly be cheaper, both in results as well as in cost, than the coal energy or steam energy that is now being produced by means of coal. But the development of railways or rather electrification of railways in this region, and the greater use of electricity in the coal mines, may necessitate replacement of equipment or renovation of machinery, which may constitute by itself a deterrent that those in charge of the project may not quite be able to overcome.

It would therefore become necessary, in one way or another, to develop consumers of electrical energy produced by this project, which, as far as one can see from the papers supplied to us, does not seem to have been thought of or planned for at the moment.

I realise that this is a matter of an all round plan of national development carefully integrated and coordinated in its various aspects and its various items, which I am sure will very soon be prepared and placed before this House. Even so, while it may be time that projects of this kind, which are indispensable for carrying out such plans when they are finally matured, should begin now, it is not too much to say, even at this moment, that in passing such measures we in this House should have also an eye to the utilisation of the power created thereby.

The possibility of extending electricity to the villages of this region as well as towns is, of course, obvious. But the hope of gaining a surplus from this project by the sale of electricity to villages or of water to small cultivators would be doomed to disappointment, I submit, unless some steps are taken at the same time for developing large-scale consumers of the power produced. And the same would be true, whether it applies to the immediate provinces where the project is to be located, or to the neighbouring provinces, wherever large-scale industry of this type is likely to consume power in bulk.

Another point was made with regard to the men who are to carry out this work. No one can emphasize too much the necessity of right and proper choice of the personnel—Directors and Managers, who are to carry out a project of these dimensions. In the sections of the Bill relating to the Directors or to the guiding authority of the Corporation, mention is made of the number and disqualifications of the Directors. But, so far as I recollect, there is no mention of the qualifications required for such men to guide the destinies of

a project like this. It may be that the House might be inclined to take the view that it would be unnecessary—it would be perhaps undesirable,—to tie down the hands of our Government by laying down the qualifications in an Act of the legislature. I see the force of that argument. Nevertheless, I suggest that there is, on the other side, an equal danger of—may I use the hateful word—nepotism, which is likely to lead us into greater harm than benefit. This will be a project the direction of which cannot be entrusted to raw men, to inexperienced managers or to politically useful. This must be entrusted to men who are seasoned veterans, who are properly qualified and fully experienced in works of this kind. In another connection I had occasion to make some enquiry on this subject, and those now regarded as experts on the subject told me that this country, in all its engineering services, is lacking in that type of special qualifications which would be required, not only in the generation and distribution of electrical power, but also in its proper utilisation thereafter. I do not use—I have no right to use—my own authority for an observation of this kind. But I can assure the House that it was put forward before the Planning Advisory Board last year by the most experienced officers of the Government of India. And if that is so, if we have not sufficiently qualified people, the risk to which I allude is much greater than may seem likely. It may be that we may be obliged to import technical experts on time contract from abroad. It may be that we may take intensive steps to train up our own men. I realise that it will take you some years before this project will, in all its fullness, come into operation. And that period may very well be utilised to train up our own experienced and expert staff necessary for the purpose. But even from the start, I suggest that those responsible for the success of the project should see to it that in the appointment to the most responsible posts of Chairman or Members of a Corporation of this kind, attention shall be paid only and solely to the qualifications, to the experience, the knowledge and ability of the people selected, rather than to any other consideration of political expediency or personal relationship.

May I in this connection make a general remark, Sir, with regard to the dangers that a democratic Government is generally faced with in such matters and from which we cannot be warned too often or too seriously? Democratic Governments, founded as they are on the number of votes that they can secure at elections, are obliged very often to pay attention to the satisfaction of their immediate followers or voters. And in the desire to satisfy their claims as much as they can, it is possible—it very often has happened in other countries, and we may be no exception—that people are chosen for responsible posts, not so much because of their technical merits for a particular charge as because of their political services in the past.

That is why, Sir, this device of setting up Statutory Corporations and Boards has been introduced. Once such Boards and Corporations have been created, once such bodies established by law have been set up, it would not be possible for Government to interfere with their administration and personnel, as may be the case if bodies were created merely by an executive order or resolution of Government. I would, therefore, recommend minimum statutory qualifications being laid down for at least the principal directors of the Corporation.

This, Sir, is no distrust, no lack of confidence in any way of the *bona fides* and the best intentions of those in power, in conducting the administration of this country, and in staffing the personnel and bodies of this kind. I mention it, however, to point out that, elsewhere in the world wherever democratic institutions of the kind we are going to develop have come into being, they have hit upon an agency like this, viz. a Statutory Corporation to conduct, under specific legal provisions, a complex Administration so that the dangers of political patronage and personal nepotism may not come in the way. It is with that idea, and not with any desire to tie up the discretion of the Minister or because of any lack of confidence, that at the appropriate moment I intend

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to move an amendment to the clause suggesting the personnel for the administration, so that some attention may be paid to the requisite qualifications and the necessary experience of those who are to guide the destinies of projects like this.

One word more, Sir, and I shall have done. That is with reference to the inter-relations with the Provincial Governments and Local Bodies, who must co-operate and join with us in making projects of this kind a success. Sir, ours is, as far as all indications point today, going to be a Federal organisation, a Federal organisation in which the Central Government, however strong it may be, cannot possibly attend always to every detail of each local problem and administration. If the working of a Federal Government on the scale on which this country will have it, and embracing the population and area that this country has, is to be a success, then it is unavoidable that as much margin be allowed for local autonomy, for local freedom, as is compatible with the integrity and the efficient administration of such projects.

Sir, the role of the Centre in a case like this, as I conceive it, is, not only to initiate projects of the kind that have been suggested here and I welcome that,—not only to get over all likely difficulties and obstructions that down, to prescribe the general policy according to which such projects would be worked. Having done so, having initiated and facilitated the establishment of Corporations like this, having prescribed their general policy and provided the necessary finance, I submit, Sir, the centre has done all and the best that could rightly be expected of it. For the actual administration, particularly of those sections which fall into the jurisdiction of the Local Governments or Local Bodies, it would be best to leave them as much freedom, and as much scope for initiative even in their immediate sphere as is compatible, I repeat, with the essential integrity of the scheme. Local Governments of the size and importance of Bihar or West Bengal cannot be merely treated as so many subordinates, to whom you have simply to issue orders and instructions; and that, too, not by the Central Government of the country, but by a statutory Administration created by a Central legislation. They must be treated not only with the respect due to their position and their importance; but also because they would be the main if not the sole parties for the organisation, with whose help you can make the project a success.

I should therefore suggest that in every way that the Act permits, in every way that the requirements of national solidarity facilitate it, we must so arrange the working of an Administration or Corporation like this—and I recognise that the Act goes a considerable way in doing so; that consistent with the maintenance of the integrity of the scheme, consistent with the co-ordination of a work like this, with the rest of the National Plan, that the fullest possible autonomy independence or freedom of action is reserved to the co-operating Local Governments and Local Bodies.

Kazi Syed Karimuddin (C. P. and Berar: Muslim): Mr. Speaker, Sir, at the very outset I submit that the Bill is a welcome measure. The object of this Bill is laudable and there are absolutely no objectionable features in the provisions of this Bill. I have not studied the Bill from the point of view of drafting but only from the aspect of the substantive provisions that are to be enacted. The more I studied the provisions of the Bill, the more I am convinced of the utility, and the wisdom contained therein. This is a step in the right direction during a period of transition to complete nationalization of industry. In India we have very devastating famines and we have to beg for our supplies from foreign countries; this is a scheme which will give a great relief in times of famine in India.

The avowed object of this Corporation is the development of schemes of irrigation and supply of water, and consequently, the development of industry and agriculture. I have not the least doubt that if the management is conducted efficiently and if the electrical energy is used to the best advantage of agricultural industry, there will be enormous produce and complete development of that industry in that Valley.

Coming to the Clauses, Sir, Clause 21 is a very useful one. It says the Corporation may establish, maintain and operate laboratories, experimental research stations and farms for conducting experiments and research for various things. This will be of very great guidance to the country.

Then Clause 30 is a very important clause. I am glad that the Government has taken upon itself the entire responsibility for the capital. With nationalisation of our Banks and with the floating of the loan which has been mentioned in this Bill, there would be no difficulty in getting a contribution from the people also.

In Clause 42, it is mentioned that the Corporation shall be liable to pay any tax on income, corporation tax or any other tax levied by the Central Government. Here I wish to make a submission and it is this. This Bill is for the development of industry and agriculture. It is going to conduct researches for the guidance of the entire country. If income-tax is levied, that much income will go away from the resources of this Corporation. This is an institution of very great educational importance and for the industrial development also. If the tax that will go to the Central Government is invested in the development of this Corporation, that will be to the entire advantage of the country.

In Clause 52 of this Bill I find a lacuna. It is mentioned there that "whoever contravenes any provision of this Act or any rule made thereunder shall be punished with imprisonment for a term which may extend to six months or with fine or with both". You will be surprised to find that even if there is any contravention of the provisions in Section 45, the person concerned will be punished under Section 52. The offence has not been specified. Therefore, I request the Minister in charge to make suitable amendments. I have already submitted an amendment on that point and I hope it will be accepted.

One more point, Sir, and I have done. With the establishment of this Corporation in the Damodar Valley, thousands and lakhs of people might leave that place. It has to be; there is no choice. (But the capitalists should not be allowed to take all the advantages of this situation. The Government should see that the farming there is conducted on co-operative and collective basis. Unless this is done, the scene will be that of the "Deserted Village" in Goldsmith's poem.

Prof. Shibban Lal Saksena (U.P.: General): Sir, I join the chorus of praise to the Honourable Minister for having brought this epoch-making Bill. I only wish that my own district was as fortunate as Burdwan the home district of Mr. Naziruddin Ahmad. I said when the Bill was here last time that my district of Gorakhpur is also suffering from recurrent floods. Although it is the most populous district in the country, it is the poorest also today. I consider that this Bill will be a precursor of many more Bills in the future which will try to look after other river basins in the country and it is from this point of view of treating this Bill as a model Bill that I would like to study it in some detail.

As the Honourable Member, Dr. Kunzru has pointed out, this Bill is based on the Tennessee Valley Authority. I wish that this Bill was modelled more on the lines of that Authority. I have very carefully compared the whole Bill with the Bill as it has been passed by the American Senate and Congress, and I find that the American Bill is a better model of thoroughness, and it would have been wiser if that Bill had been carefully compared with the present one.

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and the experience gained in the working of that Bill in the last twelve or thirteen years had been incorporated in the present measure.

Just like America, where the Tennessee river goes through two States, namely, Alabama and Tennessee, the Damodar river also goes through two provinces of ours, namely, Bengal and Bihar, and also the features and problems are exactly similar in both the cases. The present Bill has been taken from that Bill almost *in toto*. Only the draftsman have not probably had the Bill before them or they did not like to include the clauses as comprehensively as they should have done. I wish to point out by some quotations that this Bill can be improved if we keep to the original text of that T.V.A. Bill.

But before that, let me just say that we are lucky in one thing. In America the Tennessee Valley Authority Bill was passed after forty years of controversy because that is a country of private enterprise and this social Corporation was bitterly opposed and it was only with the incoming of the greatest President of the United States,—President Roosevelt—that it could be placed on the Statute Book. Our Minister is fortunate in that he has the whole country backing him in this measure and he has been the recipient of so many congratulations, whereas in America the Senator who conceived this Bill was cursed by almost half the House and he had a very bitter time in steering it through, until finally President Roosevelt with his inspiring authority saw it passed.

Now, Sir, let me point out certain aspects of this Bill which could be improved by comparing it with the T.V.A. Bill. This Bill says in the Preamble that: "Whereas it is expedient to provide for the establishment and regulation of a Corporation for the development of the Damodar Valley in the Provinces of Bihar and West Bengal". Now, the word used here is "development". I wish the thing had been made more clear as in the case of the T.V.A. where it says:

"That for the purpose of maintaining and operating the properties now owned by the United States near the vicinity of Muscle Shoals, Alabama, in the interest of the national defense, and for agricultural and industrial development, and to improve navigation in the Tennessee river, and to control the destructive flood waters in the Tennessee river and Mississippi River Basins, there is hereby created a body corporate by the name of the Tennessee Valley Authority of the United States."

In this way they make the Bill more clear. I think the word "development" should be more comprehensive and it will be much better if we make it more definite and exact.

Then, Sir, much has been said about the authority and the composition. In fact I have very carefully compared the Project and I find that the American Bill is much better in that also. Here it is said:

"The Board of Directors of the Corporation (hereinafter referred to as the 'board') shall be composed of three members, to be appointed by the President, by and with the advice and consent of the Senate. In appointing the members of the Board, the President shall designate the chairman. All other officials, agents and employees shall be designated and selected by the Board."

Here again, I may point out that in this Bill provision has been made for a Financial Adviser as well as a Secretary who will be appointed by the Government. I think that once you appoint three members of the Board you must leave the full responsibility to them. If after appointing those three members and placing upon them the full authority again if you appoint a financial adviser, that would really detract them from their responsibility and they cannot really be made responsible if other persons are there who will interfere with their work. Therefore, I think this provision of the Financial Adviser and of a Secretary appointed by the Government is not a very happy one. In the Minute of Dissent my Honourable friends Mr. Naziruddin Ahmad and Jaipal Singh have said: "We think that the powers and functions given to the Financial Adviser, a term which replaced the 'Treasurer' in the original Bill will militate against the autonomy of the Corporation and will require to

be toned down." What I wish to say is that this Financial Adviser and the Secretary etc. were left to be chosen by the Board only and what the Government should do is that they must appoint such men on the Board who may inspire confidence as Dr. Kunzru said in the words of Roosevelt shall be pioneers and who shall have the spirit of pioneers.

The terms of office here is also not given, but there it goes by rotation:

"The terms of office of the members first taking office after the approval of this act shall expire as designated by the President at the time of nomination, 1 at the end of the third year, 1 at the end of the sixth year, and 1 at the end of the ninth year, after the date of approval of this Act. A successor to a member of the Board shall be appointed in the same manner as the original members and shall have a term of office expiring 9 years from the date of the expiration of the term for which his predecessor was appointed."

In this way of rotation continuity is maintained and new men are brought into it also. Though the Board is not a permanent body, it continues with all the experience of the previous members, though the terms of office of the members first taking office will expire at the end of the third year.

Then again it is stated:

"Any member appointed to fill a vacancy in the board occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term."

"Vacancies in the board so long as there shall be two members in office shall not impair the powers of the board to execute the functions of the Corporation, and two of the members in office shall constitute a quorum for the transaction of the business of the board."

Then again the emoluments is not also mentioned and further they have not located this Authority and principal office also, as necessarily it will have to be located where the work is to begin. Here in this Bill I could not find the exact location. Perhaps it will be located there. Somebody said that foreign experts may be brought in. But I think this is not a healthy thing. It is stated:

"Each of the members of the board shall receive a salary at the rate of \$ 10,000 a year, to be paid by the Corporation as current expenses. Each member of the board, in addition to his salary, shall be permitted to occupy as his residence one of the dwelling houses owned by the Government in the vicinity of Muscle Shoals, Ala., the same to be designated by the President of the United States. Members of the board shall be reimbursed by the Corporation for actual expenses (including travelling and subsistence expenses) incurred by them in the performance of the duties vested in the board by this Act. No member of said board shall, during his continuance in office, be engaged in any other business, but each member shall devote himself to the work of the Corporation."

There is an important clause about the Directors being absolutely above suspicion. It says:

"No director shall have financial interest in any public utility corporation engaged in the business of distributing and selling power to the public nor in any corporation engaged in the manufacture, selling, or distribution of fixed nitrogen or fertilizer, or any ingredients thereof, nor shall any member have any interest in any business that may be adversely affected by the success of the Corporation as a producer of concentrated fertilizer or as a producer of electric power."

Here in this Bill we have said in clause 4:

"A person shall be disqualified for being appointed or for continuing as a member of the Corporation—

(a) if he is a member of the Central or any Provincial Legislature; or

(b) if he has, directly or indirectly, any interest in a subsisting contract made with or in any work being done for, the Corporation except as a shareholder (other than a director) in an incorporated company."

The above are the only disqualifications. I think the American clause sounds much better. It says that no director shall have financial interest in any public utility corporation engaged in the manufacture, selling and distributing of fixed nitrogen or fertilizer nor shall any member have any interest in any business that may be adversely affected by the success of the Corporation even remotely. This provision is a most salutary one that the members of the board shall have nothing whatsoever to influence it.

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Another point that has been omitted here is as to how labour shall be treated. There is no provision whatsoever that the labourers, engaged in the construction shall have proper amenities or shall have proper treatment. Here in the American Bill it is very carefully laid down. They say:

"The board shall, without regard to the provisions of Civil Service laws applicable to officers and employees of the United States, appoint such manager, assistant managers, officers, employees, attorneys, and agents, as are necessary for the transaction of its business, fix their compensation, define their duties, require bonds of such of them as the board may designate, and provide a system of organization to fix responsibility and promote efficiency. Any appointee of the board may be removed in the discretion of the board. No regular officer or employee of the Corporation shall receive a salary in excess of that received by the members of the board."

I am only pointing out some portions of the American Bill in order to show how labour has not been included. They say:

"In the event any dispute arises as to what are the prevailing rates of wages, the question shall be referred to the Secretary of Labor for determination and his decision shall be final. In the determination of such prevailing rate or rates, due regard shall be given to those rates which have been secured through collective agreement by representatives of employers and employees."

"Where such work as is described in the two preceding paragraphs is done directly by the Corporation the prevailing rate of wages shall be paid in the same manner as though such work had been let by contract."

I therefore think that this is a grave omission in this Bill and should be included in it.

Sir, somebody said that political considerations should not influence the appointments in the Board. The American Act specially lays down the following:

"In the appointment of officials and the selection of employees for said Corporation, and in the promotion of any such employees or officials, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency."

I think that this is a very healthy clause and should have been included here.

Then, as regards the location of the Corporation. One of the most important aspects of the T.V.A. has been its decentralisation; and I will read a passage as regards the flexibility of that organisation as perceived by commentators. They say:

"The administrative organisation of T. V. A. has been a great asset to the Authority in seeking to cope with the formidable problems which have inevitably confronted it. For T. V. A. is endowed with federal prestige and power, but, unlike most federal agencies, it dwells in the region where its problems exist. Because of its national character, it is able to co-ordinate its work with the programs of other federal agencies. Because it is decentralised, it is able to carry out its activities with a maximum of flexibility. The latter point has been well put by T. V. A. Director Lilienthal:

"..... the T. V. A. job is not run from Washington. After its general policies are approved and its projects are authorised T. V. A. carries out its program in the field close to the problems it is trying to solve, in touch with the communities and human beings who will be affected by its decisions. There general regulations are adapted to fit local conditions, there mistakes are plain and can be swiftly corrected, there opportunities are visible and can be embraced before they vanish."

I do not find in this Bill any provision that the general offices and headquarters of the Corporation will be located in that place, in the valley itself. I hope that is the purpose of the Bill.

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): that shows that we are not imitators.

Prof. Shibban Lal Saksena: It is not imitation; I am only saying that their good points may be adopted.

Secondly, I wish that this Corporation should have complete authority once it is created, and should not constantly be interfered within its work by the Financial Adviser or Secretary who will be appointed by Government and who may not be the creation of this body.

Then, Sir, my Honourable friend Pandit Kunzru pointed out some very glaring omissions about the use of electricity. In the T.V.A. Act it has been said that electricity will be used in a manner which will promote its use in the offices and elsewhere. I think this should be included in our Bill, specially now that it has been pointed out to the Honourable Minister. In that Act they say:

"The Board is hereby empowered and authorised to sell surplus power not used in its operations, and for operation of locks and other works generated by it, to States, counties, municipalities..... That the Board is hereby authorised and directed to make studies, experiments, and determinations to promote the wider and better use of electric power for agricultural and domestic use, or for small or local industries, and it may co-operate with State governments, or their subdivisions or agencies, with educational or research institutions, and with co-operatives or other organisations, in the application of electric power to the fuller and better balanced development of the resources of the region."

Then, Sir, irrigation and electricity are dealt with in clauses 13 to 21 of the Bill which allocate the capital on different objects. But my study of the whole problem goes to show that it is very difficult to allocate capital in this manner. In fact the whole thing is a multi-purpose plan; and if you allocate it in this manner—so much for irrigation, so much for electricity and so much for flood provision—it will perhaps not work. The experience of T.V.A. has been that the problem of allocation has been a very difficult one. There are very many theories on which it should be allocated and then ultimately they appointed a Financial Provisions Committee which worked out how the allocation should be done.

The Honourable Shri N. V. Gadgil: This was as a result of financial arrangement with the provinces concerned.

Prof. Shibban Lal Saksena: Exactly. I want that instead of laying down in this Act that there should be so much for irrigation and so much for other things—which will not work—it should be left to the Corporation who should have full responsibility for varying it or spending the money upon the industries of the place as they unfold themselves.

Then as regards electrical energy, it has been laid down here:

"Provided that nothing in sub-clause (c) shall apply to any person who was, at the commencement of this Act, generating electrical energy at an installation having an aggregate capacity of more than 10,000 kilowatts, so long as the capacity of such installation is not increased."

That shows that private concerns producing electricity below this quantity will be allowed to function. But the experience of the Tennessee Valley in a country like America, where private enterprise rules, was that they had to purchase all such establishments. In fact in the Tennessee Valley there is not a single private concern left; they have all been included and all have come and joined that plan. That has been most useful. So I think that none should be allowed to work there and they should be allowed to sell electricity to anybody requiring it and there should be no such limitation as is put here.

Then, Sir, there is the question of the assessment of this Corporation by Income-tax authorities in the matter of income-tax and super-tax. I think this concern should be treated like the railways and yield dividends to the nation; it should not be made to bear the burdens of income-tax and so on. All the income should come to the State and they should not be handicapped by being forced to pay income-tax, etc. Otherwise it will mean that we do not attach the amount of importance to national development that we ought to. There may be certain aspects of the problem which may be intangible but which may be very useful to the nation. They should not be taxed; and I do

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not think the principle of taxing public utilities is at all a wholesome principle. In fact whatever profit it makes will come to the nation, and it is not proper to tax it in this manner.

Another point is about the acquisition of land. Here it has been said that Part VII of the Land Acquisition Act should be utilised. But I may point out that in this American Bill they have laid down special provisions for doing this. Section 25 there is a much quicker method of disposing of this problem, in 30 days they can do the whole thing, and elaborate methods are laid down by which grievances will be removed and yet the work will proceed very quickly. I think that instead of the present clause we should have special legislation in this respect so that all requirements necessary may be met without delay.

Sir, I have only to point out that this Bill can be improved to a great extent, not by imitating but by taking those points in the T.V.A. Act which have proved to be of very great utility and which have stood the test of time.

Then I come to the important problem of the general river policy. As I said before, I consider this Bill to be the precursor of many more Bills which will come forward. I may tell you that in America even in 1941—eight years after the working of the T.V.A.—they did not think that the American water power was properly co-ordinated. I will quote the conclusions of this author who was perhaps deputed to make a study of this Authority by the American Government. He says:

"Present American water policy is not adequately co-ordinated. Although the technology of basin planning for multiple purposes has evolved rapidly, governmental practice in formulating and administering a program of water resource improvement has failed to keep pace. We do not subscribe to this belief that there is any single 'correct' national water plan. Nevertheless, we suggest that present procedures for analysing and presenting to Congress proposed projects can be greatly improved."

My Honourable friend Prof. Shah pointed out that we have been presented with this Bill without knowing why we should pass it. If we had full and detailed information about the valley and statistics about the whole basin, we would be in a better position. This is what this book says:

"So far as possible, the overlapping between agencies which has come to exist as planning has evolved into the multiple purpose stage should be eliminated."

Then it says:

"In contrast with the readily feasible recommendations above, we recognise that our proposals for a thorough stream lining of water resource planning and for decentralized administration involve major institutional adjustments. We accept the proposition that these adjustments can be accomplished only over a period of time, but we believe that they are implicit in the logic of the situation today. Already the National Resources Planning Board has divided the nation into forty five drainage basin planning districts and has made studies along the lines of this geographical classification."

So, in America they have forty-five basin plans and we are also probably having the first for our nation. We should also have plans so that all basins may be divided in this way.

Continuing, the authority says:

"On the administrative side, precedent for decentralized drainage basin agencies exists in the Tennessee Valley Authority. Three aspects of the experience of this institution should be of particular assistance in guiding future public action in water resource improvement. T. V. A. has demonstrated the importance of integrating water resource planning with general planning for conservation and development of a region's resources. It has shown that a broadly empowered, decentralised agency can move flexibly to meet the changing and unpredictable requirements of a comprehensive conservation program."

Mr. Speaker: Order, order. Is it necessary for the Honourable Member to read all these long extracts in support of his arguments? Could he not refer to the Authority in support of his case?

Prof. Shibban Lal Saksena: Thank you, Sir, I will cut it short. I wish to say that this Bill is of a very epoch-making character and I wish every effort should be made to make it as perfect as possible. I said this is to be the first Bill of its kind. I expect that many more Bills will come hereafter and the experience gained elsewhere should be made use of fully. Even in America where private industry is so intense, there they felt that this ousted private industry, although private industrialists helped to cut down rates and increase efficiency. The danger here is that unless everything is worked out, probably we may not be so careful about efficiency and other things. I wanted to point out that when we frame our own policy, we must frame it after taking advantage of all the experience that is available to the world, and when we have seen all the plans, we can then have firm hopes that we will improve the condition of the country. We want to come into the forefront of the nations as we ought to according to our population: it is only projects such as that suggested by the Honourable Minister will put our country into that position.

These Bills which are coming before the Indian Parliament are epoch-making Bills, and I hope what I have pointed out will be taken note of by the Honourable Minister and I hope he will try to make it a more perfect Bill and a Bill which shall be a model for all Bills to come and in a way he may be able to achieve all the advantages without having to be put to all those losses to which the pioneers were put to in this branch of development. I think we can take advantage of the experience gained by the T. V. A. for the last two years, and I hope this Bill will be amended and suitably drafted in a manner that will include all the good points that the T. V. A. has suggested.

In the end I will say, as the previous speakers pointed out, that when this Bill comes up again we shall have the material ready at our hands so that we can suggest improvements accordingly. I also agree with Mr. Kunzru and Prof. Shah that the personnel of the Board should be such as to establish national confidence. In the American Senate they have to take the Senate's concurrence before the men are appointed. I hope the motion will inspire confidence and we will feel that very soon this Corporation will become a greater success than the T.V.A. has been.

Sir, I support the Bill.

Shri Jaipal Singh (Bihar: General): Sir, may I know how long it will be now before we rise?

Mr. Speaker: We adjourn at 1-15 p.m.

Shri Jaipal Singh: As I come from the area that is going to be affected, I would, certainly, like to have as much time as the previous speaker. I suggest that I may be permitted to continue my speech. . . .

Mr. Speaker: Order, order. I do not wish to impose any time limit on any speeches. But the Honourable Member will appreciate that his arguments will be considered not by the length of time that they take but by the merit and quality of the arguments. So the Honourable Member need not make a comparison with the time taken by previous speakers. I will give him all the time he wants but he should not repeat the arguments already advanced.

Shri Jaipal Singh: I thank you for the tip. I am sorry; I have been trying to catch your eye the whole morning but, being a new member and not knowing the tricks to do it. . . .

Mr. Speaker: Order, order.

Shri Jaipal Singh: I congratulate my Honourable friend

Mr. Speaker: I wish the Honourable Member withdraws that allegation.

Shri Jaipal Singh: I do withdraw it wholeheartedly. I congratulate my

[Shri Jaipal Singh] friend, Mr. Gadgil, for presenting this Bill. It augurs well for the Nehru Government that the first adventure in planning should affect the Adibasi tracts. It has taken Congressmen nearly 65 years to do for the Adibasis something. For the first time, something concrete, something big and something bold is being done; it is going to be model for future River projects throughout India.

Sir, I do not think my Honourable friend, Mr. Gadgil meant his attack yesterday about grammar and so forth to be taken seriously. In certain quarters of the House, what he intended to be a joke—I think that is what he meant it to be—has been taken very seriously and caustic replies have been made. I think he is democratic enough to realize that neither he, nor his draughtsmen are infallible and that even the most perfect of things he puts before this Assembly will be subject to criticism and improvement. He must, at his experienced age, realize that a little more patience is necessary to win over members of this Assembly. In regard to this Bill, he is most fortunate that there is unanimity that it should go through as fast as possible. But that does not obviate the mistakes, that have to be put right before the Bill receives its final passage. I hope, therefore, he will forgive those of us who have taken a little bit of trouble to assist him in perfecting this Bill by submitting amendments.

On this question, I do not want to go into details. I do hope I shall have an opportunity when we are discussing the Bill clause by clause to make my own submissions as to where improvements might be made in grammar also. I am not a lawyer and I am very seriously handicapped when legalism is argued on the floor of this Assembly. I shall do my very best and you will have to forgive the way I have to present certain things. I do get lost when legalism is thrashed out in the Assembly. I have to look at things in the way they are going to affect me and my people and I do hope you will forgive me if I am blunt in certain matters. The only way I can serve this Assembly is to echo the feelings of my people in the way that I understand them.

Shri H. V. Kamath (C. P. and Berar: General): Does not my friend regard the Indian people as his people?

Shri Jaipal Singh: Take clause 50. It is clothed with verbiage much of which could well be pruned. When we actually discuss it I shall make my own submission, although I have not submitted an amendment. There are amendments galore and I think an addition by me will not matter much.

There is one thing on which I feel I must again make my emphasis and it is in regard to the promise which the Honourable Minister made for displaced persons and their resettlement. When he first begged leave to introduce this Bill, he promised the displaced people heaven. He said that he would give them houses better than they ever had and that every consideration would be paid to their suffering as little as possible in the interim period. I would like to suggest to my Honourable friend the Minister that he might experiment with this promised heaven of his in a temporary way. For example, the villages will have to be evacuated. Obviously people must live somewhere. If this is an adventure in planning, surely, we shall have sometime to think, sometime to experiment with our ideas on these displaced people. I know the area very well: I come from the area myself and let me tell the House quite clearly that this Bill provides Free India an opportunity. This project is the first one of its kind to enable Free India to put right a damage on Adibasis that has been there for the last 6,000 years. Most of the villages will be Santhal villages but, though they are not entirely populated by Santhals, bantias and other undesirable elements have got in and they have been for years and years a serious menace to the moral and material welfare of the people. Now bantias also will evacuate, I ask my Honourable friend, the

Minister, is he going to reinstate the bantias in the villages again, just because they are also evacuees from these villages or is he going to take a bold step and see that this disease, this terrible virus that has crept into the simple body politic of these villages is completely uprooted and put at the bottom of the project? What is he going to do? Is he going to experiment? I am not trying to be inhuman: all that I am trying to say is this. Let us be realistic in our endeavour. It is no good saying that we are going to give them better houses. What is really important is, are you going to give them their self-respect? Are you going to give them a *modus vivendi* whereby they will be able to contribute as men of honour, compatriots having a place of honour in the national life of India. That is the issue. I am not looking at it merely from a material point of view. We are not going to make my fellow Santhals happier simply by making them live in palaces. We do not want your palaces. We want to live for things whereby we can be compatriots in the common endeavour. I am thinking more of the spiritual aspect of the problem of rehabilitation, and this is not a matter with which we can play lightheartedly. We shall have to have the help of experts, of social workers, say from the Tata Social Institute at Bombay, or we may have to take the help of Anthropologists, so that it will not be merely a matter of lay experiment. When I talk of displaced persons, I am not merely thinking of the 300 and odd villages that will be displaced. I think we have to go temporally a little backward. We have to think of the roughly 5 lakhs of Santhals who have been crimped from that particular area and who, because of economic circumstances, have been forced to make their habitat in the tea gardens of Assam. I think most of us are old enough to realise what Mahatma Gandhi tried to do in the tea gardens of Assam. I think most of us still remember that noble march of his, which he endeavoured to make with these same Santhals, so that they might be repatriated back to their homes. I suggest, while we are thinking of the displaced villagers and the inhabitants of those 300 and odd villages, we might as well bear in mind that perhaps we would be reintegrating the Santhals by making an endeavour, as far as is possible, to get back the persons, the families, which have had to desert those villages in order to find a living elsewhere, because this particular area is no longer going to be a desert. It is no longer going to be subject to the ravages of a terrible and obstreperous river. This project is going to make this river walk and not run: that is the whole idea of it. We are going to harness the waters, which means that we shall have the water under control.

That brings me, as I said, to one rather particular aspect, that is bound to be lost by people who are not Adibasis. When we think of submerging a village we think merely of the submersion of the lands and the houses. But we forget that there are things that an Adibasi values very much. For example, they have their *Sarnas*, the sal or other groves where most of the worship is done by them. They think very highly of their burial places called *Sasana*. In fact though he is now there, the march of his race, his ancestors, from one part of the country to another part of the country is known by the menhirs, slabs of stones that they leave behind them. All these will have to be submerged. I want to ask my friend, the Minister, has he any idea of the spiritual rehabilitation of the man I have spoken of? Of course, we cannot reproduce the graves but we are going to destroy their worshipping places. In the scheme of resettlement that we have, have you any plan in detail that these people are going to have their worshipping places again? Or, is it merely that we are going to give them big cement houses and say that they are better off than in their kutcha ones? That is the spiritual aspect that should not be forgotten.

Similarly, there is the question of akharas. Every Santhal village has a plot, an arena, in the heart of it for their dancing. Dance is *rhythra* of

[Shri Jaipal Singh]
the life of Santhals. Most of you may be inclined to laugh at the aboriginal dances. . . .

An Honourable Member: Not at all.

Shri Jaipal Singh: But believe me there is much that the rest of India has to learn from Adivasis in regard to the rhythm of life. (*An Honourable Member:* "Certainly"). It was Tagore who chose a typical Santhal area to interpret to the world the rhythm of Indian life such as is found in all its nakedness at Bolpur and the other villages surrounding it. I would ask my Honourable friend the Minister not to forget that aspect of it either.

I would like to say something in regard to what my Honourable friend Pandit Hirday Nath Kunzru said. He seems to be under the impression that there will be such a surplus of energy that some machinery would have to be improvised which would compel and increase the consumption of electrical energy. So far as I have been able to understand the situation, we shall not have a surplus of energy. The scheme is such that it is in the heart of the industrial country. It is not very far removed from the big industrial areas. It is surely intended that the energy, as much of it as we can produce, will be utilised by all the industrial concerns as well as by the population. So far as I can see there will not be much surplus energy. In any case the whole purpose of the project will be defeated if there is not full use made of the energy. It is surely hoped that new industries will be attracted by this project. So I think on that account the fears expressed by my friend Pandit Hirday Nath Kunzru are unfounded. His reference to coal, which was also supported by Professor Shah, to my mind is equally ungrounded. Admittedly we have not as much coal as we would like to have. The Mahindra Committee Report shows that, if we were to exploit our coal deposits a little more scientifically, we can still carry on for about a century: but this project will mean that coal that is now being used for industry will be available for other purposes. In other words, the consumption will be not as much as had been in the past because coal, it is hoped, will be replaced by the electrical energy which should be available in abundance and at a much cheaper rate.

In the speeches that I have heard, T.V.A. has been mentioned a good deal. I have been at pains to try to understand the underlying principles behind the T.V.A., and, I find that there is much we have to learn from the T.V.A. But all the while we must remember that we have, in the last resort, to deal with human beings. The T.V.A. had to deal with America. The Damodar Valley Project has to deal with Indians, and, that is exactly where the difference comes in. I know my friend Mr. Gadgil has taken the very best advice possible. After all what more can any Government do than to get Mr. Voorduin and Mr. Savage, who are experts, and who have had long experience of Tennessee Valley Authority, that is in the technical aspect of it, and, the construction of the dam itself. I do not think there can be much doubt that the very best has been done to secure the finest expert knowledge and that knowledge is being utilised for this and other projects. I understand that Mr. Savage has made a survey of the Hirakud Project also. But when it comes to deal with human beings, his project has to deal with Indians and I think that is where the difference comes in. A suspicion has been thrown that unless the personnel were very carefully selected, they would abuse their power: it has also been hinted that there might be friction between the two provincial governments and various other local authorities that are situated in the area of operation, and so forth. My own attitude to this is: Certainly have the very best men possible running this Authority. I am one of the co-signatories to the minute of dissent in which my friend Mr. Naziruddin Ahmad and I have made it quite clear that we would like the Authority to be unhampered, unfettered and unmanacled by interference from a bureaucracy about 700 miles

away. We do want the thing to work smoothly and the whole essence of democracy is that we do not lose faith in our fellow human beings. We say, let the good in man outweigh the evil in him. When we come to discuss the clauses, my friend Mr. Naziruddin Ahmad and I will have our own arguments to place before the Assembly, but for the time being, Sir,—I notice it is nearly time to adjourn—if I may just say so I think we must trust this Authority. Of course, the very best men must be appointed, and they must not be political appointments. There is no doubt whatever that the biggest project, the first colossal project that Free India is going to undertake, must be run on such lines that it will be a complete success, so that all other projects—be it Hirakud, Bhakra, Tungbhadra and what not—will look to this as a model and guide.

The Assembly then adjourned till Eleven of the Clock on Monday the 16th February 1948.

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Monday, 18th February, 1948

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

DECLARATION BY MEMBERS

The following members made the declaration under Rule 2C:

The Honourable Dr. Syama Prasad Mookerjee (West Bengal: General); and
The Honourable Mr. C. H. Bhabha (Bihar: General).

Mr. Speaker: Before we proceed with the questions for today, I have to inform Honourable Members that I have received intimation from the Honourable the Defence Minister that, being engaged at Jamnagar he would not be able to be present here today in time for the question hour. So the questions to be answered by him today will be transferred to the next list.

STARRED QUESTIONS AND ANSWERS

ORAL ANSWERS

REPORT OF DELHI MUNICIPAL ORGANISATION ENQUIRY COMMITTEE

289. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Health please refer to her answer to my starred question No. 555, asked on the 3rd December, 1947, regarding the Report of the Delhi Municipal Organisation Enquiry Committee and state when the report will be received?

(b) Will the report be available to members?

(c) Do Government intend to bring in legislation for the creation of a Municipal Corporation for Delhi during the present session?

The Honourable Rajkumari Amrit Kaur: (a) The report of the Municipal Organisation Enquiry Committee has been received. The report is now being printed.

(b) I shall arrange to have copies of the report placed in the Library of the House as soon as printed copies are available.

(c) Government will need some time to consider the report and decide the action to be taken. As the problem is of a complicated nature, it will not be possible to bring forward any Bill in the present session.

Mr. R. K. Sidhva: When do Government intend to take a decision on this matter?

The Honourable Rajkumari Amrit Kaur: The matter will be coming under the consideration of the Government.

Mr. R. K. Sidhva: Will a sufficient number of copies be available in the Library?

The Honourable Rajkumari Amrit Kaur: I shall ask for that to be done.

PROVINCIAL QUOTAS AND NUMBER OF SEATS IN DELHI MEDICAL COLLEGE

290. *Mr. R. K. Sidhva: (a) Will the Honourable Minister of Health please state the total number of seats for students in the Medical Colleges for men and women in Delhi?

(b) What are the provincial quotas fixed for admission to these colleges?

(c) Is it a fact that owing to the large number of applications for admission, many candidates have not received admission?

(d) If so, what is the approximate number of students who do not get admission every year?

(e) In view of the large number of applications from students, do Government propose to increase the number of admissions in these colleges?

The Honourable Rajkumari Amrit Kaur: (a) There is only one Medical College in Delhi, namely, the Lady Hardinge Medical College, which is meant exclusively for women students. The maximum number of students who can be trained at this institution at a time is about 200.

(b) There are no fixed provincial quotas but seats can be reserved by the provinces on payment of a capitation fee of Rs. 1,500 per annum per student. The number of such reservations is decided by the Executive Committee of the College every year.

(c) Yes.

(d) The number of students refused admission has varied from 60 to 114 during the last five years, including those ineligible for admission by reason of not fulfilling the required standard, namely, 2nd class I.Sc. (Medical Group).

(e) The Governing Body of the institution have appointed a sub-committee to consider the reorganisation of the institution including the question of admitting more students.

Mr. R. K. Sidhva: I was not able to follow the answer to part (c) of the question. May I know how many were actually refused admission last year?

The Honourable Rajkumari Amrit Kaur: The answer to (c) is that a certain number of candidates have been refused admission. During the last five years 60 to 114 students have been refused, but all these were not eligible—some were refused because they had not got the required standard for entrance.

Mr. R. K. Sidhva: How many were refused for want of accommodation?

The Honourable Rajkumari Amrit Kaur: I would have to get the figures and let Mr. Sidhva have them later.

Mr. R. K. Sidhva: Do Government contemplate the expansion of this college for admission of more students immediately?

The Honourable Rajkumari Amrit Kaur: That question has been answered in reply to part (e).

Shri H. V. Kamath: Sir, is not the absence of a men's College unfair to the men and does it not amount to sex discrimination?

Mr. Speaker: Order, order.

Dr. B. Pattabhi Sitaramayya: May I know the annual new admissions of the first year students in this College? It was said that 200 students are provided for; is it in all classes put together?

The Honourable Rajkumari Amrit Kaur: 200 altogether.

Dr. B. Pattabhi Sitaramayya: And the first year admissions?

The Honourable Rajkumari Amrit Kaur: That depends, I think, according to the number of vacancies that are available. This year, as a matter of fact, we have got rather more because of the refugee students and we have tried to admit as many as possible.

Dr. B. Pattabhi Sitaramayya: Would the first year admissions be about 30 or 40 a year?

The Honourable Rajkumari Amrit Kaur: I could give the Honourable Member the figures.

Shrimati G. Durgabai: Will the Honourable Minister be pleased to state whether, in view of the large number of applications for admission every year and also in view of the large number of refusals, Government will be pleased to consider the desirability of starting many branches of this College elsewhere outside Delhi?

The Honourable Rajkumari Amrit Kaur: The Government of India is not responsible for starting branches outside its own areas.

Shri H. V. Kamath: Do Government propose to start a men's Medical College in Delhi?

The Honourable Rajkumari Amrit Kaur: There is a plan for the starting of a Medical Institute in Delhi which would include a College.

Mr. R. K. Sidhva: Is it not a fact, Sir, that, within the present accommodation ten per cent. more students could be taken in?

The Honourable Rajkumari Amrit Kaur: No, Sir; that is not so.

Mr. R. K. Sidhva: Have the College Authorities at any time written to the Government that they can take ten per cent. more students than what they can take at present?

The Honourable Rajkumari Amrit Kaur: No, Sir.

Shrimati Ammu Swaminadhan: May I ask the Honourable Minister whether the Government is thinking of taking over the Lady Hardinge Medical College and making it a Government College, which it is not at present?

The Honourable Rajkumari Amrit Kaur: That is under consideration.

*291. *

PRODUCTION, CONSUMPTION AND EXPORT OF OPIUM

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

- the total quantity of opium produced in India, province-wise;
- the quantity consumed in India;
- the quantity exported to foreign countries; and
- the revenue derived by Government from such export?

The Honourable Shri R. K. Shanmukham Chetty: (a) The total quantity of opium produced in the United Provinces, the only province in India where cultivation of poppy is allowed, in the calendar year 1947 was 3,282 maunds.

(b) The quantity of opium consumed in India, including West Punjab and East Bengal, in the calendar year 1946 (the latest year for which figures are available) was 4,472 mds. This quantity includes also opium consumed in India from out of previous years' stocks as well as from the stock received from certain Indian States.

(c) The quantity of opium exported to foreign countries in the calendar year 1947 was 2,743 maunds.

(d) The net revenue from export to foreign countries was roughly Rs. 47 lakhs in 1947.

NURSES AND MIDWIVES SENT TO FOREIGN COUNTRIES FOR HIGHER STUDIES

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

† Postponed to be answered on 23rd February, 1948, vide Mr. Speaker's remarks on page 741 of these Debates.

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

(a) whether it is a fact that the Government of India are sending Nurses and midwives to foreign countries for higher studies;

(b) if so, the number of such personnel sent to foreign countries for higher studies, province-wise; and

(c) the amount spent on them during the years 1946-47 and 1947-48?

The Honourable Rajkumari Amrit Kaur: (a) Government have been sending Nurses for training abroad. No midwives have been sent.

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

(c) The expenditure during 1946-1947 and 1947-1948 on Central Government candidates was approximately Rs. 11,500 and Rs. 30,500. In addition the Central Government contributed 50 per cent. of the expenditure incurred on candidates deputed by Provincial Governments. The expenditure was approximately Rs. 17,700 and Rs. 40,400 respectively in the two years.

STATEMENT

Showing the number of Candidates sent abroad for Nursing Training.
Post-graduate Nursing Course—

Sponsoring Government	Year			Total
	1915	1946	1947	
Central	1	...	3	4
Bombay	3	1	...	4
West Bengal	1	1	...	2
East Punjab	1	...	...	1
Madras	...	1	1	2
	6	3	4	13

Probationer Nurses Course—

Sponsoring Government	Year		Total
	1946	1947	
Central	3	2	5
West Bengal	4	1	5
Madras	1	4	5
Bombay	1	4	5
East Punjab	...	3	3
Ori.s.s.	...	2	2
U. P.	...	4	4
C. P.	...	3	3
	9	23	32

N. B.—Four Central and one Provincial candidate from those deputed for Probationer Nurses Course who have opted for PAKISTAN have been excluded from the statement.

REPRESENTATIONS re ABOLITION OR RELAXATION OF IMPORT DUTY ON CAPITAL GOODS.

294. *Shri Mohan Lal Saksena (on behalf of **Shri M. Ananthasayanam Ayyangar**): (a) Will the Honourable Minister of Finance be pleased to state whether Government have received representations from any industries or industrial concerns regarding relief from customs duty payable on importation of capital goods for industries?

(b) If so, do Government propose to lay on the table of the House a list of such representations, containing information regarding the dates on which the representations were first received and also the action taken on them?

(c) Has the Government's attention been drawn to a contributed article entitled "Import Duty on Machinery" appearing in the issue of the 'Eastern Economist', dated the 23rd May, 1947?

(d) Have Government arrived at any decision in regard to the question of the abolition of import duty on importation of plant, machinery and other capital goods for the purpose of the rapid industrialisation of the country?

(e) If so, what is the decision? If not, when will Government come to a decision?

The Honourable Shri R. K. Shanmukham Chetty: (a) *Yes.

(b) The representations were addressed to more than one Ministry and Government do not consider that any useful purpose will be served by the compilation of a list of such representations.

(c) Yes.

(d) No. The matter is under consideration.

(e) Government hope to be able to arrive at a decision shortly.

Shri Mohan Lal Saksena: May I know how many representations were received by the Finance Ministry?

The Honourable Shri R. K. Shanmukham Chetty: I am not in a position to state how many representations were actually received.

DUTY FREE IMPORT OF MACHINERY AND RAW MATERIAL FOR MANUFACTURE OF FERTILISERS

295. *Shri Mohan Lal Saksena (on behalf of **Shri M. Ananthasayanam Ayyangar**): Will the Honourable Minister of Finance be pleased to state whether Government propose to consider the desirability of permitting the importation of machinery equipment and raw materials for the manufacture of fertilisers duty-free as a measure of assistance to a vital industry?

The Honourable Shri R. K. Shanmukham Chetty: Yes.

NEGOTIATIONS BETWEEN BRITAIN AND INDIA re RELEASES FROM STERLING BALANCES

296. *Shri Damodar Swarup Seth: Will the Honourable Minister of Finance be pleased to state what progress, if any, has so far been made on the question of releases from the Sterling balances in the negotiation between Britain and India?

The Honourable Shri R. K. Shanmukham Chetty: Discussions have been proceeding for the past few weeks and it is expected that an agreement will be reached shortly.

Shri B. Das: Has the attention of the Honourable Finance Minister been drawn to the Press Report and the statement of Sir Stafford Cripps that Britain is in a very difficult position economically and that therefore she will not be able to meet the sterling obligations of the Dominions and other countries?

The Honourable Shri R. K. Shanmukham Chetty: I saw some of the recent statements of the Chancellor of the Exchequer in England, but those

statements did not convey to me the idea that the honourable member wants to convey to me.

Shri B. Das: Is the Honourable Member hopeful that India will be able to get all her claims from England, say, within the next five years?

Mr. Speaker: Order, order.

Mr. R. K. Sidhva: Have the negotiations between Britain and India concluded?

The Honourable Shri R. K. Shanmukham Chetty: It is expected to be concluded within the next two or three days.

Shri Biswanath Das: May I know whether Pakistan has also joined with India all along in these negotiations, and whether there is any truth in the Press report that Pakistan representatives have left with a view to making their own negotiations in certain matters?

The Honourable Shri R. K. Shanmukham Chetty: The Pakistan Delegation was here for a few days to have some joint talks but they are going to have a separate agreement themselves apart from ours.

Shri Biswanath Das: May I know in what respect and how far there is disagreement between Pakistan representatives and the British Delegation and whether in those respects India has got satisfactory response from the British Delegation?

The Honourable Shri R. K. Shanmukham Chetty: I do not know what has been going on between the Pakistan Delegation and the British Delegation. As I said, the Pakistan and the British Delegations are going to talk independently and have a separate agreement.

Shri H. V. Kamath: Is there any reason to believe that the British Government's behaviour is not of sterling integrity?

Mr. Speaker: Order, order. I find the Honourable Member is asking for opinions. Many of his questions are questions of opinions, and if he persists in them, he will not be able to catch my eye.

Shri Biswanath Das: Are we to understand, Sir, from what has fallen from the Honourable the Finance Minister that even though they are negotiating in India and at Delhi, Pakistan and India are negotiating separately and from their own points of view?

The Honourable Shri R. K. Shanmukham Chetty: Pakistan Delegation is not carrying on negotiations here in Delhi. They came here for some joint talks, but the idea seems to be that after the British Delegation has finished their talks with us, on their way they go to Karachi and there they expect to conclude a separate agreement with Pakistan.

†297. *—299. *

DAMODAR VALLEY CORPORATION BILL—contd.

Mr. Speaker: The House will now proceed with Legislative Business, namely, the further consideration of the following motion:

"That the Bill to provide for the establishment and regulation of a Corporation for the development of the Damodar Valley in the Provinces of Bihar and West Bengal, as reported by the Select Committee, be taken into consideration."

Shri Jaipal Singh (Bihar: General): Sir, before we adjourned last Saturday, I was dwelling on the importance of realising that in this project we were dealing with human beings and, as such, we would have to adapt the T.V.A. planning to Indian conditions.

†Postponed to be answered on 23rd February, 1948, vide Mr. Speaker's remarks on page 741 of these Debates.

I want now to talk on the composition and character of the Damodar Valley Corporation as is envisaged in the Bill that has been submitted by the Select Committee. At the Select Committee stage, there was a great deal of discussion as to the control, the power, which the Centre should have over the Damodar Valley Corporation and the impression I gained was that, somehow or other, we were far too keen on the amount of control the Statute should give us than the amount of work that we intended to do as a result of this project. It was like investigating into facts in the light of arguments rather than investigating into arguments in the light of facts. Let us look at the directive which President Roosevelt gave fifteen years ago, in 1933, when the Tennessee Valley Authority was established. He said:

"That the new Authority be a Corporation clothed with the power of Government but possessed of the flexibility and elasticity of a private enterprise."

The importance there is of the Authority being "flexible". My friend, Prof. Saksena, the other day pointed out that it was very important that, while we were bringing into existence a Statutory Authority, the life of this Authority, the life of the members of this Authority, should be of a more or less permanent character, unfettered by interference from a bureaucracy 700 miles away. To my mind, it is very important that we should trust this Corporation. There have been certain amendments, I know, which are trying to limit the scope of the Centre in regard to the appointments of members to this Corporation. One amendment, for instance, suggests that one of the members should be an expert on electricity. Somebody might equally say that another member of the Corporation should be an expert on Agriculture and so forth. I think by doing this sort of thing we are only limiting the scope of crop that is available in the national harvest. I think we should go out of our way to ensure that we take the cream of the national crop and I would even go further and say that, if necessary, for a certain period,—at any rate, till we can get better men among ourselves, we should take the cream of even the international crop among engineers and the like.

Now, coming to the administrative part of it, most of us in this country are in the habit of thinking in terms of age. We are rather prone to think that age is clothed with wisdom. Mr. Speaker, I am not one of those who is a slave to that narrow view of thinking. The first Chairman of the T.V.A., Lilienthal, was only 34 while his colleague Dr. Harper was twice his age, in fact, more than twice his age. He was older by about a couple of years than Lilienthal's father. But these two men worked together harmoniously and they produced wonderful results. What is the good of saying that one of the Members of the Corporation should be an electrician, who had been in any electrical industry, for at least ten years? Does it mean that ten years would give him the requisite wisdom? Does it mean that ten years are going to endow him with such wisdom as to make him a miracle man in this Corporation? We have so many instances in our own country of men who, without any academic qualification, have turned out to be the greatest architects of our industrial life. Take the case of Jamshedji. What qualifications had he? Yet, he was the man who founded the biggest steel industry in this country. Take another man Sir Rajendra Nath Mukerjee; he had no academic qualification at all and, yet, he was one of the greatest pioneers of public utility concerns throughout the country. Therefore, let us not depend too much upon academic distinctions. They may lead us nowhere. They will be just paper judgments. What is really needed is men of character, men of courage, men of vision who will be making this project into the model we want it to be, the new heaven, as my Honourable friend, Mr. Gadgil promises that they will endeavour to make, and, let us not forget that what happens to a river and what happens to the land, forests and villages is all part of one indivisible process; that river development means not only electricity, navigation and flood control, but saving the top soil of the hill-sides, afforestation and restoring the fertility of barren or exhausted land and industrial development. The main

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executive authority of the Corporation will have to consist of great men. Sir, I submit that great men are full of quirks and oddities and, if we are going to hamper the directing personnel with pin pricks from the Centre, it simply means we are going to defeat the very object for which we have been harping so much on the floor of this House, and, we would be defeating the ideal which we can reach, if only we will trust. I know fully well that my Honourable friend Mr. Gadgil has an open mind in regard to this. I do not think he is encumbered by the ideology of academic distinctions. I do hope that he will take the men in the same way as President Roosevelt picked them. Here I mention Dr. Harper's name. Dr. Harper was the President of Tennessee University. He was a specialist in agriculture. He has been in the T.V.A. from the beginning, but, the other members he has to work with are young men. Yet, there is no conflict and no difficulty whatever. Their team work is there for the whole world to admire. I do think we would be doing ourselves wrong and we would not be discharging our responsibility as legislators, in the right manner, if we go on putting spokes into the wheel of the Damodar Valley Project. I do think that we must trust our men on the spot. After all, the men there will have to make their own decisions and make them promptly. In the first and last analysis, the Corporation must be subject to control at the Centre, but, in the field and in the day-to-day administration, it must be its own boss and, if work is to be done, it must and has to be done on the spot. They must not have to ask for permission from anybody else 700 miles away from a distant bureaucracy. I think that is very very important, if this Corporation is going to work smoothly.

Prof. Shah emphasized how important it was that politics should be completely divorced from the Corporation. I would like to join him in this view. This factor is absolute and paramount. All appointments must be on the exclusive basis of merit and experience. There should be no political jobs of any sort whatever and no employee may undertake any political activity of any kind. The people who will be associated with this project must be happy because they are doing something creative and something bigger than themselves. Obviously, we cannot legislate morale and loyalty which the Project should get from almost every worker. The range of concept is so wide that it is almost boundless. It has no barriers except the selfishness of man and its horizon could be illimitable. Sir, I do feel very very strongly about it and it is for that particular reason I have subscribed my name to the Minute of Dissent that my Honourable friend Mr. Naziruddin Ahmad and I have submitted. Harmony is essential. Smooth work is important for the success of this first pioneer endeavour. As it is to be a model for other projects, I think it is very necessary there should be no disharmonious element in the middle of it; I mean the question of the financial adviser. In the original draft that was submitted he was to have been called the Treasurer, but, now, he has been elevated to a very very important position. I do not quite know whether by this new term 'Financial Adviser' we have given to him, he is going to be a colleague of the Directorate of the Corporation or he is just going to be the one man there the whole time, a spy as it were and a nuisance to the rest of the Directors. It is very important, I think, since this is a statutory body, the position of the financial adviser vis-a-vis the rest of the corporation should be quite clear and no room whatever should be left for friction or any obstructionism. That may result because he is called the financial adviser.

I do repeat, Sir, that we have to expect that in the first and the last analysis a Corporation has to be subject—of course it is subject—to the control of the Centre but I am thinking more of the working of the Corporation. In that particular regard, I submit that the financial adviser should be a part of the team and not somebody outside who can be a stumbling block to the smooth and successful working of the Corporation.

There is one particular point also in our Minute of Dissent. We feel that a new idea is being introduced in subjecting the earnings of the Corporation to income-tax.

This is going to be an entirely Government concern. There are going to be three participants in the project—the Governments of West Bengal and Bihar and the Centre. Whatever has to be disbursed, has to be distributed among these three. Now it simply means that the provinces of West Bengal and Bihar are going to be dealt with inequitably so that the avarice of the Finance Minister of the Centre may be satisfied. He must take a bigger bag away in the form of income-tax. Sir, people may argue, "Well, what does it matter? After all the income-tax money, which will accumulate at the Centre, will be redistributed again; you might get it back in some other form." I regret to say—coming as I do from the province of Bihar—that I cannot accept such solace. The province of Bihar is the centre of industrialism and will continue to be so. But what is the position of Bihar? It is one of the poorest of the provinces. We are one of the richest mineral tracts in India,—nay, the whole world. We have one of the biggest iron and steel manufacturing concerns in the whole world. But what happens? The Tata Iron and Steel Company is registered in Bombay and the whole of the profits go to Bombay; our share is only the hard work that we put in. What about the collieries? Most of them are registered in West Bengal, and, any benefit derived from them goes to West Bengal, just because they are registered in that province. We produce the wealth; somebody else enjoys the profits. Here is one instance of it. I have so far mentioned only private enterprise. Here is a Government concern which, somehow or other, is going to line itself along with the private enterprise I have mentioned. Is it also going to treat us meagrely; is it also going to be miserly? Let us not forget that Bihar has a number of waterfalls which, one day will have to be dammed and its waters marshalled for better purposes. If the Government at the Centre is going to take away sources of revenue which my province has a legitimate right to get, then, how are we to proceed with our nation-building activities? There are many schemes which my province would like to launch. But we do not want to beg of the Centre; we do not want to depend upon the mercy of the Finance Minister for launching upon other projects similar to the Damodar Valley.

I submit, Sir, the same kind of argument applies to poor West Bengal also. Bengal—or West Bengal as it has unfortunately become now—has been subjected to all manner of calamities. I think I am right in thinking that it is—as my friend Pandit Lakshmi Kanta Maitra pointed out—poorer than Bihar, though, I admit, it could not be poorer than Orissa or may be East Punjab. But, at any rate, West Bengal has been the cradle of our nationalism; now, it is also going to be treated in the same manner as Bihar. I submit that it is not fair that, of the three participants in an enterprise, two should be placed on a different footing. It is only just and fair that all the three must be put on the same footing and the only way that can be done is by exempting, as was suggested in the original draft of the Bill, the profits of this Corporation from income-tax. Once you do this, my province and my friend Pandit Maitra's poor province of West Bengal will get a greater share of the profits of this Corporation, which will help them to launch new schemes of reconstruction and development.

Sir, at this stage, I do not wish to say very much more. But I would like again to repeat: Let us remember that this project is a test for Free India. At every electioneering, in their manifesto, political parties have been inclined to promise all manner of things. Now, here comes the acid test and we will be judged by how we come out of it. Just as the form of this Corporation is to be functional, so I suggest that everything we do in the way of reconstruction must be functional. We must follow the maxim of

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modern architecture. We have, of course, something to learn from the past, but, that does not mean that we should bind ourselves hand and foot to old methods. In the past, I know, this Legislative Assembly has been very zealous about the control. It should exercise over any money that it gives out to anybody. I suggest that we should begin to be brave about it. After all the men who are going to be entrusted with this work are our fellow-men. We have to select them carefully, not merely because they have academic distinctions, but, because they are men with ideas, men with courage, men with personality, men who will be honest and men who are our compatriots. This project should be a model for the other schemes like Hirakud, Bakhra, Tungabhadra, and Kosi. Therefore it is very important that this must be an adventure in planning, as my Honourable friend Dr. Kunzru insisted while he quoted Prof. Huxley. Yes, it must be an adventure. Adventure always implies that there might be misadventure also. But, if we are going to move in the same old groove of controls and controls, our legislators here must spend days in shifting the project to bits: Are we thereby showing any signs of adventure? Are we showing any trust in the sense of responsibility of men? Are we going to appoint there? I submit, Sir, it is very important that we should appoint good men, the very best we can get, the very best—as I said before—from our national harvest, and trust them. And if we trust them, as trust engenders trust, I have no doubt whatever that they will not fail us. Sir, I have great pleasure in supporting this Bill.

Shri Biswanath Das (Orissa: General): Sir, I rise to support the motion for consideration of the report of the Select Committee. I congratulate the Honourable Minister in charge, realising as I do that this is the joint product of the Cabinet. But I see that the benefits that accrue from this project flow through his hands. I congratulate him and through him the Honourable Ministers constituting the Cabinet for giving practical shape to the planning about which we have been hearing so much. I congratulate the Ministry on having taken a very bold step in launching very many projects to the tune of 300 crores of rupees in this country with a view to making us self-sufficient. This bold venture—I need hardly stress—will be welcomed throughout the country specially in the provinces.

Sir, while contributing to the discussion my Honourable friend Prof. Shah complained that the literature necessary in this regard has not been placed in our hands. I join issue with him there. I will invite his attention to this book relating "The Waterways of India" which was prepared and placed in our hands about nine or ten months ago. This book clearly lays down the policy of the Government of India in this matter and gives us certain essential and necessary information regarding the Kosi, Mahanadi, Damodar and Teesta projects and the snow survey of the Himalayas. I would appeal to the Honourable Minister to let us have some further information; these are projects on which we are spending not crores but tens and hundreds of crores, and it is necessary that all available information should be placed in the hands of Honourable Members of this House. While calling for more, however, it would be unwise to blame Government on the score of information not having been placed in our hands at all. My Honourable friend while discussing this question also referred to the Mahanadi Valley project and in a general way remarked that these projects have been taken up rather hurriedly without the necessary consideration. He wants planning and he wants India to be made self-sufficient. How else can that be done if not by a hurried programme? You cannot accuse the Ministry of not having taken action and at the same time accuse them of taking very necessary and swift action. Various activities have been taken up. I know nothing about the details of

what has been done as regards the Damodar Valley project but I do know that a very close and intimate scrutiny has been made with regard to the Mahanadi Valley project. In the first instance a small committee consisting of three expert engineers were placed in charge of survey of these river schemes and thereafter an aerial survey of these areas was carried out. After that, a preliminary survey was taken up. The Government of India have today got experts who not only have established a reputation within India but have also got an international reputation,—I mean the members of the Waterways Commission in India. They have not only had a hand in shaping important irrigation works and dam works in this country but they have also gone to foreign countries and seen the operation of those dams. Not being satisfied with that the Government of India have made use of foreign experts. Dr. Savage came to this country and went round all these river basins which have been planned by the Government of India. Then not being satisfied with the scrutiny of dam experts the Government of India, to my knowledge, have also invited specialists on electricity as also on geology to see whether the ground on which these dams are to be constructed are fit and are really helpful to bear the weight of these dams. And so many other questions also have been taken into consideration. It would not be therefore fair for us to accuse the Government of India for not paying the necessary attention or doing things hurriedly as has been alluded to by my friends.

Having stated so much, I come to the other question, namely, the distribution of the investment on drainage and flood control between the Centre and the Provinces. India has been described by many thinkers as more in the nature of a sub-continent. Whatever it is, the fact remains that the two coastal belts of west and east are in the unfortunate position of receiving all the rain waters that flow either from the Himalayas or from the Western Ghats in the East and West as also from Central and Northern India with the result that it is their misfortune to have their provinces, and their people, exposed to eternal flood havoc. That being the position, it is not fair, I submit, to sap these provinces and ask them to contribute their share of the quota to be invested for the prevention of floods. In this view of the question, I join in my protest with the members of Bengal against the proposal to ask the provinces of Bengal and Bihar to share in the investment which goes to help the people from being saved from floods. To that extent, I think, the Bill has to be modified.

Still another question which ought to engage the attention of the Honourable House—and I am afraid that the Honourable Minister in charge of the Department has not given us a sufficient picture to be satisfied with his programme, and that is fairly important—what is going to be the position of the displaced population in these areas? My honourable friend, Mr. Jaipal Singh has referred to this question in a general way. He laid more stress on the need of moral rehabilitation. I for myself would think of material rehabilitation, leaving the moral rehabilitation to come itself. These people are going to be the worst sufferers. Three hundred villagers have to move and leave their ancestral hearth and homes, their village sites and their lands and the rest. Under these circumstances, it is a matter of justice to see that these people are not only rehabilitated but are compensated, and not only compensated but that these people should, I plead with the Ministry, get the first preferential benefits that are to accrue from the industrialisation of this area. To give practical shape to the suggestion, I would appeal to the Honourable Minister in charge of the Department to see that lands are provided to these people as far as they are available. Secondly that house sites and houses of a convenient nature are provided also to these people and these people should be compensated so as not to feel that they have been forced to leave their hearths and homes under stress of circumstances. Then again

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[Shri Biswanath Das] I would plead with the Minister that these people should have first preference, so far as their capacity goes, to get the benefit of the industrialisation of these areas. If all these are placed before them, I feel sure that the people concerned will not stand in the way and that this will make the work progress quickly and smoothly.

I know there was a lot of trouble that the Orissa Government had to face with regard to the Hirakud Dam. Prof. Shah has referred to the opinion of Rangayya, one of the engineers early connected with the work of Flood Committee that I appointed in 1938. The opinion, in this regard, given by Mr. Rangayya was merely a preliminary one, not completely based on the professional side of the question. I would plead and appeal that the House should not lay any stress on the opinion of Mr. Rangayya. The Government, I believe, have again appointed a Committee of expert engineers to scrutinise the entire question thoroughly and to place their recommendations before them.

From what literature is available, we see that even in the Tennessee Valley, leaving aside the question of rehabilitation, the question of acquisition of land was not very easy. It is always difficult for people to leave their hearths and homes and to leave their agricultural lands and migrate to other areas. This question assumes a far more difficult and serious aspect when one province is to be benefited more than the province that has to displace the people. Under these circumstances, I would again appeal to the Government, both in the Centre and in the provinces, to look into the conveniences of the people to be displaced and make necessary arrangements for their rehabilitation. I feel sure that if this question is attended to with sympathy, not only will the process of acquisition be quick, but also things will go on very smoothly and in a very harmonious manner. A course of action such as this taken up by the Government of Orissa has not only changed the entire atmosphere of Sambhalpur but has given Congress a distinct lead in the district which is visible in the bye-election we recently had in which a Congress candidate came at the head of the poll by defeating the gentleman who opposed us on the question of the Hirakud Dam. The apprehensions of Prof. Shah are not justifiable and should thus be taken with a grain of salt.

I then come to the other question, which is fairly important.

Shri Mohan Lal Saksena (U. P.: General): The clocks have stopped!

Mr. Speaker: The Honourable Member may proceed though the clocks have stopped!

Shri Biswanath Das: Two members of the Select Committee have left a minute of dissent which concerns a very vital and important question, viz., whether or not profits of a state activity should come under the purview of income-tax, super-tax, and the like. I have made it clear and I repeat again that it should come under the purview of central taxation. Not only this but also the accounts should be maintained on a commercial basis. To sum up I suggest to the Honourable Members of this House that in all state activities, of a commercial nature, two things should be insisted upon: first that the accounts should be maintained on a commercial accounting basis showing profit and loss and secondly, that they should be subjected, as any other commercial activity of a private nature, to income-tax, super tax, etc. I will explain reasons further. We are all anxious for nationalisation of key industries. To this end we will carry on agitation in the country to create public opinion. But we have at the same time to see that while we want nationalisation of industries we must see that greater efficiency and better production be the outcome of nationalisation. Within the long range of my experience in legislatures, I have seen that wherever there is government activity of a commercial nature, slackness comes in as a matter of course. I

do not see the reason why it should be so, nor the justification for it, but still, that has been my experience. I think a new and different outlook should come on our activities after the 15th August, 1947, the day when India was declared free. The benefits and profits that accrue from these concerns go to the nation and not to any foreign country as they were done in days of yore. Under these circumstances slackness must be thrown aside. How else can you throw it away unless you produce more and earn more. You then make out a case for further nationalisation of other industries. If that is not done, we only pay lip service to nationalisation. In these circumstances I would repeat again both the suggestions I have made; viz., that the accounting should be on a commercial basis and the profits should be subject to central taxation. A useful concern like the railways in which the Government have invested 700 to 800 crores are not giving any return whatsoever worth the name. My Honourable Friend Mr. Santhanam refers me to the contribution of 100 crores in the course of the war years that the railways gave. I repeat that the so-called contribution was nothing but a book adjustment. I would expect the railways, as also any other state activity, to make a contribution in the manner in which I have suggested. In this view of the question I fully accept the position that is taken up by the Select Committee, namely that the Corporation should come under the purview of Central taxation.

One word more in regard to the objections raised by my Honourable friend Mr. Jaipal Singh. I do not know how Bihar is going to be affected by bringing this Corporation under the purview of central taxation. This is a concern which concerns mainly Bengal. If at all there should be any objection it should come from members representing Bengal. Bengal has to be benefited more. Benefits should go to Bengal from the Centre in directions more than one, though not in the way in which it is proposed by my Honourable friend Mr. Jaipal Singh.

I now come to the last point of my submission, namely, centralisation policy in the Bill. In the last paragraph of the beautiful handbook placed at our disposal (published by the Central Waterways Commission) it is stated that the policy hereafter in the interest of general efficiency should be "by centralising policy and decentralising authority". I am afraid that this position has not been kept throughout the Bill. The Bill proposes a centralised authority to take charge of this Corporation. I have no objection for a centralised institution so long as the controlling authority is the central cabinet which is responsible to this House in the fullest possible measure. I would submit to the Honourable Minister that this Corporation will not be able to contribute to the fullest benefit possible, unless it gets the co-operation in the fullest degree of the provinces concerned. I will illustrate the position. You have got a huge quantity of electricity to be utilised. Let me hope that much of the electricity that you generate will be utilised not only for industries but also for agriculture and village industries. If this is the position adumbrated by the Ministry you cannot do it without the co-operation of the provincial government. In further clarification of this position I proceed to say that each provincial government will have to set up a huge organisation to finance the agriculturist, to sink wells and improve his holdings otherwise to enable him to make use of the power for drawing water for agriculture. Similar is the case if it is the intention both of the Central Government and the Provinces to start and develop village industries in different centres of villages, say within a limit of five or ten villages. A similar organisation of a varied nature has to be set up by the Provincial Government, and the co-operative movement, which is merely a wing of the Provincial Government, must also find full scope to carry on its activities. All such activities cannot be possible if the centralised authority—I mean the Corporation—puts on an air of superiority and wants to ride a high horse over the Provincial Governments because it

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is a limb of the Centre. I would appeal to the Honourable Minister to keep this aspect of the question in view and smoothen the way so that the activities of this Corporation will be possible of utilisation to the fullest and maximum benefit. In this view of the question I would join issue with my Honourable friend Mr. Jaipal Singh not to harp too much on the so-called autonomy of the limb of the Central Government. Sir, autonomy is meaningless unless it is to be utilized for the greatest good of the greatest number. If this is the position, this autonomy could best be utilized with the fullest co-operation of brotherly and friendly governments of the Provinces. I give whole-hearted and full support to the motion with a prayerful heart that this may go to contribute to the highest well-being of the greatest number in this country.

Shri Satyanarayan Sinha (Bihar: General): Sir, the question may now be put.

Mr. Speaker: The question is:

"That the question be now put."

The motion was adopted.

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): Sir, I am grateful to the Honourable Members who have been very appreciative, constructive and moderately critical in their speeches. I do not propose to cover the same grounds which I have done when I spoke while referring this Bill to the Select Committee, nor the same grounds which I covered day before yesterday. But after listening to the speeches delivered by Honourable Members, I think even at the cost of some repetition I will have to refer to some of the arguments which were advanced by me on these two occasions.

The first thing I want to refer to is the criticism that sufficient information was not made available to the Members of this House. The history of this project begins right from the year 1943. In the year 1946, during the discussion of the annual Budget, some discussion actually took place on this project. Even in the winter session of the year 1946 the occasion was utilised for ventilating some of the viewpoints by various Members. As a matter of fact, some publications by the Ministry concerned are available to the public. Further, at the time when I spoke on the reference to the Select Committee, I gave detailed information about the scheme. At the same time I am conscious of the fact that this is a matter in which the hearty co-operation of Honourable Members here is absolutely necessary. In fact, the success of the scheme depends on the extent of co-operation given by the Provincial Governments concerned, by the people of the respective Provinces and their representatives here. I have not the slightest intention of belittling this aspect of the question, and I might be permitted to say that steps have already been taken to educate the public in Bihar and in Bengal by various means such as small publications and also if possible by a film which will go to show the Valley as it is and the Valley that is going to be. But so far as the relevant portion of the criticism is concerned, that there was no material for the members on which to come to any conclusions, I want respectfully to bring to the notice of the House that what is more important for this House to decide is not the technical aspect of the scheme at this stage but whether the principles on which we propose to set up the agency, namely, the Damodar Valley Corporation, are sound or otherwise.

Then a point was made out by my Honourable friend Professor K. T. Shah that the scheme was not subjected to criticism or inspection at the hands of experts. I respectfully want to inform him through you, Sir, that the preliminary scheme was prepared by the Central Technical Power Board. After that three experts from America—one of them was already working with the

Department, namely, Mr. Verdouin, and two others namely Ross Regal and Schlimmer—were appointed to go through the details of the scheme. When they approved of it Government pushed it to the next stage.

It was stated by one of the Honourable Members that such schemes, when prepared by foreign experts do not take note of local sentiments, local circumstances and such other points of local interest. I want to assure all these Honourable friends that Indian talent was associated with this project from the very beginning and will continue to be associated till it becomes a reality. As a matter of fact, this scheme was discussed in various conferences which were attended by the representatives of the two Provincial Governments of Bengal and Bihar, as also by representatives of the Central Government. These representatives included experts from the Central Waterways Irrigation and Navigation Commission, also Chief Engineers from the Provinces of Bengal and Bihar. Representatives of coal interests were there, financiers were there. In fact, any interest that was considered to be relevant was represented. This scheme was subjected to criticism in all the four conferences which took place in the course of two years and ultimately the provisions of the Bill which is now before the House were accepted in principle by the Government of Bengal as well as the Government of Bihar. There is nothing new in the Bill to which both the Governments are not a party except the provision about Central taxation, which is a new feature introduced by the Select Committee. To that I shall come later on. So far as the supply of information is concerned, I do not think anything more was immediately possible, but I do appreciate the anxiety of the members to know all about it, and I promise that something on those lines will be done. Incidentally the Honourable Professor K. T. Shah referred to the Hirakud Dam. I think he has been fairly answered by my friend the Honourable Mr. Biswanath Das. However I want to inform the Honourable Member concerned that I have been continually receiving representations after representations about the particular size on which it is proposed to have the dam in the Mahanadi project. A considerable part of the criticism was due to the fact that the location proposed would submerge certain areas in the Sambalpur and other Indian States. As far as I was able to see, Sir, there was some politics in it and less of technical difficulties and technical aspects. It may be of interest to the Honourable Members of this House to know that the Mahanadi scheme which has been prepared and on which a bulky report has been submitted to the Central Government, has been approved unanimously by the Orissa Assembly. If I am to conclude from this that it has the substantial backing of the people of Orissa, I think I would be justified in doing that. All the same, Sir, in view of criticism coming from some important persons—it is not necessary to name them—on account of their high position and high engineering ability, the Government of India decided to appoint an expert committee consisting of Mr. Savage, another American a top-ranking engineer, and Mr. Visveswarayya. I want to assure this House that schemes involving crores of rupees must be proceeded with with caution because such huge sums are to come from the taxes that will be paid by the people at large, and we must take all reasonable care and caution to see that to the extent to which it is humanly possible to arrive at the correct planning, the correct designing, that should be done. I assure the Honourable Members that at every stage expert advice has been taken, and at every stage from designing to construction, from construction to utilisation, expert advice, whether foreign or Indian, will be associated. Every effort will be made to avoid mistakes, but if ultimately it is found that there is a small margin of wrong calculation or some such thing, well, you must generally excuse it. But I promise, as I have said, that every precaution will be taken.

Then, Sir, another line of criticism was about the objects for which this Corporation is to be set up. In the original Bill, the objects were fairly

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stated, but the members of the Select Committee thought that it was better that the objects should be wider and more inclusive, and with that point in view certain amendments have been suggested in clause 12, and this has been well appreciated by the Honourable Pandit Hriday Nath Kunzru and I want to assure him that in so far as the particular point about research, in connection with generation of electricity and other cognate matters was referred to by him, in my opinion it is covered by clause 12 and clause 21. But I promise that if I am satisfied that it is not so clear as I think, I shall certainly accept a suitable amendment to that effect.

Sir, I shall not refer to Honourable Members in person, but I have noted the points which have been referred to by some and I want to confine myself only to those. Much has been said about the selection of personnel. I put it when I spoke first that on the character and capacity of these three persons who will constitute the Board will depend the success or failure of the whole scheme. It is impossible to lay down in words as to what sort of people they should be, and as to what educational and other qualifications they should possess, but the Government have a fair idea and I may assure the House that we are constantly at it to find out in what particular terms we can describe the qualifications, not for the purpose of embodying them in the Bill itself, but for our guidance; and some such thing we have worked out and I would like to read it to the House:

The foremost is the highest integrity, incorruptibility;

The second is high intelligence;

The third is clear conception of economic development in India on modern scientific lines, especially in the industrial and agricultural field; and alignment of economic life on the co-operative basis; and

The fourth qualification, fairly wide experience of men and affairs.

I would say that men possessing these qualifications in any walk of life would do well. In this connection, Sir, I want to bring to the notice of the House that in order to secure the co-operation of the two provinces, provision has been made that these appointments will be made after consulting the respective Provincial Governments. I have no doubt that the two Provincial Governments will suggest the right type of men.

This is a great adventure in sectional planning and I agree with the Honourable Pandit Kunzru that these men must have the vision and spirit of the pioneer. I would put it still better, Sir, that they should have the vision of the poet, the zeal of the pioneer, and the capacity of a practical administrator; and I do hope that our country, rich as it is in material, is certainly rich in human talent also, and it will not be an impossibility to find out three top-ranking men of this description who will rule the destinies of 50 lakhs of people who will be committed to the care and custody, so to say, of this Corporation. I would therefore request Honourable Members not to try to incorporate qualifications in the Bill. If you agree with me, Sir, that the co-operation of the Provinces is a *sine qua non*, a fair participation in the selection of these men must be reserved for the provinces.

As regards other appointments I assure the House as I did on the first occasion, that these appointments will go by merit and by no other consideration. In this country, unfortunately, there are considerations which affect selection by merit—communal, provincial, religious, political and even otherwise. But I assure you that in this vast desert, this will be the oasis where appointments will be made by merits and merits alone.

I will refer to another point which was stressed by my Honourable friend Dr. Kunzru. He said that the test by which the whole thing would be judged would be whether the supply of power would be cheap. I want to assure him that it is not my view and, I should say without hesitation, the view of this Government, that public utilities should be looked upon entirely as commercial concerns. But there are other considerations which may be taken note of when tariff is to be settled; I would bring to the notice of this House some of these considerations which are expected to weigh with the Corporation when it actually sits down to frame the tariffs. Purely revenue considerations are now universally regarded as inadequate in determining the rates to be charged by public utilities. The tendency everywhere, including India, is to strike a proper balance between considerations of revenue and those of social well-being. The rate policy, especially of a State-owned public utility, is therefore increasingly based not on what the traffic will bear but on, if one may say so, what the service will bear. That is to say, the rate should be fixed at or near the lowest level compatible with the overall financial soundness of the utility concern so as to leave the customers a relatively high benefit or consumers a surplus. This social consideration is often reinforced by an economic one. Lower rates stimulate consumption so that the total revenue may increase in spite of a lower margin of profit. That is what is known as Henry Ford's principle—the lowest margin of profit and the largest possible turnover. And I have no doubt that the Corporation, when it starts working, will certainly take all these factors into consideration before finalising the rates.

Another point made by Honourable Dr. Kunzru was about utilization of the power so generated. I want to assure him that all the aspects of the project, planning, designing, construction, utilization and re-settlement, have been studied with utmost care. I am not dogmatic to say that whatever conclusions we have arrived at are the correct conclusions. I welcome every criticism that has been offered here or which may be offered hereafter. I assure you that this Government is functioning democratically, which means maximum association of popular opinion during the stage where policy is to be formulated. But as soon as that is done, it would be undemocratic in my opinion to interfere when the stage of execution starts. I would therefore request Honourable Members to send in their suggestions on any of these aspects any time they like, and I promise that every one of them will be studied and scrutinised with utmost consideration and courtesy.

A point that was made out by Prof. K. T. Shah was that this is a sort of sectional planning and care should be taken that it does not prejudice the overall plan that may be evolved later on. I want to assure him that this whole scheme proceeds on what is known as a Unified Scheme, complete in itself yet, it has got the flexibility to be put in with any other bigger plan that the leaders of the country may evolve in course of time. In this connection, Sir, another point which has been stressed considerably by many Honourable Members is one of Central control. Here we have to pause and think whether it is not necessary to have a provision of the type which we have incorporated in Section 47, if we have to see that any sectional planning does not prejudice the overall plan. Whatever the sectional planning Authority, such as the Damodar Valley Corporation or any other Corporation or Board that may come into existence, whatever it does has got to be seen and scrutinised from the overall point of view and for that purpose the Central Government must have the residuary authority to direct in the final analysis. It does not mean and it is not the intention—the position has been made clear by me on the last two occasions and I want to make it clear even now—it is not the intention of the Central Government at all to interfere with the day to day administration; if that was the intention we could have immediately made the Damodar Valley Corporation as one of the Departments. We would have

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appointed a Minister in charge of the Damodar Valley Corporation. But that is not so. To give autonomy and to keep policy control are not incongruous things and certainly are not conducive to inefficiency. I therefore think that the provision in Clause 47 is necessary from the all-India point of view. The money that will go to finance this Corporation will not be contributed entirely by the people of Bihar or by the people of Bengal. The Madras stenographer, the Maharati soldier and the Punjabi merchant,—all will contribute for it, and do you think, if they ask legitimately that they must have some voice in the formulation of the policy that should govern this and other Corporations, their request is entirely illogical or improper? No, Sir. I am sure the whole House thinks with me on this point, but if there is any suspicion in the mind of any Honourable Member that the Central Government automatically wants to concern itself with all the details, even the appointment of a single electrician or a fitter or an office boy,—then, let me at once say that it is not the idea. Our hands are already too full. Innumerable questions have to be answered here, apart from any other things, and the supplementaries that come thick and far, they too are innumerable. But the House will agree with me that such provision is absolutely necessary and it might interest the House to know that this point has been agreed to by both the Provincial Governments.

Then, Sir, a point was made about the securing of local co-operation. As I said, the central theme of the whole scheme is co-operation with the people of the Provinces and the local areas concerned. In the original Bill, this aspect undoubtedly was taken note of, but after giving further consideration to this aspect, the members of the Select Committee provided in Clause 10 for an "Advisory Committee". Now this Advisory Committee will represent local interests. Local opinion will be ascertained and, if I may borrow the formula from the Soviet economy, suggestions will come from below and directions from above. Every little part of the scheme, in so far as it affects any particular area, will be considered by the Advisory Committee and other Committees. You will find, Sir, in Clause 21 that it is proposed to have many such smaller organisations or sub-organisations, for planning, designing, construction operating agency and so on. We have also provided for the establishment of co-operative societies and other organisations for the better use of facilities provided by the Corporation. You will find, Mr. Speaker, that it has been the background of this Bill that popular opinion should be ascertained and popular representatives should be associated to the greatest possible extent. This is not, as some people would have it, as if something was prepared at the top, executed and thrown down the throats of everybody below. It is not so. No Government, no scheme, can be successful unless both of them secure the heartiest co-operation from those whose lives are affected by the orders of the Government or the facilities made available from the scheme when they are completed. So far as securing of local co-operation is concerned, I have already said that a wider provision has been made in Clause 10.

Another important point that was made out by Prof. Shibbanlal Saksena was about the provisions about labour,—wages, this, that and the other. The same point was raised by him on a former occasion and obviously the same reply will be made, namely, these are matters which are governed by the general law of the land. Very recently this House has passed a legislation for minimum wage. The same law will govern.

Then another point which he made was about the elaborate procedure for the acquisition of land and he quoted relevant sections from the Tennessee Valley Authority. I want to tell him that if it was possible to get the land immediately it could have been done, but in that case, we would have got the land and lost the co-operation of the people. That is not the intention. That

cannot be the intention. Therefore, the normal law of the land, namely, the Land Acquisition Act, will apply and in cases where the Corporation requires immediate possession of any particular area, I have no doubt the application of Section 4 of that Act will be invoked and immediately possession will be taken and compensation will be paid after due and proper enquiry as contemplated by the provisions of the said Act.

I now come to another point, Sir, about resettlement. I fully sympathise with my Honourable friend Mr. Jaipal Singh and also my Honourable friend Mr. B. Das. On the last occasion, I gave the assurance that land will be given for land and that where it is impossible or where it is not wanted, adequate compensation will be paid, and that those people who will be unsettled, expropriated or uprooted, they will get cottages for hovels, honest means for doubtful living and faith for fanaticisms. That is how I described it. I give the same assurance. Mr. Jaipal Singh said that the *baniya* should not be resettled. I do not think in terms of caste but thinking in terms of function, I regretfully say that this institution of usuries is as old as the yonder hill.

An Honourable Member: *Baniya* is not a caste.

The Honourable Shri N. V. Gadgil: If I am wrong, I am prepared to correct, but in my part of the country, *baniya* is a caste. However, that is a small matter.

But the system of usury is there and the reason for it is also well known. When men try to spend more than they earn or earn less than what they require, usury comes in. Here is the field for the socialists. Here is a field for those social visionaries who are out to establish a classless society based on equality to come and offer their services and have model communities and model villages where both the *baniya* and the political agitator will be conspicuous by their absence. I might take the House into confidence and say that it is the intention that model villages will be made available. (**An Honourable Member:** "Only intention"!) As a matter of industrial development of this Valley, there will be many factories and it is possible—in fact, it should be done—factories should be owned and conducted on co-operative basis in which some of the backward classes may legitimately take part.

Then Mr. Jaipal Singh referred to culture. I plead ignorance here. I frankly do not know much about Santhal culture, but I can assure him that whatever is good in their culture including the dance, attempts will be made to preserve them. He referred to it as spiritual rehabilitation. I can assure him—without understanding the full implications I must confess—that all attempts will be made as far as possible to see that those who are resettled do not feel themselves in some strange unknown world but that they will be resettled in fairly familiar circumstances.

The last point, Sir, that I want to refer is about Central taxation. I do not want to repeat what I said on the last occasion but I want very earnestly to bring to the notice of Honourable Members that if one after another field after field of economic activities which yield returns or which constitute the sources of Central taxation, are given over to autonomous bodies, the Central Government will be left with the Finance Minister without the finances. In the past whenever there was any difficulty for the Province, whether it was a famine or flood, it simply sent a S.O.S. to the Central Government and got the amount. Crores of rupees have been advanced to many Provinces. I do not want to name them. Provincial Governments are constantly asking and they are having pressure from the respective people to ask for grant for the development of industries, or particular projects or for putting education on a sounder basis and a hundred and one schemes. If some of those demands are to be met, I would like to know from where are they to be met? Fortunately our Finance Minister is a well to do man, but there is a limit to it also. So it is only financial prudence to provide for central taxations, and I

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appeal to Honourable Members in all humility to apply a little more thought to this particular aspect. I have not prejudiced in the least the sources of Provincial taxation in so far as this scheme is concerned. The irrigation dues will be under the control of the Provincial Government. The sale tax which I am told is ten annas in the rupee in some provinces, that is a substantial portion of the selling price will still be a subject of Provincial taxation. Having given both these sources it is only proper that something should be made available to the Centre which is also a shareholder along with the two other Provinces of Bengal and Bihar. I will not refer to the fact that Central taxation also helps to make the concern run more efficiently and on sounder commercial principles. That point was sufficiently dealt with by me on the last occasion. Even the yield from Central taxation is not going to be annexed in its entirety by the Central Government. Under the present constitution and the Constitution that will come hereafter the Provinces will have a fair share in the yield from income-tax, Corporation tax and other taxes. It is only taking by one hand and giving by another hand, not the whole quantity however, but after retaining a good portion of it. There is this that when the Provinces in future ask for something like a subvention or a grant from the Centre, their request is reinforced by the fact that the Centre has received so much from these concerns, why should not the Centre give? I am only providing a potent and powerful argument for the future Provincial Governments and their representatives here.

I should therefore ask Honourable Members to give a little more thought and visualize what will be the state of affairs if activity after activity is so to say embodied into a Corporation with autonomous power and no liability for central taxation, just imagine the position. These are the points, Sir, which were more or less raised by the Honourable Members in their speeches. As I said criticism has been very moderate, the speeches have been appreciative and even complimentary. I thank the Honourable Members for all the good words they have said about me. (But I have got partners in this and they are the officials, who will remain unknown, because the highest ideal of Civil Service was described by one of the greatest Englishman as "integrity, industry and anonymity". So they will remain unnamed but I can assure you that they will co-operate to the best of their ability; they have adjusted to the spirit of the times; they know what the people want and they will certainly respond to it. I thank you. Sir, I have done.

Mr. Speaker: The question is:

"That the Bill to provide for the establishment and regulation of a Corporation for the development of the Damodar Valley in the Provinces of Bihar and West Bengal, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Mr. Speaker: We will now take the Bill clause by clause.

Shall we have the same understanding as we had the other day in respect of the other Bill?

Mr. Naziruddin Ahmad (West Bengal: Muslim): Yes, Sir.

Mr. Speaker: I am inviting the attention of the Honourable the Minister to the fact that he knows the understanding that we had during the course of the Industrial Finance Corporation Bill as regards the amendments of Mr. Naziruddin Ahmad. (An Honourable Member: "only")—not 'only' and similar ones—and the understanding was that in cases where the amendments are verbal, just to have a better linguistic form, if the Honourable Minister states that he will accept them or he will consider them, there will be no further discussion about them.

The Honourable Shri N. V. Gadgil: Now it has been established as a convention, I shall say 'I accept' or 'reject'.

Mr. Speaker: That will be the position.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in part (2) of clause 2 of the Bill, for the words 'Damodar river', the word 'Damodar', be substituted."

The Honourable Shri N. V. Gadgil: Sir, I do not accept it.

Mr. Speaker: He is not inclined to accept the amendment.

Mr. Naziruddin Ahmad: My difficulty is this; That while describing the river "Damodar" as "Damodar river" the Hooghly is described as merely "Hooghly" and not "Hooghly river". In the interest of uniformity I have suggested that they should be called "Damodar river" and "Hooghly river". I have also suggested the alternative that if we keep the words "Damodar river", I request the Honourable Minister to make similar amendments in the case of the "Hooghly river".

An Honourable Member: Is this the convention, Sir?

Mr. Speaker: He is just trying to explain his point of view. I shall now place the amendment before the House.

Mr. Naziruddin Ahmad: I think the purpose of the amendment will be acceptable to the Honourable Minister.

The Honourable Shri N. V. Gadgil: I will accept your 'Hooghly river', but not the 'Damodar'.

Mr. Naziruddin Ahmad: Then I do not press it.

Mr. Speaker: Then the amendments 4 and 5 relating to clause 2 are disposed of.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in part (2) of clause 2 of the Bill, for the word 'its', the word 'his', be substituted."

I think, Sir, speaking of the river Damodar which is a male river, the word "his" would be more appropriate. The river Ganges or Ganga is feminine, but the Damodar is masculine. There is a similar use in the English language where Sun is masculine and the Moon feminine. In order to keep the sacred tradition, I think this amendment should be accepted.

The Honourable Shri N. V. Gadgil: I do not agree.

Mr. Speaker: That disposes of amendments 4 and 5.

Mr. Naziruddin Ahmad: Sir, I move:

"That for part (4) of clause 2 of the Bill, the following be substituted:

"(4) 'participating Governments', means the Central Government and the Provincial Governments."

Clause 2, sub-clause (4) in the Bill refers to participating Governments as meaning the "Provincial Government of Bihar and the Provincial Government of West Bengal". In clause 2, sub-clause (6), the expression "Provincial Governments" has been defined as the "Governments of Bihar and West Bengal". The repetition of the expression "Provincial Government" in a small sub-clause is unnecessary. The amendment shortens the definition by using a technical expression which has been defined. Sir, I move.

The Honourable Shri N. V. Gadgil: Sir, I do not accept it.

Mr. Naziruddin Ahmad: Sir, I move:

"That for the words 'Central Government', wherever they occur in the Bill, the words 'Dominion Government', be substituted."

In the new set-up the Central Government no longer exists as a legislative reality and the phrase "Dominion Government" occurs in the Indian Independence Act and in section 16(2) and in many other places of the Government of India Act as adapted. So that should be the proper expression I have heard

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it said that the "Central Government" is only a transitory expression; so is the "Dominion Government" because the entire constitution is now under consideration. It may be said that after the constitution is framed, "Dominion Government" will be obsolete, but so will be many old expressions in so many other Acts, and there will have to be an Adaptation Order for all Acts—provincial and Central—to bring them up-to-date. So for the time being I think "Dominion Government" will be the more appropriate expression, though later on we can change it. This expression occurs in the Government of India Act which is our present constitution and my amendment is consistent with it.

The Honourable Shri N. V. Gadgil: Sir, I cannot accept it, because the words "Central" and "Provincial" are well understood and Dominion status will soon disappear.

Mr. Speaker: The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (2) of clause 3 of the Bill, for the words 'The said Corporation' the words 'The Corporation', be substituted."

This is shorter and sufficiently explicit.

The Honourable Shri N. V. Gadgil: Sir, I cannot accept it.

Mr. Speaker: The question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Prof. K. T. Shah (Bihar: General): Sir, I beg to move:

"That after sub-clause (1) of clause 4, of the Bill, the following new sub-clause be inserted and the existing sub-clauses (2) and (3) be renumbered accordingly:

"(2) One of the members of this Corporation shall be a person with qualifications as Electrical Engineer and with at least ten years' experience as such engineer in the Indian Service of Engineers, or as consulting engineer in a firm of practising electrical engineers of not less than ten years standing. Another of these members shall be a person with qualifications as Civil Engineer and experience of at least ten years in the Ministry of Works, Mines and Power, or in the Department of Public Works of any Provincial Government with special reference to Irrigation Works:

Provided that the Chairman of the Corporation shall be preferably a person with experience as head, or director or principal manager of a business enterprise of the nature entrusted to the Corporation."

This amendment, which I venture to put before the House, is, amongst other things, for the following reasons:—

It is, I may say at the outset not intended to tie down the hands of the responsible authority making such appointments. I have the fullest confidence in the anxiety and desire of that authority to make appointments of only very fully qualified and experienced persons for posts of this kind. I was all the more happy and confirmed in this confidence when the Honourable Minister in charge of this Bill assured the House quite emphatically that in these appointments, merits and merits alone will determine his choice. I repeat that I was very happy to hear this. But I would even be willing not to press my amendment but for certain speeches made in this House.

The point I would like to submit to this House is:—first, that this attempt on definitising the merits is not without precedent, or without its value to

those who guide or make the appointments. We have in laws relating to the appointment of Judges of High Courts or other judicial officers, some definite standard of this kind, laid down not because it is accepted or believed that those possessing five or ten years judicial experience will necessarily have more wisdom because of the number of years they have practised. That is not the intention. The intention rather is that here is some kind of an objective standard, a definite yard-stick by which to measure, by which to judge the qualifications for such responsible posts.

I am fully aware that it would be necessary to have men of ideas, men of vision, men of courage in such posts. But may I submit, Sir, that these are very big words, somewhat vague in their connotation and denotation; and, therefore, should we not offer some kind of objective measure for judging all these—not that these qualities should be excluded but that they should be more concretely visible. I do not think therefore, that we would be tying up the appointing authority to a very narrow limited field. It is possible to be misled by such big words, especially when we have no definite standards to be guided by in assessing the actual possession of such qualities as are implied, as are conveyed in words of the type I have mentioned.

A man of ideas, for example: we all would welcome such a thing. But how is that to be judged. Is he to be a man of ideas or one who talks most, even though he may be repeating himself or using the least convincing words? Are we to judge the man of ideas merely because he can repeat the morning newspapers for news? I have come across people very often who pass off as brilliant individuals in their own line, but whose qualifications, when one goes into them, amount to nothing more than what others have done, duly edited and brought up to date by themselves.

The question also of vision: I am very happy that men of vision are going to be appreciated. I am very happy Sir, that the Honourable Minister would require men with the vision of a poet and the executive capacity of an administrator and the adventurousness of pioneers. That would make a most excellent combination, with which I at least would not be dissatisfied. But I would submit to the Honourable Minister and the House that the judgment would require some kind of an objective standard or test. My great fear in this matter, which I have found on a previous occasion, is the possibility of political influence that I hope every one would agree ought to be and would be avoided. It is for that reason, Sir, that I have suggested for two at least out of the three members proposed for the Board some definite technical qualifications and experience, not necessarily in the service of the country or as officials of Government; but even where they could be found as heads or managers or consultants in private practising firms. And may I also add that, this does not exclude non-Indians from such appointments if you cannot get more suitable experts. I may further add that I would prefer Indians in these matters wherever available, even if they be not cent per cent experts that foreigners may be. Even if they are 98 or 99 per cent of that, I would prefer an Indian. That may be a little parochialism on my part but I must confess that I am guilty of that parochialism.

The last is a question of courage. I hope no one is going to confound courage with foolhardiness or by daring to take a mere leap in the dark. Here there is no such danger because all the preliminaries seem to have been as well worked out as may be. Therefore the danger that may arise, and the kind that I have indicated to this House is as fully guarded against as can be.

I would therefore beg leave of this House to be allowed to withdraw my amendment, resting as I have on the assurance given by the Honourable Minister in making these appointments.

Mr. Speaker: Well, I need not put it before the House. So there is no question of withdrawing.

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

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

DECLARATION BY MEMBER

The following member made the declaration under Rule 2C:

The Honourable Maulana Abul Kalam Azad (United Provinces: Muslim):

DAMODAR VALLEY CORPORATION BILL—contd.

Mr. Naziruddin Ahmad: Sir, I move:

"That for sub-clause (2) of clause 4 of the Bill, the following be substituted:

(2) No person shall be eligible for being appointed or for continuing as a member—

(a) if he is a member of the Central or of any provincial legislature; or

(b) if he has any interest, direct or indirect in any contract subsisting for the time being and made with or in any work being done for the Corporation except as a shareholder (otherwise than as a Director) in an incorporated company."

This amendment is only an attempt to rearrange the wording in the authorised manner. The text is rather imperfect and this is an attempt to clarify it.

The Honourable Shri N. V. Gadgil: I cannot accept the amendment.

Mr. Naziruddin Ahmad: Sir, I shall only move the latter part of my next amendment. I move:

"That in sub-clause (2) of clause 4 of the Bill, the commas after the words 'being appointed' and the words 'continuing as', be omitted."

Commas are necessary only to put a check on the reader's progress and to enable the reader to appreciate the sense. In this case they really retard rather than facilitate the purpose. A recent authority has said that commas which are not necessary for clarity are to be avoided. In this case it would be a gain if the commas are eliminated.

The Honourable Shri N. V. Gadgil: I cannot accept the amendment.

Mr. Naziruddin Ahmad: The Honourable Minister is too peremptory.

Shri K. Santhanam (Madras: General): Sir, I move:

"That in sub-clause (2) (b) of clause 4 of the Bill; the words 'provided that where he is a shareholder he shall disclose to the Corporation the nature and extent of shares held by him in such company', be added at the end."

The Honourable Shri N. V. Gadgil: Sir, I am prepared to accept the amendment, provided for the word 'corporation' the word 'Government' is substituted. The appointments are to be made by Government before the Corporation comes into existence and therefore the disclosure must be to the Government.

Shri K. Santhanam: I accept the suggestion of the Honourable Minister.

Mr. Naziruddin Ahmad: The word 'provided' begins with a small letter. It should begin with a capital letter, as it begins a sentence.

Mr. Speaker: Otherwise the full stop at the end must be turned into a comma.

The question is:

"That in sub-clause (2) (b) of clause 4 of the Bill, the words 'provided that where he is a shareholder he shall disclose to the Government the nature and extent of shares held by him in such company', be added at the end."

The motion was adopted.

Mr. Speaker: I think amendment No. 11 (List 3) drops out.

Mr. Naziruddin Ahmad: I have to make a point about it, Sir. This amendment relates to clause 4, sub-clause (2), part (a). There the expression 'Central Legislature' occurs. I suggested 'Dominion Legislature' instead of 'Central Legislature'—not that I wish the House to accept it but to accept the principle that this Legislature should be really described as the Central Legislature. But this Legislature has been described as the Dominion Legislature in other places in the Bill. If the Honourable Minister accepts the clause as it is, it will require amendment in other places.

With regard to item (b) of the sub-clause in the expression 'other than a director' within brackets, the word 'director' should begin with a capital letter. There has been a mistake and I also missed it at the time of sending my amendments. That short notice amendment would, I think, be accepted.

Mr. Speaker: The Honourable Member's general amendment, I take it, is to substitute the word 'Dominion' wherever the word 'Central' occurs. Is it so?

Mr. Naziruddin Ahmad: No, Sir. This refers to the Dominion Legislature and not to the Dominion Government. As I have explained, I do not desire the House to accept my amendment—I rather desire it to reject it, that is to say, to stick to the draft as it is. There are anomalies in some other places to which I shall refer later on.

Mr. Speaker: Then there is no question of putting the amendment.

Mr. Naziruddin Ahmad: Sir, I also made a point regarding the word 'Director'.

Mr. Speaker: A note of it has been made for the printer.

Mr. Naziruddin Ahmad: It is not a printing mistake; it appears in all the drafts.

Sir, I shall move the next amendment. I move:

"That in sub-clause (3) of clause 4 of the Bill, for the words 'any defect in the appointment of a member', the words 'any appointment or continuance in office of a member contrary to sub-section (2)', be substituted, and the word 'thereof', occurring at the end be omitted."

With regard to the first part of the amendment I submit that the amendment is more specific: the Bill clause is not so specific. There are two points, firstly of a member being appointed and secondly his continuance in office. So far as the appointment is concerned there is sub-section (2). The direct statement would be that if any appointment is made or again if a member 'continues' contrary to sub-section (2), even then the proceedings, or the action taken by the member, will not be vitiated.

With regard to the second part of the amendment I submit that the word 'thereof' is absolutely unnecessary. 'Member' has been defined to be a member of the Corporation. 'Member' here means a member of the Corporation. 'Member' alone is quite enough because it has been accurately and precisely defined. So this word has to be deleted.

Mr. Speaker: What is the reaction of the Honourable Minister. I would like him to consider this question about continuance in office.

Shri K. Santhanam: Sir, I do not think it is proper. Suppose the Corporation has come to a decision. Whether it is valid or not depends upon circumstances. We cannot say that it shall be valid for all time even though it has been vitiated actually. The word 'continuance' will not be proper.

The Honourable Shri N. V. Gadgil: Sir, I am not willing to accept the amendment of the Honourable Member.

Mr. Speaker: Then I shall put clause 4, as amended.

Prof. Shibban Lal Saksena (U. P.: General): Sir, there is an amendment to this clause by me of which I have given notice in the morning.

Mr. Speaker: I have got something very long just now. The Honourable Member is rather late in giving his amendment. Has he given notice to the Honourable Minister about it?

The Honourable Shri N. V. Gadgil: Sir, it is impossible to grasp the implications of such a long amendment at such short notice.

Mr. Speaker: For the benefit of all Members I might repeat that, generally speaking, I shall not be inclined to waive notice at the last minute unless the amendments are substantially agreed to by the House. That is the position. The Honourable Member gave notice of his amendment after the session began today. I am afraid I should not give my consent to the waiving of notice in this case.

Prof. Shibban Lal Saksena: Sir, I am sorry for the delay in giving notice. It happened because yesterday was Sunday and I could not give notice yesterday. I am sorry for it. There are two or three points in this amendment which I would suggest to the Honourable Minister to accept and incorporate in the Bill. In my speech the other day I made some suggestions particularly with reference to the Tennessee Valley Act. There were three points specially. In the first place there should be some rotation and term among members. If T. V. A. has continued for the last 15 years I think the Damodar Valley Corporation may continue for quite a long time. There must be a suitable provision for appointing members and for carrying them on by rotation. I therefore suggest that there should be a nine year term and three members should be appointed for three, six and nine years respectively.

The second point was that the term 'Financial Adviser' should go and for that the word 'Treasurer' should be substituted. The Honourable Minister has promised that the three men he would appoint would be men of great merit. Then you must trust them. In view of that a separate Financial Adviser appointed by the Central Government will only detract from its autonomous working. I therefore want the Honourable Minister to consider this point.

The third point was this that the members should take an oath before taking up their office. The Honourable Minister said that when these members are appointed by him he will not interfere with them and said there could even be a separate Ministry for that purpose. If he realizes that the importance of the work is such as to warrant even a separate Ministry, then these men before taking charge should take an oath as is done by the T. V. A.

I have suggested these three points and I hope the Honourable Minister will take note of them and, if possible, accept them.

Mr. Speaker: The question is:

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

The motion was adopted.

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

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (1) of clause 5 of the Bill, for the words 'member of the Corporation', the word 'member', be substituted and for the words 'shall devote the whole of his time to the affairs of the Corporation', the words 'shall be a whole time servant of the Corporation', be substituted."

The Honourable Shri N. V. Gadgil: Sir, I accept the amendment.

Mr. Speaker: The question is:

"That in sub-clause (1) of clause 5 of the Bill, for the words 'member of the Corporation', the word 'member', be substituted and for the words 'shall devote the whole of his time to the affairs of the Corporation', the words 'shall be a whole time servant of the Corporation', be substituted."

The motion was adopted.

Mr. Speaker: As I have already said I do not propose to waive notice in the case of the amendment of the Honourable Member, Prof. Shibbanlal Saksena, but he might speak on it.

Prof. Shibban Lal Saksena: I have tried to include here conditions of labour for the labour employed by the Corporation. I wish I were allowed to move the amendment as it is of a very important nature. But I will make my submissions and if the Honourable Minister is agreeable he may include the provisions. The Honourable Minister himself promised that all the measures brought about by the Legislature will apply to them. But as the law stands, they do not apply. They are only meant for certain industries. For example, the Maternity Benefit Act is meant for certain industries. Similarly the State Insurance Bill is also meant for some particular industry; so also the Minimum Wages Bill. What I have said in my amendment is:

"All contracts to which the Corporation is a party and which require the employment of labourers and mechanics in the construction, alteration, maintenance, or repair of buildings, dams, locks, or other projects shall contain a provision that the minimum rates of wages shall be determined in accordance with the provisions of the Minimum Wages Bill . . ."

Shri Khurshed Lal (U.P.: General): On a point of order, Sir, The Honourable Member not having been allowed to move his amendment, can he go on with it? I submit that all that we have now before the House is the clause as it is. Either we pass it or reject it. The Honourable Member cannot go on referring to his amendment, I think.

Mr. Speaker: The position is this. Though the Honourable Member is not permitted to move his amendment, I think it is perfectly competent for him to say as to what he would have wished in place of the particular clause. He is not moving any amendment as such, but he may give the substance of it rather than read it. The difficulty was created because he began reading it.

Prof. Shibban Lal Saksena: I only want to emphasize in regard to labour employed by the Corporation that the minimum rates of wages shall be determined in accordance with the provisions of the Minimum Wages Bill, and due regard shall be given to those rates which have been secured for work of a similar nature through collective agreement by representatives of employers and employees in industrial concerns in the vicinity. When such work is done directly by the Corporation, the same rates of wages shall be paid by it. Benefits of all Central and Provincial legislation undertaken by them in the interests of labour and particularly of the State Insurance Bill against sickness, accident and maternity shall be applicable to all labour engaged in the work of the Corporation.

Sir, I think the Honourable Minister thinks that these will apply automatically, but if he reads the Bill carefully he will find that the above provisions apply only to certain classes of labour and do not automatically apply to this labour. As the intention is that these beneficial measures should also apply to labour employed by the Corporation, I think he should make some amendment. The Honourable Minister said that these beneficial measures shall apply to labour employed by the Corporation. The Minimum Wages Bill is related to twelve industries. It will not automatically apply to labour employed in the Corporation. Similar is the case with the Maternity Act. They will apply only to those people who are in the industrial concerns and they will not therefore apply to labour in the Corporation. As I pointed out the other day, the American law made special mention of those facts in their legislation, and I feel if he accepts at least the last three clauses of my amendment—of course I am not moving it—it will improve the Bill and it will serve the purpose we have in view. I would request the Honourable Minister to include the above in the provisions.

Shri Jaipal Singh: Professor Saksena has made certain remarks in regard to the kind of treatment he would like for workers who would be employed at least in the construction period of the dam, because, after that, anyone who would be employed would be more or less on a permanent basis. I

[Shri Jaipal Singh]

would suggest that this project offers Government an opportunity to implement something which it has been preaching for decades. The Whitley Commission recommended the abolition of indirect employment. Then came the very famous Dr. Rajendra Prasad Committee. . . .

Mr. Speaker: Order order. I am afraid the Honourable Member's remarks will be outside the scope of the present motion before the House. The learned professor who wished to move an amendment wanted to include all that he had suggested in his amendment, but as the amendment is not before the House, no other member can be permitted to have a say on the subject matter of his amendment. I only permitted him to have his say because he wanted to lay before the Honourable Minister the particular point of view which he should take into consideration, particularly in view of the amendment which he had tabled and of which I was unable to waive notice. The clause is restricted only to members of the Corporation and the conditions of their service. The general labour problem is not covered by this clause.

Shri Jaipal Singh: As far as I can see, labour which should be employed during the construction period of the dam is not covered. I was just wondering whether a case had not been made for an assurance by the Honourable Minister that Government would endeavour to have the very best conditions of service.

Mr. Speaker: The point may be important, but it is entirely irrelevant so far as the present motion before the House is concerned. The motion before the House is "that clause 5 stand part of the Bill", and clause 5 speaks of members of the Corporation and says that every member of the Corporation shall devote the whole of his time to the affairs of the Corporation. Therefore any discussion about labour would be out of place here.

The question is:

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

The motion was adopted.

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

Dr. P. S. Deshmukh (C. P. and Berar: General): I do not wish to move my amendment, but I would like to say that the structure of all these three clauses is frightfully unsystematic and it appears really to be right in the way I had suggested. But as I see there is no chance of my amendment being accepted, I do not propose to move it. Yet I want to put one question to the Honourable Minister. At least to my reading, there is nothing to show whether the Secretary or the Financial Adviser are going to be members of the Corporation. The Secretary is said to be the chief executive officer of the Corporation. If it is possible for the Honourable Minister to clarify the point, I would be grateful.

Mr. Speaker: That he would do after the amendments are moved.

Mr. Naziruddin Ahmad: I beg to move:

"That in sub-clause (1) of clause 6, of the Bill, for the word 'secretary', the word 'Secretary', be substituted and for the words 'financial adviser', the words 'Financial Adviser', be substituted."

The department has attempted to belittle the Secretary and the Financial Adviser by using small letters.

Shri K. Santhanam: On a point of order, Sir. As this thing is recurring, I think we should have your ruling as to whether such amendments come as part of the legislative work. I think it is a sort of mechanical work with which we are not concerned. I would like to have your ruling, Sir.

Mr. Naziruddin Ahmad: May I submit with great respect that the question would depend on the merits of the amendment? The fact that these corrections

were not made in the House before, is due to one simple reason that such mistakes never occurred in our previous experience. These mistakes are occurring only now. The question is whether we should be permitted to move amendments. This is the place where we have amended. These things cannot be done outside the House. You will be pleased to notice that in sub-section (1) the word "Secretary" begins with a small letter, but in sub-section (2) of the same clause it begins with a capital letter. These are obvious mistakes. A little discussion will disclose a large number of mistakes. I really wanted to correct them and I do not know how they could be corrected except by the vote of this House. These have come formally before the House and we are passing the Bill as it is. So I submit the point of order is absolutely wrong.

Mr. Speaker: Whether one calls it a point of order or not is not very material. I am of the view that these are, really speaking, printer's mistakes; but it is just possible to imagine that sometimes big and small letters may make a difference. So every amendment will have to be decided on its own merits; but for the most part, these appear to be mistakes to be corrected later on. They should not be the subject matter of amendments. I might also express one fear that when all these amendments are carried out and the Bill, as amended with big and small s, f and a, goes to the printer, it is just possible that he may commit the old mistakes and there would be no end. I appreciate the Honourable Member's anxiety or desire to have the Bill as correctly put on paper as possible. The best course would be to hand over these suggestions to the draftsman who will see to them at the time of printing that these mistakes do not recur. I think that would be the best solution. It will save the time of the House also.

Mr. Naziruddin Ahmad: Sir, the difficulty is that I cannot accept the feeling that these are all printer's mistakes. Printers do make mistakes but these are the mistakes accepted by the Department. The Department have got to see the proofs and satisfy themselves as regards the accuracy of the final copy. But here the printer's mistakes have been accepted as the correct version by the office. The Bill should be correct in form. In the Select Committee stage I gave notice of a large number of amendments. I do not desire to say what happened there but we find that while some corrections have been made, there are still other mistakes. I submit when the Select Committee introduces a correction, that correction should be specially looked into by the proof-reader. That has not been done here. Can we flog the printer who is not before this House, whom we cannot hold responsible for any mistakes? He is liable to commit mistakes but now the mistakes are those of the Department and are now part of the Bill.

Mr. Speaker: Then we will leave it to the Department.

Mr. Naziruddin Ahmad: Can a mistake be corrected outside the House?

Mr. Speaker: Yes, I have no doubt. Suppose a word is mis-spelt; what shall we do? Shall we again come back to the House? Obviously we are not going to come to the House for that purpose. But when the copy of the Bill is finally sent to the Governor-General for his assent, if there are any mistakes of commas, mistakes of spellings or of small or big letters, I do get them corrected; I correct them and initial the corrections and send the copy to the Governor-General. These are obvious mistakes for which no motion is necessary before the House.

Mr. Naziruddin Ahmad: Who is responsible for these mistakes?

Mr. Speaker: Somebody; if not the printer, the Department—not the Legislature. So I do not think we need have these amendments at all.

Now, Prof. Shibban Lal Saksena has given notice of amendments to clause 6, 7 and 8, they are all out of order.

Prof. Shibban Lal Saksena: They are all of a consequential nature. I do not want to speak on them.

Mr. Speaker: The question is:

"That clause 6, stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

Mr. Naziruddin Ahmad: In clause 7 also my amendments are similar to those I have referred to in the last clause. Similar mistakes appear here also.

Mr. Speaker: This amendment is disposed of by what I have said before.

Mr. Naziruddin Ahmad: But I wish to mention so that notice may be taken of it.

Mr. Speaker: It will go to the Department.

Dr. P. S. Deshmukh: Sir, I wanted to put a question to the Honourable Minister. I want to know whether the Secretary or the Financial Adviser or both of them would be Members of the Corporation, and as to why there is no provision so far as this point is concerned.

The Honourable Shri N. V. Gadgil: They cannot be, because it is clearly stated in clause 4 that "The Corporation shall consist of a Chairman and two other members."

Prof. Shibban Lal Saksena: Sir, I have a suggestion to make. Clause 7 deals with conditions of service of officers and servants. May I ask the Honourable Minister whether he would not think it proper if conditions of service for labour were also introduced here, so as to ensure the application of labour conditions to workers engaged by the Corporation?

The Honourable Shri N. V. Gadgil: The Honourable Member was absent when I replied to the general debate; if he had been present he would have found the right answer there.

Prof. Shibban Lal Saksena: I was there.

Mr. Speaker: He will not be permitted to repeat it; repetition is not permitted in this House.

The question is:

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

The motion was adopted.

Clause 7 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, in clause 8 there are some mistakes—not some but a variety of mistakes have been committed. The word "Financial" begins with a capital letter and "adviser" with a small letter. Probably emphasis is laid on finance and not on the advice.

Mr. Speaker: The question is:

"That clause 8, stand part of the Bill."

The motion was adopted.

Clause 8 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"That in clause 9, of the Bill, the comma after the word 'partner', be omitted and for the word 'agents', the word 'agent', be substituted and a comma be inserted thereafter."

With regard to the commas they are perhaps too insignificant to be agreed to by the Honourable Minister but with regard to the word "agents" I think the singular is the proper expression. Sir, I move.

The Honourable Shri N. V. Gadgil: Sir, I am going to accept it.

Mr. Speaker: The question is:

"That in clause 9, of the Bill, the comma after the word 'partner', be omitted and for the word 'agents', the word 'agent', be substituted and a comma be inserted thereafter."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 9, as amended, stand part of the Bill."

The motion was adopted.

Clause 9, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"That in clause 10 of the Bill, for the words 'Subject to any rules made under section 58 the Corporation may', the words 'The Corporation may in the prescribed manner' be substituted, and the words 'from time to time' be omitted."

Sir, with regard to the first part of the amendment, the word "prescribed" has been defined in the Bill. Instead of using the word in the defined sense which would have made the matter simpler, the definition has been given up and an elaborate statement is attempted to be made. I submit, if we say that "the Corporation may in the prescribed manner" do certain things, that is quite enough. What is the use or utility of a definition if we do not utilise that definition?

With regard to the next part of the amendment, the deletion of the words "from time to time", they are unnecessary because whenever a power is given, according to the General Clauses Act it is implied that the power can be exercised by the authority 'from time to time as occasion arises'. The House has already accepted this principle in previous legislation. I submit both these amendments should be accepted. Sir, I move.

Mr. Speaker: Amendment moved:

"That in clause 10 of the Bill, for the words 'Subject to any rules made under section 58 the Corporation may', the words 'The Corporation may in the prescribed manner' be substituted, and the words 'from time to time' be omitted."

The Honourable Shri N. V. Gadgil: I do not accept it.

Mr. Speaker: Does the Honourable Member wish to have his amendment put to the House?

Mr. Naziruddin Ahmad: Sir, I consider it important and would like it to be put to the House.

Mr. Speaker: The question is:

"That in clause 10 of the Bill, for the words 'Subject to any rules made under section 58 the Corporation may', the words 'The Corporation may in the prescribed manner' be substituted, and the words 'from time to time' be omitted."

The motion was negatived.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in clause 10 of the Bill, the words 'in particular', and the words 'the purpose of', be omitted."

I submit, Sir, that these words are unnecessary.

Mr. Speaker: This is more or less a verbal amendment. So I am not putting it.

The question is:

"That Clause 10 stand part of the Bill."

The motion was adopted.

Clause 10 was added to the Bill.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in sub-clause (1) of clause 11 of the Bill, the following be added at the end: 'and may by similar notification extend or modify such limits'."

Sir, the clause lays down that the Central Government "shall, by notification in the official Gazette, specify the limits of the Damodar Valley." The amendment seeks to lay down that the Central Government may, by notification, extend or modify the limits. The principle of exercising a power from

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time to time does not strictly apply to a case like this. That is why this should be made clear in the text. So I submit that the power of the Central Government to modify the limits should be specifically mentioned.

Mr. Speaker: Amendment moved:

"That in clause (1) of clause 11 of the Bill, the following be added at the end: 'and may by similar notification extend or modify such limits'."

The Honourable Shri N. V. Gadgil: I do not accept the amendment, for the simple reason that the boundaries must be taken once and for all. As regards extending any of the functions of the Corporation, special provision is made in sub-clause (2).

Mr. Naziruddin Ahmad: It is extending the area, not the functions.

My amendment seeks to establish the right of the Central Government to extend or modify the geographical limits, not the power or functions.

Mr. Speaker: Is the Honourable Member anxious to have the vote of the House on his amendment?

Mr. Naziruddin Ahmad: Yes, Sir.

Mr. Speaker: The question is:

"That in sub-clause (1) of clause 11 of the Bill, the following be added at the end: 'and may by similar notification extend or modify such limits'."

The motion was negatived.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in sub-clause (3) of clause 11 of the Bill, the comma after the words 'Government may' be omitted."

I submit that this comma impedes rather than helps.

Mr. Speaker: This point may be noted. Next amendment.

Mr. Naziruddin Ahmad: I beg to move:

"That in sub-clause (3) of clause 11 of the Bill, for the words 'provincial Governments', the words 'Provincial Governments', be substituted."

Mr. Speaker: This is small letter to capital letter suggestion.

We may pass this over and go to the next amendment.

Mr. Naziruddin Ahmad: I beg to move:

"That in sub-clause (3) of clause 11, of the Bill, for the words 'such other area', the words 'such other areas' be substituted."

I submit, Sir, the word "areas" would be more appropriate to the text.

Mr. Speaker: Amendment moved:

"That in sub-clause (3) of clause 11, of the Bill, for the words 'such other area', the words 'such other areas' be substituted."

The Honourable Shri N. V. Gadgil: Sir, I cannot accept it

Mr. Speaker: Shall I take the vote of the House?

Mr. Naziruddin Ahmad: Yes, Sir. Let it go on record.

Mr. Speaker: The question is:

"That in sub-clause (3) of clause 11, of the Bill, for the words 'such other area', the words 'such other areas' be substituted."

The motion was negatived.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in sub-clause (3) of clause 11, of the Bill, after the words 'so specified', the words 'together with the area comprised in the Damodar Valley', be inserted."

Sir, there is a distinction between the area of the Damodar Valley and its areas of operation. The two are distinct. So the inclusion of these words would be necessary to make the meaning clear.

The Honourable Shri N. V. Gadgil: I cannot accept it, Sir.

Mr. Naziruddin Ahmad: I do not press. I shall go on to the next amendment.

Mr. Speaker: But that is only a suggestion for correction.

Mr. Naziruddin Ahmad: All the same, Sir. I think it is better to explain it.

I beg to move:

"That in sub-clause (3) of clause 11 of the Bill, the inverted commas before the word 'the' be omitted, and inverted commas be inserted before the word 'area'."

The Honourable Shri N. V. Gadgil: Sir, I accept it.

Mr. Speaker: The question is:

"That in sub-clause (3) of clause 11 of the Bill, the inverted commas before the word 'the' be omitted, and inverted commas be inserted before the word 'area'."

The motion was adopted.

Mr. Speaker: The question is:

"That clause 11, as amended, stand part of the Bill."

The motion was adopted.

Clause II, as amended was added to the Bill.

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

"That in part (b) of clause 12, of the Bill, the following be added at the end: 'as well as for the establishment and development of industrial enterprises, and social services which will facilitate the utilisation of the electrical energy produced'."

The object of my amendment is to secure means for the fullest utilisation of the energy that may be produced. I have voiced an apprehension this morning regarding the possibility of bulk generation of power on a large scale, which this project is bound to produce, and yet may not have sufficient channels of utilisation for the same. By enabling the Corporation—as I seek to do by this amendment—to develop and establish industrial enterprises as well as social services which will consume more and more electrical energy, I am trying to relieve the Corporation of the anxiety of having too much power accumulated without being used and also promote the economic development and social enlightenment of the regions concerned.

I hope there would be no objection on the part of the Honourable Minister to agree to this suggestion and accept the amendment.

Mr. Speaker: Amendment moved:

"That in part (b) of clause 12, of the Bill, the following be added at the end: 'as well as for the establishment and development of industrial enterprises, and social services which will facilitate the utilisation of the electrical energy produced'."

I do not know why the Honourable Member wants the word 'for'. The clause will read: The functions of the Corporation shall be the promotion and operation of schemes for the generation, transmission and distribution of electrical energy, both hydro-electric and thermal as well as the establishment and development etc. Therefore 'for' seems to be unnecessary.

Prof. K. T. Shah: It seems so.

The Honourable Shri N. V. Gadgil: I oppose it, because whatever is done comes under clause (f) of clause 12: The promotion of public health and the agricultural, industrial, economic and general well-being in the Damodar Valley and its area of operation. Therefore it is not necessary.

Prof. K. T. Shah: In view of the remarks made by the honourable the minister, I beg leave of the House to withdraw the amendment.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

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

"That in part (c) of clause 12, of the Bill, for the word 'control', the word 'prevention', be substituted."

[Prof. K. T. Shah]

Sir, the operative terms are the promotion and operation of schemes for flood control. It looks as though the flood is there and we will control the coming and the moving of the flood. It therefore seems to be rather inappropriate. The schemes are for preventing the very occurrence of the flood by cutting channels or diverting waters into the irrigation canals or for opening the reservoir. I think it would be better to stop the occurrence of the flood rather than assume that flood has occurred and we will control it. It is quite a verbal amendment as I conceive it and I trust the sense of it would commend itself to the Honourable Minister.

Mr. Speaker: Amendment moved:

"That in part (c) of clause 12, of the Bill, for the word 'control', the word 'prevention', be substituted."

The Honourable Shri N. V. Gadgil: I cannot accept this, because nobody can prevent the flood: All that one can as a human being do is to control it as far as possible.

Prof. K. T. Shah: I beg leave of the House to withdraw the amendment.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in part (c) of clause 12 of the Bill, for the word 'Hooghly', the words 'Hooghly river', be substituted."

Mr. Speaker. Amendment moved:

"That in part (c) of clause 12 of the Bill, for the word 'Hooghly', the words 'Hooghly river', be substituted."

The Honourable Shri N. V. Gadgil: I am under a solemn promise to accept it, Sir.

Mr. Speaker: The question is:

"That in part (c) of clause 12 of the Bill, for the word 'Hooghly', the words 'Hooghly river', be substituted."

The motion was adopted.

Shri K. Santhanam: Sir, I beg to move:

"That in part (d) of clause 12, of the Bill, the words 'and channels, if any', be added at the end."

I want to drop the word 'the' which is unnecessary and simply the words 'and channels, if any' be added at the end.

Mr. Speaker. Amendment moved:

"That in part (d) of clause 12, of the Bill, the words 'and channels, if any', be added at the end."

The Honourable Shri N. V. Gadgil: I accept the amendment.

Mr. Speaker: The question is:

"That in part (d) of clause 12, of the Bill, the words 'and channels', if any', be added at the end."

The motion was adopted.

Pandit Hriday Nath Kunzru (U.P.: General): Mr. Speaker, Sir I move:

"That in clause 12 of the Bill, after part (b), the following new parts (c) and (d) be inserted and the existing parts (c), (d), (e) and (f) be renumbered as (e), (f), (g) and (h) respectively:

"(c) the promotion of scheme for the use of electric energy for agricultural, domestic and industrial purposes, and of research in relation thereto in co-operation with such agencies as may be suitable,

"(d) the study of hydrodynamic and other problems arising out of its activities and research in relation thereto in co-operation with other appropriate agencies'"

Sir, clause 12 of the Bill as amended by the Select Committee may seem wide enough to include the point which I am raising in the amendment that I have moved. As this clause confers power on the Corporation to promote the industrial, economic and general well being of the people in the Damodar Valley, this power is undoubtedly very general and the words 'towards well being' have been very widely interpreted by the Tennessee Valley Authority. In fact it has carried on a number of activities under the protection of these words, though they were not specifically authorised in the Act which constituted it. But I did not want to leave the matter so vague. The matter is important and I therefore want the clause to bring it out clearly so that it may be manifest to the Government and to the authority that will carry out the purposes of the Bill what one of their fundamental purposes is to be. Again, Sir, it may be held that clause 21 renders the insertion of my amendment superfluous. Clause 21 (1) (a) authorises the Corporation to carry on research for utilising the water, electrical energy and other projects in the most economical manner for the maximum development of the Damodar Valley. Now, here this sub-clause undoubtedly relates to research in connection with the utilization of electrical energy. But I wondered, Sir, whether unless clause 12 which deals with the powers of the Corporation and to which all other clauses must be regarded as subject was wide enough, the Corporation will be unable to carry on these functions.

I thought that something should be inserted in clause 12, which is the governing clause in order to enable the Corporation to exercise certain powers. Again, Sir, the language of this sub-clause seemed to me a little vague and I wanted to emphasise the study of hydro-dynamic problems. I have moved my amendment in order to achieve this purpose. I hope, therefore, that it will prove acceptable to Government.

Mr. Speaker. Amendment moved:

"That in clause 12 of the Bill, after part (b), the following new parts (c) and (d) be inserted and the existing parts (c), (d), (e) and (f) be renumbered as (e), (f), (g) and (h) respectively:

"(c) the promotion of scheme for the use of electric energy for agricultural, domestic and industrial purposes, and of research in relation thereto in co-operation with such agencies as may be suitable,

"(d) the study of hydrodynamic and other problems arising out of its activities and research in relation thereto in co-operation with other appropriate agencies'."

The Honourable Shri N. V. Gadgil: Sir, I appreciate the anxiety of my Honourable friend Pandit H. N. Kunzru, but all the things he has mentioned in the amendment are already covered by sub-clauses (b) and (f) of clause 12. As regards the portion that relates to the study of hydrodynamic and other problems, I respectfully invite his attention to clause 21 which lays down that the "Corporation may establish, maintain and operate laboratories, experimental and research stations, and farms for conducting experiments and research for utilising the water, electrical energy and other products in the most economical manner and for the maximum development of the Damodar Valley." I also promise my Honourable friend that, if later we find that the object he has in view is not covered by this provision, we shall make full use of our rule-making powers to provide for what he has in view. I, therefore, cannot accept his amendment.

Prof. K. T. Shah: Sir, my amendment is very nearly similar and I think that whatever fate befalls the amendment just now moved by my Honourable friend Pandit Kunzru will befall mine. May I therefore, take this opportunity to offer a few observations, particularly after the Honourable Minister has been pleased to.....

Mr. Speaker: If he likes, the Honourable Member may move his amendment at this stage so that it may be discussed.

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

"That after part (f), of clause 12 of the Bill the following new part (g) be added:
(g) organisation of study in all problems arising out of these functions of the Corporation, with special reference to hydrodynamics, river navigation, water-supply for towns and villages and epidemic disease, and promotion of research in the same in co-operation with other institutions like universities and scientific bodies."

Sir, while appreciating the points made by the Honourable Minister as regards the provisions already made both in this clause and in clause 21 of the Bill, I would like to point out that the object of this amendment is to lay particular emphasis on two aspects, namely, (1) the study of problems as they actually have arisen, that is to say, all things that may have passed but which may be offering some lessons to us for future guidance and (2) all possible trends—research will be on those trends—that may be noticeable and in which with proper research in collaboration with other body similarly engaged, we may be able to devise steps so that undesirable trends may not occur in future. Under the provision made in the Bill, the law seems to be content with authorising this Corporation by itself to maintain laboratories to carry on study of the problems. So far as I can see there is nothing—unless they are provided by rules specifically made hereafter—to indicate that close collaboration will be instituted and maintained with other bodies which are carrying on similar investigations or similar researches on problems that may be of the utmost importance. I have specifically mentioned three problems namely, hydrodynamics, river navigation and water-supply, and also the question of epidemic diseases which are likely to arise and may be quite peculiar to the region after the actual construction of irrigation channels, etc., have commenced. Now there are other parts of this country where not so much the immediate or the theoretical aspect of the questions is studied, as the practical aspect. I hope, Sir, this House will not look upon the theoretical side of the subject as so impractical as not to deserve any attention. A proper study of the scientific or theoretical side may help us in preventing serious disasters. It is for this reason that I am emphasising in this amendment study of trends of possible lines of development, remedies, etc., which may be done by this body itself in its own laboratories, from its own observation and experience as well as by other bodies similarly situated. The National Physical Laboratory which has been established or is going to be established will, I dare say, study this matter very seriously from the purely theoretical or scientific point of view. The Meteorological Station at Poona may also be considerably interested in these matters and there may be other universities or other scientific institutions which are also interested in a special study of these problems. A proper co-relation of the work of these institutions and that of the Corporation will be of considerable benefit to the development and progress of scientific research.

I trust, therefore, that the Honourable Minister will see the point of view that we are stressing and will see his way to accept it.

Mr. Speaker. Amendment moved:

"That after part (f), of clause 12 of the Bill the following new part (g) be added:
(g) organisation of study in all problems arising out of these functions of the Corporation, with special reference to hydrodynamics, river navigation, water-supply for towns and villages and epidemic disease, and promotion of research in the same in co-operation with other institutions like universities and scientific bodies."

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

The Honourable Shri N. V. Gadgil: Sir, my reply to this is the same as I gave to the amendment moved by my Honourable friend Pandit Kunzru.

As regards fundamental research and co-ordination I may bring to the notice of Prof. Shah that there is a big central irrigation research station at Khadakvasla a few miles away from Poona; it is the best of its kind. Another has been opened at Pundi near Madras, and there is a third research Station in East Punjab. Studies of problems specially in hydro-dynamics and other cognate matters are discussed every year in the annual conferences of the Central Board of Irrigation. There is this co-ordinating agency already. But to load the entire burden of fundamental research on a Corporation which has for its object the development of a particular area is somewhat unfair. And to the extent that research is necessary in any such organisation I want to bring to the notice of Prof. Shah that provision has already been made in clause 21. It is really not necessary that there should be anything of the kind as suggested in the amendment, and I therefore oppose it.

Prof. Shibban Lal Saksena: Sir, I also gave notice of a similar amendment but that has been ruled out. I wish the Honourable Minister to give some more consideration to this. My Honourable friends Pandit Kunzru and Prof. Shah have said that they want to stress this aspect of the problem specially in connection with the Damodar Valley Corporation. I know the Honourable Minister is doing all he can all over the country in the various institutes. But we want that in this particular Corporation which will be entrusted with the welfare of 50 lakhs of people and will cost 55 crores of rupees this research should be developed. Our country is backward in industrial and scientific research and any amount of money spent upon it will be well spent, specially when there is so much scope for it and so much extra staff available. When the TVA Bill was before the Senate it was pointed out that the scheme would provide employment for large numbers of people. I think this present scheme of ours also will give employment to many people. I therefore request the Honourable Minister to accept the gist of the amendments tabled by Pandit Kunzru, Prof. Shah and myself in order to make the point explicit. He has said himself that he will do it under the Rules. But I submit that it is the Act which will always be consulted and the Rules will remain more or less in the background. I hope, therefore, that he will improve the Bill and also make the work more effective because if it is incorporated in the Act itself the whole attention of the Corporation will be focussed on it. This aspect should be very much emphasised because without scientific research going side by side with this work we cannot make any progress whatever. In fact, as has been said, this Bill is going to be the precursor of many more Bills. In America, as I pointed out on a previous occasion, they have 45 river valley programmes or perhaps more. If such is the case here also, the staff employed to work out these schemes will be well advised to have research stations there. Everywhere in the world they have considered research very important and spent as much money as they could. Our country is backward, and I think that in addition to spending money on these big programmes we should also spend money on research and scientific experiments. I think the Honourable Minister should consider this matter so that the Bill may be improved and the purpose of these amendments may be well served.

Pandit Hriday Nath Kunzru: Sir, my Honourable friend Shri Gadgil has assured us that if he finds that the purpose for which I moved my amendment requires for its full execution new rules to be made, he will provide for it in the Rules. I hope he will make it clear that electrical energy is to be regarded as a means of creating a new life in the Damodar Valley. With these words I ask for leave to withdraw my amendment.

Mr. Chairman: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Prof. K. T. Shah: Sir, I also beg leave to withdraw my amendment.

Mr. Chairman: Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

Mr. Chairman: The question is:

"That clause 12, as amended, stand part of the Bill."

The motion was adopted.

Clause 12, as amended, was added to the Bill.

Clauses 13 to 15 were added to the Bill.

Mr. Naziruddin Ahmad: Sir, I move:

"That for clause 16 of the Bill, the following be substituted:

"16. The Corporation may, with a view to operating its schemes if it thinks fit, stop or reduce the supply of water to any person for agricultural, industrial or domestic purposes:

Provided that if such person was, before such stoppage or reductions, enjoying the use of such water by virtue of any prescriptive right, the Corporation shall arrange to make good such supply of water free of cost to him to the extent previously enjoyed by him in such right."

It is necessary to explain the object of this amendment. The clause which this amendment seeks to replace is to this effect: "If, with a view to operating its schemes, the Corporation stops or reduces the supply of water.....": the power of the Corporation to reduce or stop the supply of water is here assumed. In fact that power is to be conferred. The clause proceeds on the assumption that the Corporation has the power to stop or reduce the supply, even the supply to those persons who had the right of prescription to obtain water. The amendment seeks to give that power which is not actually given in the Bill clause. The first part of the amendment is:

"The Corporation may, with a view to operating its schemes if it thinks fit, stop or reduce the supply of water to any person for agricultural, industrial or domestic purposes."

The difference between the two is, that while in the Bill clause this power is assumed, such a power is definitely conferred on the Corporation by the amendment. Then there is the proviso:

"Provided that if such person was, before such stoppage or reductions, enjoying the use of such water by virtue of any prescriptive right, the Corporation shall arrange to make good such supply of water free of cost to him to the extent previously enjoyed by him in such right."

The theory upon which this clause is based depends upon a true knowledge of prescriptive rights. A prescriptive right is obtained by a user strictly within the meaning of the Limitation Act or as a customary easement. A person may be enjoying water partly by prescriptive right and partly without prescriptive right. The channels through which that man, or the extent to which he was taking water by prescriptive right must be compensated or water must be given to him. But the man may have been taking water, part of it at least, without prescriptive right. So the proviso in the amendment seeks to make a distinction between the water received by him in prescriptive right and that quantity of water, or water through that channel, and that enjoyed not by any right or where he diverts water through another channel. If he was enjoying water not by way of prescriptive right, then the water would not be given. So it is possible for one man to be enjoying water partly by prescriptive right and partly without prescriptive right, or the right has not matured. The proviso makes it clear that water should be supplied to him to the extent previously enjoyed by him in such right. That is, if he were enjoying water in that right, he should be given that water free of cost which he was enjoying in that right. But the Bill clause would like to give him water free of cost irrespective of any right to draw the water. The only water which can be given to a particular man free of cost is that water which he was enjoying by means of a prescriptive right and not water which he was not so enjoying. So the amendment makes the position clear.

If the principle of this amendment is acceptable to the Honourable Minister, then of course its drafting must be considered. But in the original clause the power is not given. In the amendment the power is specifically given. Then the limit to which free supply of water should be given is limited to the extent of his legal rights and not more.

Mr. Chairman: Amendment moved:

"That for clause 16 of the Bill, the following be substituted:

"16. The Corporation may, with a view to operating its schemes if it thinks fit, stop or reduce the supply of water to any person for agricultural, industrial or domestic purposes:

Provided that if such person was, before such stoppage or reductions, enjoying the use of such water by virtue of any prescriptive right, the Corporation shall arrange to make good such supply of water free of cost to him to the extent previously enjoyed by him in such right."

The Honourable Shri N. V. Gadgil: I am not accepting this. But I am prepared to accept amendments Nos. 8 and 10 in list No. 1 on the order paper standing in the name of Mr. Santhanam.

Mr. Chairman: May I request Mr. Santhanam to move his two amendments?

Shri K. Santhanam: Sir, I move:

"(i) That in clause 16 of the Bill, for the words 'stops or reduces' the words 'has stopped or reduced', be substituted; and

(ii) That in clause 16 of the Bill, for the words 'arrange to make good such supply of water free of cost', the following be substituted:

'arrange such supply of water on the same terms as before'."

When the Corporation has to stop water it cannot simultaneously arrange the supply of water. If it could, it need not stop it. Therefore, there will have to be a time-interval. If it stops water, it will have to resume supply after such interval as may be necessary. Therefore, the first amendment is for that purpose.

Again there is no justification for resuming supply of water free of cost. Suppose he had to pay charges for the original supply. It should be supplied on the same terms on which he has been getting it previously. Suppose he had to pay charges to the Provincial Government: the Corporation has taken charge of the whole thing, and why should the Corporation not collect such charges from the person? Therefore this was a little defective and the amendment seems to remove that defect.

Mr. Chairman: Amendment moved:

"(i) That in clause 16 of the Bill, for the words 'stops or reduces' the words 'has stopped or reduced', be substituted; and

(ii) That in clause 16 of the Bill, for the words 'arrange to make good such supply of water free of cost', the following be substituted:

'arrange such supply of water on the same terms as before'."

Mr. Naziruddin Ahmad: With regard to these two amendments, they are an advance over the section. But I submit that some power should be given to the Corporation to stop the supply.

Mr. Chairman: May I call attention of the Honourable Member to Clause 22 which proves that the Corporation shall have the power to do anything which may be necessary for the purpose of carrying out its functions under the Act. So the general power is there and it may be assumed that the Corporation is competent to stop or reduce the supply.

Mr. Naziruddin Ahmad: Those may be too general or too vague. The power should be specifically given. The effect may be that if the Corporation stops the supply of water through a particular channel and gives water through another channel he will sue the Corporation in a civil court. He will say 'I want water to be given to me through the channel that you stopped'. If there is a prescriptive right, it is available against the whole world. Unless the Corporation is given the power to stop water to which a man was entitled as a prescriptive right, this right may be a subject matter of litigation. I want the Corporation to be free from litigation.

The Honourable Shri N. V. Gadgil: The power is provided under clause 22. "The Corporation shall have the power to do anything which may be necessary or expedient for the purposes of carrying out its functions under this Act."

Mr. Chairman: By implication the power is taken. It is not necessary to provide it expressly.

The question is:

"That for clause 16 of the Bill, the following be substituted:

"16. The Corporation may, with a view to operating its schemes if it thinks fit, stop or reduce the supply of water to any person for agricultural, industrial or domestic purposes:

Provided that if such person was, before such stoppage or reductions, enjoying the use of such water by virtue of any prescriptive right, the Corporation shall arrange to make good such supply of water free of cost to him to the extent previously enjoyed by him in such right."

The motion was negatived.

Mr. Chairman: The question is:

"(i) That in clause 16 of the Bill, for the words 'stops or reduces' the words 'has stopped or reduced', be substituted; and

(ii) That in clause 16 of the Bill, for the words 'arrange to make good such supply of water free of cost', the following be substituted:

'arrange such supply of water on the same terms as before'."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 16, as amended, stand part of the Bill."

The motion was adopted.

Clauses 16, as amended, was added to the Bill.

Clause 17 was added to the Bill.

Mr. Naziruddin Ahmad: I beg to move:

"That in the second proviso to part (c) of sub-clause (i) of clause 18 of the Bill, the word 'this', be omitted."

The Bill clause says "nothing in this sub-clause (c) shall.....". The word "this" is an offending word. If we say "nothing in sub-clause (c) shall apply....." that is clear enough. As a specimen of draughtsmanship I might

4. P. M. respectfully draw the attention of the House to the preceding proviso where it is said "nothing in sub-clause (c) shall apply.....".

There it is not said "nothing in this sub-clause (c).....".

The Honourable Shri N. V. Gadgil: I am prepared to accept this amendment.

Mr. Chairman: The question is:

"That in the second proviso to part (c) of sub-clause (i) of clause 18 of the Bill, the word 'this', be omitted."

The motion was adopted.

Mr. Naziruddin Ahmad: I move:

"That in sub-clause (iii) of clause 18 of the Bill, after the words 'Damodar Valley', the words 'and the area of operation', be inserted."

The Bill makes a distinction between the expression 'Damodar Valley' and 'the area of operation'. According to this the idea of 'Damodar Valley' does not include 'the area of operation'. The two must be included. By a strange paradox they do not overlap or mean the same thing. Therefore the words 'the area of operation' should be included to make the sense complete.

The Honourable Shri N. V. Gadgil: Sir, I cannot accept the amendment. If it is extended, it is automatically called 'the area of operation'.

Mr. Naziruddin Ahmad: I do not wish to press my amendment.

Prof. Shibban Lal Saksena: Sir, I would like to speak on the clause of the Bill. In this clause private industries which are producing an aggregate capacity of more than 10,000 kilowatts will be allowed to function even after the Corporation has come into being. Secondly, it will sell at a pressure of more than 30,000 volts. Though America is a country where private enterprise has entrenched itself, yet the experience of the T.V.A. is that they had to buy out all the private enterprises working in that region. For eight years, 1932 to 1940 they had to go to the Supreme Court and fight out cases. Ultimately the Congress had to amend the Act to enable the T.V.A. to purchase these private industries. Here you make an exception that the Corporation will not be able to purchase out those installations which produce power below 10,000 kilowatts. It will mean that the whole planning will be defective. When we have already accepted the nationalisation of key industries, this being

one of the key industries, if we have this provision which disables Government from buying out these installations, the plan becomes defective. In my amendment I had suggested the omission of that portion which grants the right to those installations which produce power below this pressure, so that the Government would be free to decide its policy in regard to them. By this proviso you really take away all the power that the Government should have. It is a very important defect in the authority of the Corporation.

Secondly, in the previous amendment it is said that we want that use should be made of electrical energy in the rural side for agricultural and other purposes. In fact the purpose was to extend the use of electricity as far as possible. If the Corporation is limited to producing power higher than 80,000 kws, it will be very much handicapped in carrying out its programme. There is no such provision in the T.V.A. The purpose of the T.V.A. is to extend the use of electricity to the maximum possible area and even to cottages. I therefore want that this handicapping clause should be removed. If the Corporation is a state concern, even the Sindhri factory should be able to get all its requirements from the Corporation. I therefore think that there should be one single uniform authority in the whole Valley which should be able to purchase out already existing industry according to its needs. It should not in any way be handicapped by any difficulty that the existing industries cannot be purchased out. This is a most important point and I hope the Honourable Minister will kindly consider it.

The Honourable Shri N. V. Gadgil: In regard to the point raised by Professor Saksena the explanation is given in the Select Committee Report under clause 18. As regards the other matters I want to bring to the notice of the House that adequate provisions are contemplated in the Electricity Supply Bill under which the whole thing will be completely controlled.

Mr. Chairman: The question is:

"That clause 18, as amended, stand part of the Bill."

The motion was adopted.

Clause 18, as amended, was added to the Bill.

The Honourable Shri N. V. Gadgil: With regard to the amendments of the Honourable Member, Mr. Naziruddin Ahmad, I am accepting No. 38—and not 36 or 37—in list No. 3.

Mr. Naziruddin Ahmad: In that case I am not pressing No. 36. But with regard to 37 I should move it and explain the object of the amendment. Sir, I move:

"That in sub-clause (1) of clause 19 of the Bill, for all the words beginning with the words 'the licence shall be' to the end of the sub-clause, the following be substituted:

'then so much of the licence as is inconsistent with the rights created by or under section 18 shall be deemed to be inoperative and the licence to the extent of the inconsistency shall be deemed to be revoked or modified accordingly'."

The purpose of this clause is that if anyone was dealing with electricity as a businessman his rights and liabilities would have been, but for the Bill, controlled by the Electricity Act and by the licence. But in order to give superior rights to the Corporation it is provided in this clause that if there is a conflict between the licence and the provisions of this Act the licence should stand modified. The word 'inconsistent' and 'inconsistency' with the licence has not been used in this Act. I have attempted to introduce by this amendment the idea that wherever there is a conflict between the two, then to the extent of the inconsistency, the licence shall be deemed to be revoked or modified accordingly. The word 'inconsistency' should be the key word in the context. So I submit that this also should be considered by the Honourable Minister.

The Honourable Shri N. V. Gadgil: Sir, I am not accepting the amendment.

Mr. Naziruddin Ahmad: Sir, I move:

"That in sub-clause (3) of clause 19, of the Bill, for the words 'as may be agreed between', the words 'as may be agreed to between', be substituted."

The Honourable Shri N. V. Gadgil: Sir, I accept this amendment.

Mr. Chairman: The question is:

"That in sub-clause (3) of clause 19, of the Bill, for the words 'as may be agreed between', the words 'as may be agreed to between', be substituted."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 19, as amended, stand part of the Bill."

The motion was adopted.

Clause 19, as amended, was added to the Bill.

Clause 20 was added to the Bill.

Shri K. Santhanam: Sir, I beg to move:

"That in sub-clause (1) (a) of clause 21 of the Bill, for the word 'products' the word 'resources' be substituted and the words 'and' and 'maximum', in line 2, be omitted."

Sir, it is enough if the words 'and' and 'maximum' in line 2 of sub-clause (1) (a) of clause 21 are omitted.

The Honourable Shri N. V. Gadgil: I accept the amendment.

Mr. Naziruddin Ahmad: Sir, I beg to move:

"That in part (b) of sub-clause (1) of clause 21 of the Bill, after the word 'Hooghly' the word 'river', be added."

Sir, this has been accepted by the Honourable Minister in another connection.

The Honourable Shri N. V. Gadgil: I accept the amendment.

Pandit Hirday Nath Kunzru: Mr. Chairman, I move:

"That in sub-clause (2) of clause 21 of the Bill, after the words 'local authorities', the words 'educational and research institutions', be inserted."

It is not necessary for me to say much. In support of the amendment all that I need say is that I move this amendment because, while a number of other institutions were mentioned, in the last sub-clause of clause 21, whose co-operation might be sought by the Corporation, there was no reference to universities and educational institutions whose co-operation in certain matters may be even more necessary.

The Honourable Shri N. V. Gadgil: I accept the amendment.

Pandit Hirday Nath Kunzru: I am glad therefore that the honourable Minister is accepting the amendment.

Mr. Chairman: The question is:

"That in sub-clause (1) (a) of clause 21 of the Bill, for the word 'products' the word 'resources' be substituted and the words 'and' and 'maximum', in line 2, be omitted."

The motion was adopted.

Mr. Chairman: The question is:

"That in part (b) of sub-clause (1) of clause 21 of the Bill, after the word 'Hooghly' the word 'river', be added."

The motion was adopted.

Mr. Chairman: The question is:

"That in sub-clause (2) of clause 21 of the Bill, after the words 'local authorities', the words 'educational and research institutions', be inserted."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 21, as amended, stand part of the Bill."

The motion was adopted.

Clause 21, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: I beg to move:

"That in sub-clause (2) of clause 22 of the Bill, in part (i), for the word 'convey', the word 'transfer', be substituted."

The word "transfer" is usually used in the Transfer of Property Act and other Acts. The word "convey" is not so much in use as the word "transfer".

The Honourable Shri N. V. Gadgil: Sir, "convey" is a better word. I do accept the amendment.

Mr. Naziruddin Ahmad: The word "convey" is used in expressions such as "we convey our sense of gratitude".

Shri T. T. Krishnamachari (Madras: General): As a lawyer the Honourable Member should know that the word "convey" is used also in the sense of 'conveyance of property'.

Mr. Naziruddin Ahmad: It is because I am a lawyer of some experience that I prefer the word "transfer" which is the word used in the Transfer of Property Act.

Mr. Chairman: May I suggest for the consideration of the Honourable Minister that usually in such cases "transfer" is the better word?

Mr. Naziruddin Ahmad: The Draftsman may be consulted.

The Honourable Shri N. V. Gadgil: I accept the amendment.

Shri K. Santhanam: I beg to move:

"That in sub-clause (2) (iii) of clause 22, of the Bill, for the words 'to withhold any water from any person who', the words 'to take all measures to prevent', be substituted."

Here special permission is given to the withholding of water from any person who discharges into such water affluents which are harmful to water supply, irrigation, public health or fish life. It is not enough to have power to withhold water. They must be able to take other measures also to prevent such pollution of water. My amendment is intended to enlarge the scope of the power of the Corporation.

The Honourable Shri N. V. Gadgil: I accept the amendment.

Mr. Chairman: The question is:

"That in sub-clause (2) of clause 22 of the Bill, in part (i), for the word 'convey', the word 'transfer', be substituted."

The motion was adopted.

Mr. Chairman: The question is:

"That in sub-clause (2) (iii) of clause 22, of the Bill, for the words 'to withhold any water from any person who', the words 'to take all measures to prevent', be substituted."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 22, as amended, stand part of the Bill."

The motion was adopted.

Clause 22, as amended, was added to the Bill.

Mr. Naziruddin Ahmad: I beg to move:

"That in part (b) of sub-clause (2) of clause 23 of the Bill, for the words 'and who has', the words 'and to every person who has' be substituted."

I think the amendment is very precise and should be accepted.

The Honourable Shri N. V. Gadgil: I am not accepting it.

Mr. Naziruddin Ahmad: Then I do not press it.

Mr. Chairman: The question is:

"That clause 23, stand part of the Bill."

The motion was adopted.

Clause 23 was added to the Bill.

Clause 24 was added to the Bill.

Shri K. Santhanam: I beg to move:

"That sub-clause (2) of clause 25 of the Bill, be omitted."

The Honourable Shri N. V. Gadgil: I accept it.

Mr. Naziruddin Ahmad: I have a desire to say a few words. The deletion of sub-clause (2) would have a mischievous effect. In fact it is in the Tennessee Valley Scheme. Graveyards, charitable and religious institutions have been protected. If they are destroyed or lost on account of the operation of the Corporation, then some suitable amends should be made.

Shri T. T. Krishnamachari: It is not destruction. It is only submergence.

An Honourable Member: Submergence amounts to destruction.

Mr. Naziruddin Ahmad: The question depends upon problems of submergence. Would you not give the Corporation power to deal with problems of

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submergence arising out of that? It gives the Corporation power to Act suitably in a contingency which may happen. It is specifically provided for in the Tennessee Valley Corporation. There may be a mosque or a temple or a burning ghat or a graveyard. These are considered sacred by various communities. I suggest retention of the sub-clause.

The Honourable Shri N. V. Gadgil: In so far as the question of compensation is concerned it is already covered. It is only emphasizing that special attention should be given. It is really not necessary in view of what is stated in sub-clause (1).

Mr. Chairman: The question is:

"That sub-clause (2) of clause 25 be omitted."

The motion was adopted.

Mr. Chairman: The question is:

"That clause 25, as amended, stand part of the Bill."

The motion was adopted.

Clause 25, as amended, was added to the Bill.

Clause 26 was added to the Bill.

(The Assembly then adjourned till Five of the Clock in the evening.)

The Assembly re-assembled at Five of the Clock in the evening, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

RAILWAY BUDGET FOR 1948-49

The Honourable Dr. John Matthai (Minister for Railways and Transport): Mr. Speaker, it is now hardly three months since I had the honour of introducing the Interim Railway Budget and the House will therefore appreciate that there is not much that is new that I can tell them today regarding the working and the administration of our railways. There is not much in the circumstances that I can add to what I said then regarding the problems and the difficulties by which the railways are faced and the endeavours that we are making to meet these problems and these difficulties. My task therefore this evening is a simpler one, and I propose therefore to take the straight-forward course of dealing first of all with the budgetary position and then having done that to give the House a few indications of the directions in which things have altered either for better or for worse since I spoke to the House last time. I do not want in explaining the budgetary position to weary the House with many financial and statistical details because for one thing, Honourable Members will be able to get these details from the explanatory memorandum, copies of which will be in their hands before the House rises; and also it is my experience, as a legislator for a brief period, and as a frequent visitor to the House long ago, that a budget speech which is packed with details has invariably the effect of making Honourable Members groan almost visibly. I want to avoid that tonight and I propose therefore to give only a brief summary of the financial position of the railways today.

I will take first of all the budgetary position as disclosed in our figures relating to the 7½ months since the 15th August. We placed certain budget estimates before the House for that period, beginning the 15th August. I want briefly to tell the House how these budget estimates have been revised in the light of actual experience. The House will find that there are considerable discrepancies between the budget estimates and the revised estimates. That is inevitable in the position in which we are placed at present. We had to frame budget estimates in the first place for a divided India, based upon our experience of an undivided India. In the second place, we had to frame estimates for a broken period, based upon our experience for a whole previous year, and it is a very difficult matter in actual practice to make allowance for those seasonal variations which occur between one period and another in the course of a year. And another circumstance which placed us at a disadvantage in framing these

budget estimates last year was that we were then right in the thick of the period of civil disturbances and refugee movements, and these had caused such a degree of dislocation in our finances and in our general administration, that it was difficult to forecast the probable trend of earnings. It was difficult even to determine the current trends. As the result of these various elements of uncertainty, the House will find that our revised estimates vary somewhat considerably from our budget estimates.

I will give the main figures. The revised estimates for the 7½ months ending 31st March 1948 show a fall in earnings of about 8 crores as compared with the budget estimates. That fall in earnings occurs under goods earnings and under passenger earnings. But there is one item of earnings under which there is an increase, and that is what is called "Other coaching" earnings. What these earnings mean is briefly this: There is a considerable amount of parcels traffic now as the result of the congestion in goods traffic. That is to say, when you cannot send a thing by goods train, then you try to send it by a parcel train, even though it costs more. Parcel traffic therefore shows an increase. Then there was a considerable amount of military movement, as the result of demobilization and of movement of troops in connection with the disturbances. Our earnings under goods according to the budget estimates were 57.23 crores, while according to our revised estimates they have come down to 53.38. Our passenger earnings according to budget estimates were 52.12, which have come down in the revised estimates to 45.28. Other Coaching earnings which we estimated at 5.30 have gone up to 7.87. The net result is a drop of 8 crores. As against that there is also a drop in our ordinary working expenses. We estimated that our ordinary working expenses would be somewhere about 99 crores; while revised estimates show that our expenses have been 93.55. I should like to flatter myself that this fall in working expenses indicates that we have been able to do with less expenditure. The position is not quite so gratifying as that. What really has happened is that the expenditure that we estimated for the year 1947-48 could not for various reasons be incurred before the end of that year, and the expenditure therefore has not been reduced but has been only postponed.

These drops in earnings and in working expenses have resulted in an increase in the net loss that we estimated from 2.7 crores to 5.2 crores and the result of that increase in the net loss is that we have had to make larger withdrawals from our Reserve Fund. And the Reserve Fund, therefore, in March 1948 will stand at a figure of Rs. 3.8 crores. That briefly summarises the position as regards the current year.

Now with regard to the year 1948-49, the Budget year. There again we are faced with several elements of uncertainty which prevent us from making anything like accurate forecasts. The year 1948-49 is a complete year. The usual practice, as the House knows, is that in framing Budget Estimates for the coming year you rely mainly upon the basis of your revised earnings for the current year. The revised earnings for the current year represent a broken period, and on the basis of that broken period you have to frame your estimates for a whole year—a necessarily difficult process. Then, although we have now come to the end of the more serious phase of the civil disturbances which have occurred since Partition, we are still much too near this period of disturbances to be able to determine with any degree of reasonable precision either the current trends or the probable trends in the coming year.

Such estimates as we have been able to make, the best informed and the most intelligent estimates that my advisers have been able to make, give us these figures. We expect that in 1948-49 the gross traffic proceeds would be Rs. 190 crores. As against that we estimate that the ordinary working expenses would be Rs. 147.15 crores. To that you have to add depreciation which, as the House knows, is calculated at present at 1/60th of the capital at charge of the Railways at the end of the current year. The capital at charge is somewhere of the order of Rs. 678 crores and 1/60th of that would give you Rs. 11.18

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crores. Then there is the payment that we have to make to lines that we work on behalf of outside concerns,—their share of the traffic receipts which would come to Rs. 1.45 crores.

Deducting working expenses, depreciation and payment to worked lines, we are left with a net traffic receipt of Rs. 30.22 crores. To that you have to add various miscellaneous proceeds—a very wide range of them. After deducting the charges which are appropriate to these miscellaneous receipts, you get a net revenue from this source of Rs. 2.16 crores. Altogether, therefore, in 1948-49 we expect to have a net revenue of Rs. 32.38 crores. From that you have to deduct the interest which is payable to Government for the money borrowed by the Railways. That has been calculated at a rate of 3.25 per cent. which represents the weighted average rate of interest payable on the different classes of Government's borrowings. That, on the average capital at charge which we expect during 1948-49, somewhere about Rs. 690 crores, will give us altogether a liability on account of interest charges of Rs. 22.53 crores. Deducting Rs. 22.53 from the total net revenue of Rs. 32.38 crores, we are left with a net surplus for 1948-49 of Rs. 9.85 crores.

The House will be relieved to know that it is not my intention on this occasion to propose any increases in fares and freights. Probably the only redeeming feature of my Budget is that I do not propose on this occasion to pursue this evil tradition.

The question arises: what is to be done with this net surplus of Rs. 9.85 crores which we expect for the year 1948-49? First of all, there is the question of the contribution payable by the Railways to General Revenues. That question at present is determined by a Resolution which the Legislature passed in 1943, which practically lays down that the contribution to General Revenues is to be fixed with reference to the requirements of the Railways and of General Revenues in each particular year. We have for many reasons considered it advisable and satisfactory that this question should be entrusted for decision to a Committee composed of Honourable Members of this House. A Committee has therefore been appointed consisting of three members of the Standing Finance Committee and three members of the Railway Standing Finance Committee, under a Chairman having the authority and the judgment of no less a person than the Honourable the Speaker of the House. Pending the receipt of the findings of this Committee, Government do not propose to make any allocations out of the surplus. When the findings of this Committee have been received and Government have been able to arrive at their decision upon these findings, then in the ordinary course proposals will be made before this House for the necessary appropriations. That, Sir, brings me to an end as regards what I wish to say about the financial position of the Railways.

Now I will go on to a more general question, the question, I take it, in which the House is most deeply interested, and that is the question of the prospects of traffic movement on our Railways in the future. When I presented my Budget Statement to the House last November, I told the House that the circumstances with which the Railways were faced were more difficult than any that I had anticipated in my most pessimistic moments. What I am inclined to say today looking at the trend of things is that probably we have reached a stage where the steady process of deterioration which began with the Partition and the consequences that flowed from Partition, has now been definitely checked. From such evidence as I have been able to see, I believe we have now reached a stage when I could say with a certain degree of assurance that we have turned the corner. This does not mean that there is any striking and decided improvement that I can report. What it means is that we have reached a stage where we can go forward expecting steady progress. I do not anticipate that we shall be called upon to retrace our steps or to look back.

What exactly are the reasons which lead me to make this statement to the House? I want, first of all, to deal with the immediate future, that is to say

the next few months. Firstly, there is this very obvious fact that we have come to the end of the period of serious civil disturbances. We have come to the end of the period of these vast refugee movements. The House will remember that altogether during a period of two and a half months the Railways were called upon to move as many as 3 million refugees, which represents the capacity of a thousand passenger trains. That was a terrible strain on the Railways and we have now come to the end of that period of strain.

Secondly, I told the House last November that one of the problems we are faced with—have been faced with since the end of the war—is the large diversion of traffic which has occurred as the result of various war developments. A large volume of traffic is now moving along routes which are not equipped for dealing with this large amount of traffic, and I said therefore that it would be necessary for us to consider the question of improving and extending our marshalling yards, that is to say, those yards where you distribute wagons with reference to their ultimate destination. These marshalling yards, at the points where heavy traffic occurs, are not today equipped sufficiently to cope with this growing volume of traffic. Now, pending a large extension of our marshalling yards, what we have been doing in order to meet the present crisis, is to set up an arrangement for much more intensive and effective supervision of our marshalling yards. We have also set up a more effective system of control of train movements. And these two factors already are yielding satisfactory results. I will give the House some figures. I will take some of our typical, most important marshalling yards. At Asansol, when I spoke to the House last November, the period for which a wagon was detained in the marshalling yard was 46.6 hours. Today the latest figure that I have is 31.1. At Cawnpore, last October the period of detention was 53.9 hours. Today it is 31.7. At Moradabad it was 39.9 hours. Today it is 22.8. At Ondal which represents the place where most of the coal traffic occurs, it was 22.1 and today it is 18.2. On the whole, taking these representative centres, there is a reduction in the period of detention of somewhere about one-third. The target that we are going to place before the Railways and on which we are going to insist is that no detention should occur in marshalling yards for a period in excess of 24 hours and we are going to see to it that that target is observed.

The next factor that I want to deal with is our workshop position. The importance of that is this. Practically the greater part of our more serious troubles today is due to our locomotive position. The House will remember that I said last time that of the total number of locomotives that we possess today, about a third are over-age locomotives which have done their normal period of service and which, if locomotives were available in the world market, would be replaced almost immediately. There are countries in the world like the U.K. for example, where there is a large proportion of over-age locomotives. But they are able to carry on with this large proportion of tired, old locomotives, because they have got effective workshops where in point of spare parts they are not at the disadvantage at which we happen to be. Therefore, the position of our locomotives is very closely bound up with what happens in our workshops.

There are two elements of importance in connection with the workshops. First of all, there is the question of the availability of spare parts. There is secondly the question of labour and the amount of output that we can expect from labour. I take first of all the question of spare parts. I am glad to be able to report to the House that during the past few months, there has been a perceptible improvement in the delivery of orders of spare parts from the United Kingdom. Secondly, it has been possible for us, with the co-operation of the Defence Ministry, to utilise increasingly the spare capacity for manufacturing these small parts in our Ordnance Factories and a very considerable progress is being made in this direction. Thirdly, as the result of consultations with my honourable colleague, the Minister for Industry and Supply, we have been able to get some relaxation of the arrangement under which all orders for spare parts

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for machinery of all kinds is to be placed through the Industry and Supply Department. The formality and the delay that sometimes occur—quite necessarily—have, to some extent, held up the work done in the workshops by the delay of the arrival of spare parts. As a result of the relaxation I have been able to get from my honourable colleague, Local Administrations are in a position today to exercise a great deal more initiative in canvassing and investigating the possibility of getting spare parts in local areas. The position will be illustrated by the fact that in 1948 the orders that we have been able to place in India for spare parts show an improvement of nearly 37 per cent. over the orders placed in India in 1947. That is as far as spare parts are concerned.

I now come to the question of labour. I have been having the figures carefully examined and I am glad to be able to say that on practically all our principal Railways today there is an improvement in the number of man-days worked in the workshops. We find that on the B.N.R., on the E.I.R., on the S.I.R., on the M.S.M.R. and to some extent on the G.I.P.R.

Now that is a cheering fact, but that is not the whole problem as far as labour is concerned, because it is not merely the question of attendance but it is also the question of the work turned out during the period of attendance. I have had an expert examination made recently in respect of two of our most important workshops, and that expert examination has revealed the somewhat depressing fact that the quantum of work which is being done during the normal prescribed period is considerably below what we might reasonably expect. The basis on which this examination is done is this. First of all these people with a very considerable amount of experience of this class of investigation, determine the amount of standard output which under given conditions may be expected of a labourer and they take the actual amount of work done and between the two, they have noticed there is a very considerable margin.

There are two ways of meeting that problem. First of all, we have to provide administrative devices which would automatically secure that each labourer renders his full quota of work. There is, secondly, the co-operation to be secured from labour organizations themselves. We are considering the question of administrative devices and as far as co-operation from labour is concerned, I am confident that there the more responsible elements in the labour organisation representing the Railways show a very keen awareness of what is required of them in these circumstances.

Taking the improvement in respect of the availability of spare parts and the improvement in respect of attendance in the workshops, the result of these two factors must necessarily be reflected in the turn-round figures. Turn-round, as the House knows, is the period which a wagon takes to perform a journey and return to take up a fresh traffic. When I spoke last November I said the average period of turn-round of a broad gauge wagon was 48 days. The latest figure that I have is 45.9. On metre gauge lines, the average figure that I gave was 51. Now the latest figure that I have which corresponds to the end of 1947 is 60.7. This shows deterioration, but it requires a certain amount of explanation. One of our biggest metre gauge workshops is Ajmer. At the end of 1947 Honourable Members will remember there were very serious disturbances in Ajmer; curfew order had to be imposed and there was a general atmosphere of unsettlement and dislocation. Now if you leave out Ajmer, the average figure for the turn-round of metre gauge wagons comes to 45, as against the figure of 51 which I gave the House last November.

Next I will deal with the difficulties that arose from the transfer and exchange of staff between India and Pakistan. That was a factor which led to a very great deal of disorganization on the Railways, about 100,000 men being exchanged and settled in new positions in the course of about 2½ months. Now that general dislocation is rapidly disappearing and men are beginning to settle down in their new positions. But one of the most serious difficulties that we

had to face was that this transfer resulted on our side in a shortage of essential workers in particular categories. The House will remember that where the most serious difficulty arose on this account was the East Indian Railway in regard to their engine crew, which created, as I said, a first-class national crisis in respect of coal movements.

I told the House that by various means we were able to reduce the shortage which at first was 47 per cent. to 25 per cent. in November. My latest figures show the shortages have come down to 9 per cent.

Then I wish to deal with a factor which has been becoming increasingly important in recent months and that is undue detention of wagons at destinations by our customers, by factories, by trade and sometimes by Government Departments in provinces and States. I wish to give the House a few illustrations, because this is one of the more serious difficulties with which we are faced at present. Take jute. Towards the end of last year in the Cossipore Road area the number of wagons which were waiting for unloading was 700 to 800 wagons in excess of the normal figure, which means to that extent the wagons are prevented from doing normal service. At important industrial centres in India such as Dalmianagar, Haripur, Tatanagar, we notice there is an increase of 20 to 25 per cent. in the number of wagons waiting to be unloaded in excess of the normal figure. Similarly, with regard to collieries. I find that of the wagons which are supplied to collieries for being loaded with coal, very often a considerable number come back without being loaded, for reasons which are connected entirely with the colliery position. It may be lack of labour; it may be the inability to get stocks of coal ready in time. The last month, January 1948, for which I have figures shows that altogether 1,375 wagons came back empty without being loaded, which represents in terms of coal about 30,000 tons. I am mentioning these figures in no spirit of criticism, because I am well aware of the difficulties by which trade and industry are faced, in the matter of handling of wagons, but I do think when railway transport is in the difficult position in which it is today, we have a right to ask industry and trade to give us more co-operation.

As against this position the measures that the railways have taken are: We have reduced the free time allowed for demurrage purposes from 9 hours of day light to 6 hours. After that demurrage will be charged. Sundays are to count for demurrage purposes. They will no longer be exempt. We are raising the demurrage fees on some of our Railways like the E. I. Ry. and the B.B. & C.I. and the G.I.P. Railways. A great deal of handling is done by the Railways themselves and we have asked the Railways now and we are going to insist on it that they should set before themselves a target of a maximum of 3 hours for placing a wagon for unloading immediately it arrives at a terminal station, and as I said before, we are going to insist also that the period of detention in marshalling yards should on no account exceed 24 hours.

These various factors which deal with goods traffic which in my opinion make for a certain degree of improvement, are reflected in the average figures of turn-round on some of the most congested of our Railways. Take the G.I.P. When I spoke last time the turn-round of wagons on the G.I.P. Railway was 10.6 days. The latest figure that I have is 9.5, a reduction of 10 per cent. On the E.I. Ry. it was 17.4, and the latest figure is 14.1, a reduction of 20 per cent. And speaking of the E.I. Railway, I want to make a passing reference to the question of coal despatches. I said last time at the beginning of October when we were faced with this great shortage of engine crew, the total number of wagons that we could send on the E.I. and on the B.N. Railways to the collieries direct was somewhere about 1,400.

In November last when I spoke to the House we raised that number to somewhere about 2,600. The latest figure that I have of the total number of wagons despatched from the E.I.R. and the B.N.R. with coal for the week ending the 7th February is 2,900.

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I have been speaking of the directions in which a little improvement has occurred as regards the operation of the Railways. Now this operational improvement has been to some extent offset by the disorganisation of traffic which has been caused by the policy of decontrol. What has happened is this. Take the question of foodgrains. Before we introduced the policy of decontrol, all the more essential movements were sponsored by Government and all movements sponsored by Government were given top priority—they were all grouped in Class 1. When Government decided to reduce their commitments and it became necessary therefore to make it possible for private movements to move more freely, we raised all movements of food grains on private or trade account from Class 4 to Class 2. The result of that is that in class 2, in the second grade of priority, today, there is so large a number of indents for wagons that the Railways are unable to cope with all the demands made on them. It does not mean that the quantum of traffic has come down; what it means is that when you have a large number of indents in respect of commodities all of which are in the same grade of priority and some of them are turned down and others are accepted, naturally there is a great deal of complaint, resentment and heart-burning, which is what is going on in the country today. I have been giving a great deal of attention to this question, because I realise that unless the Railways are able to meet the situation, the policy of decontrol would be made difficult.

There are two problems that arise. When you allow unregulated movements on private account, you find there is a large number of what we call cross-movements. I have come across a number of cases recently where goods are despatched by traders to a particular destination and immediately on arrival there the goods are rebooked and sent on to another destination which is much nearer the original point of consignment—which means that there is a great wastage of transport. Similarly, when you allow trade in an unregulated manner to move foodgrains then sometimes you find that foodgrains are sent across to stations which are much too distant from the station of consignment; it might be possible, for example for that particular centre to be supplied with foodgrains from a nearer point. These cross-movements and these uneconomic movements are putting a very great strain upon the Railways. Since in the higher grades of priority you have now a large variety of commodities included it looks to me, if we want to maintain the economic stability of the country, it will be necessary for us to take into consideration a programming of movement of essential commodities. In other words, we have got to take up the question, in the circumstances with which we are faced today, of determining with reference to priority both the nature and the direction of the traffic. We have got to consider fixation of quotas and regulation by zonal control. I am not going to suggest for a moment that we are going to do this immediately. We are not. We are, however, watching the situation very carefully and if we find that the policy of decontrol is going to be defeated by the unnecessary load which is being put on the railways it will be necessary for us to take this matter up for active consideration.

As regards the question of Railway priorities, the House will remember that the whole subject is now regulated by the Railway (Transport of Goods) Act which the late Assembly, passed last year. That Act will come up again before the House for consideration. As far as I can express a personal view—I do not commit Government in any way—as far as I can express my personal opinion on this question, it is that it would be necessary for us to continue the control of Railway priorities, but I think it is up to us to take steps for regulating these priorities more in accordance with the opinion and the wishes of the trades concerned. At present, as you know, there is a Chief Controller of Priorities, who is assisted by various Regional Controllers. I am applying my mind to the question of providing these Regional Controllers with a small

effective authoritative committee in each region which will represent the best business opinion of that area.

I have been dealing with the immediate future, and I will repeat the statement with which I started, that we seem to be set, for the time being, in the direction of a gradual improvement. I want to go further and indicate to the House, so far as I can, what are the prospects for the year 1948-49. The statement I would put before the House is this. Unless any untoward developments occur, I expect a marked improvement by March 1949. My reasons for saying so are these. I have told the House already that in view of a vast diversion of traffic that has been occurring recently, our line capacity and our marshalling capacity are being over-strained. As regards the line capacity, we have already taken in hand various schemes for doubling the line capacity at various points of heavy congestion—Itarsi-Bhopal, Lucknow-Bareilly, Cawnpore-Etawah, the Moradabad section and various other lines—Honourable Members will find a complete list of them in the explanatory memorandum. The point I wish to stress is this. We have set ourselves a target for completing these works by March 1949 and if we are able to do that, then it seems to me that we should be in a position to relieve congestion at some of the most important points on our railway system. The House is aware that a couple of months ago we reopened what used to be called the Dufferin Bridge, now called the Malaviya Bridge, which was regarded and has now been opened for double-line traffic. It is a very important gateway of railway communications in the U.P. and I think its doubling will make considerable difference to the movement of traffic.

With regard to the remodelling and the extension of marshalling yards, we have a number of schemes on hand all of which are expected to be completed by March 1949.—Ujjain, Lucknow, Cawnpore, Tundla, Gorakhpur, and Arkonam and Tuticorin in the South—and I hope to take in hand soon the extension and remodelling of the station yard at New Delhi. If we are able to achieve our object and finish them by the end of 1948-49, then I expect there would be considerable relief.

Next I want to give some figures with regard to the additional rolling stock which we expect to get in the course of 1948-49.

The number of general service wagons which are scheduled to be delivered by the manufacturers in India by the end of 1948 is 4,050. In addition to that we expect that oil-tank wagons of the order of about 150 will also be delivered by the end of 1948. Then we have placed an order in Canada for oil-tank wagons which are also expected to be delivered by March, 1949. There are other classes of wagons numbering about 177, all scheduled to be delivered by the end of 1949. It comes to a total of about 4,720 wagons. I am not so foolish as to think that in the present strained conditions in India regarding labour and material it would be possible for our manufacturers to deliver these things according to schedule. But I have strong reasons for thinking that at least half this number will be delivered. And if we are in a position to put on the lines at least two thousand additional wagons in the course of the next year it would make a perceptible improvement. Similarly we are expecting 146 new locomotives to be delivered in the course of 1948; and this together with the improvement which is noticeable in the workshop position must I think make a difference for the better as regards locomotives.

My third reason for being hopeful about 1948-49 is that the shipping position appears to show some improvement. If we are able in 1948-49 to divert to the sea route some of the heavy traffic from Calcutta to Bombay which now goes by rail it would I think very considerably ease the railway position. I have taken this matter up with my honourable colleague the Minister for Commerce, and between us we expect to find some solution of this problem. The real point is that if you send a commodity like coal from Calcutta to Bombay you have to pay about Rs. 20 more by sea than you would by rail.

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Although we have increased our freights a good deal we still have in the railways today, I believe, the cheapest form of transport.

The last point to which I wish to refer is this. I make no dogmatic statement about it—nobody in the present circumstances can afford to do so—but all the indications that I see give me a feeling that there is something like a marked improvement in the prospects of the world food position. This break in prices that has now occurred in the United States is variously explained. I do not want to commit anybody. I do not want even to commit myself officially. But I cannot help thinking, from such authoritative reports as I have seen, that there is a feeling that the prospects of the next harvest in the United States are a good deal better than people expected a few weeks ago. That probably coupled with the possible cuts in the Marshall plan may account for this break in prices. But supposing there is an improvement in the general food position and supposing correspondingly there is an improvement some time towards the end of 1948 in India, it seems to me that a very heavy load will have been lifted off the railways. I want to tell the House what I have felt very strongly for over a year. One of the biggest problems that the railways have had to face since the end of the war is this problem of moving over long distance large quantities of foodgrains from port to up-country, from surplus provinces to deficit provinces, and this along routes which are not equipped for coping with that traffic. If fortunately there is a general improvement in the food position, it seems to me that one of the most serious factors which today are impeding the railway traffic will have been removed.

Having said all this I want to reaffirm what I said last November that in spite of these little indications of improvement I do not think that we shall be able to return to normal conditions in less than three years. And when I say 'normal conditions' what I mean is that if you ask me when our railways will be in a position to accept all the traffic that offers, I say we shall not reach that position in less than three years.

I have been speaking of goods traffic. I want to say a word about passenger traffic. The great problem regarding passenger traffic today—and when you consider the question of amenities the problem that worries you most—is that of overcrowding. We have today, as far as we can estimate, more than twice the number of passengers that we used to carry in 1938-39; but the amount of passenger train capacity that we are in a position to offer today is 14.5 per cent. less than in 1938-39. That gives you straightaway in statistical terms the problem of overcrowding. I expect to see a little improvement and I want to tell the House why. It is one of the most interesting features of passenger traffic on our railways today that there is a steady decrease in the average distance travelled by third class passengers. If there is a steady decrease in the average distances travelled by passengers the inevitable result is that at any point of time you will find a steadily decreasing congestion. Take two points between which trains run. If between those points passengers travel over shorter distances, obviously at each point you will find that the amount of congestion in the train would correspondingly be less. I have been trying to understand why it is that there is this steady decrease in the average distances travelled by passengers, and the best explanation that I can give is that while there has been a very great increase in the habit of travel due to various reasons although the railways have not been able to provide an increase to anything like the extent required they have been able to provide some increase in facilities which is greater than that offered by road transport. The result therefore is that people who would ordinarily have travelled short distances by bus are now travelling by trains. And it seems to me, therefore, that until we are in a position to restore the bus position—during the war the extent to which bus traffic decreased was somewhere about

one-third of what it was in 1939—you are going to have a steady decrease in average distances travelled by passengers.

Apart from that in 1948-49 we expect to place on the lines some here about 700 to 800 new coaches; 350 of them are coaches that we have ordered and a little over 400 coaches would, I expect, be returned by the Defence Department to whom they have been loaned.

Another factor which is going to react on overcrowding is ticketless travelling. I told the House last time that the problem was particularly acute in the United Provinces; and in consultation with the Honourable Premier of the United Provinces we have started a scheme there which consists of a considerable police force and a considerable complement of special magistrates devoted entirely to the problem of ticketless travel. We have put altogether 17 platoons of police and 34 railway magistrates, the whole cost of which will be borne by the railways. And with the co-operation of the Honourable Premier we have been able to start this on the 15th January; and the results that I have seen so far have been definitely encouraging. Similar arrangements are contemplated for West Bengal, for Bihar and for Assam. As I have told

6 P.M. the House more than once, this problem of ticketless travel is much more than a railway problem; it is a social problem. It is one of these things which seem to reflect the gradual decline in the sense of law, which results when big political changes have occurred.

I was looking the other day into the report of the Madras Government Railway Police for 1947. It discloses the interesting fact that the number of cases that they had to handle in 1947 showed an increase of 90 per cent. over 1946 and showed an increase of 130 per cent. over the average of the previous five years. That, I think, would be equally true of other provinces.

I want to make a reference to the passenger guides that we have been appointing recently. I believe very strongly that conditions of third class railway travelling today provide an enormous scope for social service of the highest quality. I have instructed the railways in consultation with various recognised social service organisation to select people with the right training, the right spirit and the right outlook to take up this work. We have made a beginning on various railways and I am watching with some hope and, at the same time, with some anxiety how this arrangement will work. If it works successfully I think we shall have taken an important step towards tackling a very urgent problem in the railways.

Lastly, I would like to make a reference to the Betterment Fund. Last year when I placed the railway budget before the old Assembly, there was a great deal of discussion as to what was the right object for expenditure from the Betterment Fund. My own feeling is, if one reads the papers with care the primary purpose of the Betterment Fund is to provide expenditure which will result in an improvement in amenities for third class passengers and we are going to see now that such expenditure as we are in a position to provide from this Fund will hereafter be devoted in the main to this problem of amenities. That brings me to an end of this problem of traffic generally.

There are just one or two matters to which I would like to refer before I sit down. I said last time that we were going to set up a Railway Rates Tribunal and that I would have it put into force by the 1st of April. On examination it is found that unless this tribunal is vested with statutory authority it will not be able to function in the way in which we intend it to and for that purpose, therefore—I thought originally that it could be done by executive order—we are going to place a Bill before this House in the course of the session to set up a tribunal on these lines, that is to say, with a much wider scope than the present Rates Advisory Committee and with a mandatory and not merely an advisory jurisdiction. I hope with the co-operation of the House it will be possible for us to put it in operation at the earliest possible date.

With regard to the Railway Enquiry Committee, as I told the House in answer to a question, the Committee will begin to function in the course of a

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week or two. Mr. Neogy, who with great ability set the lines on which the enquiry is to proceed, will now be replaced by my Honourable friend Pandit Hirday Nath Kunzru, who I am sure will bring to bear on this important work his unique knowledge and experience of public affairs. That covers more or less the range of subjects with which I want to deal.

There is just one thing more to which I want to refer before I resume my seat. In the remarks I have offered to the House this evening the note that I have tried to strike is what I might call a note of restrained or subdued optimism. I believe we are looking forward and we are moving forward, as far as the near future is concerned. I want to tell the House also from a study of such underlying forces as I have been able to perceive that I believe, in spite of the difficulties through which we are passing today, there is a great future before the Indian Railways. I believe also that that future will dawn within a definitely measurable period of time. I have many reasons for thinking that but one of my principal reasons is that we have a fine body of men operating our railways today. From the Chief Commissioner and the Railway Board down to the Railway Administrations and from them to the humblest employees on our railways we have in the main, as fine a body of men as any country in the world today. I am saying that with a certain degree of assurance. It is my habit by reading journals dealing with transport matters in other countries to keep in touch with transport developments in those countries and this gives me a fair amount of assurance in making this statement to the House. My reason for raising this point is that in recent times, both in this House and outside, many allegations and charges have been levelled against our railwaymen in unqualified and widely generalised terms. It hurts me to hear these allegations and charges, because we are at present making a great and earnest effort to place increased responsibilities upon the people of our own country, our own kith and kin. At this stage if it is suggested by people holding responsible positions in the country that things are as bad as they are sometimes painted to be, it has an extremely discouraging effect upon the men and there are many of them who are trying to do their best to rise to the tasks of a new age. Honourable Members are no doubt aware of the special train that we ran the other day to convey the remains of the great leader of our people from this city of tragic memories to his final resting place, where the sacred rivers meet. In the preparations which were made for that special train I happened to be a good deal behind the scenes and I was in a position to observe not merely the enthusiasm, but the touching loyalty, the almost pathetic devotion, with which not merely the officers in the top positions but the humblest gangmen laboured in order that this effort of the railways may be the unqualified success that it has proved to be. I mention this fact, because it is symbolical of the new spirit of responsibility which has been gradually spreading among our railwaymen ever since the day of Independence—a slowly unfolding sense of what is required of them in the changed conditions of today. There are black sheep, Sir, in every organisation. It is for responsible leaders, when they are inclined to make charges and allegations, to distinguish the few from the many and not to visit upon the many the sins of the few. I am speaking today as Minister of Railways responsible for the vast army of men who are operating our railways. I want therefore not merely a matter of official convention but as an honest expression of what I think and feel, to pay a genuine, a warm, a very cordial tribute of appreciation and sympathy to India's railwaymen. For, remember, Sir, upon the shoulders of our railwaymen today rest as difficult a problem and as grave and heavy a burden as any by which we are faced in these disordered and turbulent times.

The Assembly then adjourned till Eleven of the Clock on Tuesday the 17th February.

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