

# LOK SABHA DEBATES

**Second Series**

**Volume XXXII, 1959/1881 (Saka)**

*[August 3 to 14, 1959/Sravana 12 to 23, 1881 (Saka.)*



**EIGHTH SESSION, 1959/1881 (Saka)**

*(Vol. XXXII contains Nos. 1 to 10)*

**LOK SABHA SECRETARIAT  
NEW DELHI**

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N.B.—The sign + above a name of a Member on Questions, which were orally answered, indicates that the Question was actually asked on the floor of the House by that Member.

## LOK SABHA DEBATES

1859

1860

### LOK SABHA

*Wednesday, August 12, 1959/Sravana  
21, 1881 (Saka)*

*The Lok Sabha met at Eleven of the  
Clock*

[*MR. DEPUTY-SPEAKER in the Chair*]

### ORAL ANSWERS TO QUESTIONS

#### Air Accidents

+

\*334. { *Shri Bibhuti Mishra:*  
*Shri D. C. Sharma:*

**Will the Minister of Transport and Communications be pleased to state:**

(a) the details of air accidents which have taken place since 1st May, 1959 in which aircrafts of the Air India International and the Indian Airlines Corporation were involved;

(b) the reasons for each accident; and

(c) the extent of loss sustained in each accident?

**The Deputy Minister of Civil Aviation (Shri Mohiuddin):** (a) to (c). I lay on the Table of the Sabha a statement giving the requisite information. [See Appendix II, annexure No. 1.]

**श्री विभूति मिश्र :** इस स्टेटमेंट को देखने से पता चलता है कि २७ मई, मन् १९५९ को दिल्ली-कराची रूट पर एकमीडेंट हुआ था और इसमें लिखा है कि—दी एकमीडेंट इज अंडर इनवेस्टीगेशन। मैं जानना चाहता हूँ कि यह एकमीडेंट २७ मई को हुआ था और अभी तक इसकी रिपोर्ट नहीं आयी है इसका क्या कारण है ?

**श्री मुहीउद्दीन :** अभी तो सिर्फ़ ढाई तीन महीने हुए हैं। यह इनवेस्टीगेशन बहुत टेकनिकल होते हैं। मेरे ख्याल में इस मामले में हमें जरा सब्र में काम लेना चाहिये ताकि रिपोर्ट करने वालों को काफी वक्त और खोज करने के लिये मिल जाये।

**श्री विभूति मिश्र :** अभी माननीय मंत्री जी ने बतलाया कि काफी सब्र करना चाहिये। क्या तीन महीने का वक्त थोड़ा होता है ?

**उपाध्यक्ष महोदय :** यह तो बहस की बात होगी।

**श्री विभूति मिश्र :** हम लोग मेम्बर हैं और यह सरकार हम मेम्बरों के मातहत है और आप कहते हैं कि गौर करने के लिये वक्त चाहिये। इसको अब तक हमारे सामने गौर के लिये आ जाना चाहिये था।

**उपाध्यक्ष महोदय :** बेशक सरकार मेम्बरों के मातहत है लेकिन अवैशचन अवर में मातहत की बात न करें। यह तो बहस की बात है। आप कहते हैं कि वक्त बहुत है और वह कहते हैं कि ज्यादा नहीं है। कवेश न अवर में इसका फैसला कैसे होगा ?

**श्री विभूति मिश्र :** आप फैसला कर दीजिये।

**श्री भक्त दर्शन :** श्रीमान्, माननीय मंत्री जी ने कहा कि सब्र करना चाहिये। मैं जानना चाहता हूँ कि कब तक सब्र करना पड़ेगा ?

**श्री मुहीउद्दीन :** मेरे ख्याल में ज्यादा सब्र करने की जरूरत न होगी।

**Shri Tangamani:** In the second accident of 27th May, we find that the



pilot was able to bring that plane safely back to the Palam airport. May I know whether there will be any recognition to the way the pilot has avoided any accident?

**Shri Mohiuddin:** I am glad the pilot had the presence of mind and it is really creditable that he managed the plane in spite of the fact that the window screen was broken and he himself was injured. He managed it very efficiently to bring the plane to the Palam airport more than 150 or 120 miles.

**Mr. Deputy-Speaker:** Is it intended to recognise that presence of mind?

**Shri Mohiuddin:** I have no information about that from the Indian Airlines Corporation.

**Shri T. B. Vittal Rao:** With regard to the enquiry regarding the accident of the Air India International Plan—Rani of Agra, may I know whether the Government would expedite both the departmental and the other enquiry in view of the fact that it is an international service?

**Shri Mohiuddin:** I do not know what other enquiry the hon. Member refers to. At present, the enquiry is departmental by the Chief Investigator of the Civil Aviation Department. I assure the hon. Member that I will ask them to expedite.

**Shri C. R. Pattabhi Raman:** How soon will all our transport be equipped with radar equipment?

**Shri Mohiuddin:** Sanction has been accorded for equipping the Viscounts with storm warning radar and the equipment process will begin this year. But, I cannot say how long it will take for all the ten to be equipped. It may take about two years.

**Shri Ram Krishan Gupta:** May I know whether any compensation has been paid to the persons injured or their families?

**Shri Mohiuddin:** Which accident?

**Mr. Deputy-Speaker:** Whether any compensation is proposed to be paid

to the persons injured or the families of the dead?

**Shri Mohiuddin:** In this Viscount accident, there was injury only to the pilot and his co-pilot. I am sure they were looked after very well by the Airlines Corporation. There were no injuries in the Super-constellation.

**Mr. Deputy-Speaker:** Next question.

**Shrimati Mafida Ahmed rose.**—

**Mr. Deputy-Speaker:** I am sorry if I have passed on. I have passed on. Next question.

### Slum Clearance Work in Delhi

\*335. **Shri Radha Raman:** Will the Minister of Health be pleased to state:

(a) whether the slum clearance work in Delhi has been transferred to Delhi Municipal Corporation;

(b) if so, what considerations guided Government to do so;

(c) what is the amount which Government had allocated for this work during the current financial year and whether that too was passed on to the Corporation;

(d) whether as a result of this the Government have thought of either winding up Delhi Development Authority or passing this agency as well to the Delhi Municipal Corporation; and

(e) what arrangements Government have made for slum clearance work in New Delhi area after this work is passed on to the Delhi Municipal Corporation.

**The Minister of Health (Shri Karmarkar):** (a) Yes, Sir.

(b) It was considered that the Municipal Corporation of Delhi, is more suited to execute slum clearance schemes than the Delhi Development Authority.

(c) A provision of Rs. 147 lakhs as loan was made for the Delhi Development Authority. This amount is proposed to be placed at the disposal of

the Ministry of Works, Housing and Supply who will pass it on to the Corporation according to its requirements.

(d) This question is receiving consideration.

(e) Slum Clearance Schemes for New Delhi Municipal Committee will also be formulated and executed by the Municipal Corporation of Delhi.

**Shri Radha Raman:** May I know whether the Government of India and the Municipal Corporation authorities had any discussion with regard to future plan of slum clearance work in Delhi and if so, what decisions they had taken in order to see that the previous work was in co-ordination with the work that was to be done now?

**Shri Karmarkar:** Now, the work has been entrusted to the Corporation. I have no doubt that they would try to do it in co-ordination with the previous work. The matter of fact was. . . . (The hon. Deputy Minister of Agriculture Shri M. V. Krishnappa was also seen on his legs).

**Mr. Deputy-Speaker:** Order, order; two hon. Ministers are standing.

**Shri Karmarkar:** He is trying to sit down. The Corporation passed a resolution that they should be declared as the competent authority under the Slum Areas Act. The Government of India considered the matter and conceded this request of the Corporation.

**Shri Radha Raman:** I welcome the decision of the Government so far as the passing on of this work is concerned. I was just enquiring whether after having decided to pass on this sum of Rs. 1 crore and several lakhs to the Delhi Corporation, the Delhi Corporation will have a certain obligation towards the Government of India with regard to the discharge of this responsibility so far as slum clearance work is concerned and also in accordance with the general plan of slum clearance work in the country?

**Shri Karmarkar:** As my hon. friend knows, the Corporation is an autonomous body and in their functions, the Government will not normally interfere. But, I know that the Corporation will take into consideration the previous plans, their own requirements and whatever they can learn from other parts of the country.

**Shri Ramanathan Chettiar:** Apart from Delhi, may I know whether there is any national plan for slum improvement schemes for the entire country and if so, what is the amount in the Second Plan?

**Shri Karmarkar:** There is a Plan and an amount also. But, that question may be asked of the hon. Minister of Works, Housing and Supply who deals with that. I should like to answer an earlier question of Shri Radha Raman: I should like to add to what I have said already that in the Ministry it has been agreed that the Ministry of Home Affairs will be the co-ordinating authority in respect of the master plan and the slum clearance work of the Delhi Corporation. That is the position.

**श्री राम सिंह भाई वर्मा :** क्या श्रीमान् यह बताने का कष्ट करेंगे कि जो स्लम किलयर्स की स्कीम श्रीमान् ने तैयार की है उसमें पर प्लॉट डेवेलपमेंट कास्ट कितना पड़ता है ?

**श्री कर्मरकर :** श्रीमान् ने तो कोई स्कीम नहीं बनायी थी । दिल्ली डेवेलपमेंट आथॉरिटी ने बनायी थी । पर प्लॉट के मानी मेरी समझ में नहीं आये ।

**श्री राम सिंह भाई वर्मा :** डेवेलपमेंट कास्ट पर प्लॉट ?

**उपाध्यक्ष महोदय :** मेम्बर तो मिनिस्टर साहब को श्रीमान् जी जरूर कह सकते हैं, लेकिन मिनिस्टर साहब को अपने आपको श्रीमान् कहना कहां तक ठीक है ।

**Shri Karmarkar:** I am sorry: I have not been able to understand the exact significance of what he meant by plot

cost of slum clearance. Because, the clearance cost will depend on the nature of the slum and the nature of the locality. It is bound to be different. If he has any slum in view, I should like him to table a question and I shall get the answer.

**Shri S. M. Banerjee:** At the instance of the Prime Minister, a committee was appointed for this purpose, which submitted its report; and that report was discussed here also. May I know whether the recommendations of that Asoke Sen Committee have since been accepted by Government, and if so, when the recommendations contained in the report are likely to be implemented?

**Shri Karmarkar:** The Asoke Sen Committee did submit a report regarding slum clearance problems, especially, I think, with regard to the city of Calcutta, and other problems also. That report was considered by Government. So far as the actual work was concerned, it was felt that the Works, Housing and Supply Ministry should be in charge of that work; and to my knowledge, at that time, the Asoke Sen Committee's work came to an end.

**Shri Vajpayee:** Who will carry out the work of slum clearance actually, whether the corporation or the Ministry of Works, Housing and Supply?

**Shri Karmarkar:** The slum clearance in the Delhi Union Territory will be in the charge of the Ministry of Works, Housing and Supply, and will be carried out in accordance with the master plan. The actual execution of the slum clearance work within the Delhi Corporation area will be in the charge of the Delhi Corporation.

**Shri Radha Raman:** The hon. Minister has just now stated that in view of this work having gone to the Delhi Municipal Corporation, Government were seriously considering the question of the winding up of the Delhi Development Authority. Since quite a substantial amount is being spent, the Development Authority having nothing to do, may I know how long it will take in order to finish off this con-

sideration so that this amount could be saved?

**Shri Karmarkar:** I should like to have notice about that. The Delhi Development Authority, at the present moment, will be charged with the duty of seeing that any slum clearance work is done in accordance with the interim general plan and in accordance with the master plan when it comes into existence. As I said earlier, the Works, Housing and Supply Ministry will be charged with this work; the actual execution will be done by the corporation. As to how soon or how late this amount would be spent, that is more than I can say. If the hon. Member tables a separate question, I shall try to answer it.

#### Road Bridge on Rupnarain River

\*336. { <sup>+</sup> Shri S. C. Samanta:  
Shri Subodh Hansda:

Will the Minister of Transport and Communications be pleased to refer to the reply given to Starred Question No. 53 on the 11th February, 1959 and state:

(a) whether final contract for constructing a road bridge on the Rupnarain River (National Highway No. 6) has since been given;

(b) if so, when the actual work is to commence;

(c) whether it is a fact that a passenger ferry service as contemplated is not working; and

(d) if so, what are the reasons therefor?

**The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur):** (a) No, Sir. The last date for the receipt of fresh tenders is 28th August 1959.

(b) Does not arise.

(c) and (d). A statement is placed on the Table of the Sabha.

#### STATEMENT

A passenger ferry service already exists. But it is proposed to convert it into a power ferry service for carry-

ing loaded vehicles besides passengers. Delay in arranging the power ferry service has arisen on account of the following reasons:

(i) The Construction of a jetty required for the ferry service was delayed as, during the construction, a high flood was experienced which damaged the jetty. Again the wooden ramps in the approaches to the jetty were washed away due to a very high tide.

(ii) No suitable contractor came forward to run the ferry in spite of several attempts. Arrangements for changing over the running of the ferry service from contract system to departmental system have taken time.

**Shri S. C. Samanta:** From the statement, I find that a passenger ferry service is already there. But is it not a fact that this place is half a mile up the river, and if so, may I know whether this power ferry is contemplated there or at the road site?

**Shri Raj Bahadur:** A new jetty has got to be constructed for the power ferry. I am not aware of the exact point that the hon. Member refers to, but I think it is in a suitable position in alignment with the main thoroughfare.

**Shri Subodh Hansda:** From the statement I find that there are two reasons given there for the delay in arranging the power ferry service. One of the reasons is that no suitable contractor came forward to run the ferry in spite of several attempts. If that was a fact, may I know why Government did not come forward to take up this ferry service departmentally?

**Shri Raj Bahadur:** To begin with, we tried to get private parties to come into this power ferry service business; since we were not finding suitable parties coming forward, we have now tried to take up the work ourselves governmentally.

**Shri S. C. Samanta:** From the statement I find that the jetty required for the power ferry service was constructed but was damaged by the floods.

May I know why the work was not taken up before the rainy season or after the rainy season?

**Shri Raj Bahadur:** It was taken up in good season. It has been damaged twice; when it was constructed to about 25 per cent first, it was washed away; again, it was taken up and the jetty was nearing completion, but the heavy tides came again, and it was again damaged.

**Shri Sadhan Gupta:** May I know whether in view of the fact that suitable parties are not coming forward to run the power ferry service, it is going to be run by Government, and if so, from what time?

**Shri Raj Bahadur:** As I said, it has already been contemplated that the State Government should run the ferry; as soon as we get the power boats for that, i.e. suitable powercraft, we shall try to do so.

**Shri Sadhan Gupta:** May I know when the construction of the jetty was commenced for the first time, and when it was commenced for the second time, whether it was before the rainy season or during the rainy season or after the rainy season?

**Shri Raj Bahadur:** The construction of the jetty was taken up some years back it was damaged due to the floods in December, 1956 for the first time; it was again completed in May, 1958, but in August, 1958, the wooden dams and the approaches were washed away due to very heavy tides. It will be apparent that the work was taken up in good dry season and not in the rainy season.

**Bridge over River Torsa on National Highway No. 31**

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\*337. { **Shri Barman:**  
           { **Shri S. C. Samanta:**  
           { **Shri Subodh Hansda:**

Will the Minister of **Transport and Communications** be pleased to state:

(a) the year in which the bridge over River Torsa on National Highway No. 31 was washed away by floods?

(b) whether it is a fact that during rains vehicular traffic remains suspended for more than six months at this point, because even boats cannot take the vehicles across; and

(c) if so, the reasons for not taking steps to restore the bridge and the communications?

**The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur):** (a) The bridges across the Sil Torsa and Char Torsa were washed away in 1952 and 1954 respectively.

(b) If the flood in the Torsa river is not too high but the water is deep enough for a ferry to ply, communication is maintained during the monsoons by ferries at this site; otherwise an alternative route *via* Matabhanga is used by road traffic. This alternative route makes use of the Railway bridge over the Torsa, which has been decked for road traffic.

(c) The question of constructing permanent bridges over Sil Torsa and Char Torsa rivers is under consideration.

**Shri Barman:** Is it not a fact that the alternative route which the hon. Minister has just now mentioned, that is, *via* Matabhanga is only a kutchra road and has as yet not been metalled? May I know whether the construction of this bridge over the Torsa has been entrusted to any expert body like the River Research Institute at Poona or any other research station so that the engineers may find out how this bridge could be constructed, which we could not do so so long?

**Shri Raj Bahadur:** It is true that the arrangement *via* Matabhanga railway bridge is only a make-shift arrangement. That is why we propose to have a pucca bridge there. The hon. Member is very well aware that the changing course of the river has defied so far the engineering experts. A site was selected as far back at 1951; designs were completed by about 1953; just when the designs were sanc-

tioned, a big flood came and the entire site which was selected was found to be absolutely unsuitable for the construction of the bridge. Ever since then, the engineers are again trying to fix up a site, and there is close collaboration in this matter between the experts available in the Central Water and Power Commission and the State Governments.

**Shri S. C. Samanta:** May I know whether there is any difference of opinion amongst the expert engineers, as a result of which this work is not being taken up soon?

**Shri Raj Bahadur:** There may be difference of opinion, because it is a difficult engineering problem. But I cannot say that the work is being delayed only on account of that.

**Shri Barman:** May I know why this task was not entrusted to the River Research Institute so that they could find out a solution? That is my definite question.

**Shri Raj Bahadur:** We shall bear that in mind. I think they are also in consultation with each other.

#### Road and Inland Water Transport Committee

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\*338 { **Shri Subodh Hansda:**  
**Shri S. C. Samanta:**

Will the Minister of **Transport and Communications** be pleased to state:

(a) whether the recommendations made by the Road and Inland Water Transport Advisory Committee have been implemented by Government; and

(b) if not, the reasons therefor?

**The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur):** (a) and (b). The recommendations made by the Road and Inland Water Transport Advisory Committee mostly concern State Governments and the question of their implementation has been taken up with them. Some of the recommendations with which the Cen-

tral Government are concerned have been implemented and steps are already being taken to implement the remaining recommendations.

**Shri Subodh Hansda:** May I know the important recommendations that concern the Central Government?

**Shri Raj Bahadur:** I shall lay it on the Table, because it will be a long statement. But if so desired....

**Mr. Deputy-Speaker:** The statement would be laid on the Table of the House.

**Shri Assar:** Has the committee recommended the linking up of all the rivers from north to south in the country by canals so as to increase waterways, and if so, what is the reaction of Government thereto?

**Shri Raj Bahadur:** Such recommendations have been received from time to time, but I do not know whether this particular committee has made such a recommendation; I do not think it has. I think, in the present circumstances, particularly in view of financial difficulties, we shall not be able to link up the northern rivers with the southern rivers.

**Shri S. C. Samanta:** May I know whether these recommendations were scrutinised by the Central Government, and special references were made to the State Governments?

**Shri Raj Bahadur:** Yes, that is a fact.

**Shri Subodh Hansda:** The hon. Minister has stated that some of the recommendations concern the State Governments. May I know whether Government have any information as to whether the States have implemented all the recommendations?

**Shri Raj Bahadur:** The implementation of the recommendations has, of course, been recommended to the State Governments, and we are trying to follow up these recommendations with them.

**Shri Ramanathan Chettiar:** Is it a fact that one of the recommendations of this Committee is that the Buckingham Canal should not be improved and only a test should be conducted?

**Shri Raj Bahadur:** I think the hon. Member is confusing this Committee which is the Road and Inland Water Transport Advisory Committee with the Inland Water Transport Committee.

#### Replacement of Dakota Aircrafts of Indian Airlines Corporation

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\*339. { **Shri Ajit Singh Sarhadi:**  
**Shrimati Ila Palchoudhuri:**  
**Shri Narayanankutty Menon:**  
**Shri Punnoose:**  
**Shri Sarju Pandey:**  
**Shri Raghunath Singh:**  
**Dr. Ram Subhag Singh:**  
**Shri A. K. Gopalan:**  
**Shri Tangamani:**  
**Shri Dinesh Singh:**

Will the Minister of Transport and Communications be pleased to state:

(a) whether it is a fact that there is a proposal to replace the Dakota aircrafts of the Indian Airlines Corporation;

(b) if so, the details of the aircrafts proposed to be purchased this year;

(c) whether there would be global tenders for this purpose;

(d) whether any negotiations have been conducted with Lockheed Corporation of U.S.A.; and

(e) if so, the result thereof?

**The Deputy Minister of Civil Aviation (Shri Mohiuddin):** (a) and (b). No decision has yet been taken regarding the type of aircraft to replace the Indian Airlines Corporation's Dakotas. The Indian Airlines Corporation have, to meet their interim requirements, submitted a proposal for the purchase of five Fokker Friendship aircraft during the Second Plan period. This proposal is under consideration.

(c) No, Sir. The aircraft selected will be purchased from the manufacturers concerned and the question of inviting global tenders does not arise.

(d) and (e). The Lockheed Aircraft Corporation have offered to submit detailed proposals for a civil aircraft as a possible Dakota replacement, which are awaited.

**Shri Ajit Singh Sarhadi:** What is the total expenditure that would be incurred in the replacement under the scheme contemplated?

**Shri Mohiuddin:** It is too premature at this stage to lay down any figures, because the whole scheme is under consideration.

**Shri T. B. Vittal Rao:** May I know whether the technical examination of the proposed purchase of the Fokker Friendship planes will be done from all aspects in view of our experience with the Heron aircraft which we purchased some years ago?

**Shri Mohiuddin:** The Technical Committee have examined the various aircrafts that are available and they have thoroughly tested the various aspects of it and it is found that it is very satisfactory aeroplane.

**Shri Hem Barua:** Is it a fact that a Dutch firm have offered their collaboration for the manufacture of Fokker Friendship aircraft in India under licence? If so, what is the reaction of Government to this proposal so far?

**The Minister of Transport and Communications (Shri S. K. Patil):** The Fokker Friendship people have also offered their collaboration so far as manufacture is concerned. But just now, as regards the five planes, to which my hon. colleague made a reference, the question is not one of manufacture. The question is just to buy them immediately for some of our immediate needs in Assam and other places where the planes are expected to fly over turbulent climate. Therefore, the two questions are separate.

**Shri Sadhan Gupta:** Which are the countries from which enquiries have been made as to the availability of suitable aircraft for replacement of Dakotas? In particular, have enquiries been made from the Soviet Union and other East European countries to see whether suitable aircraft could be available at reasonable prices?

**Shri S. K. Patil:** Once again, I would say that the question before us just now is not relating to the replacement of Dakotas. That is a larger question. The planes have to be manufactured in this country. Here the question is as to how in the interim period, to which reference has been made, a few planes that we need immediately could be bought. Fokker Friendship is the only plane just now available anywhere, of the medium size with the speed and other requirements. Therefore, there is no comparison. This plane is being used today by 12 countries within a couple of years of its manufacture.

**Shri Jaipal Singh:** Apart from our interim requirements, may I know from the hon. Minister whether at any stage he came across the Lockheed project? If the answer is in the affirmative, is his mind open in contradistinction to what the hon. Defence Minister told us only the other day?

**Shri S. K. Patil:** I do not know what exactly the Defence Minister said. Just now the question here is about civil aviation. But so far as the Lockheeds are concerned, we are very much earnest about it. The Lockheeds are preparing a design for us and if it proves satisfactory in various respects and so on—it is a matter for the future—then it will be time for us to consider whether we should accept that proposition for manufacturing Lockheeds here.

**Shri P. G. Deb:** May I know whether the hon. Minister will hold an inquiry into various allegations and rumours to the effect that Rs. 5 lakh commission has been paid to an ex-Indian Army officer in this deal?

**Mr. Deputy-Speaker:** In replacement of Dakotas?

**Shri P. G. Deb:** In this transaction.

**Shri S. K. Patil:** I have never heard of any such thing. The transaction has not even taken place.

**Shri Mohammed Inam:** These Dakotas were acquired long ago and they must have become old enough. Have Government any proposal to replace them immediately in the interest of safety? If so, when are they going to replace them?

**Shri S. K. Patil:** They have a long life.

The House should know that there are about 2,000 Dakotas in service just now in various countries of the world. We have only 58 of them. So their life still remains and the replacement question will arise as and when they become obsolete. We can fly our Dakotas for four or five years more.

**Shri Narayanankutty Menon:** May I know whether when the decision to purchase this type of aircraft in the interim period was taken, enquiries were made whether similar types of aircraft were available for the same purpose, and if so, the comparative merits of that aircraft taken into consideration before the decision was taken to purchase this aircraft?

**Shri S. K. Patil:** So far as the medium size aircraft—pressurized type and all that—is concerned, I do not think there is any other available. This is the only one and the best one anybody could buy.

**Shri Tangamani:** The hon. Minister said in some other connection that this Dutch Fokker Friendship 'plane was the younger sister of the Viscount. May I know whether orders have been placed, and if so, when do we expect these five 'planes to be delivered to us?

**Shri S. K. Patil:** No, Sir. My hon. colleague has replied that the question is under consideration. The request of the Indian Airlines Corporation is that they should have five aircraft

Surely we do not know how many could be delivered and when they could be delivered. The question is under consideration.

**Shri Dinesh Singh:** Since the replacement of Dakotas is important from the point of view of Defence as well as that of Civil Aviation, may I know whether an expert joint committee has gone into this question? If so, will the Minister kindly place the report of that joint committee on the Table of the House?

**Shri S. K. Patil:** I do not remember any expert joint committee having been set up for that. But so far as Defence is concerned, Government have taken a decision that they will go in for the Avro 748 which is under design and which will be produced. So far as we are concerned, just now we are waiting to see what type of plane Avro would be and so on. That is a matter for the future. If it answers to all our requirements, surely we shall consider whether we should go in for that.

In the meanwhile, Government have also taken a decision that they will approach Fokker Friendship and also the Lockheed people to put in their designs etc. so that we could consider all of them together and find out as to what is ultimately best for our passenger needs.

Some hon Members rose—

**Mr Deputy-Speaker:** I should now pass on to the next question. That is the only alternative.

**Shri Hem Barua:** This is a very important question.

**Mr Deputy-Speaker:** Therefore, it cannot be settled here during Question Hour.

**Shri P. C. Borooah:** This is an important question. Some more supplementaries should be allowed.

**Mr. Deputy-Speaker:** That is why I have decided that it should be discussed in some other way.



### Hydrogenated Oils

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\*349. { Shri Harish Chandra  
Mathur:  
Shri D. C. Sharma:

Will the Minister of Health be pleased to state

(a) whether Government have appointed or propose to appoint any committee to go into the question of production of hydrogenated oils and their effects on the consumers;

(b) what is the latest scientific assessment of the product, and

(c) whether colourisation scheme is being pursued?

The Minister of Health (Shri Karmarkar): (a) No Sir

Investigations under the Indian Council of Medical Research to find out the role of fats and oils (including hydrogenated oils) in the etiology of heart disease are, however, in progress.

(b) Experimental studies have demonstrated that the consumption of fats, poor in polyunsaturated fatty acids like hydrogenated fats and butter tend to increase serum cholesterol which has been found to be associated in the increased incidence of coronary heart disease.

(c) Researches for finding out a suitable stable colour for colouring vanaspati are continuing.

Shri Harish Chandra Mathur: May I know what note Government have taken of this scientific conclusion that hydrogenated oil is injurious to the heart?

Shri Karmarkar: Such an unqualified statement would not be correct. This question has been under our consideration and the results of the research of ICMR would be made known for all after they reach some conclusions.

Shri Harish Chandra Mathur: May I know to what extent the production of hydrogenated oils has increased since independence and whether

Government is aware that they are used on a large scale only for adulteration with ghee?

Shri Karmarkar: I think that question falls properly within the purview of my esteemed colleague the Food and Agriculture Minister.

शेठ गोविन्द दास : क्या वह बात सही नहीं है कि विदेशों में इस सम्बन्ध में बहुत मतभेद है और कई विशेषज्ञ यह मानते हैं कि ऐसे जमाये हुए तेल से स्वास्थ्य को बहुत हानि पहुँचती है ? यदि यह बात सही है तो इसमें रंग देने के सम्बन्ध में क्या मैं जान सकता हूँ कि कितने वर्षों से प्रयत्न चल रहा है और अगर इतने वर्षों से प्रयत्न चल रहा है तो जो वैज्ञानिक हाइड्रोजन बम और ऐटम बम भी बनाने में समर्थ हो सके उन्हें यह रंग क्यों नहीं मिल रहा ?

श्री करमरकर : उसमें मवाज क्या किया गया है ?

शेठ गोविन्द दास : मेरे दो मवाज हैं । पहला मवाज मेरा यह है

उपस्थल महोदय : माननीय मन्त्र्य दो मवाज इकट्ठे न करें । एक बार में एक ही मवाज किया जाय और वह भी मुस्तिसर होना चाहिये क्योंकि उसमें जवाब देने से महलियन हागी ।

शेठ गोविन्द दास : मैंने दोनो मवाज एक साथ इसलिय किये थे क्योंकि दोनो का प्रापम म सम्बन्ध है । बहरहाल जैसा आपने अभी कहा होगा पहला मवाज यह है कि क्या इस सम्बन्ध में मतभेद नहीं है विशेषज्ञों में कि इस जमाय हुए तेल से स्वास्थ्य को नुकसान पहुँच रहा है ?

श्री करमरकर : उस के बारे में जो अब तक कार्यवाही हो गई है उस में ऐसा नतीजा निकला है । अगर थोड़ी में कहने की इजाजत दी जाय तो बेहतर होगा ।

Briefly, the evidence obtained so far would seem to indicate that the

feeding of animal fats and hydrogenated vegetable oils both of which are lacking in Essential Fatty Acids, viz., linoleic, linolenic and arachidonic acids, may result in increased levels of lipides (mainly cholesterol) in the blood serum, which may in turn be associated with increased susceptibility to atherosclerosis and perhaps to coronary heart disease. It has also been observed that intake of cholesterol along with a diet deficient in Essential Fatty Acids may hasten the onset of the deficiency symptoms and also increase the severity thereof.

भारत यह है कि बहुत ज्यादा घी और बहुत ज्यादा जमाया हुआ तेल नहीं खाना चाहिये ।

उपाध्यक्ष महोदय : श्री आसर ।

सेठ गोविन्द दास : मेरा एक मवाल तो अभी रह ही गया और वह था कि डम को रग देने में . . .

उपाध्यक्ष महोदय : अब मैं ने श्री आसर को बुला लिया है इसलिये उन को अपना प्रश्न पूछ लेने दीजिये ।

सेठ गोविन्द दास : आप ने मुझ से कहा था कि मैं दो मवालों को अलग-अलग करूँ ।

उपाध्यक्ष महोदय : मैं ने यह ता नहीं कहा था कि हमने मवाल की में जरूर ही इजाजत दे दूँगा ।

Shri Assar: Is it not a fact that the poisonous lead oxide used for the hydrogenation process

उपाध्यक्ष महोदय : अगर यहाँ हाउस में स्पीसिज लिखी हुई नहीं पढ़ी जाती तो मवाल भी लिख कर नहीं पढ़ना चाहिये । डम से मवाल बहुत लम्बा हो जाता है ।

श्री आसर : लम्बा नहीं है बहुत छोटा है ।

Is it not a fact that poisonous lead oxide is used for the hydrogenation process? If so, why has its use not been stopped?

Shri Karmarkar: I should like to have notice to answer this scientific question

उपाध्यक्ष महोदय : जो मिनिस्टर साहब ने अभी जवाब पढ़ा था और माननीय सदस्य ने जो अभी उन से प्रश्न किया है, उन दोनों का मूलात्ता करें तो कुछ पता चलेगा ।

सेठ गोविन्द दास : मैं यह जानना चाहता हूँ कि इस जमाये हुए तेल को रग देने के लिये कितने वर्षों में कोशिश हो रही है और अब तक इस में सफलता क्यों प्राप्त नहीं हुई ?

श्री करमरकर : कोशिश तो हो रही है बन्द करने के बारे में

सेठ गोविन्द दास : बन्द करने के बारे में नहीं मैं ने रग देने के बारे में पूछा था । जमाये हुए तेल को रग देने के बारे में जैसे मैं ने झूँ किया, कोशिश चल रही है तो वह कोशिश अभी कितने दिनों में हो रही है ।

श्री करमरकर : अब तक मेरी जानकारी है कोई १५ वर्ष से यह कोशिश चल रही है बाकी माननीय सदस्य मुझ से ज्यादा इस विषय में जानकारी रखते हैं ।

उपाध्यक्ष महोदय : उन का मवाल यह है कि जब इतना धर्मा हो गया तो अभी तक हमारे विशेषज्ञ एक कलर मालम करने में कामयाब क्यों नहीं हुए ?

श्री करमरकर : मैं उन का सवाल समझ गया लेकिन यह ठीक-ठीक रग जोकि हाकिम भी न हो तलाश करना जरा एक मुश्किल चीज हो गई है और जब तक कोई ऐसा तरीका और रग न निकल आये तब तक कलरिंग का काम नहीं किया जा सकता ।

It is seriously under the consideration of the Indian Council of Medical Research

Dr. Sushila Nayar: The hon Health Minister has just read out to us the substance of medical research on the subject which amounts to this that unsaturated fatty acid are good for health and saturated fatty acids are

bad for the heart condition. In view of the fact that hydrogenated oil is almost purely saturated fatty acid, is it not enough evidence for Government to stop the use of this hydrogenated oil?

**Shri Karmarkar:** Sir, I read about our present researches. I thought my hon friend at least would have understood it because it is of a technical nature. But the present evidence shows that taking too much of these hydrogenated oils or even ghee is injurious to health and that the evidence is that too much of consumption of hydrogenated vegetable oils is associated with coronary heart diseases. That is the conclusion arrived at and that is a thing which is particularly well known.

पवित्र उवाच ० प्र० ज्योतिषी : मैं जानना चाहता कि क्या कोई विशेष डाक्टर है जिसे कि यह कलर निकालने का विशेष कार्य सौंपा गया है ?

Is there any particular doctor to whom this work of finding out a suitable colour has been entrusted?

उपाध्यक्ष महोदय यह ना माइटिस्ट्स के संपर्क होगा ।

**Pandit J. P. Jyotishi:** Who are the scientists who have been charged with this duty?

**Shri Karmarkar:** This has been considered by committees of scientists.

**Shri Harish Chandra Mathur:** Is the hon Minister aware that before this scientific conclusion had been reached hydrogenated oil had been completely banned in the Prime Minister's house? Does he hope to take a lead from that?

**Shri Karmarkar:** It may be wise for the hon Member himself to ban this in his house and think of fresh oil rather than hydrogenated oils. Scientific research shows that too much of saturated fat is associated with heart diseases.

**Mr. Deputy-Speaker:** Bringing too much of it here would be bad. We shall go to the next question. There is a such a large number of hon Members who want to put questions so that the whole hour would be spent on this. Would the hon Members advise that? A discussion can be had on it.

**Shri C. R. Patabhi Raman:** But this does affect the health of the nation; they do not have a definite policy and

**Mr Deputy-Speaker:** All right. But that can be taken up in a different manner. Some discussion might be raised and notice might be given. We can have a discussion for an hour or two. That is possible. But if 20 hon Members stand up, is it possible to allow them to put supplementaries? Then the whole Question Hour would be spent on this single question. Otherwise what objection can I have?

**Shri Harish Chandra Mathur:** When it is a question in which more hon Members are interested a little more time can be given to it than to any other question.

**Mr Deputy-Speaker:** Have I not given a little more time? (Interruptions)

**Shri Nath Pal:** Is ghee included in the present enquiry because of its fat content?

**Mr Deputy-Speaker:** That is also a supplementary question which I have disallowed.

#### Ganga Bridge in Bihar

+  
\*341 { Shri Radha Raman:  
Shri Shree Narayan Das:

Will the Minister of Railways be pleased to state

(a) whether the accounts of the construction of the rail-cum-road bridge on the river Ganga in Bihar have been finalised,

(b) if so, the total expenditure incurred in this regard;

(c) whether any part of this expenditure has been borne by the State of Bihar; and

(d) if so, the amount contributed by that State?

The Deputy Minister of Railways (Shri S. V. Ramaswamy): (a) Not yet, Sir; early action is being taken to close the accounts in accordance with the rules.

(b) Expenditure to the extent of Rs. 13.94 crores was booked upto the end of May, 1959.

(c) No, Sir.

(d) Does not arise.

Shri Radha Raman: May I know whether the expenditure so far incurred is far in excess of the estimated cost of this project and if it is so, why this has occurred? Are there causes given for this excess?

Shri S. V. Ramaswamy: The estimate is Rs 15.81 crores and what we have spent so far is Rs 13.94 crores.

Shri Radha Raman: May I know whether the work on this Ganga bridge was done purely through contractors or was it done by the department also?

Shri S. V. Ramaswamy: A major portion was done departmentally and the rest by contractors.

श्री मरजू पांडे: क्या मैं माननीय मंत्री जी से जान सकता हूँ कि जो इसी प्रकार का एक पुल गाजीपुर उत्तर प्रदेश में बनने की बात चल रही है, उस सम्बन्ध में क्या कार्रवाई चल रही है ?

उपाध्यक्ष महोदय . आज ना हम पुल को बनना चाहिये ।

श्री विज्जति मिश्र : मैं यह जानना चाहता हूँ कि क्या सर्वाधिक बढ़ने के कारण गंगा जी पर इसका लाइन नहीं बनाई गई ?

Shri S. V. Ramaswamy: No, it was originally planned for a single line.

श्री विज्जति मिश्र : मैं जानना चाहता हूँ कि रोड कब तक पूरी होगी । कभी तक यह रोड नहीं चल रही है ।

Shri S. V. Ramaswamy: The approach road has got to be constructed by the P.W.D. of the Bihar Government on behalf of the Ministry of Transport and Communications. There is some delay in that construction and we are not responsible for that.

#### N.E.S. Blocks

\*342 Shri Ram Krishan Gupta: Will the Minister of Community Development and Co-operation be pleased to state-

(a) whether Central Government have given any directive or advise to the State Governments regarding selection of blocks, and

(b) if so, what is the nature of advice and whether this advice is followed by all States?

The Deputy Minister of Community Development and Co-operation (Shri B. S. Murthy): (a) Yes, Sir.

(b) A statement giving the necessary information is laid on the Table. Almost all State Governments have agreed to implement these suggestions (See Appendix II, annexure No 2)

Shri Ram Krishan Gupta: May I know whether it is a fact that many of the States never follow these suggestions and if so the nature of action taken against them?

Shri B. S. Murthy: My answer was quite categorical, almost all the States have implemented these suggestions.

Shri Ram Krishan Gupta: May I know whether there is also a condition that the area for the opening of N.E.S. blocks should be an area where consolidation of land holdings has taken place?

Shri B. S. Murthy: That is also a condition that will be considered.

Shri Panigrahi: May I know whether the Government is aware that the District Development Committees are

not consulted when the blocks are selected?

**Shri B S Murthy:** The information may be passed on to us

**Shri Naghubir Sahai:** It has been found that the villages in the blocks have been grouped together without any regard to their contiguity, division of a pargana or tehsil and this irrational basis causes a number of inconveniences. May I know if any instructions have been issued by the Government to form these blocks on a rational basis and if so, what are they?

**Shri B S Murthy:** The blocks are formed by the State Governments and I think the hon Member will do justice to the State Governments they will take all things into consideration and then only decide the formation of the blocks.

**Shri Tangamani:** May I know whether the Government will request the various State Governments to see that the new blocks are contiguous to the blocks which are already in operation?

**Shri B. S. Murthy:** That is again a matter that is left to the State Government's decision.

श्री हेम राज : क्या मैं जान सकता हूँ कि हिमाचल प्रदेश के पहाड़ी इलाके में तीस तीस चालीस चालीस हजार की आबादी पर ब्लॉक बनाये गये हैं और पंजाब और उत्तर प्रदेश के पहाड़ी इलाकों में ६०-७० हजार की आबादी पर बनाये गये हैं ?

**Shri B. S. Murthy:** I request the hon Member to pass on that information to us.

#### Training of Sarpanches of Panchayats

{ **Shri R. C Majhi:**  
 { **Shri Subodh Hansda:**  
 \*348 { **Shri Ram Krishan Gupta:**  
 { **Shri Bibhuti Mishra:**  
 { **Dr Ram Subhag Singh:**

Will the Minister of Community Development and Co-operation be pleased to state

(a) whether the scheme for the training of the Sarpanches of Panchayats and non-official members of the Block Development Committees has been finalised, and

(b) how many Sarpanch and non-official members of the Blocks can be trained at a time?

**The Deputy Minister of Community Development and Co-operation (Shri B S Murthy):** (a) and (b) The scheme for the training of non-official members of the Block Development Committees has been finalised and copies thereof have been sent to the Department of Parliamentary Affairs for placing on the Table of the Lok Sabha. The scheme for the training of Sarpanches and Up-sarpanches is under consideration. Except in Rajasthan the actual training of non-official members of Block Development Committees has not yet started. In each camp about 50 members are proposed to be trained.

**Shri R. C Majhi:** What is the main object of training these Sarpanches?

**Shri B S Murthy:** They are members of a committee and therefore are given training in the rules and regulations procedure, etc.

**Shri R C Majhi:** They had been training what are called the village leaders. How is the training for Sarpanches different from the training given to the village leaders?

**The Minister of Community Development and Co-operation (Shri S K Dey):** If I may add by way of explanation the intention is to train the members of the block development committees to make them fitter for the implementation of the community development programme and to acquaint them with all the facets of the development programme and also the procedure.

**Shri Subodh Hansda:** As the Government is going to give training to these Sarpanches as non-official members of the block development committees, may I know whether any

experiment was carried on to ensure the efficient use of powers by the Sarpanches in the implementation of the various programmes? If so, in how many blocks have these experiments been carried on and with what results?

**Shri S. K. Dey:** The question of experimentation does not at all arise because we have said that all Sarpanches must be members of the block development committee. These are to be gradually converted into statutory institutions for the implementation of the programme. Since these representatives are there, they have to be trained in the better understanding of the programme so that they can be fitler for the implementation of the tasks given to them.

**Shri Ram Krishan Gupta:** May I know the number of training centres to be opened during this year?

**Shri S. K. Dey:** The approach to the training of these non-official members is quite different. We are trying to train all these non-officials predominantly in non-official institutions. So, the first task that the Ministry has undertaken is to run some training camps in different regions for the training of the trainers. The first training camp for the trainers has already been conducted in Delhi. The second training camp is intended to be started very shortly in Hyderabad. There will be a third and the fourth camps. It is expected that for the whole of India, there will be 40-50 non-official institutions or perhaps more for the implementation of these training programmes.

**श्री विभूति मिश्र :** अभी मंत्री जी ने बतलाया कि सरपंच लोगों की ट्रेनिंग की बात विचाराधीन है। गांवों में सरपंच पंचायतों में फैलाने करने हैं। उन को कायदा कानून मामूय नहीं होगा जिस का नतीजा यह होता है कि जब मामला हाईकोर्ट में जाता है तो हाईकोर्ट सरपंचों पर स्टिचर पाल करती है। मैं जानना चाहता हूँ कि गांवों में . . . .

**उपपञ्चम गहोदय :** जो चाप जानना चाहते हैं वह पहले रक दें तो ज्यादा मामानी हो जाय।

**श्री विभूति मिश्र:** क्या सरकार यह बताना सकती है कि कब तक सरपंच लोगों की ट्रेनिंग का काम शुरू हो जायगा।

**Shri S. K. Dey:** So far, I have talked only of the developmental responsibility of the Sarpanches. If it is a question of the Nyaya Panchayats, that programme is also intended to be taken up very shortly. We intend to have 3-4 days camps on the lines of the Gram Sahayak camps for the training of Sarpanches and Up-Sarpanches in order that they may discharge all their responsibilities in the panchayats.

**Dr. M. S. Aney:** Are they made Sarpanches first and then trained or are they trained first and made Sarpanches afterwards?

**Shri S. K. Dey:** The answer is very clear. First, they have to be made Sarpanches before we know who they are.

**Shri Sonavane:** May I know whether in the curriculum for this training the removal of untouchability is one of the subjects as untouchability is still prevalent in the villages?

**Mr. Deputy-Speaker:** He has explained the training given.

**Shri B. S. Murthy:** The hon. Member knows that the whole nation is trying to remove untouchability, not only the community development projects.

**Mr. Deputy-Speaker:** Is this also one of the subjects in which training is given? That is his question.

**Shri B. S. Murthy:** Not directly, but indirectly.

**Shri Surendranath Dwivedy:** May I know whether this training will be a continuing process because the Sarpanches are elected for a period of time?

**Shri S. K. Dey:** It will be a repetitive process.

**Shri Tangamani:** May I know whether for this Rajendranagar training camp which is going to be set up this month, representatives of the State Advisory Committee of the Southern States will be invited?

**Shri S. K. Dey:** Not all the members of the State Advisory Committees. Naturally, we are training in this camp only trainers of all the Southern States. Some non-official members of the State Legislature as well as of Parliament will be requested to participate to the extent they can in this training process.

**Dr. Sushila Nayar:** The success of the programme naturally depends upon men as also women. May I know if there is any programme for training women leaders in rural areas for this programme because they are mostly not even members of the development committees at present?

**Shri S. K. Dey:** We have been struggling to take up the training programme for women all over the country. The difficulty is to find women trainers. It is that which is just standing in the way but the scheme is there.

#### Bhakra Dam

\*344. **Shri Ajit Singh Sarhadi:** Will the Minister of Irrigation and Power be pleased to state

(a) whether there has been a conference of top experts pertaining to change in the design of Bhakra Dam recently for increased storage of water; and

(b) the nature of change contemplated and the purpose thereof?

**The Deputy Minister of Irrigation and Power (Shri Hathi):** (a) and (b). A statement giving the information is laid on the Table of the House.

#### STATEMENT

On the advice of the Bhakra Board of Consultants, the Bhakra Control Board decided in September, 1958 to raise the reservoir level of the Bhakra Dam by 10 ft. The height of the Dam will remain unchanged, but the radial gates controlling the discharge into the spillway will be suitably enlarged to cater for the increased pond level. The increase in the reservoir level will give an additional storage of 3.5 lakh acre ft. of water.

**Shri Ajit Singh Sarhadi:** May I know what further consideration necessitated the raising of the reservoir level which was not present at the time of the original scheme, and what additional expenditure would be incurred as a consequence of this change?

**Shri Hathi:** The consideration which led to this decision was that there would be an additional storage of 3.5 lakh acre ft. The additional expenditure involved would be about Rs. 9.5 lakhs.

**Sardar Iqbal Singh:** May I know whether the Government have also considered the Beas Link scheme in this?

**Shri Hathi:** Not in connection with the Bhakra Dam?

#### Tungabhadra Project

\*345. **Shri Nagi Eddy:**  
 { **Shri T. B. Vittal Rao:**

Will the Minister of Irrigation and Power be pleased to refer the reply given to Starred Question No. 116 on the 11th February, 1959 and state:

(a) whether information has since been collected regarding Gadwal North and South canals which have not yet been constructed under Tungabhadra Project,

(b) whether those canals formed part of canal system (yet to be executed) prior to the States reorganisation, and

(c) if so, the reasons for the failure to fulfil the plan?

**The Deputy Minister of Irrigation and Power (Shri Hathi):** (a) Yes, Sir.

(b) and (c) A working estimate was technically sanctioned by the former Hyderabad Government for the first stage of the Tungabhadra Left Bank Canal comprising 127 miles long and 14 miles of the South Gadwal Branch, which is now under execution. There is, however, a difference of opinion between the Governments of Andhra Pradesh and Mysore about the actual scope of the Left Bank Canal Scheme as originally envisaged by the Hyderabad Government. This question is to be discussed between the two State Governments at an Inter-State Conference proposed to be held in November, 1959.

**Shri Nagi Reddy:** May I know whether this plan was included in the original plan when the canal system was finalised and accepted, if so, where is the present necessity for discussion over again to settle this question?

**Shri Hathi:** That is, Sir, actually the point of difference. As the House knows, this project was started before the First Five Year Plan. It had not been technically scrutinised by the Central Water and Power Commission. It was going on, it was a continuing scheme. Now, a portion has been transferred to Karnatak. The Mysore Government maintain that the original plan was only to irrigate the Raichur District and nothing further. The Andhra Government maintain that, well, it was contemplated that there should also be the two other districts of Andhra Pradesh which should receive the benefit of irrigation. The old records are now with the Mysore Government. The matter was discussed by the Chief Ministers and it was decided that they will trace out the old records, find out the original contemplation, whatever it is, because that is not in the plan itself as to what

was contemplated, and they will discuss the matter in November. That is the position now.

**Mr. Deputy-Speaker:** If the hon. Members are to be precise and short, we have to ask the Ministers also to be precise and short.

**Shri Nagi Reddy:** May I know whether the records of the Tungabhadra Project are not available with the Central Water and Power Commission and, if they are available, whether they are not able to locate where this particular canal system has been within the accepted programme of the Tungabhadra Project?

**Shri Hathi:** It is, unfortunately, not available to say whether definitely it is there or not.

**Shri T. B. Vittal Rao:** May I know if any reference was made to the Madras State for a copy of these records because they were the actual parties with the Hyderabad Government for the construction of this Dam?

**Shri Hathi:** The whole record has been transferred to the Mysore Government.

**Mr. Deputy-Speaker:** He wants to know whether any reference has been made to the Madras Government.

**Shri Hathi:** I am not aware of that.

**Shri Nagi Reddy:** May I know whether the Central Government is aware of the fact that till the plan of the States Reorganisation Commission was implemented and the States have been reorganised this plan of the Gadwal South and North canals has been always within the knowledge of both the Mysore and the Hyderabad Governments and the present trouble has arisen simply because the records have been transferred to the Mysore Government and they are not being provided to the Andhra Government?

**Shri Hathi:** Let us await the meeting of the two States' Chief Ministers on 17<sup>th</sup> November.

**Shri T. B. Vittal Rao rose—**

**Mr. Deputy-Speaker:** Let us await that meeting.



**Shri T. B. Vittal Rao:** No, Sir; they have already discussed and they could not come to any decision.

**Shri Nagi Reddy:** This is a very serious thing.

**Mr. Deputy-Speaker:** Every matter that comes subsequently is more serious than the one that precedes.

**Shri T. B. Vittal Rao:** May I know whether the Government are aware of the fact that the State Ministers including the Chief Ministers of Mysore and Andhra met several times and they could not come to an agreement and, in view of that, whether Government propose to take up the matter for arbitration without any further delay?

**Shri Hathi:** If they cannot come to a decision, the Government of India will use their good offices in this behalf.

**Shri Mohammed Imam:** Is it not a fact that there was a definite agreement between the then Governments of Hyderabad, Madras and Mysore and in that agreement certain areas have been specified—those areas are not included now—and the training of the water has been definitely laid down?

**Mr. Deputy-Speaker:** Order, order Those States have been represented now.

#### North Trunk Road

\*347. **Shrimati Mafta Ahmed:** Will the Minister of Transport and Communications be pleased to state:

(a) whether there is a proposal to declare the north trunk road as a National Highway; and

(b) if so, when the decision is likely to be taken?

**The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur):** (a) and (b). Yes, between North Salmara and Amingaon. As a sequence of the construction of a rail-cum-road bridge across the Brahmaputra at Pandu, it is neces-

sary to extend National Highway No. 31 from North Salmara to Amingaon more or less along the route of the North Trunk Road in that section. Precise alignment will be fixed when a detailed survey has been carried out.

**Shri Hem Barua:** The hon. Minister just now said that this has been made a National Highway up to Amingaon. In view of the fact that this North Trunk Road beyond Amingaon is the only means of transport because there are no rail routes in that part of the country and it gets dislocated systematically every year during the monsoons, may I know whether Government are aware of the disadvantages suffered by the people in that locality and whether Government propose to make the entire North Trunk Road, including beyond Amingaon, a National Highway?

**Shri Raj Bahadur:** We are keeping the need of that particular area very well in mind. We know that from Tezpur to North Lakhimpur the means of communication are scarce. That is why we have already sanctioned four or five projects, three river projects and some road section projects costing about Rs 1.43 crores in all.

**Shri P. C. Borooah:** There are two turbulent rivers on the North Trunk Road—Jiabharali and Dikrong. May I know what steps have been taken for bridging these rivers?

**Shri Raj Bahadur:** We have sanctioned a project costing Rs. 77.88 lakhs in respect of Jiabharali. So far as Dikrong is concerned, this bridge has already been completed.

#### राम गंगा नदी पर बाढ़

\*३४९. श्री भक्त बरानन: क्या लिखाई और विद्युत मंत्री २३ अप्रैल, १९५९ के प्रत्येकित प्रश्न संख्या ३४५२ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) क्या योजना प्रायोग ने इस बीच उत्तर प्रदेश की राम गंगा परियोजना को स्वीकृति दे दी है ; और

(क) यदि हाँ, तो इस सम्बन्ध में उत्तर प्रदेश सरकार को किसनी बनराखि और विदेशी मुद्रा सहायता के तौर पर की जा रही है ?

सिन्हाई और विद्युत् उपबंधी (श्री हाथी) : (क) जी, हाँ ।

(ख) चाणू वर्ष में इस योजना पर खर्च के लिये ३० लाख रुपये के उपबन्ध की सिफारिश की गई है किन्तु अभी तक कोई आर्थिक सहायता मंजूर नहीं की गई है ।

लगभग २,१५,१३५ रुपये की विदेशी मुद्रा इस योजना के लिये मंजूर की गई है ।

श्री अक्षय वर्मा श्रीमन्, मैं यह जानना चाहता हूँ कि इस योजना पर कुल खर्चा कितना होगा और उत्तर प्रदेश सरकार ने कितने रुपये की मांग की है ।

श्री हाथी : इस योजना पर कुल खर्चा ३६ करोड़ का होगा, लेकिन दूसरी पंचवर्षीय योजना में इस के लिये १७८ लाख रुपये का प्रावजन किया गया है ।

श्री अश्वि वर्मा श्रीमन्, चकि इस योजना की जाच-पड़ताल में काफ़ी देरी हो चुकी है और बीच में काम बन्द भी हो चुका है और मार्केजिनिक घन की हानि हुई है, इसलिये क्या मैं आशा कर सकता हूँ कि केन्द्रीय सरकार यह हिदायत देगी कि उत्तर प्रदेश सरकार इस को जल्द बनाये और केन्द्रीय सरकार अधिक से अधिक सहायता देगी ?

श्री हाथी : जितनी जल्दी हो सकेगा, इस को बनाने की कोशिश की जायेगी ।

सेठ अचल सिंह . इस का काम डेप्यु-नेटनी कब से शुरू हो जायेगा ?

श्री हाथी : शुरू हो चुका है ।

श्री सरजू पांडे : यह योजना कब तक पूरी हो जायेगी ?

श्री हाथी : इस में सात साल लगेंगे ।

#### Food Production

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Shri S. M. Banerjee:  
Shri Khushwaqt Rai:  
Shri Sadhan Gupta:  
Shri Harish Chandra Mathur:  
Shri Nath Pa:  
Shrimati Ila Palchoudhuri:  
Seth Achal Singh:  
Shri S. C. Godsora:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether there has been an increase in production of foodgrains during 1958-59;

(b) if so, to what extent,

(c) whether increased food production has resulted in reduction in foodgrain prices, and

(d) if so to what extent?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) and (b). There has been an increase of about 11 million tons or 17.6 per cent during 1958-59 over the production in 1957-58

(c) and (d) Yes. The All-India Index Number of Wholesale Prices of cereals declined from the peak figure of 115 in 1958 to 99 in April, 1959. In July 1959, the Index rose to 107 but it was lower than in July 1958 when it was 110. There has been a similar fall in the prices of pulses

Shri S. M. Banerjee: May I know whether our country is supposed to reach a stage of self-sufficiency in the matter of food during the third Five Year Plan?

Shri A. P. Jain: Every effort will be made to make the country self-sufficient during the third Five Year Plan.

**Mr. Deputy-Speaker:** The Question Hour is over.

**Shri S. M. Banerjee:** Kindly allow one question.

Some Hon. Members rose—

**Mr. Deputy-Speaker:** When the Question Hour is over, I have to close. There are 60 minutes for it. Yes; **Shri S. M. Banerjee.**

**Shri S. M. Banerjee:** The hon. Minister said that there has been an increase in the food production. May I know whether rice production has also increased and, if so, may I know the reason why in all the States the price of rice has gone up?

**Shri A P Jain:** Yes, Sir. The production of rice has also increased by about 4.8 million tons. It is not a fact that prices are high in all parts of the country. As compared to the prices in 1958, they are higher in some parts of the country; in other parts of the country they are lower than the prices obtaining in 1958.

**Shri S. M. Banerjee:** It is a mis-statement.

Several Hon. Members rose—

**Mr. Deputy-Speaker:** That has to be discussed separately. That would be discussed.

#### SHORT NOTICE QUESTION

##### Wild Cattle in Delhi

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1. { **Shri Radha Raman:**  
**Shri Shree Narayan Das:**

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that a squad of cattle catchers of the Ministry of Food and Agriculture, which went to a village some 20 miles outside Delhi to catch wild cows there, had been chased out from that village without allowing them to perform the job;

(b) whether it is a fact that some of the villagers attacked the party with lathis,

(c) if so, the circumstances in which this took place, and

(d) the steps taken so that such incidents do not occur in future.

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) No. The cattle catching operations in the village of Sanoth, 22 miles from Delhi, have been suspended as some non-cultivators objected to their being carried on and assured that they would themselves have the cattle caught within a fortnight.

(b) and (c) No. Hot words were exchanged between non-cultivators, who wanted the discontinuance of the operations and the farmers who insisted on their being carried on.

(d) The incident was the first of its kind. Suitable steps will be taken to control the obscurantist elements bent on impeding the operations.

**Shri Radha Raman:** What was the information that was received by the Government on the basis of which this squad went to that village, and whether the hon. Deputy Minister who had accompanied this squad went there purposely for this cattle catching or it was only on a casual visit that he was there?

**Shri A P Jain:** The villagers made a request to the Ministry of Food and Agriculture that these wild cattle may be caught, and the Deputy Minister together with some Members of Parliament had gone to see how the operation proceeded.

**Shri Radha Raman:** May I know whether the Government have made any assessment with regard to the number of these wild cattle and cows living in and around Delhi and whether any assessment is also made with regard to the loss that they cause to the village crops near about Delhi?

**Shri A. P. Jain:** No census or regular assessment of the losses has been made. However, the number of such wild cattle appears to be quite large.

**Shri Surendranath Dwivedy:** I want to know whether they were wild cows or stray cattle.

**Shri A. P. Jain:** Stray cattle, when they are let loose for a long time, become wild

श्री बाळपेयी क्या यह सच है कि जब कुछ उत्तेजित लोगों ने गायों को पकड़ने का विरोध किया और उपमत्री जी को घेर लिया तो उन्हो ने गो माता की जय के नारे लगा कर उन को शांत किया ?

श्री श्री० प्र० जैन उपमत्री जी ता नहीं बने गये। यह जो झगडा था वह किसानों में, जोकि उन मवेशियों को पकड़वाना चाहते थे, और दुकानदारों में था, जोकि उस में दखल दे रहे थे।

**Shri Subblah Ambalam:** May I know the number of cattle that was caught in the wild chase and what is being done with that cattle?

**Mr. Deputy-Speaker.** Was the chase wild or were the cattle wild?

**Shri A. P. Jain.** I think some six or seven heads of cattle have been caught

**Shri Tyagi** Were they released later?

**Shri A. P. Jain:** They were forcibly released by the shop-keepers. But these cattle are generally sent either to the gossals or to other parts of the country for rearing purposes where they are greatly in demand

श्री विभूति मिश्र मैं जानना चाहता हू कि जैसे दिल्ली में सरकार ने मदद की है वैसे ही हिन्दुस्तान के और हिस्सों में श्री किसानों को जानवरों आदि को पकड़ने में फूड ऐंड एग्रीकल्चर मिनिस्ट्री सहायता करेगी ?

श्री श्री० प्र० जैन यह जो तजवीज है यह बहुत माफूस है और जहा तक हो सकेगा हम जरूर मदद करेगे।

**Shri Tyagi:** This a matter on which a clarification of policy of the Gov-

ernment in this regard must be made in the House. The hon. Minister has just now said that wild cows were caught

**Mr. Deputy-Speaker:** If it is a clarification of policy, then we should find some other occasion

**Shri Tyagi:** Cattle were caught and they were forcibly released. Do Government agree to such types of releases to become the fashion of the day—for the cattle to get forcibly released from the hands of Government servants when stray cattle are caught anywhere in the country?

**Shri A. P. Jain** Surely it was a reprehensible action on the part of those who cut out the ropes and let the cattle go away. But we did not want to create any very awkward situation or a situation which might have created a law and order problem

#### WRITTEN ANSWERS TO QUESTIONS

##### Plantation of Timber alongside Railway Track

\*348 **Shri Goray** Will the Minister of Railways be pleased to state

(a) whether the Railway Board have issued a circular directing that on both sides of the Railway track, wherever space permits, plantation of suitable timber should be undertaken, and

(b) what concrete steps have been taken to implement this directive?

**The Deputy Minister of Railways (Shri S. V. Ramaswamy)** (a) Instructions have been issued to Railway Administrations for planting trees alongside the railway track

(b) The Railway Administrations on their part, have issued necessary instructions to their subordinate offices to undertake immediately planting of trees along the railway line. For this purpose, the Railways

are also raising their own nurseries at suitable places. In the meantime, arrangements are being made by them to obtain necessary seeds and seedlings from local nurseries as well as forest officials. Apart from planting of trees by the Railways themselves, forest departments of the State Governments have also been or are being addressed to take over spare railway land for purposes of afforestation.

#### Seizure of Rice in Manipur

\*348. **Shri L. Achaw Singh:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that the dealers in rice and paddy in Manipur have not been registered with the Deputy Commissioner and the Manipur Administration has issued a notice for general seizure of stock of paddy and rice lying with them in view of their failure to comply with the Government order;

(b) if so, whether such seizure has started; and

(c) the amount of stock seized and the number of godowns sealed by the enforcement section?

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) A large number of dealers, particularly in the mofussil areas of Manipur, had not obtained licences from the licensing authority, and the Manipur Administration, therefore, issued a warning through its notification dated the 25th April, 1959, calling upon such dealers to obtain licences within seven days of the issue of the notification failing which legal action would be taken against the defaulters which might include seizure of their stocks and their disposal at rates fixed by the Administration.

(b) and (c). The Manipur Administration intimated in its letter of 10th July, 1959 that no seizures of stocks of foodgrains had taken place.

#### Water-Logging in Delhi

\*350. **Shri Keshava:** Will the Minister of Irrigation and Power be pleased to state:

(a) how many villages in Delhi territory have suffered on account of water-logging of their cultivable land during the latter half of 1958;

(b) whether such sufferers have been given any relief; and

(c) if so, the amount given as relief till December 31st, 1958?

**The Deputy Minister of Irrigation and Power (Shri Hathi):** (a) The Delhi Administration has reported that 169 villages were affected.

(b) Yes, Sir.

(c) A statement showing the details of relief measures undertaken by the Delhi Administration is placed on the Table of the House. [See Appendix II, annexure No. 3].

#### Perumbai Bridge on Bombay-Kanyakumari Road

\*352. { **Shri Tangamani:**  
**Shri A. K. Gopalan:**

Will the Minister of Transport and Communications be pleased to state:

(a) whether it is a fact that the Perumbai bridge on Bombay-Kanyakumari National Highway even after completion is not fit for use;

(b) if so, what are the defects; and

(c) whether a new contract has been given?

**The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur):** (a) and (b). The bridge with its approaches is not completed, for although the bridge proper has been completed, the land span on the Payyanur approach is not yet constructed.

The defects which appeared on the completion of the bridge proper were the subsidence of the Payyanur

approach and the tilting of the abutment on that side. A land span is being added as a remedial measure

(c) No Sir, but tenders are being invited by the State Public Works Department for the construction of the land span

**भारतीय हल**

\*३५३. सेठ अचल सिंह क्या खाद्य तथा कृषि मंत्री यह बताने की कृपा करेंगे कि

(क) क्या देशी हल भूमि को अधिक गहरा नहीं खोद सकता और इस से जोता जाने वाला क्षेत्र भी कम होता है

(ख) यदि हा, तो क्या इस में कोई सुधार किया गया है और अखंड हल का आविष्कार किया गया है, और

(ग) सुवार क्या है ?

खाद्य तथा कृषि मंत्री (श्री अ० प्र० जैन) (क) जी नहीं।

(ख) जी, हाँ।

(ग) देशी हल में निम्न सुधार कर दिये गये हैं -

(१) इस्पात का इस्तेमाल जैसा कि बालाराम नगर हल में।

(२) इस्पात की फाली और मूल (share and body) का इस्तेमाल जैसा कि ऊपर हल में।

(३) हरी खाद देने के लिये घनग होने वाला मिट्टी पलट (mould-board) जैसा कि वर्धा किस्म के देशी हल में।

**Export of Rice and Paddy from Orissa**

\*३५४. { Shri B. C. Mullick.  
Shri Panigrahi:

Will the Minister of Food and Agriculture be pleased to state

(a) whether it is a fact that Orissa

Government have exported about 2 lakh tons of rice and paddy to the Centre,

(b) whether more quantity will be taken by the Centre,

(c) which are the other States which have exported paddy and rice to the Centre, and

(d) the State-wise quantity of rice and paddy exported so far to the Centre?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Up to July 31, 1959 about 1,11,000 tons of rice and 57,000 tons of paddy were purchased this year by the Orissa Government on behalf of the Centre

(b) Yes, Sir

(c) Rice is being purchased also by or on behalf of the Centre in the States of Madhya Pradesh Punjab and Andhra Pradesh

(d) The quantities of rice and paddy purchased, State-wise, by or on behalf of the Centre up to 31-7-1959 are as follows —

State	Rice (tons)	Paddy (tons)
Orissa	1,11,125	46,844
Madhya Pradesh	3,83,744	..
Punjab	84,144	.
Andhra Pradesh	95,686	..

**प्रायुर्वेदिक औषधियाँ**

\*३५५ श्री पदम् देव क्या स्वास्थ्य मंत्री यह बताने की कृपा करेंगे कि -

(क) क्या सरकार को यह ज्ञात है कि आजकल भारत में शुद्ध प्रायुर्वेदिक औषधियाँ आसानी से नहीं मिलती ;

(ख) क्या सरकार को यह भी पता है कि भारत के विभिन्न प्रायुर्वेदिक सम्मेलनों में यह माग की है कि केन्द्र द्वारा एक औषधि निर्माण समिति नियुक्त की जाये ; और

(ब) यदि हाँ, तो उपरोक्त सुक्ति द्वारा अपना कार्य कब तक प्रारम्भ किये जाने की खासा है ?

स्वास्थ्य मंत्री (श्री करनरकर) : (क) कुछ स्थानों में प्रायुर्वेदिक औषधियों . खासानी से नहीं मिलती हैं ।

(ख) जी नहीं ।

(ग) यह प्रश्न नहीं उठता ।

#### Ad hoc Railway Tribunal

\*256. { Shri Kunhan:  
Shri T. B. Vittal Rao:  
Shri Vajpayee:

Will the Minister of Railways be pleased to refer to the reply given to Starred Question No. 2181 on the 1st May, 1959 and state:

(a) whether the examination of the report submitted by the 'Ad-hoc' Tribunal which went into the grievances of Railwaymen has since been concluded;

(b) if so, the nature of decision arrived at; and

(c) when the same will be given effect to?

The Deputy Minister of Railways (Shri Shah Nawas Khan): (a) to (c) The Press Communique issued in this connection is laid on the Table of the House. [See Appendix II, annexure No. 4].

#### Air Mail Service

\*257 Shri Rami Reddy: Will the Minister of Transport and Communications be pleased to state:

(a) whether Government have laid down any policy for carrying air mail to the District Headquarters where there are aerodromes;

(b) whether there is any proposal to carry mail by air to Krishnapuram after the completion of the aerodrome there; and

(c) if so, the details of the proposal?

The Minister of Transport and Communications (Shri S. K. Patil):

(a) No. The policy of the Government is to despatch all first class and surcharged second class mails generally by the air services of the Indian Airlines Corporation wherever expedition is gained by such despatch.

(b) No such proposal is under consideration. In case an Indian Airlines Corporation air service will operate to Krishnapuram, this service will be utilised for conveyance of mails, if it is found to be advantageous.

(c) Does not arise for the present.

#### Death of Fish at Okhla

\*258. Shri Muhammed Elias: Will the Minister of Health be pleased to state:

(a) whether it is a fact that thousands of fish are dying in the Yamuna at Okhla of suffocation from sewage flowing into the river from the Nizamuddin drain;

(b) whether it is a fact that the worst victims are some species for whom this is the egg-laying season; and

(c) if so, the steps taken to prevent this?

The Minister of Health (Shri Karmarkar): (a) About 15 maunds of fish died in Yamuna at Okhla due to pollution of water caused by the sewage discharge into the river from Nizamuddin Nallah on the 20th May, 1959.

(b) Yes, Sir. There are some species of fish namely, *Mystus*, *Seenghala* and *Eutroplichthya wacha* and *Chillas* which have suffered most from the discharge of the Nallah. These species breed at the advent of monsoon.

(c) (i) Water was got flushed from Okhla reservoir and this averted further mortality.

(ii) Necessary works to prevent overflow of sewage into the river are

being executed by the Delhi Municipal Corporation and are expected to be completed within one year.

#### गाड़ी में एक महिला से बलात्कार

\*३५६. श्री अर्जुन सिंह भरीरिया : क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या कानपुर से इटावा जाने वाली मटल यात्री गाड़ी में १ जुलाई, १९५६ को उत्तर रेलवे के इटावा और एकदिल रेलवे स्टेशनों के बीच एक हरिजन महिला के साथ बलात्कार किया गया ; और

(ख) यदि हा, तो इस सम्बन्ध में क्या कार्यवाही की गई है ?

रेलवे उपमंत्री (श्री साहबबाबू झा) :

(क) रिपोर्ट मिली है कि बलात्कार नहीं किया गया, लेकिन दो हरिजन महिलाओं के साथ जो उस गाड़ी के जनाने डिब्बे में सफ़र कर रही थी, इटावा और एकदिल स्टेशनों के बीच एक नायक और सैनिक ने छेड़-छाड़ की और उन में से एक महिला को चलती गाड़ी से बाहर फेंक दिया ।

(ख) दोनों अपराधियों को गिरफ्तार कर लिया गया है और रेलवे पुलिस मामले की जांच कर रही है ।

#### Railway Line from Rourkela to Barsua

\*360. Shri Supakar: Will the Minister of Railways be pleased to refer to the reply given to Starred Question No 1042 on the 9th March, 1959 and state:

(a) the progress since made in the construction of the railway line from Rourkela to Barsua iron mines, and

(b) when the line is expected to be completed?

The Deputy Minister of Railways (Shri S. V. Ramaswamy): (a) An

overall progress of 80 per cent has been made to the end of July, 1959.

(b) By the end of December this year

#### Underground Coaxial Cable Scheme

\*361. Shri N. E. Muniswamy: Will the Minister of Transport and Communications be pleased to state:

(a) whether it is a fact that a scheme to link the cities of East and West Coasts of India by an underground coaxial cable has been held up owing to the shortage of foreign exchange,

(b) how far the scheme has been implemented, and

(c) whether Bombay and Delhi link will be completed before 1961?

The Minister of Transport and Communications (Shri S. K. Patil): (a) No, the scheme is in progress

(b) So far Delhi and Agra have been connected and work in the section Agra-Kanpur-Lucknow is in progress

(c) No

#### Bridge over River Krishna near Rangapur

\*362 Shri T. B. Vittal Rao: Will the Minister of Transport and Communications be pleased to refer to the reply given to Starred Question No 586 on the 4th December, 1958 and state

(a) at what stage is the construction work of the bridge across the River Krishna near Rangapur; and

(b) whether any steps are being taken to accelerate the pace of work?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) The work of excavation of foundations has been started on 6 Piers out of a total of 52 Piers

(b) The progress is satisfactory and the bridge will be completed in scheduled time.



**Master Plan for Flood Control in Kashmir**

\*363 Shri Mohan Swarup. Will the Minister of Irrigation and Power be pleased to refer to the reply given to Unstarred Question No 1610 on the 9th March, 1959 and state

(a) whether the Central Water and Power Commission has since examined the Master Plan for Flood Control in Kashmir, and

(b) if so, the decisions taken thereon?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) The preliminary examination has been completed

(b) In general, the proposals in the Master Plan are considered to be satisfactory. Certain modifications have, however, been suggested to the State Engineers

**Inferior Grade of Coal**

4. { Shri P. C. Borooah  
Shri P. G. Deb.  
Shrimati Parvathi Krishnan.

Will the Minister of Railways be pleased to state

(a) whether it is a fact that the Railway Board has made a protest to the Coal Controller and the National Coal Development Corporation against the inferior grade of coal supplied to Railways and

(b) if so the losses caused on this account?

The Deputy Minister of Railways Shri (Shahnawaz Khan): (a) and (b) Attention of the Coal Controller and National Coal Development Corporation has been drawn towards certain instances of the supply of inferior grade of coal to Railways which affects the performances of engines. It is very difficult to have any precise assessment of the loss on this account.

**Najafgarh Drainage, Delhi**

- \*365. { Shri Ram Krishan Gupta:  
Shri D. C. Sharma:  
Shri Keshava.  
Paudit Munishwar Dutt  
Upadhyay:  
Shri M. L. Dwivedi:

Will the Minister of Irrigation and Power be pleased to refer to the reply given to Starred Question No 1021 on the 9th March, 1959 and state:

(a) whether the surveys and project reports regarding Najafgarh drain in Delhi have since been completed; and

(b) if so, the action proposed to be taken in the matter?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) and (b) A statement containing the requisite information is laid on the Table of the House [See Appendix II, annexure No 5]

**Dam on River Beas**

- \*366 { Shri D. C. Sharma  
Shri Ram Krishan Gupta.  
Shri Raghunath Singh:  
Shri Nardeo Snatak.  
Shri Hem Raj:  
Dr Ram Subhag Singh.  
Shri Hem Barua.

Will the Minister of Irrigation and Power be pleased to refer to the reply given to Starred Question No 1667 on the 6th April, 1959 and state:

(a) whether the Punjab Government have since submitted the scheme for the construction of Dam on the River Beas and

(b) if so the action taken thereon?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) and (b) The Punjab Government have not yet formally submitted a scheme for the construction of a dam on the river Beas to the Government of India. Advance copies of the Project Report have, however, been received from the

State Government. The scheme is at present under technical examination in the Central Water and Power Commission.

**Transport Cooperative Societies**

\*367. { Shri Sabodh Hansda:  
Shri S C Samanta:

Will the Minister of Transport and Communications be pleased to state.

(a) whether the scheme for setting up of transport co-operative societies in States has been finalised;

(b) if so, the number of co-operative societies formed upto-date; and

(c) the main functions of these societies?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) Yes

(b) No co-operative societies have so far been formed. The details in regard to the financial assistance etc required by the State Governments, who have agreed to implement the scheme, are being finalised and the training of personnel to man these societies is expected to start very soon.

(c) The main function of these societies will be to operate selected inter-city goods transport services on cooperative basis.

**World Bank Team Visit**

\*368. { Shri Harish Chandra Mathur:  
Shri Radha Raman:  
Shri Shree Narayan Das:  
Shri Ram Krishan Gupta:  
Shri D C. Sharma:  
Shri Ajit Singh Sarhadi.  
Shri Jaganatha Rao:  
Shri Raghunath Singh:  
Shri N R Munisamy:  
Shri Vajpayee:  
Shri Sarju Pandey:  
Shri Sanganna:  
Shri P. G. Deb:  
Shri Viswanatha Reddy:

Will the Minister of Railways be pleased to state:

(a) whether International Bank for Reconstruction and Development sent a team which visited various Railway centres in India and met Railway Board during May, 1959;

(b) what was the purpose of the visit, and

(c) what is the result of negotiations with this team?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) Yes, Sir

(b) and (c) The Team was sent to make an on the spot study of the progress of the Railways' part of the Second Five Year Plan and to study the operation of the Railways. No negotiations were held with the Team.

**World Health Assembly in Geneva**

\*369. { Shri Radha Raman:  
Shri Shree Narayan Das:  
Shri Vajpayee:  
Shri Raghunath Singh:  
Shri P. G. Deb:

Will the Minister of Health be pleased to state:

(a) whether a copy of the decisions taken and recommendations made by the 12th World Health Assembly held in Geneva will be laid on the Table;

(b) whether it is proposed to hold the Session of the World Health Assembly in India in 1961; and

(c) if so the approximate expenditure likely to be incurred in this connection?

The Minister of Health (Shri Kar-markar): (a) A copy of the decisions taken and recommendations made by the 12th World Health Assembly held in Geneva in May 1959 is laid on the Table of the Sabha [Placed in Library. See No LT-1530/59]

(b) Yes

(c) The approximate expenditure will be about Rs 10 lakhs besides providing facilities such as office accommodation, transport, equipment, telephones, telegrams, etc as the host country.

**Defective Construction of Ships at Hindustan Shipyard**

\*370. { Shri Nagi Reddy:  
Shri A. K. Gopalan:  
Shri Vasudevan Nair:  
Shri Kunhan:  
Shri Morarka:

Will the Minister of Transport and Communications be pleased to refer to the reply given to Starred Question No. 755 on the 27th February, 1959 and state:

(a) whether any progress has since been made to recover the money from Messrs A.C.L. for defective design and construction of ships at the Hindustan Shipyard, and

(b) whether any legal steps are proposed to be taken in this matter?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) and (b) The matter is still under discussion with the A.C.L.

**Printergram Service**

\*371. Shri Keshava: Will the Minister of Transport and Communications be pleased to state:

(a) whether it is proposed to extend printergram service to Delhi; and

(b) how is this service different from phonogram?

The Minister of Transport and Communications (Shri S. K. Patil): (a) Yes.

(b) In phonogram service telephone subscribers are given the facility of booking telegrams to the local Telegraph Office by telephone. In Printergram service the subscribers connected to the service are provided with teleprinters at their premises and are given the facility of booking telegrams to and of receiving telegrams from the Local Telegraph Office over these teleprinters.

**Sugar Production**

\*372. { Shri Barman:  
Shri Subodh Hanota:  
Shri S. C. Samanta:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether the production of sugar has increased in our country in proportion to the number of new sugar mills established and expansion of existing sugar mills during the Second Five Year Plan period;

(b) if so, the percentage of increase;

(c) whether there is any difference of production in Co-operative Sugar Mills and Private Sugar Mills; and

(d) if so, the reasons therefor?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) and (b). No. Sir Production depends not only on the number of mills in operation or their capacity but also on availability and quality of cane. A statement giving the number of mills worked, their installed capacity and actual production of sugar during the past four seasons is laid on the Table of the Sabha

(c) No, Sir

(d) Does not arise

**STATEMENT**

Season	Total No. of factories worked	Installed capacity (Lakh tons)	Actual production of sugar (Lakh tons)
1955-56	143	16 0	18 62
1956-57	147	17 3	20 29
1957-58	158	18 7	19 78
1958-59	164	20 0	19 21 (Estimated)

**Hooliganism by Students on Railways**

\*371. { Shrimati Ra Falchoudhuri:  
Shri Vajpayee:  
Shri Falahat:  
Shri S. A. Mohd:

Will the Minister of Railways be pleased to state:

(a) whether it is a fact that the Railway Board has recently sent a directive to the General Managers of all Indian Railways to put down firmly hooliganism of students on the railways, specially towards women travellers and in connection with pulling of alarm chains.

(b) if so the details thereof, and

(c) the nature and extent of success attained in checking hooliganism since the new directive was enforced?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a) Yes Such instructions have been issued during June this year

(b) The instructions require that hooliganism by students is to be dealt with firmly by organising drives on affected sections by a team of railway staff, G R P and R P F and Railway Magistrate who would be able to deal with such cases on the spot. Control once obtained by such drives is to be followed up to avoid recurrence

Railways have also been told to arrange necessary support to the staff against false complaints and acts or threats of violence and to request the Universities and other educational institutions to impress upon students the need to behave properly and if students still persist in creating trouble the concessional travel facilities being otherwise extended to that institution would be stopped

(c) It is too early to assess results

**Steel Bridges in Andhra Pradesh**

\*374. Shri Rami Reddy: Will the Minister of Transport and Communications be pleased to state

(a) the quantity of steel allotted to Andhra Pradesh for the construction

of bridges on National Highways during 1988-89;

(b) the quantity actually supplied during the year;

(c) whether the construction of any bridge has been held up on account of short supply of steel,

(d) if so, the names of the bridges held up,

(e) whether Andhra Pradesh Government have made representations in the matter, and

(f) if so, the action taken thereon?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) 953 tons

(b) 144 tons

(c) and (d) The progress of the bridges over the Gautami river and the Bandar Canal slowed down for a short time

(e) and (f) The Government of Andhra Pradesh recently proposed the creation of reserved stocks of steel. The proposal cannot be accepted in view of the present demand and supply position of steel

**Cabins on Northern Railway**

\*375. Shri Mohan Swarup: Will the Minister of Railways be pleased to state

(a) whether it is a fact that large number of cabins were constructed on Northern Railway during the past six years

(b) whether it is also a fact that some of them are being demolished and some have already been demolished or replaced by new ones, and

(c) if so the reasons for such demolition?

The Deputy Minister of Railways (Shri Shah Nawaz Khan): (a) Yes

(b) Yes One of these cabins has been demolished

(c) Demolition of this cabin became necessary, as its site did not suit the doubling of the section, which work was not contemplated when the cabin was first built on the section

#### Shortage of Wagons for Collieries

\*376. Shri Muhammed Elias: Will the Minister of Railways be pleased to state:

(a) whether it is a fact that due to want of wagons, 120 collieries have been hard hit in Jharia coalfield and coal is being piled up, and

(b) if so, what is the reason for the shortage of the wagons?

The Deputy Minister of Railways (Shri Shahnawas Khan): (a) No

(b) Does not arise

#### Street Lights on Safdarjang-Qutab Minar Road

\*377. Shri D. C. Sharma: Will the Minister of Health be pleased to refer to the reply given to Starred Question No. 1321 on the 7th March, 1959, and state the further progress since made in providing street lights on the road leading to Qutab Minar from Safdarjang aerodrome in New Delhi?

The Minister of Health (Shri Kar-markar): A statement is laid on the Table of the Sabha [See Appendix II, annexure No 6]

#### Regional and State Water Sewage Boards

\*378. { Shri Ram Krishan Gupta  
Shri D. C. Sharma:  
Shri Pangarkar:

Will the Minister of Health be pleased to refer to the reply given to Starred Question No 1931 on the 20th April, 1959 and state

(a) whether the Government have since received replies from the State Governments regarding the setting up of Regional and State Water Sewage Boards,

(b) if so, the nature of the replies received; and

(c) the nature of the steps taken or proposed to be taken to set up these Boards?

The Minister of Health (Shri Kar-markar): (a) Replies have not been received so far.

(b) and (c) Do not arise

#### Doubling of Bina-Bhopal and Annupur-Katni Sections

\*379. Shri Keshava: Will the Minister of Railways be pleased to refer to the reply given to Starred Question No 1659 on the 27th September, 1958 and state:

(a) the progress since made in the doubling of the Bina-Bhopal section of the Central Railway and the Annupur Katni section of the S E Railway,

(b) how many miles of the track are proposed to be doubled on each of these sections, and

(c) when the work is expected to be completed?

The Deputy Minister of Railways (Shri S. V. Ramaswamy): (a) Nearly half of the work on the Bina-Bhopal doubling has been completed. The progress on the Annupur-Katni Section is 20 per cent

(b) and (c) 38.5 miles of Bina Bhopal and 65.77 miles of Annupur Katni sections are to be doubled. The former is expected to be completed by June 1960 and the latter by June 1961

#### Provision for Flood Control

\*380. Shrimati Ila Pal-houdhri: Will the Minister of Irrigation and Power be pleased to state

(a) whether it is a fact that the States of West Bengal, Assam, Uttar Pradesh, Punjab and Andhra Pradesh and some other States have protested to the Government of India against

the reduction of the provision from Rs. 60 crores to Rs. 49 crores in the current Plan provision for flood control and water-logging;

(b) whether they have demanded the restoration of the cut to avoid abandoning of some of their important flood protection schemes; and

(c) if so, the reaction of the Government of India to these protests?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) to (c). A statement containing the requisite information is placed on the Table of the House

#### STATEMENT

The position of funds for flood control measures in the Second Plan period was reviewed by the Central Flood Control Board which met at New Delhi on the 22nd December, 1958. During the discussion on this subject, the representatives of State Governments urged that the provision for flood control which then stood at Rs. 49 crores should be substantially increased as any reduction in the allocation of loan assistance to State Governments would adversely affect their flood control programme. The question was examined again in consultation with the Planning Commission and it has since been possible to raise the provision from Rs. 49 crores to Rs. 56 crores, so as to enable the State Governments to take up some more urgent flood control measures

#### Telegram and Telephone Facilities in Hissar and Mohindergarh Districts

600. Shri Ram Krishan Gupta: Will the Minister of Transport and Communications be pleased to state:

(a) the number of villages and towns having a population of three thousand and more which are not provided with telegrams and telephone facilities in Hissar and Mohindergarh Districts of Punjab State so far; and

(b) the time by which such facilities will be provided there?

The Minister of Transport and Communications (Shri S. K. Patil): (a) and (b). As a general rule telegraph and telephone facilities are provided where they pay their way. However, to develop these facilities a loss of Rs. 1,000 per annum for provision of telegraph facilities in places of more than 5,000 is permissible. So far as telephone facilities are concerned, no loss is permissible except in Tehsil Headquarters or places with more than 20,000 population where only telephone facilities are provided on loss basis. Information about number of places having a population of 3,000 and more in Hissar and Mohindergarh Districts is not available. There are 6 places having more than 5,000 population in Hissar District and 3 such places in Mohindergarh District. Telephone and Telegraph facilities exist at all these places. Places having a population of less than 5,000 are considered if they pay their way or someone is prepared to make good the loss.

#### Railway Service Commission, Allahabad

601. Shri Ram Krishan Gupta: Will the Minister of Railways be pleased to state:

(a) the number of applications received by the Railway Service Commission, Allahabad for recruitment of Class III staff during 1958-59; and

(b) the number of candidates selected during the same period?

The Deputy Minister of Railways (Shri Shahnawas Khan): (a) 86,798

(b) 5,835

#### Covering of Platforms in Bikaner Division

602. Shri Ram Krishan Gupta: Will the Minister of Railways be pleased to state

(a) the number and names of stations in Bikaner Division of Northern Railway, the platforms of which have been covered so far; and

(b) the number and names of stations the platforms of which will be covered during 1959-60?

The Deputy Minister of Railways (Shri Shah nawas Khan): (a) Eight Stations

- (1) Delhi Main Station (M G Platforms No 13 & 14)
  - (2) Delhi Cantt
  - (3) Palam
  - (4) Rewari
  - (5) Hissar
  - (6) Sadulpur
  - (7) Hanumangarh and
  - (8) Bikaner
- (b) Four Stations
- (1) Sri Ganga Nagar
  - (2) Bikaner (Island platform)
  - (3) Delhi Sera; Rohilla and
  - (4) Delhi Main Station (M G platforms No 11 & 12)  
Subject to availability of funds and materials

#### Utilization of Water for Irrigation

603. Shri Ram Krishan Gupta: Will the Minister of Irrigation and Power be pleased to state

(a) the total quantity of water provided so far during the Second Five Year Plan period by the various Major and Medium irrigation schemes (State-wise) for irrigation purposes and

(b) the total quantity of water actually utilized so far for irrigation purposes (State-wise)?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) and (b) A statement showing the potential created and the actual utilisation at the end of March 1957 and March 1958 is laid on the Table [See Appendix II, annexure No 7] The term potential has been defined as the quantity of water provided at the outlets

#### Casual Workers on Northern Railway

604. Shri D. C. Sharma: Will the Minister of Railways be pleased to

state:

(a) what was the total number of casual workers on the Northern Railway in 1956, 1957 and 1958,

(b) how many of such workers have put in more than a year of continuous work,

(c) what steps have been taken to bring them on the regular service; and

(d) the results thereof?

The Deputy Minister of Railways (Shri Shah nawas Khan) (a)

1956	1,14,981
1957	1,27,708
1958	1,03,361

(b) 1956	321
1957	188
1958	252

(c) and (d) Casual labourers are considered for appointment to regular Class IV service by the Selection Boards along with other candidates. As a result, the number absorbed on the Northern Railway is as follows

1956	418
1957	563
1958	633

#### New Buses for D.T.U

605 Shri D C Sharma: Will the Minister of Transport and Communications be pleased to state

(a) the number of new buses added to the active fleet of the Delhi Transport Undertaking during 1959-60 so far and

(b) the number to be added during the remaining period of 1959-60?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) 28

(b) 57

#### Electrification of Stations on Northern Railway

606. Shri D. C. Sharma: Will the Minister of Railways be pleased to state the progress made so far in electrification of Railway Stations

between Amritsar and Pathankot on the Northern Railway?

The Deputy Minister of Railways (Shri Shekhar Singh): A statement is laid on the Table.

**STATEMENT**

The position of electrification of Railway Stations between Amritsar and Pathankot is as under:—

Name of Station	Position
Amritsar	} Already electrified
Verka	
Batala Jn.	
Dhariwal	
Gurdaspur	
Sarna	
Bharoh	
Pathankot	
Dina Nagar	
Jainpura	
Chhina	} Programmed for electrification during 1959-60.
Sohal	
Kathunagal	} Programmed for electrification during 1960-61.
Jakolari	
Parmanad	Not yet programmed for electrification, as electric power is not available nearby as yet

**Poultry Development in Bombay State**

607. Shri Pangarkar: Will the Minister of Food and Agriculture be pleased to state the amount allotted to the Bombay State for the establishment of extension-cum-development centres under the All India Poultry Development Scheme during the Second Five Year Plan so far?

The Minister of Food and Agriculture (Shri A. P. Jain): 1956-57—Nil.

1957-58—Rs. 3.64 lakhs (Rs. 2.78 lakhs as grant and Rs. 0.86 lakhs as loan).

1958-59—Rs. 1.53 lakhs (Rs. 0.26 lakhs as grant and Rs. 1.27 lakhs as loan)

1959-60—Central assistance amounting to Rs. 7.72 lakhs (Rs. 5.97 lakhs as grant and Rs. 1.75 lakhs as loan) has been agreed to in respect of poultry

187 LSD—3.

research and poultry development schemes. This amount includes provision for the establishment of Poultry Extension-cum-Development Centres. The exact amount to be allotted for the purpose is left to the discretion of the State Government.

**Irrigation Schemes in Bombay State**

608. Shri Pangarkar: Will the Minister of Irrigation and Power be pleased to state:

(a) the amount allotted for implementing irrigation schemes in Bombay State during 1959-60; and

(b) the major irrigation works in the State for which the amount will be spent?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) The amount allotted for implementing irrigation schemes during 1959-60 is Rs. 21.10 crores

(b) Among others, the following are the major irrigation schemes (costing more than Rs. 5 crores) on which the amount will be spent:

- 1 Mahi (Kadana Stage II).
2. Narmada
3. Banas
4. Mula
5. Girna.
- 6 Mahi Right Bank Canal.
7. Kakrapar.

**Cooperative Marketing Societies in Tripura**

609. Shri Dasaratha Deb: Will the Minister of Community Development and Co-operation be pleased to state:

(a) the names of the Cooperative Marketing Societies in Tripura who were granted loans by Government during the years 1956 to 1959 so far;

(b) the amount of loans granted to each of them;

(c) the names of the Cooperative Marketing Societies who have not been paid any loan; and



(d) the reason for not paying them any loan?

The Deputy Minister of Community Development and Cooperation (Shri B. S. Murthy): (a) The following three societies were granted loans by Government for construction of godowns

(i) Jirania Cooperative Marketing Society Limited,

(ii) Kailashahar Primary Marketing Cooperative Society Limited,

(iii) Belonia Primary Marketing Cooperative Society Limited

(b) Rs. 18,750 in each case

(c) *Cooperative Marketing Societies* other than the three societies mentioned at (a) have not been given any loan so far

(d) The loan assistance from the Government of India to Cooperative Marketing Societies for construction of godowns is a part of the programme of the Second Five Year Plan. This assistance is being made available according to a phased programme drawn up every year. So far the three societies referred to at (a) have been covered by this programme. As and when other societies are included in the approved programme they will receive loan assistance.

#### Effects of Excess Intake of Salt

610. Shri P. G. Deb: Will the Minister of Health be pleased to state—

(a) whether any research has been conducted about the theory that excess intake of salt leads to hypertension and high blood pressure; and

(b) if so, the nature of the result reached?

The Minister of Health (Shri Kar-markar): (a) Epidemiological studies throughout the world do not show any correlation between salt intake and incidence of hypertension in normal people. In people with hypertension, an increase in the salt intake leads to an increase in hypertension and vice-

versa. The Indian Council of Medical Research is conducting epidemiological studies at various centres in the country to determine the incidence of high blood pressure. This study includes the consumption of salt in individuals.

(b) As the work is still in progress, it is not possible to arrive at any definite conclusions.

#### Issues raised by Port Unions referred for Arbitration

611. Shri Anthony Pillai: Will the Minister of Transport and Communications be pleased to state:

(a) how many of the local issues raised by the Port Unions when launching the strike in June, 1958 have been referred to arbitration at each of the major ports, as per assurances given to the workers,

(b) what are the issues so referred, and

(c) what are the issues which have not been so referred?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) to (c). The Government assurance contained in the strike settlement covers only those local and sectional demands which were outstanding immediately prior to the receipt of the strike notice from the Port Unions.

2. At the Ports of Cochin, Vizagapatnam and Kandla there were no such local issues to be referred to arbitration.

3. At Calcutta, two of the pending issues were referred for adjudication. Most of the remaining issues were settled by negotiations with the Unions concerned. The Calcutta Port Shramik Union are reported to prefer settlement by negotiations to settlement by arbitration or adjudication. No issue is therefore to be referred to arbitration at this port.

4. At the ports of Bombay and Madras, the Port Administrations have conducted negotiations with the respective Unions, but no agreement has

so far been signed under Section 10 A of the Industrial Disputes Act, 1947 by the parties regarding reference to arbitration. The position with regard to reference to arbitration will become clear only after the receipt of the joint agreement. Broadly speaking, a reference to arbitration will not be made if the issues

- (a) are not really local in character,
- (b) had not been pending before the labour unions served the notice of strike, or
- (c) relate to demands which have been settled by Government Resolution of the 20th July 1958, or by Awards of Industrial Tribunals in force or relate to points already covered by law or are *sub-judice*, or
- (d) do not come within the scope of the definition of the "Industrial dispute" in terms of the Industrial Disputes Act, 1947 and unless a joint agreement has been signed by the parties for referring them for voluntary arbitration in terms of Section 10A of that Act

#### **Kathmandu-Calcutta Air Service by Nepal**

612. Shri P. G. Deb: Will the Minister of Transport and Communications be pleased to state:

(a) whether Nepal has approached India to run a Kathmandu-Calcutta Air Service in the plan of civil aviation launched by her in the international field; and

(b) if so, the reaction of the Government in the matter?

The Deputy Minister of Civil Aviation (Shri Mohiuddin): (a) and (b). A request was received for grant of permission to the Royal Nepal Airlines for the operation of an air service between Kathmandu and Calcutta. As the matter is under discussion between the two Governments, it will not be in the public interest to discuss it on the floor of the House, at this stage

#### **Delhi Milk Supply Scheme**

613. Shri P. G. Deb: Will the Minister of Food and Agriculture be pleased to state what is the total financial assistance given by New Zealand Government for Delhi Milk Supply Scheme till July 1959?

The Minister of Food and Agriculture (Shri A. P. Jain): The Government of New Zealand had promised to give financial assistance amounting to £800,000 (or Rs. 160 lakhs) under the Colombo Plan for the Delhi Milk Scheme. The entire amount has been received

#### **Salt for Cattle**

614. Shri P. K. Deo: Will the Minister of Food and Agriculture be pleased to state:

- (a) whether it is a fact that salt is essential to be given to the cattle along with fodder;
- (b) the quantity of salt consumed annually by cattle; and

(c) what steps are taken by Government to popularise the use of salt as a part of cattle fodder?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Yes; in order to prevent loss of appetite, salt hunger, rough hair coat and rapid decline in the general condition and the milk yield

(b) The information of the quantity of salt consumed annually is not available. Growing calves and gazing cattle require  $\frac{1}{2}$  oz. to 2 oz. per day depending upon body weight.

(c) Salt forms an essential part of concentrate mixtures. Besides, the field staff of the Animal Husbandry, Agriculture and Dairy Departments of State Governments and the Block staff advise owners to use salt in cattle feed.

**Telephone Connections**

615. Shri S. A. Mehdi: Will the Minister of Transport and Communications be pleased to state:

(a) how many persons applied for a telephone connection in Rampur district of UP from 1957 till July, 1959,

(b) how many telephone connections have been given so far; and

(c) how many applications are still pending?

The Minister of Transport and Communications (Shri S. K. Patil): (a) Sixty-nine

(b) Fifty

(c) None, other demands have been cancelled

**Indo-Tibet National Highway**

616. Shri Hem Raj: Will the Minister of Transport and Communications be pleased to state

(a) whether it is a fact that some twenty miles of Indo-Tibet National Highway has been washed away and twenty more miles of it severely damaged by the rains this year and

(b) if so, the probable loss caused and the probable cost likely to be incurred on its reconstruction?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) No Sir, A number of landslides have, however been reported between Matiana and Rampur. These are small bits totalling up to 6 miles approximately in length

(b) As the rains are continuing, landslides keep occurring. Estimates of the probable loss and the cost of restoration are under preparation and will be finalised after the rains

**Utilisation of Funds for Irrigation and Power**

617. Shri Ram Krishan Gupta: Will the Minister of Irrigation and Power be pleased to state the percentage of the allocated amount for irrigation and

power during the Second Five Year Plan which has been utilised so far by the Centre and States with particular reference to Punjab?

The Deputy Minister of Irrigation and Power (Shri Nathi): The re-appraised plan provision for irrigation and power for the Second Five Year Plan is about Rs 785.19 crores of which the allocation for Punjab is about Rs 69.49 crores. The actual expenditure during the years 1956-57, 1957-58 and the revised estimates for 1958-59 work out to about 58.85 per cent of the total allocation. The Punjab Government utilised about 69.4 per cent of their allocation during these years

**Scholarships for School-going Children of Railway Employees**

618. Shrimati Ita Palchoudhuri: Will the Minister of Railways be pleased to state

(a) whether it is a fact that Scholarships are awarded to the school-going children of Railway employees as incentives to promote operational efficiency, and

(b) if so the details thereof?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) and (b) Rewards to employees for useful suggestions or inventions or for outstanding service such as timely action in averting accidents etc., are given in one of the following forms —

- 1 Cash Rewards
- 2 Record in service sheet of the employee
- 3 Advance increments
- 4 Preference for grant of study leave
- 5 Extra set of Railway passes
- 6 Scholarships to school-going children of Railway employees

7. **Collective awards**—the amount to be utilised for the common good of the employees.

During the year ending 31-3-1959 altogether 4 scholarships of the total value of Rs. 1,080 were awarded to children of employees for their meritorious service.

Independent of the incentive aspect and as a welfare measure for staff on the Railways there is a scheme under which 1,000 scholarships, ranging from Rs. 15 to Rs. 50 p.m., are awarded every year, to the children of Railway employees going in for technical education. This scheme was introduced in 1956-57, and during that year 998 scholarships, involving an expenditure of Rs. 2.95 lakhs, were awarded. In 1957-58, 812 fresh scholarships were granted besides carrying forward 628 scholarships continuing from the preceding year. The gross expenditure was slightly over Rs. 4 lakhs.

#### Credit through Cooperatives

619. { Shri Rajendra Singh:  
Shri D. C. Sharma:

Will the Minister of Community Development and Co-operation be pleased to refer to the reply given to Unstarred Question No. 2890 on the 9th April, 1959 and state what decisions have been taken on the recommendations made in the report on cooperative credit by the various Ministries, Reserve Bank, the State Bank and Planning Commission?

The Deputy Minister of Community Development and Cooperation (Shri B. S. Murthy): A copy of the Government of India letter No. F. 1-12/59-Coop. I, dated the 11th May, 1959, communicating the broad decisions of the Government on the recommendations of the Report of the Working Group on Co-operative Policy is laid on the Table. [See Appendix II, annexure No. 8].

#### Water Supply in Calcutta

620. { Shri S. C. Samanta:  
Shri Subodh Hanada:

Will the Minister of Health be pleased to refer to the reply given to Starred Question No. 270 on the 16th February, 1959 and state:

(a) whether any interim measures are being taken for the improvement of water supply in Greater Calcutta pending the W.H.O. Team's formulation of Plans; and

(b) if so, the details thereof?

The Minister of Health (Shri Kar-markar): (a) Yes

(b) A statement is laid on the Table. [See Appendix II, annexure No. 9].

#### Revision of Minimum Wages of D.T.U. Employees

621. Shri D. C. Sharma: Will the Minister of Transport and Communications be pleased to refer to the reply given to Unstarred Question No. 3447 on 23rd April, 1959 and state the further progress made in the work of the six-man inquiry committee appointed to go into the revision of the minimum rates of wages of the employees of the Delhi Transport Undertaking?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): A statement giving the information required is laid on the Table. [See Appendix II, annexure No. 10].

#### Purchase of Railway Stores

622. { Shri D. C. Sharma:  
Shri Keshava:

Will the Minister of Railways be pleased to lay on the Table a statement showing:

(a) the value of stores purchased abroad and in India separately for Railways during 1958-59; and

(b) how do these figures compare with those for 1957-58?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) and (b).

Category of Stores	1957-58		1958-59*	
	Value	Per-centage	Value	Per-centage
(1) Imported material :				
(i) Purchased abroad direct	2,71,017		5,80,459	
(ii) Purchased through Agents in India	3,65,233		3,38,000	
TOTAL	6,36,250	28 5	9,18,459	40 3
(2) Indigeneous material	15,68,560	71 5	13,56,985	59 7
GRAND TOTAL	22,24,810		22,75,444	

\*The figures are purely provisional and subject to revision.

NOTE—The increase in the percentage of imported material to the total purchased in 1958-59 as against the corresponding figure for 1957-58 is due to heavier imports of Steel and Permanent Way Material

#### Alarm Chain Pulling

623. { Shri D. C. Sharma:  
Shri Raghunath Singh:

Will the Minister of Railways be pleased to state:

(a) the number of instances of pulling of alarm chain on the Indian Railways, Zone-wise and month-wise during 1959 so far;

(b) the number out of them found unjustified, (Zone-wise and month-wise).

(c) the number of cases where offenders have been prosecuted and convicted during the same period;

(d) whether the number of alarm chain pulling cases is on the increase

as compared to the corresponding period of 1958; and

(e) if so, the reasons therefor?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) to (c). A statement furnishing the information desired is laid on the Table. [See Appendix II, annexure No. 11].

(d) Yes

(e) The main reason for the increase is the want of cooperation on the part of the travelling public in pointing out the offenders to enable the railway staff to prosecute them, which has emboldened the offenders to indulge more and more in such activities. The inadequacy of the existing provisions of law to deter the offenders from resorting to this evil was also another reason; but the law has since been amended and the amendment brought into force from 2-5-1959, and it is expected that this will, in due course, prove helpful in reducing the number of such instances

#### Target of Co-operative Development

624. { Shri Shree Narayan Das:  
Shri Radha Raman:  
Pandit Munishwar  
Datt Upadhyay:  
Shri M. L. Dwivedi:

Will the Minister of Community Development and Co-operation be pleased to state:

(a) whether plans to implement the enhanced targets of co-operative development for the current year have been received from the States,

(b) whether they have been Examined and approved,

(c) what are the important features of such plans.

(d) what are the measures suggested to revitalise the existing societies; and

(e) amount sanctioned to various States for various aspects of co-operative development?

The Deputy Minister of Community Development and Co-operation (Shri B. S. Murthy): (a) to (d). Supplementary Plans for implementing the enhanced targets of co-operative development for the remaining part of 1959-60 have been received from all State Governments, except Bombay, Madras, Mysore, Kerala and Jammu and Kashmir. It is proposed to discuss these plans with the representatives of the State Governments and finalise them by the end of August, 1959. The important features of these plans, broadly, are:

- (a) organisation of new service co-operatives;
- (b) reorganisation/revitalisation of existing co-operatives as service co-operatives;
- (c) organisation of additional primary marketing societies and strengthening the capital structure of existing district and apex marketing societies,
- (d) undertaking the construction of additional godowns for marketing societies;
- (e) increasing the facilities for training of Departmental and institutional staff;
- (f) expanding the number of training units for member-education in the principles and practice of Co-operation; and
- (g) appointment of additional Departmental and institutional staff for implementing the new policy

The measures suggested to revitalise existing societies may, depending upon local conditions, generally include a collection drive, scaling down of over-dues for cash payment, creation of member-interest, increased drive for membership etc. The amount required for implementing the supplementary plans will be worked out as soon as the plans are finalised

**Classification and Categorization of Dock Workers Posts**

525. { Shri Radha Raman:  
Shri Shree Narayan Das:

Will the Minister of Transport and Communications be pleased to refer to the reply given to Unstarred Question No. 2575 on 23rd September, 1958 and state:

(a) whether the report of the Committee appointed to report on classification and categorisation of posts of dock worker, has since been submitted; and

(b) if so, the important features of the report?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) No, sir.

(b) Does not arise

**Himachal Pradesh State Co-operative Bank**

526 Shri Ram Krishan Gupta: Will the Minister of Community Development and Co-operation be pleased to state:

(a) whether it is a fact that huge amounts are outstanding from individuals which are payable to the Himachal Pradesh State Co-operative Bank,

(b) if so, the total amount of outstanding dues; and

(c) the nature of the steps taken or proposed to be taken to recover the outstanding dues?

The Deputy Minister of Community Development and Co-operation (Shri B. S. Murthy): (a) Yes

(b) Rs 13,89,756.03 nP as on 31st December, 1958

(c) The Administration has issued instructions to the Bank to accelerate recovery of the dues. Legal proceedings are being instituted against defaulters, wherever necessary.

### Co-operative Societies in Himachal Pradesh

627. **Shri Ram Krishan Gupta:** Will the Minister of Community Development and Co-operation be pleased to state:

(a) whether it is a fact that there are many co-operative societies in Himachal Pradesh which are not economically sound; and

(b) if so, the nature of steps taken or proposed to be taken to amalgamate these societies into larger units?

The Deputy Minister of Community Development and Co-operation (Shri B. S. Murthy): (a) There are 82 Co-operative Societies (roughly about 10 percent) which have been adjudged by the Administration as economically weak

(b) Some of the Societies are defunct and steps are being taken to liquidate them early. The Administration is taking necessary action to revitalise the weak societies wherever possible. Amalgamation into larger units is not considered feasible

### Irrigation Survey in Himachal Pradesh

628. **Shri Ram Krishan Gupta:** Will the Minister of Irrigation and Power be pleased to state:

(a) whether the scheme for survey of Paonta valley (in Himachal Pradesh) to assess the irrigation requirements of the fertile land has been finalised; and

(b) if so, the main features thereof?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) No scheme for survey of Paonta Valley (in Himachal Pradesh) is in hand or contemplated

(b) Does not arise

### World Health Organisation Regional Office Building in Delhi

629. **Shri Ram Krishan Gupta:** Will the Minister of Health be pleased to

state the progress made so far in the construction of building in the Indraprastha Estate to house W.H.O. Regional Office for South East Asia?

The Minister of Health (Shri Karmarkar): Preliminary plans and estimates have been prepared and administrative approval to the estimate amounting to Rs. 30,32,300 has been accorded. The estimate is being re-examined, with a view to reducing the cost of the building, before expenditure sanction is accorded

### Sugar Factories

630. **Shri Ram Krishan Gupta:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that Central Government have taken over management of Sugar Factories under the Industries (Development and Regulation) Act, 1951 and Essential Commodities Act, 1955, and

(b) if so, the number and names of factories taken over so far (State-wise)?

The Minister of Food and Agriculture (Shri A P Jain): (a) Yes, Sir

(b) A statement is laid on the Table of the House [See Appendix II, annexure No 12]

### Norwegian Assistance

631. { **Shri Ram Krishan Gupta:**  
**Shri Raghunath Singh:**

Will the Minister of Food and Agriculture be pleased to refer to the reply given to Starred Question No 1409 on the 20th March, 1959 and state:

(a) whether the Norwegian Parliament has since considered the matter of giving assistance for the Fishing Community Development Project in Kerala during the remaining period of the Second Five Year Plan; and

(b) if so, the result thereof?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Yes, Sir.

(b) The Norwegian Parliament has voted 5 million Kroner (about Rs. 33.33 lakhs) during 1950 to the Foundation for Economic Assistance to Under-developed Countries. It is reported that the Foundation intends to spend this amount on the Indo-Norwegian Project for Fisheries in Kerala.

#### Bulhar Grain Discharging Plant

632. Shri Ram Krishan Gupta: Will the Minister of Food and Agriculture be pleased to refer to the reply given to Starred Question No 1592 on the 1st April, 1959 and state at what stage is the question of shifting the Bulhar grain discharging plant from Bombay to some other port?

The Minister of Food and Agriculture (Shri A. P. Jain): It has been decided to shift the plant to Kandla Port and arrangements for the shifting are in progress

#### Family Planning

633. Shri Ram Krishan Gupta: Will the Minister of Health be pleased to refer to the reply given to Unstarred Question No 1865 on 12th March, 1959 and state at what stage is the proposal to train surgeons in Vasectomy operation?

The Minister of Health (Shri Karmarkar): Sanction to open a pilot centre for vasectomy operations and training of doctors in the technique of such operation at Sadarjang Hospital, New Delhi, is under issue

#### D.V.C. Navigational Canal

634. { Shri Ram Krishan Gupta:  
Shri Subodh Hansda:  
Shri S. C. Samanta:

Will the Minister of Irrigation and Power be pleased to refer to the reply given to Starred Question No 1609 on the 1st April, 1959 and state:

(a) whether the Navigational Canal connecting Durgapur with river

Hooghly in West Bengal has been completed;

(b) if so, whether navigation traffic along this canal has been opened; and

(c) how many private organisations are now using this canal for navigational purpose?

The Deputy Minister of Irrigation and Power (Shri Haihi): (a) The Navigation Canal is practically complete except for the fixation of Lock gates at tail lock and tail excavation at Kunti

(b) Not yet

(c) None, at present

#### T B Demonstration and Training Centres

635. Shri Ram Krishan Gupta: Will the Minister of Health be pleased to refer to the reply given to Starred Question No. 2242 on the 6th May, 1959, and state

(a) whether Government have since collected information in respect of the number of Doctors available at present for T.B. work,

(b) if so, what is their number; and

(c) the names of the places where the additional T.B. Demonstration and Training Centres will be located?

The Minister of Health (Shri Karmarkar): (a) and (b). The required information is being collected and will, when available, be laid on the Table of the Sabha.

(c) The location of the three additional T.B. Demonstration Centres has not yet been finalised.

#### Road Accidents in Delhi

636 Shri Ram Krishan Gupta: Will the Minister of Transport and Communications be pleased to refer to the reply given to Starred Question No. 2243 on the 6th May, 1959 and state:

(a) whether the special squad set up to carry out investigation of road accidents in a scientific manner has submitted any report;



(b) if so, the details thereof; and

(c) whether the rules under the Bombay Police Act as extended to Delhi have since been finalised?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) and (b) An extract from a factual review of the work of this Squad for one year from the 16th June, 1958 to 15th June, 1959 in respect of motor vehicle-accidents is laid on the Table [See Appendix II, annexure No 13]

(c) No. These are still under consideration.

#### Ganga Barrage Scheme

637. { Shri Ram Krishan Gupta:  
Shri Sadhan Gupta:  
Shri S. M. Banerjee:

Will the Minister of Irrigation and Power be pleased to refer to the reply given to Starred Question No 2240 on the 6th May, 1959 and state

(a) whether the Ganga Barrage Scheme has since been finalised and prepared, and

(b) if so, the main features thereof?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) The Ganga Barrage Scheme has been prepared but has not yet been finalised

(b) The main features of the scheme are as follows—

- (1) A Barrage across the river Ganga at Farakka
- (2) A feeder Canal on the right bank outfalling into the river Bhagirathi at Jangipur, and
- (3) A Barrage at Jangipur across the Bhagirathi above the Feeder Canal outfall

#### "Kharif Campaign"

638 { Shri Ajit Singh Sarbadi:  
Shri Harish Chandra Mathur:

Will the Minister of Food and Agriculture be pleased to state the total aid that has been given to different

States during the year 1958-59 for "Kharif drive" for increased production in foodgrains?

The Minister of Food and Agriculture (Shri A. P. Jain): A statement outlining the aid given to the States in connection with the current Kharif Production Campaign is laid on the Table. [See Appendix II, annexure No 14]

#### Reclamation Work at Chhaleshwar near Agra

639 Shri Shivananjappa: Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that the Government of India have undertaken reclamation work on experimental basis at Chhaleshwar near Agra; and

(b) if so, the results thereof?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) and (b). A statement is laid on the Table [See Appendix II, annexure No 15]

#### Doubling of Poona-Dhond Line

640 Shri Pangarkar: Will the Minister of Railways be pleased to state:

(a) whether Government are considering any scheme for doubling Poona-Dhond line on the Central Railway, and

(b) if so, the time by which this scheme is likely to be implemented?

The Deputy Minister of Railways (Shri S. V. Ramaswamy): (a) No, Sir, this Scheme is not under consideration at present

(b) Does not arise

#### Jaina-Bir-Osmanabad-Sholapur Railway Line

641 Shri Pangarkar: Will the Minister of Railways be pleased to state:

(a) whether it is a fact that repeated representations are made by the public of Marathwada region of

**Bombay for the construction of Jalna-Bir-Osmanabad-Sholapur Railway line; and**

(b) if so, with what result?

The Deputy Minister of Railways (Shri S. V. Ramaswamy): (a) Yes Sir, some representations have been received.

(b) This line does not find a place in the Railways' new construction programme approved by the Planning Commission during the Second Five Year Plan

**बरोनी से गाड़ियों का बेवकत चलना**

६४२. पंडित डा० ना० तिवारी . क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार को यह ज्ञात है कि बरोनी स्टेशन से गाड़ियों के बेवकत छटने और घाने से यात्रियों को बहुत असुविधा होती है ;

(ख) क्या सरकार को इस बात की शिकायत मिली है कि बरोनी स्टेशन पर गाड़ियों के बेवकत पहुंचने और छटने से मुकामा पुल से यात्रियों को मिलने वाली सुविधायें निरर्थक हो गयी हैं ;

(ग) क्या सरकार का ध्यान बिहार के समाचार-पत्रों में मई के महीने में इस सम्बन्ध में प्रकाशित समाचारों की ओर दिलाया गया है; और

(घ) यदि हा, तो सरकार ने इस सम्बन्ध में क्या कार्यवाही की है ?

रेलवे उपसंचो (श्री शाहनवाज खां) :  
(क) और (ख) . शायद माननीय सदस्य का मतलब राजेन्द्र पुल (गंगा पुल) खुलने के बाद बरोनी जं० पर बड़ी और मीटर लाइनों की गाड़ियों में ठीक मेल न होने से है ।

जब राजेन्द्र पुल (गंगा पुल) खारी गाड़ियों के लिये खुला और २-५-५६ से नवी समय-सारणी लागू हुई, उसके बाद ही मई, १९५६ के शुरू में इस पुल से होकर बरोनी आने-जाने वाली गाड़ियों की व्यवस्था बिगड़ गयी जिसकी वजह से बरोनी जं० पर बड़ी और मीटर लाइनों की गाड़ियों में मेल न हो पाता था और यात्री इस बात की शिकायत करने लगे । गाड़ियों में मेल न हो सकने के कई कारण थे, जैसे सिगनलों और कांटों में खराबी, यात्रियों द्वारा खतरे की जंजीर का बहुत अधिक खींचा जाना और बरोनी स्टेशन पर ताला लगाने की व्यवस्था । एक गाड़ी के लेट होने से दूसरी गाड़ी लेट हुई और इस तरह गाड़ियां लेट होती रहीं । इन्हें हम प्रारम्भिक कठिनाइयां कह सकते हैं । बड़ी और मीटर लाइनों की गाड़ियों में मेल के लिए समय भी बहुत कम रखा गया था जिसकी वजह से भी इनमें मेल नहीं होता था ।

(ग) जी हा ।

(घ) स्थिति में सुधार के लिये जो विशेष कार्रवाई की गयी, उससे बड़ी और मीटर लाइनों की गाड़ियों के मेल में सुधार हुआ है जो नीचे दिये गये आंकड़ों से स्पष्ट है :—

किस अवधि तक	कितने प्रतिशत गाड़ियों का मेल हुआ
१०-५-५६ . . . . .	४३.७
२०-५-५६ . . . . .	७६.५
३१-५-५६ . . . . .	८७.३
१०-६-५६ . . . . .	९०.५
२०-६-५६ . . . . .	८६.२
३०-६-५६ . . . . .	८७.०
१०-७-५६ . . . . .	९०.०
२०-७-५६ . . . . .	९०.८
३१-७-५६ . . . . .	९२.६

### Procurement of Rice and Paddy in Orissa

643. **Shri Panigrahi:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that the Orissa Government have failed to procure the target quantity of rice and paddy in the State in the 1959 procurement period; and

(b) if so, to what extent?

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) and (b) At the beginning of the last Kharif season, Orissa Government had anticipated that it would be possible to procure about 4 lakh tons, but later they came to the conclusion that the exportable surplus would not be more than 3 lakhs tons. So far about 1,21,000 tons of rice and 57,000 tons of paddy have been purchased. The purchase operations are still continuing.

### City Booking Office in Cuttack

644 { **Shri Panigrahi:**  
**Shri B. C. Mullick:**

Will the Minister of Railways be pleased to state

(a) whether the question of opening a city booking office in Cuttack has been finally decided; and

(b) if so, when this city booking office is going to be opened?

**The Deputy Minister of Railways (Shri Shahnawas Khan):** (a) and (b). A City Booking Office has been opened at Cuttack on 10-6-1959

### Lady Hardinge Medical College and Hospital

645. **Shri Ram Krishan Gupta:** Will the Minister of Health be pleased to state:

(a) whether it is a fact that overcrowding in the maternity wards in the Lady Hardinge Medical College and Hospital, New Delhi, has resulted

in placing of patients on the floor, without any space in between the patients; and

(b) if so, nature of the steps taken or proposed to be taken to relieve overcrowding?

**The Minister of Health (Shri Kar-markar):** (a) It is true there is a great rush of patients in the maternity wards of the Lady Hardinge Medical College and Hospital Orders have, however, been issued that as far as possible no patients should be put on the floor

(b) Steps are being taken to increase the number of beds as early as possible. Recently thirty beds have been added to this ward and another forty-eight beds are to be added by the end of this year

### Mental Health Services

646. **Shri Ram Krishan Gupta:** Will the Minister of Health be pleased to state at what stage is the proposal to establish a Central Council of Mental Health with a view to develop mental health education in the country and for co-ordination of various activities of the State Governments in the field of Mental health services?

**The Minister of Health (Shri Kar-markar):** The proposal will be placed before the next meeting of the Central Council of Health

### All India Institute of Medical Sciences

647 **Shri Ram Krishan Gupta:** Will the Minister of Health be pleased to state

(a) whether it is a fact that the progress of both Under-Graduate and Post-Graduate teaching in the All India Institute of Medical Sciences has been hampered due to insufficient hospital facilities; and

(b) if so, nature of the steps taken or proposed to be taken to provide these facilities?

The Minister of Health (Shri Kar-masankar): (a) and (b). A statement is laid on the Table [See Appendix II, annexure No 16]

**Payment of Ship Freight in Rupees**

648. Shri Raghunath Singh: Will the Minister of Transport and Communi-cations be pleased to state how many liner conferences have agreed to ac-cept payment of freight in rupees from India?

The Minister of State in the Mini-stry of Transport and Communications (Shri Raj Bahadur): According to the information available so far, the shipping Conferences/shipping com-panies operating in the following trades have agreed to accept payment of freight in rupees in India

- (1) Japan/India trade
- (2) Persian Gulf/India trade
- (3) Australia/India trade
- (4) West Africa/India trade
- (5) UK & Continent/Bombay trade
- (6) Persian Gulf/Bombay
- (7) East & South Africa/India
- (8) UK & Continent/Calcutta trade
- (9) USA.—Atlantic, Gulf ports/India trade
- (10) Black sea ports, Levant, Bul-garia and Rumania/India trade
- (11) UK /Continent/Cochin trade
- (12) East Coast of Canada/India trade
- (13) Red Sea/India trade

चम्बा में लकड़ी और इमारती लकड़ी का सर्वेक्षण

६४९. श्री सरजू पांडे क्या आज तथा फुबि मधी ६ मार्च, १९५९ के तारांकित प्रश्न संख्या १०३८ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि

(क) क्या चम्बा जिला (हिमाचल प्रदेश) में लकड़ी और इमारती लकड़ी के

सर्वेक्षण के लिये नियुक्त की गयी इमारती लकड़ी की भाग (स्थानीय) सम्बन्धी जांच समिति ने अपना कार्य प्रारम्भ कर दिया है; और

(ख) यदि हां, तो इस सम्बन्ध में अब तक क्या प्रगति हुई है ?

साहू तथा कृषि मंत्री (श्री ज० प्र० जैन) (क) और (ख) इमारती लकड़ी की भाग (स्थानीय) सम्बन्धी जांच समिति ने, जो चम्बा और मण्डी के जिलों में लकड़ी और इमारती लकड़ी का सर्वेक्षण करने के लिये नियुक्त की गई थी, इन जिलों में सर्वेक्षण कार्य पूरा कर लिया है। परन्तु मण्डी जिले के कुछ लोगों की ओर से लगातार प्रार्थनाओं आने के कारण जो अधिक गवाही देना चाहते हैं, समिति उस जिले में वीघ्र ही दोबारा जाने वाली है।

पिछड़े क्षेत्रों में रेलवे लाइनों

६५०. { श्री सरजू पांडे  
श्री न० रा० मुनिस्वामी

क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि

(क) क्या सरकार किसी ऐसी योजना पर विचार कर रही है जिसके अन्तर्गत उच्च क्षेत्रों में, जो पिछड़े हुये हैं और जहाँ पर खनिज निक्षेपों की बहुन्याता है, और अधिक रेलवे लाइनें बनाई जायेंगी,

(ख) यदि हां, तो ऐसे क्षेत्रों का चर्चा क्या है,

(ग) क्या राज्य सरकारों और संसद् सदस्यों से इस सम्बन्ध में सुझाव माने गये हैं, और

(घ) क्या प्रत्येक क्षेत्र में जनसंख्या के अनुपात से लाइनें बनाई जायेंगी ?

रेलवे उपमंत्रि (श्री एल० पी० राज-  
स्वामी) : (क) और (ख) जब बनाने के  
लिये नयी रेलवे लाइनें खुली जाती हैं, तो उन  
क्षेत्रों पर सम्बन्धित रूप से विचार किया जाता  
है जहाँ पिछड़े हुए हैं और जिनमें सजिज पशुवंश  
बहुतायत से पाये जाते हैं लेकिन नयी लाइनों  
का चुनाव इस बात पर निर्भर है कि इस काम  
के लिए कितनी रकम रखा गया है और कितना  
सामान उपलब्ध है। इसके अलावा पूरे देश  
की यातायात सम्बन्धी आवश्यकताओं का भी  
ध्यान रखा जाता है।

(ग) भी नहीं

(घ) नयी रेलवे लाइनें राज्यों की  
घाबादी के आधार पर नहीं बनायी जाती

#### Development of Cattle Breeds

651. *Shri Bibhuti Mishra: Will the Minister of Food and Agriculture be pleased to state.*

(a) whether it is a fact that Central Government have given financial assistance to the various State Governments for the developments of cattle breeds during the year 1959-60; and

(b) if so, the amount given so far?

*The Minister of Food and Agriculture (Shri A. P. Jain):* (a) and (b) A total amount of Rs. 113.59 lakhs (Rs. 6.45 lakhs loans and Rs. 107.14 lakhs grants) has been approved as Central assistance to the States for Animal Husbandry development in 1959-60. This amount includes Central assistance for schemes for cattle breeding. The exact amount to be utilised for cattle breeding is left to the discretion of the State Governments

#### Class IV Posts in the I.A.R.I.

652. *Shri Tangamani: Will the Minister of Food and Agriculture be pleased to state:*

(a) the total number of class IV posts created in the regular establish-

ment in the Indian Agricultural Research Institute in the month of April, 1957;

(b) the number of monthly-men, who have been brought on to the regular establishment against these posts;

(c) the number of class IV posts created after April, 1957;

(d) whether the monthly-men have been considered for these vacancies; and

(e) if not, the reasons therefor?

*The Minister of Food and Agriculture (Shri A. P. Jain):* (a) 4.

(b) Nil

(c) 193

(d) Yes, all those who fulfilled the qualifications and experience laid down for the posts in question

(e) Does not arise

#### Class IV Posts in the I.A.R.I.

653. *Shri S. M. Banerjee: Will the Minister of Food and Agriculture be pleased to state:*

(a) the categories of class IV Posts in the Indian Agricultural Research Institute in various Divisions according to each station;

(b) the number of workers employed in each category of posts; and

(c) the number of permanent posts in each category?

*The Minister of Food and Agriculture (Shri A. P. Jain):* (a) to (c). A statement is laid on the Table. [See Appendix II, annexure No 17.]

#### Land settlement Advisory Committee, Manipur

654. *Shri L. Achaw Singh: Will the Minister of Food and Agriculture be pleased to state:*

(a) whether the Land Settlement Advisory Committee for Manipur is constituted of non-officials.

(b) the strength of the Committee and the number of members of the Congress Party in that Committee; and

(c) the number of meetings of the Committee held in 1957-58 and 1958-59?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Yes, excepting the Deputy Commissioner, who is the Chairman

(b) The strength of the Committee is eight and number of members of the Congress Party is five

(c) One in 1957-58 and two in 1958-59.

#### Land Settlement Advisory Committee

655. Shri L Achaw Singh: Will the Minister of Food and Agriculture be pleased to state:

(a) whether a part of the Leitang Gras Mahal near elephant grazing ground at Samusang in Manipur to the extent of 35 paris of land has been de-reserved for settlement from forest land; and

(b) if so, whether the Land Settlement Advisory Committee has been consulted with regard to the settlement?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) Yes

(b) No

#### Drinking in Hotels

656. Shri Damani: Will the Minister of Transport and Communications be pleased to state:

(a) whether Government are considering a proposal to relax laws relating to drinking in hotels;

(b) if so, the details thereof; and

(c) whether there had been numerous representations from the hotel industry in the matter?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) and (b) Since prohibition is a State subject, the Government of India, cannot, on their own, consider relaxing the drink laws pertaining to hotels. However, State Governments concerned have been requested from time to time to afford, in so far as foreign tourists are concerned, as much relaxation as possible in the prohibition rules within the framework of the Law

(b) Yes, Sir

#### दिल्ली-बम्बई जनता गाड़ी में पक्षे

६५७. श्री डामर क्या रेलवे मंत्री यह बनाने की कृपा करेंगे कि

(क) क्या यह सच है कि दिल्ली-बम्बई जनता गाड़ी के यात्रियों को गाड़ियों में पक्षे न होने के कारण गाड़ियों में बड़ी परेशानी होती है, और

(ख) यदि हा, तो इस सम्बन्ध में क्या कार्यवाही की गई है अथवा किये जाने का विचार है ?

रेलवे उपमंत्री (श्री शाहनवाज खा) :

(क) और (ख) दिल्ली-बम्बई जनता एक्सप्रेस में जो ३३ मवारी डिब्बे इस्तेमाल किये जाते हैं उनमें से ८ में अभी पक्षे नहीं लगे हैं। प्राशा है इन ८ डिब्बों में भी जल्द पक्षे लग जायेंगे।

#### Overbridge at Bamnia Railway Station

658. Shri Damar: Will the Minister of Railways be pleased to state:

(a) whether it is proposed to construct an overbridge at Bamnia Railway Station; and

(b) if so, when it is likely to be completed?

The Deputy Minister of Railways (Shri S. V. Ramaswamy): (a) A foot overbridge at Bannia Railway Station connecting 'Up' and 'Down' passenger platforms is already under construction

(b) The work is expected to be completed within a couple of months

#### Rise in Prices of Peas, Gram and Pulses

659. Shri Keshava: Will the Minister of Food and Agriculture be pleased to state:

(a) whether any measures have been taken to check the rise in prices and hoarding of peas, gram, dal and such grains, and

(b) whether any steps have been taken to control prices of these commodities?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) and (b) Prices of pulses and gram, which rose on account of failure of the 1957-58 crop, have already declined, following a good 1958-59 crop. However, with a view to preventing hoarding and speculative rise in prices, restrictions have been imposed on bank advances against stocks of gram and pulses. A ban has also been imposed on forward trading in gram and other pulses.

#### P. & T Building, Burdwan

660. Shri Subman Ghose: Will the Minister of Transport and Communications be pleased to state:

(a) whether there was any proposal to shift the Burdwan (West Bengal) R.M.S. Office to Burdwan Railway Station platform due to shortage of accommodation;

(b) whether it is a fact that a building was constructed by the Railway for the purpose the plan of which had been rejected by the Post Master General, West Bengal,

(c) what was the amount spent for the construction of the building; and

(d) by what time, the Burdwan R.M.S. Office is likely to be shifted to this building or to some accommodious buildings?

The Minister of Transport and Communications (Shri S. K. Patil): (a) Yes

(b) The Postmaster-General, West Bengal Circle, after personal inspection of the remodelled accommodation in March 1959, found that it was not adequate or secure enough for a mail office and desired certain further additions and alterations to be carried out to render it suitable

(c) The estimated amount spent for additions and alterations as intimated by the Railway authorities is Rs 59,770

(d) The Railway authorities proposed to take up the modifications in 1961-62. They are being urged to complete the same this year

#### Facilities for Training in Government Laboratories

661. Shri Tridib Kumar Chaudhuri: Will the Minister of Health be pleased to state:

(a) whether it is a fact that Government have decided to provide facilities for training scientific workers employed in private laboratories owned by trade or private drug and medicines manufacturers in Government owned laboratories,

(b) if so, since when this scheme has come into operation,

(c) the number of private manufacturers who have decided to avail of this opportunity, and

(d) the broad features of the scheme?

The Minister of Health (Shri Kar-marker): (a) Yes;

(b) This scheme came into operation in 1958

(c) Seven candidates from five manufacturing firms

(d) A statement is laid on the Table.  
[See Appendix II, annexure No 18]

#### **Ajmeri Gate Slum Clearance Scheme**

**662. Shri Vajpayee:** Will the Minister of Health be pleased to state:

(a) whether the Ajmeri Gate Slum Clearance Scheme, Delhi has since been revised;

(b) if so, the new factors necessitating the revision of the scheme,

(c) whether construction of new buildings has been withheld in the area; and

(d) the broad features of the revised Scheme?

**The Minister of Health (Shri Kar markar):** (a) The Scheme is being revised by the Town Planning Organisation

(b) The necessity of revision has arisen from the changed social and physical conditions in the area. The original scheme prepared by the erstwhile Delhi Improvement Trust envisaged the demolition of bad structures and structures coming in the way of engineering works. Certain properties were abandoned on betterment fee and the area acquired was proposed to be sold on competitive rates. The possibility of rehabilitating the persons to be dehoused did not form part of the original scheme. The scheme under preparation would provide for the rehabilitation of dehoused population in the very same area as far as possible and would also be based on the up-to-date data which are being collected.

(c) The control of building construction in the area vests in the Municipal Corporation, Delhi and constructions are being controlled by them pending the preparation of the revised scheme.

(d) The features of the revised scheme can be indicated only after the scheme has been prepared.

157 L.S.D.—4.

#### **Sitarampur Junction**

**663. Shri Subman Ghose:** Will the Minister of Railways be pleased to state

(a) whether it is a fact that the lines Nos 3 to 8 are not visible from Central Cabin, Sitarampur Junction Station, (Eastern Railway) due to the curvature of this line there,

(b) whether it is a fact that there is no track system in the said Cabin;

(c) whether it is also a fact that there have been many representations to remedy the defects as it is most dangerous for the passengers and the Cabin staff working there; and

(d) if so what steps Government propose to take in the matter?

**The Deputy Minister of Railways (Shri Shah Nawaz Khan):** (a) Yes. A part of the lines No 3 to 8 is not visible from the Central Cabin.

(b) No Track circuiting is provided in this cabin for lines No 1 and 2, but no track circuiting has been provided for lines No 3 to 8.

(c) No.

(d) Adequate safeguards for ensuring safety have been provided in the Station Working Rules.

#### **Late Running of Trains on Bombay-Poona Section**

**664. Shri Assar:** Will the Minister of Railways be pleased to state:

(a) whether it is a fact that all main trains running between Bombay and Poona were late by four to five hours on the 17th May, 1959,

(b) if so, the reasons therefor;

(c) whether it is a fact that this happens often on this line; and

(d) if so, what steps Government propose to take in the matter?

**The Deputy Minister of Railways (Shri Shah Nawaz Khan):** (a) and (b). On 17-5-1959, the overhead power between Kalyan and Poona had failed due



to heavy storm and rain resulting in dis-organisation of train services on the Bombay-Poona section. The following trains suffered detention:

(1) No. 360 Up Poona-Bombay Express had a late start of 2 hours 20 minutes from Poona

(2) No. 11 Dn. Madras-Bombay Express was held up for 4 hours 40 minutes between Takurwadi and Khandala

(3) No. 303 Down Bombay-Poona Mail left 4 hours 17 minutes late from Karjat.

(4) No 309 Down Bombay-Poona Janata Express left 5 hours and 29 minutes late from Karjat.

(5) No 301 Down Deccan Queen from Bombay left 1 hour 24 minutes late from Karjat.

(c) No

(d) Does not arise

#### U.N.I.C.E.F.

665. Shri Bibhuti Mishra: Will the Minister of Health be pleased to state

(a) the amount of contribution made by India to UNICEF from January, 1958 to July 1959, and

(b) the amount of aid received in various forms during the same period?

The Minister of Health (Shri Karmarkar): (a) During 1958 India paid a contribution of Rs 18,00,000 to the UNICEF General Funds Besides, the Government of India also paid on grant-in-aid of Rs 3,00,000 towards the expenditure on the Area Office During 1959, a budget provision of Rs 16,00,000 has been made for contribution to the UNICEF General Funds and this contribution has not yet been paid Besides, a contribution of Rs 25 lakhs has been paid to the UNICEF towards the expenditure on its area office upto July, 1959, and further amount of Rs. 2.5 lakhs will be paid during the remaining part of 1959

(b) The amount of aid received during the period is not known The

total allocations during the period is, however, \$ 6,152,200. A statement giving the details is laid on the Table. [See Appendix II, annexure No. 19].

#### Postal Staff at Rourkela

666. Shri B. C. Mullick: Will the Minister of Transport and Communications be pleased to state:

(a) whether it is a fact that the postal staff at Rourkela in Orissa Circle are facing inconvenience due to lack of housing accommodation there;

(b) whether it is also a fact that the building where the Post Office is functioning at present is a small one;

(c) whether the Director of Posts and Telegraphs of Orissa Circle visited this place during 1958-59;

(d) whether the above inconveniences were brought to his notice; and

(e) if so, what action has been taken to remove the same?

The Minister of Transport and Communications (Shri S. K. Patil): (a) Yes

(b) The building is congested

(c) Yes

(d) Yes

(e) Negotiations are going on with the Hindustan Steel Plant Ltd for the speedy construction of sufficient number of quarters in their land and renting out the same to the staff of the Posts and Telegraphs Department

#### प्रायुर्वेद पद्धति के अनुसार चिकित्सा

६६७. श्री पद्म बेब क्या स्वास्थ्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार को यह ज्ञात है कि केन्द्रीय सरकार के कर्मचारियों को, जो प्रायुर्वेदिक चिकित्सा पद्धति के अनुसार अपना नाज करवाते हैं, स्वस्थ हो जाने पर सरकार से शोषणियों का खर्च नहीं मिलता जबकि एलोपैथिक शोषणियों पर किया गया खर्च मिल जाता है, और

(क) यदि हा, तो इस जेब-पाप को दूर करने के लिये सरकार द्वारा क्या कार्य-वाही की जा रही है ?

स्वास्थ्य मंत्री (श्री करवरकर) . (क) जी हां । सब वापस करने के प्रतिश्रय से सरकार ने केवल प्राथमिक दवा पद्धति को ही मान्यता दी है ।

(ख) केन्द्रीय सरकार के कर्मचारियों के प्राधिकृत चिकित्सक राज्य सरकारों द्वारा मनीनीत किये जाते हैं । सरकारी कर्मचारियों की डाक्टरों-जाब अथवा चिकित्सा के प्रतिश्रय से प्राथमिक दवा पद्धति के चिकित्सक के सिवाय किसी अन्य पद्धति के चिकित्सक को मान्यता प्रदान करने के लिये अब तक किसी राज्य सरकार द्वारा विफाई नही की गयी है ।

#### Water Supply in New Delhi

668. Shri Halder: Will the Minister of Health be pleased to state:

(a) whether the attention of Government has been drawn to the press report in the 'Statesman' of the 11th June 1959 regarding supply of dirty water from taps in New Delhi

(b) if so, whether Government have verified the facts, and

(c) the details thereof?

The Minister of Health (Shri Kar-markar): (a) Yes

(b) and (c) The enquiries made in this regard revealed that one of the valves of the water main on Curzon Road was not in order. Repairs were carried out and the water got dirty for a few minutes as it got mixed up with earth

#### हिमाचल प्रदेश में भूमि की चकबन्दी

669 श्री पदम देव क्या साक्ष्य तथा कृषि मंत्री यह बताने की कृपा करेंगे कि

(क) हिमाचल प्रदेश के किन-किन जिलों में तथा कितने ग्रामों में भूमि की चकबन्दी का काम 1958 में किया गया है, और

(ख) उक्त अवधि में भूमि की चकबन्दी के विरुद्ध सरकार को कितने आवेदन प्राप्त हुए हैं ?

साक्ष्य तथा कृषि मंत्री (श्री ध० प्र० जीन)

जिले का नाम	गांवों का संख्या	अंश सबकों में
1 महासू	35	6122
2 मण्डी	40	3884
3 सिरमूर	17	6471
4 बिलासपुर	26	6250
कुल	118	22727

(ख) 1958 में चकबन्दी के विरुद्ध प्रगामन का कोई आवेदन पत्र नहीं मिले है ।

#### Parbhani-Latur Rail Link

670. { Shri Kunhan:  
Shri T. B. Vittal Rao:

Will the Minister of Railways be pleased to state:

(a) whether there is any proposal to conduct Traffic and Engineering Survey between Parbhani and Latur, Central Railway for a metre gauge rail link, and

(b) if so, when it will be undertaken?

The Deputy Minister of Railways (Shri S. V. Ramaswamy): (a) and (b). Parbhani to Puri-Vaijnath is already connected by M G railway line. The question of its further extension upto Latur is being investigated in connection with the conversion of Kurduwadi-Miraj-Latur NG section to B.G. or M G

#### Sultanpur Project

671. { Pandit Munishwar Dutt  
Upadhyay:  
Shri M. L. Dwivedi:  
Shri S. A. Mehdi:

Will the Minister of Food and Agriculture be pleased to state:

(a) what is the progress of tank-cum-well scheme known as Sultanpur

Project in Delhi State which is under construction;

(b) what will be the cost of this project and what area will it irrigate.

(c) whether there has been any successful experiment of this scheme in our or any foreign country; and

(d) what is the shramdan contribution to this scheme?

**The Minister for Food and Agriculture (Shri A. P. Jain):** (a) The Honourable Members are probably referring to the construction of the large-sized kacha irrigation well which has been taken up on an experimental basis by the Delhi Administration in Sultanpur. The progress of work is that earth work to the extent of 1,91,000 cu ft at an estimated cost of Rs 4,200 has so far been completed

(b) The estimated cost of the project is Rs 40,000 and it is claimed that about 200 acres of land will be irrigated

(c) Experiment was carried out in Bankura District of West Bengal on two wells of similar design as in Delhi last year. The result of the experiment was not satisfactory. This Ministry have no information of any experiment carried out on wells of this design in any foreign country.

(d) The shramdan contribution received so far for this scheme amounts to about Rs 205

#### **Krishnapuram Aerodrome**

**672. Shri Rami Reddy:** Will the Minister of Transport and Communications be pleased to state

(a) whether the construction of Krishnapuram aerodrome (Cuddapah) as been completed, and

(b) if so, the total cost of the construction?

**The Deputy Minister of Civil Aviation (Shri Mohiuddin):** (a) and (b) A fair-weather kutcha strip already exists at Krishnapuram (Cuddapah)

aerodrome, and it is being developed by providing a pucca runway, a small terminal building and the mains electric supply at a total estimated cost of Rs 49 lakhs. Of these, the first two works are nearing completion and the third one has already been completed

#### **Post Offices opened in Punjab**

**673. Shri Daljit Singh:** Will the Minister of Transport and Communications be pleased to state

(a) the number of new post Offices opened in rural areas of Punjab State (District-wise) during 1959 so far, and

(b) the number proposed to be opened during the rest of the Second Five Year Plan period?

**The Minister of Transport and Communications (Shri S. K. Patil):** (a) and (b) A statement is laid on the Table of the Lok Sabha [See Appendix II, annexure No 20]

#### **Ticketless Travel on N.E. Railway**

**674. Shri Anirudh Sinha:** Will the Minister of Railways be pleased to state

(a) whether it is a fact that ticketless travelling is on the increase in the former OTR Section of the North-Eastern Railway,

(b) if so the nature of steps proposed to be taken to check ticketless travelling,

(c) the number of persons found travelling without tickets during the period from 1st January 1959 to the 30th June 1959, and

(d) the total amount recovered from them during the same period?

**The Deputy Minister of Railways (Shri Shah Nawaz Khan):** (a) No

(b) The question of taking special steps to combat the increase does not arise. But the normal checks are being continued and intensified

(c) 364,515

(d) Rs 7,40,756

**Nagarjunasagar Control Board**

675. Shri Ram Reddy: Will the Minister of Irrigation and Power be pleased to state:

(a) whether the Development Committee of the Nagarjunasagar Control Board has sent any proposals for the development of the Project area;

(b) if so, the details thereof, and

(c) whether Government have given any financial assistance to the ryots for the development of the ayacut?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) to (c) A statement is laid on the Table of the House [See Appendix II, annexure No 21]

**Conversion of Metre Gauge Line into Broad Gauge**

676. Shri Bishwanath Roy. Will the Minister of Railways be pleased to state whether, in view of the construction of the bridge over the Ganges at Mokameh Ghat, any proposal is under consideration for converting the metre gauge line into the broad gauge line from that place upto Lucknow?

The Deputy Minister of Railways (Shri S. V. Ramswamy): No such proposal is under consideration

राज्यों के सहकार मंत्रियों का सम्मेलन

६७७ श्री सरजू पांडे क्या सामुदायिक विकास तथा सहकार मंत्री यह बताने की कृपा करेंगे कि

(क) क्या २० मीग ०६ जलाई १९५६ का मैमूग में राज्यों के सहकार मंत्रियों का एक सम्मेलन हुआ था, और

(ख) यदि हा, तो उसमें क्या निर्णय किये गये ?

सामुदायिक विकास तथा सहकार उच्च-जंजी (बी ७० स० मूनिं) (क) जी हा ।

(ख) सम्मेलन की सिफारिशों की एक एक प्रतिलिपि शीघ्र ही समा पटन पर रखी जायेगी ।

**Minor Irrigation in Tripura**

678 Shri Dagaratha Deb: Will the Minister of Food and Agriculture be pleased to state

(a) the minor irrigation schemes at present under examination of the Tripura Administration in different Divisions of Tripura,

(b) the reasons for the delay in taking up construction of bunds as minor irrigation measures, and

(c) the steps taken to expedite execution of minor irrigation schemes?

The Minister for Food and Agriculture (Shri A. P. Jain): (a) The following Minor Irrigation Schemes in the different Sub Divisions of Tripura are at Present under examination

1 Sadar Sub-Division

(i) The scheme for construction of a Pick up-weir at Karma-chara

(ii) Construction of Pick up-weir across Debdachara

2 Kailashahar Sub-Division

Construction of Pick-up-weir at Satara Mia Haor

3 Khowai Sub-Division

(i) Construction of Pick-up-weir across Ichachara, Sarban-chara and Gougaonchara

(ii) Construction of bund by the side of Uddob Das Baishnab's House

4 Kamalpur Sub-Division

Construction of Pick-up-weir at Lutmochara and Kulaichara

U'daipur Sub Division

Construction of Sluice gate over Singarichara and Kamrangatali

(b) The delay is due to lack of experienced technical staff

(c) A proposal for the creation of a minor irrigation division in Tripura, with suitable technical personnel, is under consideration

**State Co-operative Bank, Tripura**

**672. Shri Dasaratha Deb:** Will the Minister of Community Development and Co-operation be pleased to state

(a) what was the basis adopted by the State Co-operative Bank of Tripura during the years 1956, 1957 and 1958 in granting crop loan to the agricultural shareholders of co-operative societies,

(b) whether any discriminatory practice was pointed out, and

(c) if so, what were the reasons for adopting discriminatory practice?

**The Deputy Minister of Community Development and Co-operation (Shri B S Murthy):** (a) The State Co-operative Bank of Tripura sanctions loans to societies on the basis of the normal Credit Statements drawn up by them. In preparing normal Credit Statements the requirements of members for agricultural operations and their repaying capacity are taken into account. The loans to individual members are subject to a maximum of 10 times of their paid-up share capital with the society.

(b) No Sir

(c) Does not arise

**P. & T Building Jammu and Kashmir**

**680. Shri A M. Tariq.** Will the Minister of Transport and Communications be pleased to state

(a) whether it is a fact that the Government propose to construct a multi-storeyed building for the Posts and Telegraphs Department and Automatic Telephone Exchange in Jammu and Kashmir State and

(b) if so, when?

**The Minister of Transport and Communications (Shri S K Patil):** (a) and (b) The proposal for construction of an Automatic Telephone Exchange building at Srinagar has been sanctioned at a cost of Rs 7.25 lakhs. This work is included in the works programme during the current year

and the construction of the building is expected to start during this year. There is no other proposal at present under consideration

**Radio Licence Fees due from Rajasthan Government**

**681 Shri Halder:** Will the Minister of Transport and Communications be pleased to state

(a) whether it is a fact that the Postal Department approached the Rajasthan State Government for the payment of the licencing fees for radio receiving sets purchased by the Rajasthan Development Commissioner sometime in February-March, 1959;

(b) if so, whether the licensing fee for all these sets has been received by the Postal Department and

(c) if not the reasons thereof?

**The Minister of Transport and Communications (Shri S K Patil):** (a) During 1959 the Development Commissioner, Rajasthan State Government did not purchase any community receiving sets and as such the question of approaching the State authorities for the payment of licensing fee for the radio sets did not arise

(b) and (c) The questions do not arise

**Labourers Employed in Ports**

**682. Shri Kalika Singh.** Will the Minister of Transport and Communications be pleased to state

(a) the system of employment of labourers for loading and un-loading of shipping commodities and stocks in Bombay, Calcutta and Madras ports;

(b) whether Government have any proposal to prescribe a standard uniform for the labourers on work in different ports, and

(c) whether there is any recognised Union of these labourers in Madras Port?

**The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur):** (a) In the ports of Bombay, Calcutta and Madras, the work of loading and unloading of cargo on board the ships is done by stevedore labour. Their employment is regulated under the respective statutory Dock Workers (Regulation of Employment) Schemes framed under the Dock Workers (Regulation of Employment) Act, 1958.

The work of handling of cargo on shore is generally done by the shore labour employed directly by the three Port Authorities. But at Madras and Bombay certain bulk cargoes are handled through contractors while at Madras the handling of export cargo is also done by contractors. The Madras Port Trust have already decided to take over the handling of export cargo other than bulk cargo and the decision is likely to be implemented shortly.

(b) No, Sir.

(c) The Madras Port Trust Employees' Union is recognised by the Madras Port Trust.

#### **Suspension Bridges in Manipur**

**683. Shri L. Achaw Singh:** Will the Minister of Transport and Communications be pleased to state:

(a) whether it is a fact that the suspension bridges on the Liematak and Jrang rivers on the old Cachar Road in Manipur have been swept away by flood waters during June 1959; and

(b) if so, the steps taken to restore the transport and communications system?

**The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur):** (a) and (b) An old suspension bridge over the Liematak river was destroyed during the war. With the salvaged wire ropes, a temporary suspension bridge with a bamboo decking was erected. In June 1959, the wire ropes got buried in a land slide. Bamboo rafts are at present used to take vehicles and pedestrians across the river.

Efforts to construct a temporary foot bridge are also being made.

There is a suspension bridge over Jrang river which survived the floods of June, 1959.

#### **Recruitment of Scheduled Castes and Scheduled Tribes as Postmen**

**684. Shri P. L. Barupal:** Will the Minister of Transport and Communications be pleased to state:

(a) when the result of examination held by the Director, Postal Services, Delhi area in 1958 for the recruitment of Postmen is expected and the reasons for the delay,

(b) how many candidates belonging to Scheduled Castes and Scheduled Tribes took this examination and the number of vacancies actually to be filled up,

(c) whether any special quota has been reserved for Scheduled Castes and Scheduled Tribes in order to fill up the existing gap of reserved quota; and

(d) how many candidates from among these Scheduled Castes and Scheduled Tribes are expected to be recruited on the basis of this examination?

**The Minister of Transport and Communications (Shri S. K. Patil):** (a) The result of the examination was announced in April, 1959. Over 4,500 candidates appeared at the examination and hence there was some delay in the declaration of the results.

(b) 590 candidates belonging to Scheduled Castes and Scheduled Tribes appeared at the examination held to fill up 105 vacancies in all.

(c) 42 vacancies (including unfilled reserved vacancies carried forward for earlier years) were reserved for them.

(d) 38 candidates belonging to Scheduled Castes and Scheduled Tribes have been selected.

#### **Gangtok Road**

**685. Shri Dinesh Singh:** Will the Minister of Transport and Communications be pleased to state:

(a) whether it is a fact that heavy trucks cannot pass over the Gangtok road (between Silguri and Rongpo) while they can do so between Rongpo and Gangtok; and

(b) if so, the reasons thereof?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) Yes, Sir

(b) There are some old bridges and culverts in this section, which are weak

#### Floods in Tripura

686. Shri Bangshi Thakur: Will the Minister of Irrigation and Power be pleased to state

(a) whether it is a fact that prior to 1946 the floods in Tripura State were rare,

(b) whether it is also a fact that occurrence of flood in Tripura has become a regular feature since then and

(c) if so, whether Government have enquired into the matter and have adopted any preventive measures?

The Deputy Minister of Irrigation and Power (Shri Hathi): (a) and (b) The reply is in the negative

(c) Does not arise

#### Hybrid Maize

687 Shri K. S. Ramaswamy. Will the Minister of Food and Agriculture be pleased to state

(a) the steps taken by Government to introduce hybrid maize to increase production,

(b) the States that are producing this grain, and

(c) the progress made so far?

The Minister of Food and Agriculture (Shri A. P. Jain): (a) to (c) A statement is laid on the Table [See Appendix II, annexure No 72]

बड़ीदा स्टेशन के "डी" केबिन के पास स्थित खम्भा

इसके [जी] पास क्या रेलवे मंत्री यह बताने की कृपा करेंगे कि

(क) क्या यह सच है कि बड़ीदा स्टेशन, यादें में "डी" केबिन के पास एक खम्भा है,

(ख) क्या यह सच है कि इस खम्भे के कारण अब तक १७ व्यक्तियों की मृत्यु हो चुकी है,

(ग) क्या यह सच है कि इस खम्भे को हटाने की मांग कई स्थानीय निकायों तथा जनता द्वारा की गई है, और

(घ) यदि हा, तो उस खम्भे को अब तक न हटाने के क्या कारण हैं और यह कब तक हटा दिया जायेगा ?

रेलवे उपमंत्री (श्री साहनबाबू झा) :

(क) जी हा। बड़ीदा "डी" केबिन के पास सिगनल के कई खम्भे हैं।

(ख) जी नहीं यह बात सच नहीं है कि किसी खम्भे की वजह से १७ आदमी मर गये। सच बात यह है कि १७ दुर्घटनाएँ हुई हैं जिनमें कुछ यात्री किसी न किसी खम्भे से टकरा गये हैं। इन सब दुर्घटनाओं में कुल पाच आदमी मरे।

(ग) जी हा।

(घ) हालांकि कोई सिगनल मानक आयाम (standard dimensions) के प्रतिकूल नहीं था, फिर भी यह सोचकर कि इस मेकान पर चलने वाली बहुत-सी गाड़ियों के दरवाजे बाहर की ओर खुलते हैं और बहुत से लोगों को फुट बोर्ड पर लगे होने की ओर स्टेशन पाम भाने पर बाहर की ओर झाकने की आदत है, इस क्षेत्र के सिगनल के खम्भे पीछे हटा दिये गये हैं ताकि वहाँ अधिक जगह हो जाय।

### Chemical Fertilizers

689. **Shri Hema Raj:** Will the Minister of Food and Agriculture be pleased to lay a statement showing:

(a) the quantity of chemical fertilizers imported into India during the first half of 1959;

(b) the quantity that was produced in the country during this period and its cost price;

(c) the price of the imported fertilizers; and

(d) the price at which it was sold to the cultivators?

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) to (d). A statement is laid on the Table. [See Appendix II, annexure No. 23].

### Increase in Postal Rates for Foreign Countries

690. **Shri Achar:** Will the Minister of Transport and Communications be pleased to state:

(a) whether the postal rates on letters and parcels to foreign countries have been increased considerably from 1st April, 1959 in accordance with International Postal Convention; and

(b) if so, whether foreign countries such as the United Kingdom and the United States of America have also increased their rates?

**The Minister of Transport and Communications (Shri S. K. Patil):** (a) It was obligatory on our part to increase the postage rates on articles of the letter mail, that is, letters, post-cards and printed papers, etc., as those rates had fallen below the minimum rates admissible under the Universal Postal Convention as revised in the Universal Postal Union Ottawa Conference, 1957. A statement (Statement 'A') showing the foreign postage rates for these articles obtaining in India before and after the revision is laid on the Table. [See Appendix II, annexure No. 24].

(b) As regards parcel postage rates, they vary from country to country being regulated under the Parcel Post Convention and respective bi-lateral agreements in the case of certain countries who are not signatories to that Convention. These rates have not been increased in the case of all foreign countries. A statement (Statement B) showing the revision of rates for certain countries is placed on the Table. [See Appendix II, annexure 24].

(c) Some countries have increased their rates of postage on articles of letter mail while others have retained their previous rates apparently because those rates did not fall below the minimum rates permissible under the revised Convention. A statement (Statement C) indicating the rates of postage on articles of the letter mail obtaining in certain foreign countries before and after revision on 1-4-1959 is laid on the Table. [See Appendix II, annexure 24]. As regards the parcel postage rates it may be stated that the United Kingdom which is a signatory to the Parcel Post Agreement has increased its parcel postage rates. The United States of America, which is not a signatory to it, has not increased its rates.

### Delay in Payment by Shipowners to Hindustan Shipyard

691. **Shri Morarka:** Will the Minister of Transport and Communications be pleased to state:

(a) whether it is a fact that the shipowners often delayed the payment of instalments, causing financial difficulties to the Hindustan Shipyard;

(b) what is the total amount due from the shipowners at present; and

(c) what steps are being taken to remedy the situation?

**The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur):** (a) Yes; some of the shipowners could perhaps have



been more prompt in the payment of instalments due to the Shipyard

(b) Rs 8 20 lakhs

(c) The Shipyard has been vigorously pursuing the question of delayed payments with the owners concerned in each case and have often sought the aid of the Director-General of Shipping and the Ministry of Transport to ensure minimum delay in the payment of instalments. This has worked satisfactorily in most cases

#### Breakdown of a Travelling Crane in Hindustan Shipyard

692 Shri Morarka: Will the Minister of Transport and Communications be pleased to state

(a) whether it is a fact that the breakdown of the new 45-ton travelling crane erected between berths I and II, seriously affected the production of the Hindustan Shipyard,

(b) whether an enquiry has been instituted to find out the cause of this breakdown, and

(c) if so, with what results?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) Yes

(b) and (c) Yes. The breakdown of the crane was mainly due to the breaking of the Pivot bearing rollers. The broken parts have since been replaced by the suppliers at their own cost including the cost of air-freight for their transport from Holland, and the cost of the Erector sent out for the purpose of repairing and recommissioning the crane

#### Hindustan Shipyard

693. Shri Morarka: Will the Minister of Transport and Communications be pleased to state

(a) whether a sum of Rs 96,62,886 has been claimed by Hindustan Shipyard as subsidy from Government for the construction of V C 120, V C 121 and V C 135 and

(b) what is the basis of calculating this subsidy?

The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur): (a) Yes -

(b) The present practice of the Shipyard is to sell ships constructed in the Yard to Shipowners at a price, which the latter would have to pay for similar ships built in a UK Shipyard. This price is known as the 'UK Parity price'. The difference between the actual cost incurred by the Shipyard on the construction of ships and the 'UK Parity price', is paid by Government as subsidy

#### Hindi Telegraph Service

694 Shri S. M. Banerjee. Will the Minister of Transport and Communications be pleased to state

(a) whether any unit for the development of Hindi Telegraph Service has been set up in the country, and

(b) if so, its composition?

The Minister of Transport and Communications (Shri S K Patil) (a) No separate unit has been set up for the purpose, but a Hindi Telegraph knowing official is working in the P & T Directorate

(b) Does not arise

#### New Primary Schools for Children of Railway Employees

695. Shri Muhammed Elias: Will the Minister of Railways be pleased to state how many primary schools will be opened by the Railway Ministry for the children of Railway employees and workers during the year 1950?

The Deputy Minister of Railways (Shri Shahnawas Khan): 510 new single teacher austerity type primary schools are intended to be opened at different places on the Railways during the current year. A large number out of these have already been opened and are functioning

**Dadri Distributary**

696. Shri Ram Krishan Gupta: Will the Minister of Irrigation and Power be pleased to state:

(a) whether Government have received revised estimates for completion of Dadri Distributary of Western Jumna Canal in Punjab from Punjab Government for approval and sanction; and

(b) if so the nature of the action taken in this regard?

The Deputy Minister of Irrigation and Power (Shri Hathi) (a) and (b) The revised estimates for the Dadri Distributary have been received very recently in the Central Water and Power Commission and are under examination

**Advanced Post-Graduate Medical Courses**

697 Shri Ram Krishan Gupta: Will the Minister of Health be pleased to state

(a) whether the scheme of starting advanced post graduate medical courses has been finalised, and

(b) if so the details thereof

The Minister of Health (Shri Karmarkar): (a) and (b) Post-graduate medical courses have already been started at the All India Institute of Medical Sciences and at the following upgraded medical institutions —

- 1 Institute of Obstetrics and Gynaecology Government Hospital for Women and Children Madras
- 2 Institute of Venereology, Government General Hospital, Madras
- 3 Institute of Anatomy, Stanley Medical College, Madras
- 4 Bernard Institute of Radiology, Government General Hospital, Madras
- 5 Upgraded Department of Paediatrics, Madras Medical College, Madras

6 Upgraded Department of Pathology, Andhra Medical College, Visakhapatnam

7 Upgraded Department of Plastic and Maxillo-Facial Surgery at the Medical College, Nagpur

8 All India Institute of Mental Health, Bangalore

9 Indian Cancer Research Centre, Bombay

10 Vallabhbhai Patel Chest Institute, Delhi

11 Thoracic Surgery Unit, C M College, Vellore

In addition there are 32 medical institutions under the control of State Governments which are providing post-graduate training in medical subjects

**Nursing Colleges**

698. Shri Ram Krishan Gupta: Will the Minister of Health be pleased to state the number of Nursing Colleges to be opened during the remaining period of the Second Five Year Plan (State-wise)?

The Minister of Health (Shri Karmarkar): The Government of Madhya Pradesh propose to establish a College of Nursing at Indore

**Medical Colleges**

699. Shri S. A. Mehdi: Will the Minister of Health be pleased to state

(a) the number of medical colleges functioning in 1948,

(b) the number of students in these colleges in 1948 and number of students who passed, and

(c) the number of colleges established in India till 1958 and the number of students reading in medical colleges?

The Minister of Health (Shri Karmarkar): (a) 28

(b) The total number of students on roll in 1948 was 11,011 and 1,170 students passed out in 1948

(c) 23 new medical colleges were established after 1948 upto the end of 1958. Information about the exact number of students on roll in 1958 is not available, but it is estimated that about 20,000 students were on roll that year.

#### Repair of Railway Bridge on Godavari

700 Shri P. C. Borooah: Will the Minister of Railways be pleased to state:

(a) whether there is any proposal to repair the railway bridge on the river Godavari near Rajahmundry in view of the recent heavy rains in the coastal area of Andhra Pradesh between Vijayavada and Waltair; and

(b) if so, the details of the proposed scheme?

The Deputy Minister of Railways (Shri S. V. Ramaswamy): (a) No, Sir, there is no such proposal, as no damage has been caused to the bridge by the recent floods

(b) Does not arise

#### Community Development Conference

701. { Shri P. G. Deb:  
Shri S. A. Mehdi:  
Shri Assar:  
Shri Siddiah:  
Shri Hem Raj:

Will the Minister of Community Development and Co-operation be pleased to state:

(a) whether any Conference of Development Commissioners of different States was held at Mysore in the last week of July, 1959; and

(b) whether a copy of the decisions taken will be laid on the Table?

The Deputy Minister of Community Development and Co-operation (Shri B. S. Murthy): (a) Yes.

(b) The "Main conclusion and Recommendations" of this Conference

will be available in the Parliament Library shortly.

#### Integral Coach Factory, Perambur

702. { Shri Tangamani:  
Shri T. B. Vittal Rao:

Will the Minister of Railways be pleased to state:

(a) what steps have been taken to increase the manufacture of coaches in Perambur Integral Coach Factory;

(b) how many coaches are scheduled to be manufactured during 1959-60;

(c) whether there will be increase in the number of employees during 1959-60, and

(d) if so, how many in each category?

The Deputy Minister of Railways (Shri Shahnawaz Khan): (a) (i) Introduction of second shift

(ii) Introduction of system of payment by results

(b) About 440

(c) Yes

(d) A total of about 586 staff, approximate number in each category being as under -

Supervisory	39
Skilled artisans	249
Semi-skilled	151
Un-skilled	50
Miscellaneous	97
TOTAL	586

#### Train Derailment on Southern Railway

703 { Shri Tangamani:  
Shri T. B. Vittal Rao:

Will the Minister of Railways be pleased to state:

(a) whether it is a fact that a good train derailed on the 3rd July, 1959

between Tiruvannamalai and Villupuram on the Southern Railway resulting in the capsizing of 11 wagons,

(b) how long was the passenger traffic dislocated,

(c) whether it is also a fact that derailment is very common in this sector,

(d) whether there was such a derailment in June also, and

(e) what steps Government propose to take to avoid recurrence of such derailments in this area?

**The Deputy Minister of Railways (Shri S V Ramaswamy):** (a) On 1st July 1959 at about 23 23 hours (not on 3rd July 1959) while Train No 2123 Goods was on run between Adhichchanur and Tirukoilur stations on the Villupuram-Tiruvannamalai section of the Southern Railway 11 vehicles capsized and 5 other vehicles derailed

(b) Through running of trains was interrupted for about 18 hours

(c) No

(d) No

(e) Normal appropriate preventive measures continue to be taken to avoid a recurrence of accidents

#### Train Derailment at Madurai

704. { Shri Tangamani  
Shri T B Vittal Rao

Will the Minister of Railways be pleased to state

(a) whether a goods engine and five wagons got derailed at Madurai Junction on the Southern Railway on the 26th July, 1959

(b) whether the engine was completely derailed and consequently damaged,

(c) how many wagons were damaged as a result of the jerk

(d) what is the cause of the accident,

(e) whether it is a fact that a pointsman and three Railway servants were injured, and

(f) what steps Government propose to take to stop recurrence of such incidents inside the Railway Junction?

**The Deputy Minister of Railways (Shri S V Ramaswamy):** (a) and (b) On 26th July, 1959, while train No 2605 Down Daily Road Van Goods ex-Dmdigul to Madurai was entering Goods Yard at Madurai Junction, the engine and the next six vehicles derailed. There was a slight damage to the engine

(c) Five loaded wagons and a Brake van

(d) The cause of the accident is under enquiry

(e) Five Railway employees sustained slight injuries

(f) Necessary steps if any will be taken on receipt of the report of the enquiry committee

#### Recovery of Centre's Loan to States for Major Irrigation Projects

705 Shri S. A. Mehdi: Will the Minister of Irrigation and Power be pleased to state

(a) the progress in the recovery of loans given by Centre to States for Major Irrigation projects,

(b) the amount of loan recovered (State-wise),

(c) whether any State has asked for remission or reduction in the interest or the loan itself, and

(d) if so, the projects involved?

**The Deputy Minister of Irrigation and Power (Shri Hathu):** (a) The loans are not yet due for recovery. A statement explaining the position is placed on the Table [See Appendix 2 annexure No 25]

(b) Does not arise

(c) and (d) The Governments of Rajasthan and Madhya Pradesh have

suggested modification of the interest charges in respect of loans advanced for the Chambal project. Their request is under examination.

#### **Production of Food from Sea Weeds**

**706. Shri P. K. Deo:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether any step has been taken for the production of food from the 'ALGAE' sea weeds;

(b) if not, whether Government have any proposal to undertake any research work in this regard; and

(c) what will be the protein, carbohydrate and vitamin contents of this food?

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) and (b). Yes, Sir. Preliminary work has been carried out at Central Marine Fisheries Research Station, Mandapam and further research is in progress.

(c) Sea weeds generally are inadequate sources of protein as it rarely exceeds 15 per cent. of total weight even on dry basis. Carbohydrates constitute 50 to 60 per cent. Most of the vitamins are present in sea-weeds. Percentage of B 12 & C Vitamins in some of the sea-weeds is very high.

#### **Dry fruit Research Station in Lahaul Valley**

**707. Shri Daljit Singh:** Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that the horticulture section of the Agriculture Department has set up a dry fruit research station at Keylong in Lahaul Valley of Punjab to study the possibility of growing dry fruits;

(b) whether it is also a fact that there is practically very little rain owing to the elevation of Lahaul Valley over 10,000 feet and the irrigation water is available only in summer from the melting snows;

(c) if so, the amount sanctioned by the Central Government for the development of dry fruits industry in this region and for irrigation purposes; and

(d) the results achieved so far in this regard?

**The Minister of Food and Agriculture (Shri A. P. Jain):** (a) A progeny orchard has been set up at Keylong in Lahaul Valley of Punjab where a collection of dry fruit plant material is being raised for further trials.

(b) Yes. There is very little rainfall in Lahaul Valley but irrigation water is available from 'kooahls' which are fed from the melting of snow during summer.

(c) There is a scheme for the establishment of a dry fruit research station at Keylong to be entirely financed by the Indian Council of Agricultural Research. The scheme has been sanctioned by the I.C.A.R. for a period of five years at a total cost of Rs. 84,180 and a sum of Rs. 19,810 has been provided to start this scheme during 1959-60.

(d) Since the research Scheme is being started this year, it is too early to report any results.

12.06 hrs.

#### **MOTIONS FOR ADJOURNMENT'**

##### **PRICE OF RICE IN WEST BENGAL**

**Mr. Deputy-Speaker:** I have received several notices of adjournment motions. The first one is from Shrimati Renu Chakravartty, about the "soaring prices of rice and the non-availability of rice on three to four days a week in most of the ration shops in West Bengal and the consequent misery and hardship caused to the people".

I learn that some discussion is going to be held in the House, before long.

**The Minister of Food and Agriculture (Shri A. P. Jain):** Yes; we have agreed to discuss the food situation in general, with particular reference to

West Bengal, on a notice given by about 13 or 14 Members of the House, including the hon. lady Member who has given notice of this adjournment motion, and we have agreed to discuss the question on the 21st.

**Shri Muhammed Elias** (Howrah): 21st is too late.

**Shrimati Renu Chakravartty** (Bansihat): One of the reasons why I have given notice of this adjournment motion is that every day the prices are soaring and the figures which have been given to us by the Government do not reflect the actual state of affairs. We have received telegrams from Midnapore saying that the price of rice is Rs. 32. The statement of Government is that the price of Midnapore is about Rs. 25. Every day it is soaring. Also, the fact which he has stated on the floor of the House that now the ration shops are giving rice in good quantities, is not correct. It is not a fact. People are not able to get rice. I have got reports from Midnapore, Karnahari in Burdwan, from Hooghly and from the 24 Parganas. In all these areas the ration shops for C and D holders are not giving rice at all to them, and even those who are getting rice are not getting it during the last three or four days of the week. The position is desperate. Therefore we want an early discussion.

Some Hon Members rose—

**Mr. Deputy-Speaker:** So far as this motion is concerned, I have heard Shrimati Renu Chakravartty. I have yet to decide whether I should give my consent or not. If it were a discussion, certainly I would allow other Members to speak.

**Shri Muhammed Elias:** I want to make clear only one or two things.

**Mr. Deputy-Speaker:** If any clarifications are needed, I am sorry they are not to be had just now.

**Shri Muhammed Elias:** This is the information which I have received.

**Mr. Deputy-Speaker:** Order, order. We have been told that a regular discussion is going to take place on the 21st. The only objection raised is that that date is far off; that it is a distant date. The hon. Lady Member said that because the prices are going up every day, therefore there should be an early discussion in the House. But I think her object would be served when it is brought to the notice of the Government that prices are rising and they will take care of it as much as possible. The prices will not be brought down simply by discussion. Therefore, I do not think I am called upon to give my consent to this adjournment motion.

**Shrimati Renu Chakravartty:** The Government knows about it. It is a question of policy, a question of de-control of prices. Could we have an assurance from the hon. Minister that it would be taken up earlier than the 21st? 21st is very far off; today is only the 12th. Could we have it within the next three or four days?

**Mr. Deputy-Speaker:** That would be difficult. 15th and 16th are holidays and on 17th and 19th, we have got the discussion on Kerala already fixed. Therefore, it would not be possible. So far as this adjournment motion is concerned, I am sorry I cannot give my consent.

BATON-CHARGING BY CEYLONESE POLICY

**Mr. Deputy-Speaker:**

There is another adjournment motion by Shri Hem Barua:

"The serious situation arising out of the Ceylonese Policy baton-charging a group of Malayalees demonstrating against the President's Proclamation on Kerala on the 10th of August, 1959 within the Indian High Commission's precincts at Colombo, resulting in 14 injured, 6 of whom are in a serious condition."

I would request the hon. Member just to inform me whether this is the

[Mr Deputy-Speaker]  
primary responsibility of the Central Government, which they have failed to perform

Shri Hem Barua (Gauhati) I shall be very brief

Mr. Deputy-Speaker That is separate altogether I am not complaining just now that he is much too long Only I am asking whether he can show that this was the primary responsibility of this Government and they have failed to discharge it

Shri Hem Barua. It is the primary responsibility of this Government in the sense that the Ceylonese police came and baton-charged the demonstrators there I want to say that this a matter that concerns entirely India and the demonstrators are also Indians, they are Malayalees I just want to know in this connection whether our High Commission there in Colombo requisitioned the services of the Ceylonese police or not Whatever the reason for this demonstration might be, it is in this particular aspect of the thing that the responsibility of the Central Government comes in That is all I want to know because the demonstration was within the precincts of the High Commission and the baton-charge was also within the precincts of the High Commission If the High Commission did not requisition the services of the Ceylonese police, then I want to know on what authority the Ceylonese police came in there inside the precincts of the High Commission, and if they came in, not being requisitioned by our High Commission is it not an infringement of the diplomatic rights and privileges that a country is to enjoy in a foreign country That is one thing

Then, if the police came and baton charged our demonstrators there without being requisitioned by the Indian High Commission in Colombo, I want to know whether it is part of the broad policy pursued by the

Ceylonese Government against our people, people of Indian origin there. At the same time

Mr Deputy-Speaker: He should conclude now

Shri Hem Barua I shall be as brief as possible

Mr Deputy-Speaker I only wanted to clear whether he asserted that there was the responsibility of the Central Government That he has said, now he is going to the facts If I give my consent afterwards, it can be considered, not now

There are notices of other adjournment motions also by Shri Sadhan Gupta Shri A K Gopalan, Shri Narayanankutty Menon, Shri Punnoose, Shrimati Parvathi Krishan and Shri Easwara Iyer on the same subject I have heard Shri Hem Barua Shri Sadhan Gupta may say a few words only on the point I have just indicated whether there is the primary responsibility of this Government in order to help me to decide whether I can give my consent

Shri Thirumala Rao (Kakinada) I would like to know whether there is any more authentic information on the subject apart from the news that has appeared in the papers

The Prime Minister and Minister of External Affairs (Shri Jawaharlal Nehru) Quite apart from these adjournment motions of which you are the best judge in view of the fact that something has happened there, which must necessarily interest hon Members, I am prepared to give all the facts which I have received from the High Commission

Mr Deputy-Speaker Then we can have the facts

Shri Sadhan Gupta (Calcutta—East) I think if we make our statement in the light of that, the Prime Minister may make his statement

Mr Deputy-Speaker: The Prime Minister is in possession of certain

facts which he is going to give us. If something else is wanted, let us see subsequently. First let us have the facts.

**Shri Jawaharlal Nehru:** The High Commissioner in Ceylon has informed us as follows:

On the evening of the 9th August, our High Commission in Colombo received private information that there was going to be a demonstration before their Chancery the next morning. Our High Commissioner informed the Minister of External Affairs of the Ceylon Government about this and said that he has no details as to what shape this demonstration might take. Probably they would present some memorandum of protest which he would receive and forward to his Government.

Later, the Deputy Inspector General of Police telephoned to our High Commissioner to enquire into this matter. The High Commissioner repeated what he had previously said and added that he had no reason to expect any serious trouble and he did not think that it would be worthwhile having a counter show of force by the police. The DIG of Police said that he would have the Embassy and the Chancery duly watched.

At about 10.30 A.M. on the 10th August, about two hundred demonstrators carrying placards and shouting slogans suddenly entered the chancery compound from one gate. As previously arranged, the Deputy High Commissioner and other officers went down to the entrance of the Chancery building and met them and tried to calm down some rowdies among the demonstrators. The Deputy High Commissioner offered to take five or six representatives to the High Commissioner to discuss matters and to hear their grievances. At this stage, half a dozen demonstrators rushed the building entrance. When demonstrators rushed the building entrance, the police suddenly entered from the other gate of the Chancery.

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compound and began belabouring the demonstrators with wooden batons. The crowd began to disperse from the other compound gate from which they had entered. In the melee, one man received a head injury and four or five others received very minor injuries within the limit of our Chancery. The High Commissioner was surprised at the sudden and un-called-for attack by the police and rushed down and joined his other officers who were attempting to stop the police from beating up the crowd within the Chancery compound. The injured persons were immediately taken to hospital accompanied by the Third Secretary.

Later, the High Commissioner persuaded seven of the remaining demonstrators, who were still in the Chancery compound, to come up and talk to him. They said they first wanted to lodge a protest against the High Commissioner's conduct in calling in the police to beat up their peaceful demonstrators. The High Commissioner told them that it was most unfortunate that this incident should have occurred in our Chancery and assured them that he had not called in the police because he proposed to get their representatives to come and talk to them. The fact was that when some demonstrators rushed the entrance steps, the police came in from the other gate and dispersed the crowd.

The High Commissioner repeated that it was completely wrong for anyone to imagine that the police had been called in by him or his officers and that this was a pre-arranged plan. Thereafter, a memorandum was given to the High Commissioner by those representatives. This is being forwarded by post to the External Affairs Ministry here.

Immediately after this incident, the High Commissioner rang up the Permanent Secretary of the Ceylon Government and gave him the facts, stating that it was unfortunate that the police should have rushed in and



[Shri Jawaharlal Nehru.]

intervened when this was not necessary. The Permanent Secretary said that this episode was unfortunate and he was sorry that this should have happened in our Embassy.

The High Commissioner adds in his message to us that it is quite definite that no one on his behalf asked for police intervention at any stage. Apparently, a young police Inspector on seeing some people rushing the Chancery building entrance took the steps he did to protect the Chancery premises.

Shri Sadhan Gupta: I want to say this. You will notice that my adjournment motion relates to failure to wake up to a very serious breach of diplomatic privilege, failure to protest against this incident. And apparently this is borne out by the Prime Minister's statement that no formal protest has been made to the Ceylon Government in respect of this matter. Now, it becomes very difficult to think that all this was by way of mere bona fide exercise of protective power. You know that under international law the Ceylon High Commission office of ours is our territory and the police had no business to enter it without permission from our High Commissioner. Apparently, the position is this. The Ceylon Government is going one way in its political thinking and we know that it is an anti-communist government.

Mr. Deputy-Speaker: That is a different thing. We are considering the admissibility of this adjournment motion, we should confine ourselves to that.

Shri Sadhan Gupta: I am explaining this matter. There can be no question of bona fides. What the Ceylon police apparently did was to teach the Indian communist a lesson and for that purpose they entered our High Commissioner's office and with excessive brutality, lathi-charged them. There can be no bona fide purpose behind the Ceylon police

action. Now, in this circumstance, apart from the fact that there is very serious breach of diplomatic privilege committed by the police in our mission by entering it without permission, there is the added fact that they were bringing their domestic policies into play into our High Commission office by trying to beat up our nationals.

Mr. Deputy-Speaker: I am afraid the hon. Member is trying to put forward his own view and other things on this adjournment motion.

Shri Sadhan Gupta: That is my view. The Ceylon police cannot enter our High Commission. It should not be taken in a very minor light. A strong protest should have been made and if any injury has been done to our nationals compensation should have been asked for from the Ceylon Government.

Mr. Deputy-Speaker: Is that all?

Shri Sadhan Gupta: I want to know whether this has been done. Secondly, I want to know whether when the police were intervening any attempts were made by us to contact the Ceylon authorities to get the police moved at that time. These are the two things.

Shri Narayanankutty Menon: (Makandapuram): May I say ...

Mr. Deputy-Speaker: I had selected one of the signatories to this adjournment motion for presenting the case.

Shri Narayanankutty Menon: One more point.

Mr. Deputy-Speaker: We cannot have any discussion now.

Shri Narayanankutty Menon: We did not submit an adjournment motion but we submitted a Short Notice Question.

Mr. Deputy-Speaker: That should be taken up differently.

**Shri Narayanankutty Menon:** Now in view of the fact that the Prime Minister has given a statement, that Short Notice Question may not be allowed

**Mr Deputy-Speaker:** He should not anticipate that

**Shri Tyagi rose—**

**Mr Deputy-Speaker:** Does he want to say something?

**Shri Tyagi (Dehra Dun)** Now that this adjournment motion has been moved

**Mr Deputy-Speaker:** It has not been moved

**Shri Tyagi:** At least it has been talked out in the House. The Prime Minister has also given the facts. The public at large might perhaps go with that idea. Because this matter has been brought to the notice of the House, it must also be brought to the notice of the country that the behaviour of any Indian nationals in a foreign country who demonstrate against their own Government's policy is not only despicable but also is a matter of disgrace and they are unpatriotic to have behaved like that in a foreign country.

**Shri Sadhan Gupta:** That is not the opinion of the House.

**Mr Deputy-Speaker:** Order, order. So far as this adjournment motion is concerned, Shri Sadhan Gupta has worded it thus

"Failure to protest against the brutal lathi-charge on Keralite demonstrators." Now the facts have been given. The episode is certainly unfortunate. But, however much we may regret it, it is clear that the Government could not do anything which it has failed to do there. In the wording of the adjournment motion itself I find a little contradiction. The words used are "failure to protest". If some time has elapsed and the Government has failed then there is no cause for adjournment motion. If no time has elapsed

then there cannot be any failure. Government must have some time if they are to make any protest now. Either some time has elapsed and the Government has failed, in which case there is no cause for any adjournment motion and I cannot admit it, or really no time has elapsed in which case there could not be any failure. Therefore, in that respect in itself this adjournment motion, as it stands, contradicts itself and I see no reason why I should give my consent to it. Similarly, other adjournment motions on the same subject are ruled out.

**Shri Narayanankutty Menon:** You allowed the hon Member, Shri Tyagi, to say something.

**Mr Deputy-Speaker:** I rather stopped him from saying as soon as I learnt what he wanted to say.

**Shri Narayanankutty Menon:** About the conduct of those people who entered the High Commissioner's office, he failed to understand the whole purport of it (*Interruptions*).

**Mr Deputy-Speaker:** We should not go into that question just at this moment. Now this subject should be treated as closed (*Interruptions*).

**Shri Punnose (Ambalapuzha)** It is surprising to see Shri Thomas laughing when we say some Malayalees are beaten up.

**Shri Kottukapally rose—**

**Mr Deputy-Speaker.** Order, order. I would request the hon Member to resume his seat. Now we will take up the next item (*Interruptions*). When I am standing will hon Members continue speaking like this?

**Shri Jawaharlal Nehru:** As a foreign country has been mentioned, if you would permit me I would like to say a few sentences to clear up any doubts that may be there. I have given all the facts. In conclusion I said that our High Commissioner immediately got in touch with the Ceylon Government and drew their attention to this and pointed out "it is most regret-

[Shri Jawaharlal Nehru.]

table that this thing has happened." The representative of the Ceylon Government expressed his regret. It is clear, as far as the facts go, that this was not an organised affair. Some petty policeman seeing some people rushing into the Chancery building, may be, lost his head. He thought he ought to protect it. It is not a question of invading Indian territory in Ceylon against our wishes. I think he really lost his head. He ought not to have done so. But the fact is, as far as one can say, with the good intention of protecting the building the policeman entered the building. As hon Member asked 'did we protest at the time while it was going on?' "The whole thing lasted about two minutes or less."

**Shri Tyagi:** Does he approve of such demonstrations in foreign countries by Indian nationals?

**Shri Jawaharlal Nehru:** The whole thing lasted about a minute or two. It was sudden and immediately the place was cleared. And, as I pointed out, people went up and presented their memorandum to the High Commissioner, who expressed his regret to them. I do not see what more he could have done in the circumstances or we can do now. It will be unfair to drag in the Ceylon Government for what some petty police official has done, with good intention I believe.

**Mr Deputy-Speaker:** I withhold consent. Let us take the next item.

**Shri Kottukapally (Moovatapuzha):** It appears to me it is just retribution. They are getting in other countries what they gave the people of Kerala.

**Mr. Deputy-Speaker:** Order, order. I ask him to resume his seat. I am sure the hon Members of this House are mature and they would not lose their head as the Sub-inspector did. Now papers to be laid on the Table.

12.57 hrs.

### PAPERS LAID ON THE TABLE

#### NOTIFICATION ISSUED UNDER DELHI DEVELOPMENT ACT

**The Minister of Health (Shri Karmarkar):** I beg to lay on the Table, under section 58 of the Delhi Development Act, 1957, a copy of Notification No SO 1709 dated the 1st August, 1959 [Placed in Library, See No LT-1709/59]

#### ANNUAL REPORT OF INDIAN COUNCIL OF AGRICULTURAL RESEARCH

**Shri Karmarkar:** On behalf of Shri M V Kr shnappa I beg to lay on the Table a copy of the Annual Report of the Indian Council of Agricultural Research for the year 1955-56 [Placed in Library, See No LT-1514/59]

#### NOTIFICATIONS ISSUED UNDER ESSENTIAL COMMODITIES ACT

**The Deputy Minister of Food and Agriculture (Shri A. M Thomas):** I beg to lay on the Table, under subsection (6) of Section 3 of the Essential Commodities Act, 1955, a copy of each of the following Notifications —

- (i) GSR No 837, dated the 16th July, 1959
- (ii) GSR No 874, dated the 23rd July, 1959
- (iii) GSR No 877, dated the 27th July, 1959, containing the Sugar (Movement Control) Order, 1959
- (iv) GSR No 893, dated the 1st August, 1959 making certain further amendments to the Rice and Paddy (Andhra Pradesh), Second Price Control Order, 1959
- (v) GSR No 925, dated the 8th August, 1959 making certain further amendment to the Inter-Zonal Wheat Movement Control, Order, 1957. [Placed in Library, See No. LT-1516/59].

**REPLY TO MEMORANDUM ON DEMANDS FOR GRANTS (RAILWAYS)**

The Deputy Minister of Railways (Shri S. V. Rameswamy): I beg to lay on the Table copy of a statement containing reply to a memorandum received from a Member in connection with Demands for Grants. (Railways) 1950-60 [Placed in Library, See No LT-1517/59].

**ANDHRA PRADESH AND MADRAS (ALTERATION OF BOUNDARIES) BILL\***

The Minister of State in the Ministry of Home Affairs (Shri Datar): I beg to move:

"to introduce a Bill to provide for the alteration of boundaries of the States of Andhra Pradesh and Madras and for matters connected therewith"

Mr Deputy-Speaker: The question is

"That leave be granted to introduce a Bill to provide for the alteration of boundaries of the States of Andhra Pradesh and Madras and for matters connected therewith"

The motion was adopted.

Shri Datar: I introduce the Bill

The Deputy Minister of Food and Agriculture (Shri A M Thomas): Sir, Item No 2 has not been laid on the Table.

The Minister of Revenue and Civil Expenditure (Dr. B Gopala Reddi): It has been done by Shri Karmarkar on behalf of Shri Krishnappa

12.30 hrs.

**STATE BANK OF INDIA (SUBSIDIARY BANKS) BILL—contd**

Mr. Deputy-Speaker: The House will now take up further considera-

tion of the following motion moved by Dr. B. Gopala Reddi on the 11th August, 1950:

"That the Bill to provide for the formation of certain Government or Government-associated banks as subsidiaries of the State Bank of India and for the constitution, management and control of the subsidiary banks so formed, and for matters connected therewith, or incidental thereto, as reported by the Joint Committee, be taken into consideration"

Perhaps now that the debate is closed, the hon Minister would like to say something. We have only one hour left.

The Minister of Revenue and Civil Expenditure (Dr. B. Gopala Reddi): Sir, the Bill was generally welcomed by all sections of the House. The Joint Committee also went into the provisions of the Bill in great detail. The only objection that was raised was Why not straightaway merge with the State Bank instead of creating these subsidiary banks? That subject has been discussed at length in the Joint Committee and here again yesterday that was the point to which great attention was paid by speakers, who spoke yesterday

The matter is very simple. It is a fact that the Rural Credit Survey recommended straightaway merger some time ago, but the Government thought that instead of acquiring these banks or forcing them into a merger we could open negotiations with them and persuade them to come into the scheme of things. We are glad to say that these five banks, more especially, leaving Saurashtra, Patiala and Hyderabad out, their directors and shareholders have all agreed to come into the scheme on the terms of compensation to be negotiated. Therefore, we have achieved a great objective by nego-

\*Published in the Gazette of India Extraordinary, Part II—Section dated 12-8-50.

†Introduced with the recommendation of the President.

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tiating and by persuading instead of by compelling or coercing them into submission. So, it has its own good point, namely that we have been able to carry the shareholders and directors in this scheme of creating subsidiaries

In the beginning some of the State Governments wanted that instead of our acquiring the entire thing they should also continue to be participants in the scheme of things. I told the House last time also that it was the Kerala Government that started the thing, namely, that they may be allowed to continue to have the share capital in some of these subsidiaries instead of giving them cash compensation and the other States Governments also wanted—Punjab Government and all of them—that they may continue to have continuing interest in the subsidiary bank which will not be possible if it was straightaway merger. We also thought that the banks were functioning for some time there and were familiar with the local conditions. They know who is who there. The association of local people also as directors and non-official directors etc will be great advantage to the subsidiary banks and all that would be lost if there was a straightaway merger with the State Bank. Being an all-India institution the State Bank would be busy with all-India matters instead of familiarising itself with the local conditions by taking local interest etc.

Then, the management also would be cheap. That is a consideration which we should not lose sight of. More especially we are allowing 45 per cent of the shareholders to continue. They also have a legitimate claim on the profits of the bank being shareholders and suddenly if the management becomes very costly what they are likely to gain by way of dividends will be reduced to a considerable extent. We know that there are about 7,000 employees of these subsidiary banks. Last year they paid

about Rs 150 lakhs as salaries. After paying that they have declared profits of Rs 85 lakhs or so last year, that is, 1958 accounts. If suddenly they are to be given the State Bank salaries, perhaps it will be another Rs 30 lakhs or Rs 40 lakhs and to that extent their profits will be reduced. The profits will come down and it will not be an incentive for these 45 per cent shareholders to continue as shareholders of the subsidiary banks. So, all told there will be cheap management.

Further, with regard to the policy of advances the State Bank has many restrictions. Being an all-India bank, being a State bank, as it were, it cannot grant advances in many cases. It is restricted by its own rules and regulations. While a commercial bank or a subsidiary bank can operate or can give advances in a particular situation, the State Bank is precluded under its own rules from granting advances. Therefore this is an advantage in that they will have more elbow room for giving advances. Therefore considering all these matters it is much better to create the subsidiary banks instead of merging them.

Then the question of general manager's salaries, managing directors and things like that also were raised. They are paid very high salaries and it was said that by creating the subsidiary banks we will continue to pay the high salaries that they are enjoying today. Under the provisions of this Act on the appointed day all of them cease to exist. General managers do not continue to be General managers unless the State Bank offers to continue them on such terms as it think fit. They may continue or their services may be terminated. They may be compensated or they may come under the new rules or new scales of pay. Therefore the question of high scales of pay for the General managers does not arise because all of them cease to exist on the appointed day.

A point was raised whether when these subsidiary banks are created there will be duplication where some of these banks may be having branches and the State Bank branches also may be operating in that particular area. These matters have to be looked into by the State Bank after these institutions are taken over. As far as we can see, all these banks are operating in Part B States, generally in under-developed States so far as banking institutions are concerned. The policy is that in one or two important places if there are State Bank branches already existing, they may continue, but otherwise we would try to see that there is no duplication. If the State Bank has to withdraw a branch office it may withdraw and allow the subsidiary banks to open up new branches. It is a matter of detail about which I am sure the State Bank together with the directors of the subsidiary banks will be able to formulate a policy and try to avoid all duplication with regard to branch offices.

There was also the point raised whether Rajasthan Bank will continue to enjoy its present position. They cannot in course of time. That means that when new branches begin to function in the area where the Rajasthan Bank is operating, Rajasthan Bank will be asked to shed its treasury work. It will not be a State-associated bank. But it may take a little time because wherever it is operating now new branches either of Jaipur Bank or of Bikaner Bank have to come up. When that is done Rajasthan Bank will be asked to shed its treasury work.

The Maharaja Sahib said that sometime in the local bodies due to some faction some people are removed from service. He wanted to know whether it will be a disqualification from being a director of the State Bank. That was the point raised. This point was also raised in the Joint Committee and we thought that if a man is not fit enough to be an employee of the Panchayat Board, a municipality or a district board, he need not occupy the exalted position of a director of a sub-

subsidiary bank. After all if he is not fit even to be an employee on Rs 200 or Rs 300 in a Panchayat Board or a municipality, and certainly there is no need to have such people as directors. There is no dearth of personnel in the country. After all, these subsidiary banks are going to be very important links for the banking institutions and we need not invite people with shady characters. If somebody some time ago was removed because of corruption or mismanagement such people need not occupy the directorship of these subsidiary banks. Therefore whether he was in Government service or in local authorities' service, if he has been removed for corruption or for some such thing, certainly the disqualification will operate against him.

Again, about the question of tribunal it was said, "You appoint some High Court judges or Supreme Court Judges for tribunal work and then you do not allow them to ask for all the documents. The general managers and the managing directors can always claim certain documents as privileged documents and the tribunals cannot compel the production of such documents before them." The tribunal is appointed for computing the compensation to be paid, and if those people are not able to satisfy the tribunal with regard to the bona fides of some of their secret funds, or whatever it is, to that extent the compensation will be lessened. It will work as a detriment to the shareholders and other directors. It will be in their own interest to produce as many documents as possible, so that the tribunal may be convinced of the existence of the secret funds and compensation may be computed on that basis. It is in their own interest to show all their documents, and if they do not do so, to that extent they will be the losers and they will get less compensation.

Once a document is produced before the tribunal they have to refer to it in their findings, and once they discuss it in their findings it becomes public property. It means the same thing showing it to the tribunal is

[Dr B Gopala Reddi]

tantamount to showing it to the public. Therefore, when they think it is not in their interests to show a particular document and they do not show it, they take the consequences of it. Therefore, we may leave it as it is. If they want more compensation, they will show all the documents and try to get more compensation. Otherwise, they do it at their own risk or at their own cost. Therefore we need not object to this secrecy clause, because it will work against the interests of the shareholders themselves. If they do not show it they are the sufferers.

My good friend Shri Nathwani raised some constitutional points that the State Bank Act does not provide all the principles of compensation and that this Act also does not give all the principles of compensation etc. When we are acquiring a thing by force or by compulsion the question of compensation and the principles thereof will have to be elaborately given. Here we are persuading and negotiating with them and we have come to a sort of compromise with them. The directors and shareholders are all agreeable. So the question of elaborating the principles of compensation need not be raised, and there is no constitutional impropriety that we have committed when we do not lay down all the principles.

Mr Deputy-Speaker: But whether it is by agreement or without agreement if the constitutional provision is such that some principle should be laid down for the compensation, we ought to make it.

Shri Nathwani (Sorath): In the sub-section itself it is provided that once the award is given, then "notwithstanding anything contained in any law for the time being in force, the terms are binding. Therefore, even though under the Indian Companies Act, the shareholders might have refused" the terms are binding. You know, Sir, that under the Indian Companies Act, power to transfer the assets of the whole undertaking is vested in the company in the general

meeting. That is the provision. Even if the shareholders oppose, still, once the board of directors or the management of the company agree thereto, then the assets will be transferred. Therefore there is compulsion. Whatever you may do—in fact they may agree—but as it is worded, as the provision stands there is compulsion and no principles have been fixed. That was my point.

Dr B Gopala Reddi: That is true. We have gone into this question and we feel there is no need to make any elaborate provision for laying down the principles, because, we still maintain that we are not acquiring it and the question of laying down all the principles of compensation need not be elaborated.

Shri Ram Krishan Gupta (Mehendragarh): Is not the creation of the Bank of Patiala against the provisions of the Constitution?

Dr B Gopala Reddi: It is a departmental bank of the Punjab Government and it is a matter between the Punjab Government and the State Bank of India to fix the compensation, and if they are agreed they can also go to the tribunal. There is no separate treatment given to the Patiala Bank.

My hon friend Shri Morarka also raised the question of some useless things being mentioned in this Bill—that they must have a balance sheet at the end of the year and things like that. After all, the basis is the Banking Companies Act. Wherever this Act is silent, the Banking Companies Act comes into force, and it is in consonance with the Banking Companies Act that some of the provisions have been drafted. If they are there, certainly we will have to adopt the same thing, and it is not either redundant or anything contradictory when we take the Banking Companies Act as the basis.

And likewise Shri Easwara Iyer has raised the same point with regard to

there being some contradiction between clause 63 and the Third Schedule, etc. We see no contradiction at all, because one (that is the Third Schedule) is for providing a machinery for the resolution of disputes, while clause 63 is for the promulgation of service rules, whether they are under dispute or otherwise. Therefore we do not feel there is any contradiction, and what we have done, and more specially by persuading them to come into the scheme of things, is really very good. Instead of using the big *danda* as it is called, we have persuaded them and all the directors and shareholders have seen the wisdom of the scheme, and the State Government also will have their share capital—the Kerala Government and other Governments, also. And therefore, it will serve the interests of the local people better when it is a subsidiary bank instead of being merged with the State Bank.

Even before creating a subsidiary bank there were some misapprehensions in Mysore and other places. They did not want even the subsidiary bank. Originally they passed a resolution and after looking into the matter again they wanted to go back. But luckily, or fortunately, those people who did not like the subsidiary banks did not get the support of the shareholders themselves, and therefore the matter was dropped. Therefore, all told, the shareholders, the existing directors, the State Bank, the Reserve Bank, the Government are all satisfied that it is the best arrangement under the present circumstances and we need not unnecessarily give them the State Bank salaries.

**Shri Shankaraiya (Mysore).** There is difference of opinion among the directors themselves and the shareholders. But since the majority has passed

**Dr. B. Gopala Reddi:** We feel that even among the directors there is a majority for the present scheme.

**Mr. Deputy-Speaker:** When the majority have taken a decision, that is the decision of the bank.

**Shri Achar (Mangalore):** At the reconsideration meeting there was no quorum even.

**Dr. B. Gopala Reddi:** With regard to paying State Bank salaries, every time they were mentioning "you have got the control, but you don't give the salaries of the State Bank." After all, they are going to be subsidiary banks. There is no need for merging them as I said. And people are happy that all these banks are continuing to retain the local character. All these banks are in the 'B' category. Previously the Travancore Bank was in 'C' category but now it has come in 'B' category. All the employees will get the 'B' category scales of pay. If *straightway you want to give them the 'A' category scales of pay*, the profits of these banks will go down and they will be hampered in their developmental work. And it is not in the interest of the local people themselves merely to raise the scales of pay without getting any benefit out of the enhanced scales of pay. For a long time they must be managed in a cheap manner, so that when they are established, when their deposits go up, naturally they will come under category 'A' and they will get the same scales as the State Bank. And we hope in the coming few years their reputation, their integrity will be so high as to attract more deposits, and when necessarily the deposits go up, the scales of pay will also go up, and that will be the happiest solution instead of unnecessarily creating more problems by merging them with the State Bank.

**Mr. Deputy-Speaker:** The question

"That the Bill to provide for the formation of certain Government or Government-associated banks as subsidiaries of the State Bank of India and for the constitution, management and control of the subsidiary banks so formed, and for matters connected therewith, or incidental thereto, as reported by the Joint Committee, be taken into consideration."

The motion was adopted.



**Mr. Deputy-Speaker:** We will now pass on to the clause by clause consideration

The question is

"That clause 2 stand part of the Bill"

The motion was adopted.

Clause 2 was added to the Bill  
Clauses 3 to 10 were added to the Bill

**Clause 11—(Transfer of services of employees of existing banks)**

**Shri Ram Krishan Gupta:** I beg to move

Pages 6 and 7,—

for lines 28 to 42, and 1 to 6 respectively, substitute—

"11 (1) Save as otherwise provided in this Act, every employee of an existing bank in the employment of that bank immediately before the appointed day, shall on and from that day, become an employee of the State Bank and his terms and conditions of service and rights and privileges of pension gratuity and other matters shall, thereafter, be the same as the terms, conditions, rights and privileges applicable to the employees of the State Bank

Provided that nothing contained in this sub-section shall apply to an employee of the Bank of Patiala who holds a civil post under the State Bank of Punjab unless, prior to the appointed day, he has intimated his consent to become an employee of the State Bank of Patiala by notice in writing, given to the Government of that State through the Bank of Patiala

Provided further that such of the employees of the Bank of Patiala who opt out to continue as civil servants, under the State of Punjab, shall be so absorbed by the State of Punjab, and that their terms and conditions of service shall not be altered to their detriment" (9)

क्लाज ११ के लिये जो मैंने वह अमेंडमेंट दिया है उसके बारे में मैंने कल ही काफी कह दिया था। आज तो मैं सिर्फ भावनात्मक डिप्टी मिनिस्टर साहब से फिर प्रपील करता हूँ कि वह इस अमेंडमेंट को जरूर मान लें। जैसा कि मैंने कल कहा, ऐसा करने से जो बैंक सबसिडियरी बैंक बनाये जा रहे हैं उनके एम्प्लॉयर्स का भी स्टेटस और उनकी सर्विस की कडीशन्स वही होगी जो कि स्टेट बैंक ऑफ इंडिया की है। इसके मुताबिक भी कल काफी कह चुका हूँ। मेरी फिर प्रपील है कि इस अमेंडमेंट को कबूल कर लिया जाए।

**Mr Deputy-Speaker:** Shri Ram Krishan Gupta has moved his amendment?

**Shri Ram Krishan Gupta:** Amendment No 9

**Shri Kodiyam (Quilon-Reserved—Sch Castes):** I beg to move

Page 6,—

for lines 28 to 42, substitute—

"11 (1) Save as otherwise provided in this Act, every employee of an existing bank in the employment of that bank immediately before the appointed day, shall on and from that day, become an employee of the corresponding new bank with continuity of service and shall be deemed to be an employee of the State Bank for the purpose of pay scale, dearness allowance and other service conditions" (27)

My amendment seeks to provide the same status as that of the employees of the State Bank to the employees of the subsidiary banks. The hon Minister has stated yesterday that the number of employees now serving in the subsidiary banks would come to 7,000 and if their salaries are raised to that of the State Bank employees, it would involve a huge expenditure. When these banks are becoming subsidiaries of the State Bank of India, according to the provisions of the Bill, practically they are coming under the

## (Subsidiary Banks) Bill

control of the State Bank and they are becoming part and parcel of the State Bank of India. If the pattern and the functions of these banks are changed according to the present Bill and if they are controlled by the State Bank, I do not understand why the employees alone should remain stationary as they were before, that is, before this present set up. Therefore, I feel that their claim to be put on par with the employees of the State Bank of India is a very very just one and that should be acceded to.

Another point which I want to bring to the notice of the hon. Minister is this. He says that it is not the intention of the Government to take away any of the existing emoluments of these bank employees. But, I have to bring to his notice that the employees of the Indo-Mercantile Bank in Kerala, that has now been taken over by the Travancore State Bank which is to become a subsidiary of the State Bank of India under this Bill, have been served with notice of retrenchment consequent on the merger of that bank with the Travancore State Bank. Therefore, this question should be looked into carefully and sympathetically. The Travancore State Bank has no branches in certain areas where this Indo-Mercantile Bank has got branches. I think it is so in three or four places. In those particular places where the Indo-Mercantile Bank has got its branches, they can be changed into the branches of the Travancore State Bank and the existing employees in the Indo-Mercantile Bank can be absorbed in those branches of the Travancore State Bank. I would request the hon. Minister to look into this matter and also I would request him to accept my amendment.

**Shri Shankaraiya:** Before the Minister replies, on this clause, I want one clarification. Different banks are being taken and the conditions of service and emoluments and some of the facilities provided in the different banks are varying. Their conditions are being guaranteed. When they come into the subsidiary banks of the State Bank, will the special privileges

that are allowed in the different banks be continued or will they be taken away and levelled on a uniform basis. I want a clarification.

**Dr. B. Gopala Reddi:** As far as I can see, they will be continued till they frame new service rules. On the appointed day they will continue to draw their scales of pay and other privileges. They will be varying. They are not becoming one amalgamated bank. They are retaining their local character. Their service conditions will continue the same till, of course, the State Bank promulgates new service rules. To start with, there will not be any change.

**Shri Shankaraiya:** For example, it is not salary conditions but housing facilities, concessions in housing colony sites etc. are given, bonus facilities are given.

**Mr. Deputy-Speaker:** All that is there shall be continued unless the State Bank makes fresh rules so far as service conditions are concerned. Their local character is also to be retained. The amenities that employees of a particular bank enjoy which are not enjoyed by the employees of other banks, they will continue to enjoy. This is what I have understood.

**Shri Shankaraiya:** The point is this. They are not in the service conditions. The bank as such has extended facilities for their employees. I want to have a clarification on this.

**Dr. B. Gopala Reddi:** As far as we can see, this is a matter that the State Bank will certainly look into. The intention is not to put these employees under any handicap. Perhaps, a bulk of them, if they are not very unreasonable, will be continued. No misapprehension need be entertained on that score.

With regard to other matters, I do not know what retrenchment is effected by the Indo-Mercantile Bank.

**Shri V. P. Nayar (Quilon):** They have sent us telegrams that they fear retrenchment as a result of this measure. Notice has already been served, it appears.

**Dr. B. Gopala Reddi:** Anyhow the matter will be looked into.

**Shri V. P. Nayar:** What does the brief say?

**Mr. Deputy-Speaker:** Order, order.

**Dr. B. Gopala Reddi:** The office is entitled to give that information to the Minister.

**Mr. Deputy-Speaker:** There is absolutely nothing wrong.

**Dr. B. Gopala Reddi:** It is not prompting as in *daramas* or *Kathakali*.

**Shri V. P. Nayar:** In *Kathakali*, what you hear is not prompting. You do not know that.

**Dr. B. Gopala Reddi:** Anyway, this is a matter which will be looked into. Once Parliament gives its approval to this Bill, from the appointed date, the State Bank will come into the picture in a prominent manner. Just now, before this Bill is passed, what is happening, of course, will have to be looked into. We will certainly look into the matter. We will bear this in mind and see that no undue hardship is created. Anyway, after the appointed date, these things will be stopped. Of course, this matter was canvassed at great length when the Bill was considered in the Joint Committee, what scales of pay they should get and things like that. Therefore, I am unable to accept any amendment.

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

Pages 6 and 7,—

for lines 28 to 42, and 1 to 6 respectively, substitute—

"11 (1) Save as otherwise provided in this Act, every employee of an existing bank in the employment of that bank immediately before the appointed day, shall

on and from that day, become an employee of the State Bank and his terms and conditions of service and rights and privileges to pension, gratuity and other matters shall, thereafter, be the same as the terms, conditions, rights and privileges applicable to the employees of the State Bank.

Provided that nothing contained in this sub-section shall apply to an employee of the Bank of Patiala who holds a civil post under the State Bank of Punjab unless, prior to the appointed day, he has intimated his consent to become an employee of the State Bank of Patiala by notice in writing, given to the Government of that State through the Bank of Patiala.

Provided further that such of the employees of the Bank of Patiala who opt out to continue as civil servants under the State of Punjab, shall be so absorbed by the State of Punjab, and that their terms and conditions of service shall not be altered to their detriment" (9)

Page 6,—

for lines 28 to 42, substitute—

"11 (1) Save as otherwise provided in this Act, every employee of an existing bank in the employment of that bank immediately before the appointed day, shall on and from that day, become an employee of the corresponding new bank with continuity of service and shall be deemed to be an employee of the State Bank for the purpose of pay scale, dearness allowance and other service conditions" (27)

**Mr. Deputy-Speaker:** I could hear only one voice 'Aye' and one voice 'No'. How should I decide?

**Dr. B. Gopala Reddi:** I cannot say; I am a Member of the *Rajya Sabha*.

Mr. Deputy-Speaker: I will put it again.

The question is:

Page 6 and 7,—  
for lines 28 to 42 and 1 to 6 respectively, substitute—

"11. (1) Save as otherwise provided in this Act, every employee of an existing bank in the employment of that bank immediately before the appointed day, shall on and from that day, become an employee of the State Bank and his terms and conditions of service and rights and privileges to pension, gratuity and other matters shall, thereafter, be the same as the terms, conditions, rights and privileges applicable to the employees of the State Bank:

Provided that nothing contained in this sub-section shall apply to an employee of the Bank of Patiala who holds a civil post under the State Bank of Punjab unless, prior to the appointed day, he has intimated his consent to become an employee of the State Bank of Patiala by notice in writing, given to the Government of that State through the Bank of Patiala:

Provided further that such of the employees of the Bank of Patiala who opt out to continue as civil servants under the State of Punjab, shall be so absorbed by the State of Punjab, and that their terms and conditions of service shall not be altered to their detriment." (9)

Page 6,—

for lines 28 to 42, substitute—

"11. (1) Save as otherwise provided in this Act, every employee of an existing bank in the employment of that bank immediately before the appointed day, shall on and from that day, become an employee of the corresponding new bank with continuity of ser-

vice and shall be deemed to be an employee of the State Bank for the purpose of pay scale, dearness allowance and other service conditions." (27).

Some Hon. Members: 'Aye'.

Some Hon. Members: 'No'.

Mr. Deputy-Speaker: If I were to decide by voices, that would go against it. It would be a waste of time. I know there are many voices behind. The amendments are lost.

*The motion was negatived.*

Mr. Deputy-Speaker: The question is

"That clause 11 stand part of the Bill."

Mr. Deputy-Speaker: No 'Ayes' and it stands part of the Bill"

Some Hon. Members: 'Ayes'

Mr. Deputy-Speaker: Hon. Members should make up their minds and be ready to answer. The question is

"That clause 11 stand part of the Bill"

*The motion was adopted.*

Clause 11 was added to the Bill.

Clauses 12 and 13 were added to the Bill.

13 hrs.

Mr. Deputy-Speaker: The question is:

"That clauses 14 and 15 stand part of the Bill".

Those in favour may say 'Aye'...

Several Hon. Members: 'Aye'

Mr. Deputy-Speaker: I find that the voices are dying down. There ought to be some whip at least.

The question is:

"That clauses 14 and 15 stand part of the Bill".

*The motion was adopted.*

Clauses 14 and 15 were added to the Bill.

Clause 16— (Tribunal to have powers  
of a Court)

Shri Kodiyar: I have got an amendment to this clause, namely amendment No. 28. This amendment seeks to provide for the representation of workers or the employees of the banks to have their say in the matter of administering any funds which are intended for the benefit of the employees.

Mr. Deputy-Speaker: Which is the amendment? Amendment No. 28 is to clause 11; it is not to clause 16

Shri Kodiyar: I am sorry.

Mr. Deputy-Speaker: But there is amendment No. 29 to this clause. If the hon. Member wants to move it, he may do so.

Shri Kodiyar: No.

Mr. Deputy-Speaker: So, he is not moving it

Shri V. P. Nayar: We could not cope up with your speed.

Mr. Deputy-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.

Mr. Deputy-Speaker: The question is:

"That clause 16 stand part of the Bill".

Those in favour may say 'Aye'....

Several Hon. Members: 'Aye'.

Mr. Deputy-Speaker: I should get the answer promptly; the voice should come out as soon as I have uttered.

Shri V. P. Nayar: It is not possible for the hon. Minister to make a call

because he happens to be a Member of the Rajya Sabha.

Mr. Deputy-Speaker: The question is:

"That clause 18 stand part of the Bill".

*The motion was adopted.*

Clause 18 was added to the Bill.

Clauses 19 to 24 were added to the Bill.

Clause 25— (Composition of the Board of Directors)

Shri Kodiyar: I beg to move:

Page 14, line 36,—

for 'more' substitute 'less'. (31).

According to this clause, five members are to be nominated by the State Bank of India to the board of directors of a subsidiary bank; it has also been stipulated out of these, not more than three should be officers of the bank concerned. I want that instead of 'more', it should be 'less'. My point is that not less than three of these nominated officers should be officers of the bank concerned, because the local interests and the local conditions of a particular area in which the bank is operating should be taken into consideration, and they should be given a greater voice in the matter of the running of the bank. After all, these officers of the local bank will be persons familiar with the local conditions, and they would have acquired vast experience in dealing with the local problems. That is the main point that I want to make.

Mr. Deputy-Speaker: The amendment is now before the House.

Dr. B. Gopala Reddi: The idea is to have at least two non-official members on the directorate. We do not want more than five directors to be nominated by the State Bank, and of these not more than three shall be officers of the bank concerned, thus

leaving two for persons other than officers of the State Bank I think this is but necessary, because the State Bank will have three people, and 45 per cent of the shareholders will have two people; so, it will be three against two, the other two people who will be nominated by the State Bank will not be officers of the State Bank. That will give room to anybody, a local man or some economist or some professor or somebody who has banking experience, or anybody whom we can invite to be on the directorate. Therefore, instead of making it somewhat tight, it is better that we leave two people like that, by saying that not more than three shall be officers of the State Bank. Therefore, I am unable to accept the amendment.

Shri Prabhat Kar (Hooghly) Instead of 'not more than', we have suggested 'not less than'. The purpose that the hon Minister has in view will be served even if this amendment is accepted, because not less than three will be there.

In the future, as we envisage, more and more control will be exercised by the State Bank and in the course of a few years, these banks would become amalgamated or merged with the State Bank of India. So, there will be some streamlining of the procedure on the lines that are followed by the State Bank of India. Today, the hon Minister is not insisting on these banks to follow the procedure of the State Bank of India but he is allowing them to follow their own procedure. But, slowly the procedure will be streamlined on the lines followed by the State Bank of India. So, in the future there will be an opportunity to take more and more officers from the State Bank on the directorate. The purpose that the hon Minister has in view will be served even if he accepts this amendment. If we say 'not less than', it is not going to alter the position. On the other hand, we shall be able to have more directors from the State Bank in the near future, because the

procedure of these banks will be streamlined and channelled along the lines of the State Bank.

Mr. Deputy-Speaker: What I understood the hon Minister to say was that the objective was that it should not exceed three, so that at least two might be left for the other people. If it is not less than three, then it means that at least three shall be there, and there would be no scope, just at the present time, to have more than two on the other side, which is what the intention is.

Shri Prabhat Kar: The hon Minister said that two will be from the shareholders, and two will be from others. Government are contemplating not more than three from the State Bank. So far as the number three is concerned, they have decided that three officers from the State Bank will be there, it is not their intention to make it two. That is why I ask 'Why not say this is the intention' in the Bill itself?

Mr Deputy-Speaker: If it is neither less nor more, why should there be any argument?

Shri Prabhat Kar: This amendment will not alter the position or the intention of the hon Minister.

Dr B Gopala Reddi: If it is not less than three, then unnecessarily we create misapprehensions in the minds of 45 per cent of the shareholders. They are getting only two seats, and if you say 'not less than three', it means that you may nominate four or even five, and there would not be any limit, supposing it is five against 2 then 45 per cent of the shareholders will have a grievance. Just now, it is 'not more than three' in the Bill, it may be two also, then, all these shareholders will get two. Therefore, it is better that we retain it as it is.

Mr Deputy-Speaker: So, I shall put amendment No. 31 to the vote of the House.

The amendment (No. 31) was put and  
negatived.

Mr. Deputy-Speaker: The question  
is:

"That clause 25 stand part of  
the Bill".

The motion was adopted

Clause 25 was added to the Bill.

Clauses 25 to 39 were added to the  
Bill.

—  
Clause 40.—(Disposal of profits)

Shri Kodiyani: I beg to move.

Page 26, line 14,—

add at the end—"and bonus"  
(33)

Clause 40 provides for the disposal  
of profits. Provision has been made  
for the declaration of dividend, but  
unfortunately no provision has been  
made for giving bonus to the  
employees before declaring dividend.  
Whatever profit a bank makes is also  
due to the efforts put in by the  
employees. Therefore, their claim  
for a share of the profits as bonus is  
a justifiable claim. I think provision  
should be made for payment of bonus  
also. I hope the hon. Minister will  
accept this amendment.

Mr. Deputy-Speaker: This amend-  
ment is now before the House.

Dr. B. Gopala Reddi: We do not  
feel any necessity for accepting this  
amendment. The wording is already  
clear. It says 'for all other matters  
for which provision is necessary'. If  
it is an obligation either under the  
Act or under the usual procedure of  
banking companies, it must, of course,  
be provided for. The wording is very  
wide and there is no need for the  
specific mention of bonus. After all,  
the question of bonus can certainly  
be negotiated, and if it is necessary to  
be paid, they will have to provide for  
it. If it is usually provided for, then  
also they will make provision for

payment. So there is no need for any  
specific mention of bonus.

Mr. Deputy-Speaker: I shall now  
put this amendment to vote.

The amendment No. 33 was put and  
negatived.

Mr. Deputy-Speaker: The question  
is

"That clause 40 stand part of  
the Bill".

The motion was adopted.

Clause 40 was added to the Bill.

Clauses 41 to 48 were added to the  
Bill.

Clause 49—(Special provision  
regarding existing officers and  
employees)

Shri Kodiyani: I beg to move:

Page 31, line 8,—

after "person" insert—

"other than a workman" (34)

Page 31, line 10,—

after "granted" insert—

"in terms of a settlement or  
award on any industrial dispute  
to the workmen". (35)

Sub-clause (1) of clause 49 says in  
part

" no appointment made or  
promotion, increment in salary,  
pension or allowance or any other  
benefit granted to any person by  
an existing bank or the Saurashtra  
Bank after the 10th day of  
February 1958, and before the  
appointed day which would not  
ordinarily have been made or  
granted ... shall have effect or  
be payable or claimable from the  
subsidiary bank concerned, or  
from any provident, pension or  
other fund, or from any authority  
administering such fund...."

So if any agreement has been entered into by these banks before a particular date, under which any benefits may be accruing to the employees, it would have no effect upon the banks after the passing of this clause. My intention of moving these amendments is to safeguard the interests of workmen. That is to say, this provision should not be binding on workmen, those who are drawing salaries below Rs. 500 a month. If any agreement to their benefit has been entered into previously, that agreement should stand and the benefit should not be denied.

Mr. Deputy-Speaker: These amendments are now before the House.

Dr. B. Gopala Reddi: At this stage, we need not draw a distinction between officers drawing less than Rs. 500 and those drawing above Rs. 500. It is stated here: in general terms:

"... to any person by an existing bank or the Saurashtra Bank after the 10th day of February 1958 and before the appointed day, which would not ordinarily have been made or granted or which would not ordinarily have been admissible under the rules or authorisation of the said banks.....shall have effect or be payable or claimable.."

We need not draw a distinction between those people drawing less than Rs. 500 and those drawing above Rs. 500. Whatever is there, of course, must be applicable to all concerned. Therefore, I am unable to accept these amendments.

Mr. Deputy-Speaker: I shall now put these two amendments to the vote of the House.

The amendments Nos. 34 and 35 were put and negatived.

Mr. Deputy-Speaker: The question is:

"That clause 49 stand part of the Bill".

The motion was adopted.

187 LSD—6.

Clause 49 was added to the Bill.

Clauses 50 to 62 were added to the Bill.

Clause 63—(Power of the State Bank to make regulations)

Shri Prabhat Kar: I beg to move:

Page 36,—

omit lines 16 to 27. (42)

Items (m) to (o) of sub-clause (2) of clause 63 give power to the State Bank to make regulations concerning the conditions and limitations of appointment, remuneration and other terms and conditions of service of officers, advisers and other employees of the subsidiary banks.

Today the employees are governed by the provisions of the award. After the expiry of the Award, the employees have the right to raise an industrial dispute. Then the dispute should be settled according to the provisions of the Industrial Disputes Act.

13-18 hrs.

[Mr. SPEAKER in the Chair]

While settling the dispute under the provisions of the Industrial Disputes Act, the arbitrator or the adjudicator or the conciliation officer will be faced with an awkward situation so far as the dispute relating to the employees of these banks is concerned. Whatever be the decision of the tribunal—the Judges and the adjudicator—it cannot be imposed because under the statute it is the bank authorities who have the full right to fix the remuneration of the employees. Here authority has been given to the State Bank under clause 63, which reads:

"The State Bank may, with the approval of the Reserve Bank, make in respect of a subsidiary bank regulations, not inconsistent with this Act and the rules made thereunder provide for all matters which provision is necessary or



[Shri Prabhat Kar]

expedient for the purpose of giving effect to the provisions of this Act,

"In particular, and without prejudice to the generality of the foregoing power, such regulations may provide for—

"the conditions and limitations subject to which the subsidiary bank may appoint officers, advisers and other employees...."

So unless the State Bank agrees to pay the emoluments as suggested by the adjudicator, his award will not be binding, because under this legislation, it is the State Bank which, through regulations, will fix the remuneration of the employees.

I want the hon. Minister to consider whether this is the intention of Government—that after this Bill has been enacted, the existing rights and privileges of the employees should be curtailed. They will be controlled as per regulations made by the State Bank of India authorities. Here the wording is clear and nowhere has it been suggested that if the remuneration is not accepted by the State Bank of India under the regulations, that will be binding on the management of the subsidiary bank. For this purpose I would request the hon. Minister to consider my amendment.

It has been suggested that along with this the Industrial Disputes Act also has been amended. The definition under section 2(bb) has been altered to include the subsidiary also. If it has been included there that a subsidiary bank also would come under the purview of the Industrial Disputes Act and in their case the appropriate Government would be the Central Government, then, how will sub-clauses (m) and (o) of clause 63 operate so far as the employees governed by the Industrial Disputes Act are concerned? It may be that in the case of officers and advisers who do not come within the

purview of the Industrial Disputes Act—that means they are not workmen—regulations can be made by the State Bank of India. That will be perfectly all right. But, in the case of employees who are governed by the provisions of the Industrial Disputes Act who have the legitimate right to raise disputes and get them adjudicated by the adjudicator under the Industrial Disputes Act, how can their remuneration, emoluments and service conditions be fixed by the State Bank of India without giving the employees any right to raise these matters in the industrial court? This is an anomalous position and I want it to be clarified by the hon. Minister. Because I understood the Government have not got any such intention, I have moved this amendment. This anomaly can be removed by accepting my amendment.

Dr B. Gopala Reddi: Sir, this is the very question raised by my hon. friend Shri Easwara Iyer yesterday. In my reply this morning I said that there is no inconsistency between the Schedule and clause 63. There may be many points in industrial disputes which may be covered by the Schedule. But there may be many other matters which may not be under dispute. There must be some provision enabling the State Bank, with the approval of the Reserve Bank, to regulate such things. So, we must contemplate a situation where there are certain matters which are under dispute and there are other matters which may not be under dispute, so that all of them may be covered. The matters not in dispute will be covered by this clause and the matters which are in dispute will be covered by the Schedule. So, this clause must be there; otherwise, it is an impossible position. Therefore, I am unable to accept the amendment.

Mr. Speaker: I think in view of the hon. Minister's explanation the hon. Member feels it too delicate to press his amendment.

**Shri Prabhat Kar:** I only wanted to know the Government's intention whether they do not want the employees to raise questions before the tribunal under the Industrial Disputes Act. If it is not their intention I do not want to press it.

**Dr. B. Gopala Reddi:** We do not want to take away any right. They have the usual rights. Where there is a dispute it is covered by one part and where there is no dispute it is covered by the other part.

**Mr. Speaker:** Therefore, I will not put the amendment to vote.

*The amendment No. 42 was, by leave, withdrawn*

**Mr. Speaker:** Now, the question is:

That clause 63 stand part of the Bill

*The motion was adopted*

*Clause 63 was added to the Bill.*

*Clauses 64 and 65 were added to the Bill.*

*The First, Second and Third Schedules, Clause 1, the Enacting Formula and the Long Title were added to the Bill*

**Dr. B. Gopala Reddi:** Sir, I beg to move that the Bill, as amended, be passed

**Mr. Speaker:** Motion moved.

That the Bill, as amended, be passed

**Shri Prabhat Kar:** Sir, I wish to bring to the notice of the House as well as the Minister that it is not only the Government and the State Bank of India representative that made all-out efforts to persuade these particular bank managements to agree to the proposal put forward by Government to allow these banks to be run as subsidiaries of the State Bank of India, but I think, it is also the employees who played an important role in this matter. I would like to point out to the hon. Minister that

at least in one case it was due to the pressure of the employees and their persuasion that the bank subsequently agreed though at first the management of the bank refused—I mean the Bank of Bikaner. We are sorry that we could not persuade the management of the Bank of Rajasthan to accept it. I would like the hon. Minister to consider the role of the employees in this process.

They moved with this idea that if once these banks are brought under the control of the State Bank as subsidiary banks, under the guidance of the Central Government and the State Bank of India, these banks will make further progress and serve the purpose of banks under a planned economy. That is the reason why the employees persuaded the bankers to accept the proposal. Of course, they expected that with this change there will be some betterment in their service conditions. But the hon. Minister has said that it is not possible. We know that in the near future with the progress of banking the employees will get the benefit of this Bill because, with the name of the State Bank associated with these banks, with the direction and guidance of the management of the State Bank, these banks will progress and their deposits will increase and they will be in a position to pay more emoluments to their employees. I want also to bring to the notice of the hon. Minister that the employees who had insistently demanded of the management to accept the Government's policy should not be kept in the same position for a considerable period of time and that with the change of circumstances the Government would try to consider the proposals of the employees from time to time. Lastly, I may say that the employees at present enjoy certain rights and privileges. The hon. Minister has said that it is not the intention of the Government to curtail them and to put them in a disadvantageous position. I would request the hon. Minister to see that

[Shri Prabhat Kar]

as a result of the change the employees were not put to any difficulties.

As I said, I welcome this Bill and I shall express the views of the employees that they shall fully co-operate with the Government and also with the State Bank so that the purpose for which the subsidiary banks have been brought up is served. With these words, I support the Bill.

Shri Shankaraiya: Sir, the Bill is going to be passed and no doubt it is a welcome measure whatever might have been our views. But I wish to bring to the notice of the hon. Minister the fears and apprehensions that have been prevailing in the minds of the businessmen and the industrialists by the taking over of these banks. Formerly, many of these banks were extending several concessions. Now the management is likely to be conducted by the officials and even the two nominated directors on behalf of the State Bank will naturally be leaning towards the officers. There is a fear that there would be more officialdom and that kind of thing and that there will be less flexibility, accommodation and adjustment with regard to the understanding of the problems of the businessmen and industrialists. I hope the directors will maintain the same flexibility and the same business relationship as the original banks did. Already there is an impression that some of the private scheduled banks are having more business and the business people are trying to shift their accounts to the other banks on account of the fear that this is going to be a sort of a Government or semi-Government institution or that it is going to be run in the manner in which the Government department is being run. I hope the Minister will take this into account and see that the same cordiality and flexibility existed in their relationship and that the facilities that were available for the businessmen and industrialists continue under the new management.

Dr. B. Gopala Reddi: With the experience of the State Bank in the last few years after nationalisation, there need not be any fear that the State Bank will not exert its influence in favour of getting the co-operation of the local people and expanding its business etc. It is in the interest of the subsidiary banks as well as of the State Bank to promote the utmost cordiality and all reasonable proposals will be sympathetically considered. While I give that assurance, in some cases it may not be possible for the subsidiary banks to entertain some proposals because previously some of these unscrupulous people could get some advances from some of the banks and they may not be able to get facilities to a great extent hereafter.

Shri Shankaraiya: I did not want to encourage unscrupulous people; I talked of genuine businessmen.

Dr. B. Gopala Reddi: Previously it was the affair of shareholders or directors and some merchants might have had due or undue influence over the directors. All that may not be possible hereafter. All legitimate things will certainly be considered by them. They would like to carry the public also along with them in all their dealings which will certainly be fair. The two non-officials will not necessarily lean towards the State Bank people. There are many non-officials who are nominated to the State Bank directorate and not all of them are merely looking to the interests of the State Bank; they are looking to the interests of the public and they are there not to support any particular proposal or a particular management but to see that the public interests are served. The uncertainty that was created by the publication of the report of the Rural Credit Survey Committee some time ago will be removed now, with the passage of the Bill. All these areas are under-developed and once the uncertainty is removed, I am sure the subsidiary banks will be able

to open new branches and more business will come in. I also share the view and the prophecy of my hon. friend that with the association of the State Bank with these banks, their reputation will go high and they will be able to attract more deposits and very soon in the course of the next two or three years they will be enabled to pay whatever the State Bank is paying to its employees. I do want that they should flourish so that they may cover these under-developed areas also and create greater facilities with regard to industry, banking, etc. It is a very important piece of legislation and I am very glad that the House has given its full support to this Bill.

**Shri Prabhat Kar:** I hope the hon. Minister would appreciate the role of the employees.

**Dr. B. Gopala Reddi:** I also appreciate the role of the employee. I am told—I do not know—that they exercised their moral influence with the management of the Bikaner Bank and if that is so, I certainly congratulate them and I hope they will co-operate in future also in all the matters with these subsidiary banks and the State Bank without creating unnecessary disputes.

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

“That the Bill, as amended, be passed.”

*The motion was adopted.*

13-37 hrs.

## BANKING COMPANIES (AMENDMENT) BILL

**The Minister of Revenue and Civil Expenditure (Dr. B. Gopala Reddi):**  
Sir, I beg to move:

“That the Bill further to amend the Banking Companies Act, 1949, as reported by the Joint Committee, be taken into consideration.”

The Bill has emerged from the Joint Committee substantially unaltered, and I do not, therefore, propose to cover once again the points which I made when the Bill was earlier before this House. I shall confine myself to the two or three modifications introduced by the Committee, which seem to call for some comment.

The House will notice that a slight alteration in the definition of a branch for the purposes of this Act has been suggested by the Committee. We have incorporated this change in deference to the wishes of the banks themselves, as represented by the Indian Banks Association, and with the object of clarifying our intention that while any office of a banking company is liable to be inspected, the time-consuming procedure of applying for permission to establish new offices should be waived, if money is not actually intended to be handled at any place of business.

I would next refer to an amendment to Section 10 of the main Act. Hon. Members are aware of the disqualifications provided for in the Companies Act, which prevent the association of certain persons with the institutions governed by that Act. The circumstances in which these provisions of the Companies Act can be applied are very rigidly prescribed, and our experience has shown that although these precise and elaborate provisions may, perhaps, be adequate, in relation to industrial and commercial companies, they are somewhat unsatisfactory in relation to financial institutions like banks, which deal mainly with depositors' monies and are especially vulnerable, in the event of difficulties being created for them, either through mismanagement or fear of such mismanagement or otherwise.

We accordingly felt it desirable to insert a new provision in the Act giving the Reserve Bank the power to remove from the office of the Chairman, Director, or Manager or

[Dr. B. Gopala Reddi]

Chief Executive Officer of a banking company, any person if he is found by a competent authority to have contravened the provisions of any law and if the Reserve Bank is satisfied that the contravention is of such nature that the association of a such a person with the banking company is or will be detrimental to the interests of the company or its depositors or is otherwise undesirable. Care has been taken to see that the power proposed to be taken is not arbitrary. The Reserve Bank of India will be required to satisfy itself regarding the facts of any particular case before any action is taken. An opportunity for showing cause against any proposed action is also intended to be given, wherever this is possible. I am sure that in the larger interests of the banking industry, the House will welcome this provision

The only other major change which the Committee has made relates to section 15 of the principal Act. This section deals with the declaration of dividends. The House will recollect that in an earlier speech I had indicated the Government's intention to define somewhat more precisely the obligations which a banking company is expected to fulfil before it can declare a dividend. We have now indicated these obligations in some detail. As far as the depreciation on account of a bank's holdings of Government securities are concerned, appropriate provision was already made in the Bill. Banks do not hold shares in their investment portfolios to the same extent to which they hold Government securities. If a bank is well-managed, the loss on account of bad and doubtful debts, for which it might have to make the necessary provision, is also unlikely to be very great. Where a bank for any reason, finds its capital lost to any extent on account of its investments in shares or its advances, we are, however, providing that it should set apart, from out of its profits, adequate funds to make good the loss before a dividend can be declared. The auditors will

have the responsibility of ensuring that these conditions are observed and that the provisions for these purposes are satisfactory.

The other changes which the Joint Committee have made are mainly of a drafting nature and are self-explanatory. We welcome them as they are intended to remove possible obscurities.

I will now come to the Minute of Dissent. Two of the points made in the dissenting minute, namely, those relating to cashier—contractors and the appointment of bankers as directors of companies which are not carrying on any business for profit are not of any great importance. We have been guided mainly by administrative convenience in making the necessary provision in respect of these matters. No point of principle is involved, and Government do not, therefore, consider that any departures are necessary.

The other points are that the employees of banks should be enabled to get bonuses with retrospective effect for the period upto 1956, when a clarificatory amendment permitting the grant of such bonuses was first inserted in the Act, that the issue of bonus shares by banking companies should be prohibited, that there should be some kind of dividend limitation which should be specially applicable to banking companies, and that there should be statutory provision, which apparently is intended to be very freely used, for the amalgamation of banking companies as an alternative to liquidation. Government have not found it possible to accept any of these proposals.

The suggestion regarding the retrospective amendment of section 10 of the Act, so as to permit the grant of bonuses in respect of past year, asks in effect for the nullification of a recent judgment of the Supreme Court. I do not see any reason why this judgment should be vacated, or

why the old controversies on this subject, which fortunately seem to have disappeared for the moment, should be revived through any fresh amendment.

The other suggestions involve the assumption of additional powers and Government are far from being convinced that these powers are either necessary or desirable for the proper working of the banking industry. In any case, far-reaching changes of this character, whatever may be said for or against them by any one, are clearly beyond the scope of this Bill.

This is, as I have said, a Bill with limited objectives in view. It is largely a clarificatory measure within the framework of the existing scheme of control. That scheme of control, taken by and large, is not in our view unsatisfactory, and within the limits of that control this Bill has been intended as a useful measure, which will facilitate the administration of the Act and the supervision and regulation of banking companies.

Sir, I commend the motion for the consideration of the House.

Mr Speaker: Motion moved.

"That the Bill further to amend the Banking Companies Act, 1949, as reported by the Joint Committee be taken into consideration."

Shri V. P. Nayar (Quilon): Mr Speaker, Sir, I want only to make a few general observations at this stage because I hope that later on when we take up the clause-by-clause discussion I may have an opportunity to explain the stand taken by us in the Joint Committee.

Our objection to this Bill is that Government have not come forward with the provisions with which they ought to have come in the changed context in regard to the banking industry. You will remember, Sir, that subsequently to the passing of the Banking Companies Act in 1949, Gov-

ernment have not so far chosen to bring in any amendment which can be called as a major amendment. Of course, there have been some amending Bills but, by and large, the Banking Companies Act remains as it was in 1949.

Sir, we must understand that banking has a very particular role to play in the economy, and the perspective of 1949 which the framers of the Bill had in 1949 has changed subsequently. I find that though we have found it necessary to put in our dissenting minutes some points of view, they were expressed in this same House in 1949 by many eminent Members. I find, on going through the debates, that the stand taken by us in regard to certain points was the identical stand taken by no less a person than the present Speaker of the House, and the words of wisdom which then fell from you, Sir, have prompted us to include in our dissenting minutes certain points.

Mr Speaker: I wish that I may not be quoted because it is open to any other Member out of the 500 Members here to say that the Speaker, with all his dignity today, had not the wisdom then.

Shri V. P. Nayar: In that case, Sir, we will defend you. It was a very interesting debate, not merely from this point of view and I may have to refer to it in other connections also. At that time, Sir, you crystallised the opinion of a section of the House when you said "Naturally, on a matter of such importance, as the banking system is the soul of the economic life of any country, much interest is evinced by the hon. Members." I submit that banking is such an important industry that the very attitude towards it must change from time to time. In 1949 the Government did not have a socialist pattern in view. The role of banking in a capitalist society is very much different from the role of banking in a socialist society. In 1949, I contend, the Government did not have before them the pattern of a socialist society at all. And, today, in 1959, we

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do not seek to make any major changes to the Act which was passed in 1949 in an entirely different context, with an entirely different perspective.

I submit, Sir, that the Government have not fulfilled their duty, because today the role of banking is very much different and we have to modify or amend the legislation on the subject in conformity with the changed perspective. I do not find, when I read through the various provisions of the Bill, any attempt having been made by the Government to fit in the banking industry to the role which it has to play in a developing economy, an economy consistent with the objectives and aims of the Government for ushering in a socialist pattern of society.

As I said, Sir, I find that the debate of 1949 was interesting. I only want to impress upon the House how views can change. I find that several important speeches were made on that occasion. Two of them who spoke then at least were later on in the Finance Ministry before my hon. friend became an hon. Minister of that Ministry. I refer, in particular, to Shri T. T. Krishnamachari and Shri A. C. Guha, both of whom I do not see here now. They had expressed their opinion at that time, and when both of them were in the Ministry they could not implement the views for which they gave expression in 1949. So, it is not a question of being unable to do it, it is not a question of not holding certain views. The hon. Minister said that the dissenting minute does not refer to many important points. I beg to differ from him. We take an entirely different view altogether. We have stated some points there. I shall presently come to them.

For example, there is the question of dividends. We all know that the banks declare 14 per cent, 15 per cent and even 16 per cent. It was

not so in 1949 when you discussed the Bill. Even then, what was the view of the House? A very important section of public opinion represented by hon. Members in this House like Shri T. T. Krishnamachari, Prof. K. T. Shah, Mr. Naziruddin Ahmad and Shri Ananthasayanam Ayyangar, had expressed the view that even as conditions obtained then Government had a duty to fix a ceiling on dividends. Mr. Speaker, you said that you would consider even 6 per cent or 8 per cent as reasonable. These are your exact words:

"All the same, I for my part am prepared to say, have 6 per cent or 8 per cent. I have no objection. But if he still persists in this, I am afraid he and I may not be able to avoid a cataclysm that is going to come."

This is what you said. We want dividends to be 'ceiled'. The percentage is different. Now, the provisions have been changed or amended. Is there any ceiling on dividends? Has the Government ever thought of the absolute necessity for putting a ceiling on dividends? We consider that a ceiling on dividend is absolutely necessary not merely for the present requirements but to meet certain unavoidable future obligations.

Take, for example, the question of nationalisation of banks. Today or tomorrow it is bound to come. Nobody can escape from it. The hon. Minister or the Government may hold it on for sometime but in the near future it is bound to come. We have already nationalised one or two institutions. Therefore, if later on we have to take up the question of nationalisation of banks, as has been very rightly pointed out in his evidence by my friend Shri Prabhat Kar, this ceiling of dividends would be very helpful, because, after putting a ceiling on dividends a certain portion of the accrued profits of the bank could be set apart in a different pool from which shares could be bought.

Now, what do they want to do? According to this Bill they want even to recognise the power of the banks to issue bonus shares. What are bonus shares? We know the advantage of holding bonus shares. We must realise that, when you give permission to the banks to issue bonus shares, only two to three per cent of the bank's money is invested by the shareholders; not more than three per cent in any case, and not at all in the case of bigger banks. 96 to 97 or 98 per cent of the money with which the bank is doing business comes from the depositors. So, if the bank declares a dividend, those persons who have invested only two or three per cent of the total working capital of the bank are now being given from out of the profits a portion of the amount as bonus shares which, I think, is ridiculous to think of in the present context. We have pointed out this aspect with particular reference to the dividends in the Minute of Dissent. Government have not chosen to accept the position. If you go through the evidence you will also find that this has been the point of view—and unfortunately whatever proposals are given . . . . .

**Mr. Speaker:** Have the hon. Members suggested in the Minute of Dissent a Dividend Equalisation Fund also in case it goes beyond or below a rate?

**Shri V. P. Nayar:** Not specifically, but at least in the evidence, a very responsible representative of the bank employees who was summoned as a witness and who also happens to be a Member of this House, has pinpointed the attention of the Government on this aspect. I know that the Finance Minister—I do not refer to Dr. B. Gopala Reddi but to his senior colleague—was particularly allergic to the suggestions made by Shri Prabhat Kar and even went to the extent of saying—it is in the printed evidence—that a bank cannot exist for the employees' sake. He has openly said that. Whatever proposals were given were turned down with

a contempt which is understandable for me.

The point is this. When they take into account the profits of the banks as they accrue in recent years, Government know what percentage of dividends is being declared. When they know for certain that banks are now getting a profit which not many other industries are getting now, they can certainly set apart a portion from out of the dividends instead of obliging the shareholders who have invested only three per cent of the working capital to get an additional advantage by way of bonus shares. That at least could have been prevented. These are not small points as the hon. Minister tries to pose them; they are very important points having regard to (a) the socialist pattern of society in view and (b) the necessity to nationalise the banks in the near future. These are the points which we have stressed in the Minute of Dissent and also in the Committee during its deliberations.

Then, as I said, we can change; the Government can also change. During the time when the Bill was being discussed in 1949, I find that two views were represented in the House—one in favour of the nationalisation of certain banks and the other completely opposed to it. Why I say this is because of this aspect: you will remember, Sir, that during the debate, one of the Members here who was also a Member then and who, to my regret, is not here now, Shri Ranga, was for nationalisation, and he was giving a suitable reply to another speech given by Sir H. P. Mody. I want only to point out this fact as an instance to show how people can change. Shri Ranga at that time said something which was not very flattering to Sir Mody.

**Mr. Speaker:** How does he know that Shri Ranga has changed his views?

**Shri V. P. Nayar:** I shall quote him. I am coming to that. I shall not be clear unless I quote Shri Ranga. Shri Ranga, while giving his reply—I am



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reading from page 323 of the Debates of the 9th February, 1949 on the Banking Companies Bill—said:

“...It will also very soon be the economics of Pandit Nehru which will be ruling here in this country and not the economics of Mr. Mody; And Pandit Nehru's economics will demand that every one of these concerns should make the public welfare as their primary concern, not making profits for their shareholders. It is from this point of view that I give my general consent.”

Earlier in his speech, he said in these terms:

“I wish to warn my friend Mr. Mody that these bankers cannot continue to have their monopoly for ever”.

I do not want to quote again, but what do we find now? Either Shri Ranga has changed or Shri Mody has changed—I do not know. But today I find Shri Ranga and Shri Mody occupying the same platform in the newly-formed party of which the leadership happens to be vested in certain ex-Governors and the overall leader happens to be ex-Governor-General. Views can change as individuals can, but I find only the Government's views about banking have not changed.

Subsequently too, I find the same tenor of speech when I read the speech of Dr. John Mathai in 1949. We know, Dr. B. Gopala Reddi knows, and you know and I know that the context in which we are thinking about banking has considerably changed. Therefore, we pointed out that these aspects should be considered. Even as early as in 1949 there was a powerful and representative section in this House which voiced certain amendments which we are pressing now. We have not committed any sin in that way, and if we have pressed for certain points we have been in a very, very good company.

Therefore, I submit that the outlook of Government in respect of banking has first to change and the Government should have had the foresight to bring in certain amendments which are absolutely necessary to exercise that amount of control which is not merely necessary but absolutely necessary on the banking system of our country.

Then let us take the provisions. I do not want to go into the provisions in great detail, but here are certain provisions in the amending Bill which I want the House to consider seriously. Take, for example, clause 3 of the Bill. This clause, according to me, imposes an unwanted provision. We know what the law is on this subject, and I do not think I need give any more explanation to the hon. Minister for that, because we have discussed this at some length in the Joint Committee also. The hon. Minister said that certain changes were very essential. When it comes to the question of some benefits to the employees and when we demand that some retrospective effect should be given to certain provisions, the hon. Minister says it is just impossible and it is not necessary, and for his help, he quotes a recent decision of the Supreme Court. I was present at the time when this case was being argued in the Supreme Court for a few days. Unfortunately, the judgment of the Supreme Court has not come out in print as yet. It was delivered possibly by the end of May and it has not come out in any of the reports. But as far as my knowledge goes, this point was not specifically touched by the Supreme Court in its judgment. However, that is not my point. Even if the Supreme Court had made such points, is it not open to this House to change the provision, and have we not given retrospective effect after certain decisions were made either by the high courts or by the Supreme Court in other cases? Why is it that the bank employees alone are now being told that because the Supreme Court has come

to a decision—and that I contend is more imaginary in the minds of the Government—we shall not give retrospective effect in cases of disputes in which the employees had some benefits sometime ago. Parliament has the power to give retrospective effect to any provision, save in cases.

14 hrs.

**Mr. Speaker:** Except in the case of punishment for criminal offences

**Shri V. P Nayar:** But this is no punishment. If something is added to the wages of a worker as a result of the decision of an industrial tribunal, it is no criminal punishment. This is particularly a sphere in which Parliament has the authority to legislate with retrospective effect, but the hon. Minister says that it is not considered to be necessary at all. He knows, as every one of us, that the employees are the human machines who by their work turn out the profits of the banks. It is not merely by the work of the directors that the bank gets its annual profit. The employees have a share in getting the profit, but this is the way in which the Government is treating the employees who are responsible by and large for the profits.

**Mr. Speaker:** Sometimes I have noticed hon. Members impressing more as between the employees and the shareholders, the community might be forgotten or any amount of interest might be taken from them. Along with employees if hon. Members also say that the dividend ought to be reduced for the purpose of providing cheaper credit to the public at large, to the agriculturists and others, there will be greater sympathy and incidentally the employees also will get the benefits. They go on harping only on the employees and the shareholders; it does not matter to the ordinary person.

**Shri V. P Nayar:** Sir, I deeply appreciate your sense of anticipation; I was about to come to that point. Whenever the workers demand a

higher wage, usually the plea of the management is, in case their demand has to be met, the interest on advances will have to be enhanced and without that, it is impossible for the management to pay more. That is the plea. We can show—but this is not the occasion for it—by giving detailed figures that for any bank, even after putting a ceiling on the dividend, it is possible not merely to pay more to the employees, but also to reduce the rate of interest. Instead of doing that, today they want to give an undeserved benefit to the shareholder, whose investment amounts only to 2 or 3 per cent. This is our objection.

I was referring to this, because you will find that in clause 6, which seeks to amend section 10 of the principal Act, a new clause is being added. That is referred to in clause 6(a) (11) "A company registered under section 25 of the Indian Companies Act". Just now the hon. Minister, in his opening remarks, was pleased to say that this does not involve any principle. I hold an entirely different view. It does involve a principle.

Why was it that in 1949 or later on it was considered necessary that a director of a bank should not have directorship in other companies? There was some principle behind it. You will remember that the banking law in 1949 came as a result of the ordinance passed some two years ago and that was the result of the terrible crisis which overtook the banking industry in 1946. What is the report on that? When hundreds of banks crashed, we know that the official report indicated that there was a linking up of the directors of the banks with certain other concerns. There was gross mismanagement also, but this was one major factor and wisely the rules were changed and the law was amended in such a way that a director who was in charge of the administration of the bank was not permitted to associate himself with another company. Probably they had also this point in view that functioning in an executive capacity in the

[Shri V. P. Nayar]

bank required undivided attention. But after all these years, Government are bringing in an amendment and thereby making it possible for the chief executive of the bank to function also as a director in a limited company

Mr Speaker: In a commercial concern?

Shri V. P. Nayar: Commercial concerns are not excluded. According to the provisions of section 25 of the Companies Act, a company may be formed in which all the other formalities and requirements of a company will be met, but the only point is that that company cannot have as its declared objective the distribution of dividends. What are the purposes for which such a company can be formed? I do not want to read that section—it is one of the longest sections in the Companies Act—but it will suffice, if I quote a sub-section—

“(1) Where it is proved to the satisfaction of the Central Government that an association—

- (a) is about to be formed as a limited company for promoting commerce, art, science, religion, charity or any other useful object, and
- (b) intends to apply its profits, if any, or other income for promoting its objects, and to prohibit the payment of any dividend to its members,’

The most important point there is that a company cannot be formed with the declared objective of distributing dividends, no matter whether it earns profits or not. Even if they earn colossal profits, they cannot declare dividend. But there is no rule which says that they cannot earn profits, they can earn profits, but such earned profits will have to be distributed in charities or for the promotion of science, art, culture, etc. Nowhere in the Companies Act is there a prohibition that such companies as are formed under section 25 should

not show any profit in their balance sheet. So, if it is a question of principle, the very mention of ‘commerce’ in it would indicate that a chief executive of a bank, who becomes a director in one of the companies formed under section 25, will necessarily have to function in that company also in the manner in which he would function in other companies, because declaration and distribution of dividend is not very much a matter for the managing director himself. It is done under certain rules and he has no additional burden. I submit this point has not been taken into consideration. If it was taken into consideration, the hon. Minister would certainly not have said that it involves no departure from principles. It does involve a departure from the principle which was accepted long ago and which was implemented all these years. I wish the hon. Minister finds his way to agree to the deletion of this clause.

I want to refer to sub-clause (3) of the same clause which was also mentioned by the hon. Minister. I agree that the provision as it is now before us is good. Formerly only convictions by criminal courts were held to be sufficient to bring a person to discredit in so far as the position in banking industry is concerned. But today tribunals have also been included. I know what prompted them to do so. We know recently there has been a very sensational case of a managing director of a bank having been involved in one of the most nefarious activities in respect of foreign exchange. You take this power which is good, but before you take this power under this Act, that man has escaped. It is open to him again to come back. You want the name of that person?

Mr. Speaker: No, nobody wants the name.

Shri V. P. Nayar: He has resigned, but the fact that he has resigned would not stand in the way of his getting an appointment later. You

cannot invoke the provision then and say, "Once you were held responsible for the violation of the foreign exchange rules". As the clause is worded—I want Shri Pattabhi Raman to give me an explanation because, apart from the fact that he is a lawyer of distinction he also happens to be the Chairman of the Committee—how can you prevent the re-entry of Mr. X, who was involved in this foreign exchange, shall I say, grave crime? How can you prevent him? Because the words used here are "Where a person holding the office of a chairman" He is not now holding that office. The clause reads:

"Where a person holding the office of a chairman or director or manager or chief executive officer (by whatever name called) of a banking company is, or has been found by any tribunal....."

Dr B. Gopala Reddi: "has been found" is there.

Shri V. P. Nayar: "or other authority (other than a criminal court) to have contravened the provision of any law and the Reserve Bank is satisfied that the contravention is of such a nature that the association of such a person with the banking company is or will be detrimental to the interests of the banking company or its depositors or otherwise undesirable, the Reserve Bank may make an order that that person shall cease to hold the office with effect from such date as may be specified therein and thereupon, that office shall, with effect from the said date, become vacant."

According to me it is not clear whether an escape made by resignation would compel the Reserve Bank to make his re-entry in an institution different from the one in which he serves.

Shri C. R. Pattabhi Raman (Kumbakonam): If you will permit me, I would like to say a few words. The words used here are:

"is, or has been found by any tribunal or any other authority (other than a criminal court)".

The term "other authority" is very wide.

Dr B. Gopala Reddi: "has been found" is also there.

Shri C. R. Pattabhi Raman: "any other authority" is quite wide enough.

Mr. Speaker: He wants to know whether the resignation from any position in a bank would absolve him from further investigation by any authority or tribunal apart from the criminal court. If that is so, "or has been" does not apply to this case. If he is pursued only so long as he is a member, or interested in a banking concern and the investigation has already started notwithstanding his resignation, if it continues, then it is open to the authority to come to the conclusion. Suppose the investigation has not started and he has resigned. The hon. Member has a doubt whether in those circumstances the investigation will be started at all. And if it would not be started there is no question of "or has been". Therefore, he wants us to guard ourselves against that. If we say that by mere resignation a man is absolved and we need not take further action, after a lapse of two or three years he might come again.

Dr B. Gopala Reddi: Then the Reserve Bank will step in.

Mr Speaker: Not with respect to antecedents.

Dr B. Gopala Reddi: Why not?

Mr Speaker: Therefore, before he comes in there must be a disqualification or some kind of direction, or some observation or finding, by any authority which will enable the Reserve Bank to cut him out or disqualify him. But if he goes and sits there I do not think the clause will apply.

Shri C. R. Pattabhi Raman: I think the *ejusdem generis* rule will apply. The scope of "or other authority" is wide enough. If the Reserve Bank is

[Shri C. R. Pattabhi Raman]

to penalise such a man then it will become a penal clause. If the Reserve Bank is to tie down a man with a disqualification then it will be a judicial function. For that purpose giving the accused an opportunity and all that may arise. Then "or other authority" here is the same as "or authority" in article 226 of the Constitution, which is wide enough. It may have to be decided in the courts.

Shri V. P. Nayar: I do not say anything about the *ejusdem generis* rule. I would like to know from the hon. Minister whether he is prepared to add the words "or held the office" after the words "holding the office". Then the words "or has been" will have some meaning. If you say "where a person holding the office" it is in the present tense.

Mr. Speaker: What is the clause?

Shri V. P. Nayar: Clause (3) on page 4. When you say:

"Where a person holding the office of a chairman or director or manager or chief executive officer (by whatever name called) of a banking company is, or has been"

there is no meaning for the words "or has been" If, on the other hand, you say "a person holding the office or has held the office" then the words "or has been" will serve some purpose.

Mr Speaker: That will make it meaningless. When he holds the office then the antecedents and disqualification will come in his way. If he has already been held to have committed something which entails his disqualification, then he need not have held the office. This applies to a man who tries to hold an office on the date when this disqualification applies.

Shri V. P. Nayar: I make a little distinction. A person might have committed a crime. He may be holding an office also. But before this

clause takes effect he might have left the office; notwithstanding the fact that had he continued he would have incurred the disqualification, the wording of the clause will not give any power to the Reserve Bank to punish a person or to prevent his re-entry because it only says:

"Where a person holding the office of a chairman".

Dr. B. Gopala Reddi: Suppose that X is re-elected again on 15th January 1960. On 16th January this provision can be invoked.

Shri V. P. Nayar: Why on the 16th? Even on the 15th he is holding the office. So, it is not so simple as the Minister wants it to be. Because, they have to make consultations and they have to take advice even on a simple matter. When I was reading it and I was confused.

Mr. Speaker: Now it is clear.

Shri V. P. Nayar: Now I do not think I need elaborate it. I will leave it here.

Mr Speaker: If he expects all knowledge from one individual then we need not have 500 Members here.

Shri V. P. Nayar: Certainly not. It is always better to have advice.

Mr. Speaker: Now he should conclude. Other Members also want to participate.

Shri V. P. Nayar: But I happen to have appended my minute of dissent and I do not think, having regard to what we were observing today, there are hardly 20 Members now—It was 15 some time ago—and that many others will participate.

Then there is provision regarding clauses 10 and 11. I have referred to them also. I do not want to make any elaborate arguments on them. But I would place before the House certain portions from the memorandum which was submitted to the

Select Committee and from which I am entitled to quote. It is the memorandum submitted by the All India Bank Employees' Association. On page 4 they have observed as follows:

"The notes on clauses (p. 19) says that "if the securities concerned have not been sold and if a loss has not actually been incurred" "appropriations from profits may be made before full writing off of the depreciation on investments in such approved securities. Theoretically, the proposition may be in order, but in reality one of the essentials of a banking company is its liquid resources in the event of an emergency and that being so, the depreciation on such investments has a direct bearing on liquid resources, because in the market value of such approved securities (mainly Government Securities) in which banks invest their funds—tell upon the banks' resources when their conversion into cash becomes necessary. Declaration of dividend without neutralisation of the depreciation would be bad in banking principle and would serve the motive of exploitation of the profits without looking to the institution's as well as its depositors' interests. Rather, more stringent provisions should be made regarding dividend declaration."

I would like to know the hon. Minister's reaction to this proposal. I have urged this point some time ago I want the hon. Minister to tell us why it is not considered necessary at all to give effect to this proposal and make more stringent measures regarding control over dividends.

Sir, now, I would refer to another clause also. I would leave it to you for your judgment how it reads because it refers to certain procedure to be adopted on winding up. In clause 25, lower down, it is said:—

"Where the Reserve Bank is satisfied that the affairs of a banking company in respect of which an order under sub-section (1) has been made, are being conducted in

a manner detrimental to the interests of the depositors, it may make an application to the High Court for the winding up of the company, and where any such application is made, the High Court shall not make any order extending the period for which the commencement or continuance of all actions and proceedings against the company were stayed under that sub-section."

Just a few moments ago the hon. Minister said that it was impossible to give retrospective effect having regard to the decision of the Supreme Court. By this provision the hon. Minister wants to give a mandate to the High Court before which a petition for winding up is pending and in which an order of stay has been issued that when the matter is to be re-opened on a petition by the Reserve Bank, the High Court shall not continue the stay. Is it proper? How do we reconcile this stand taken in this particular clause with the observations of the hon. Minister which he was pleased to make about giving no retrospective effect at all to the employees in view of the Supreme Court's decision? I have not seen such prohibitions being made even in cases of non-bailable offences. The High Court or the Sessions Court is at full liberty to give bail although the wording of the section in the Criminal Procedure Code would indicate that they shall not. But never have those provisions said that under no circumstances the High Court shall pass an order nullifying or doing anything against the intention. Here it is very clearly stated that "where any such application is made, the High Court shall not make any order extending the period for which the commencement or continuance of all actions and proceedings against the company were stayed under that sub-section." It is on page 13 of the Joint Committee's report—the last five lines.

Therefore I want the Government also to consider whether our legislative power here in this House has to

[Shri V. P. Nayar]

be used to serve a mandate on the High Courts and say that you shall not pass an order once the Reserve Bank comes before you as a petitioner. I want the House to consider whether it is proper specially in view of the fact that the hon. Minister himself considers it most improper to give retrospective effect to an advantage which accrues to the employees by virtue of Judicial decisions. I want to contrast these two points of view of the hon. Minister and leave the judgment of these to the House.

Then, as you have already indicated that I should not take the entire time which I do not mean to because ~~later on I will get some occasions~~ also, I submit that some more provisions were necessary in regard to some facilities to be extended to smaller banks as compared to the bigger banks and some restrictions also were necessary about opening of new branches for which provision has been made. I shall be very general in my observations because I do not have the time to go into the provisions in all detail. When a bank opens a branch, is there no duty cast on the Government to see that such a branch opened in a particular locality will create unhealthy competition specially against a small bank which is functioning in that locality? We know that big banks functioning in New Delhi have opened 15 or 16 branches, in Connaught Place, in Karol Bagh, in Subzi Mandi and in all other places. Is it fair that such banks should be allowed to go on opening branches at their will for the sake of grabbing more and more business when they are already in a monopolistic position with respect to the business of trade? We find that very many places are not served by any bank. Should not Government take some power and compel banks to open branches particularly where branches of any bank do not exist? We know that in the changed context the services of banks will be required in almost all places. Why concentrate on places like Calcutta where—my hon. friend, Shri Prabhat Kar will be

able to tell you—how many branches have been opened recently or Bombay where there is a competition already? Are we taking powers under the changed provisions to control and to give a direction, whether it is by the Reserve Bank or by the Government of India, that a particular bank shall open a branch at a place where there is no banking service? Unless we have it we will not serve the interests of the country at all. Is there any provision by which Government might prevent opening a particular branch at a particular place where there is already a competition? In such competition the small banks will have to go.

Dr. B. Gopala Reddi: Take permission of the Reserve Bank.

Shri V. P. Nayar: Take permission of the Reserve Bank; that is true. I think that provision was in force. Reserve Bank had the power. Regardless of that, hundreds of branches have been opened. It is good that the State Bank of India opens as many branches as possible all through the country. They are doing a good job. There is no doubt about it. But what are the branches of the other banks doing? In every street corner you open branches and drive out the small banks from what little business they are having. I think the powers taken by Government in this provision are not commensurate with the need.

With one more point I shall have finished my speech and that is about. . . .

Mr. Speaker: Hereafter I propose that hon. Members who are not members of the Select Committee must be given preference over hon. Members who were in the Select Committee.

Shri V. P. Nayar: I thought that as there was only one minute of dissent I could take some little time. But I do not want to stand in the way of other hon. Members. I shall take my opportunity at the time of amendments.

**Mr. Speaker:** The hon. Member must also hear other hon. Members who were not members of the Select Committee and then, if a reply is called for, state that in a reply. I do not know what is the meaning of the hon. Member putting in black and white a dissenting note and once again saying the same thing over again here. A Select Committee member should not speak except when an objection is taken by somebody. Only then his arguments may be reinforced by a speech here.

**Shri V. P. Nayar:** Should only those hon. Members, who were not members of the Select Committee, speak?

**Mr. Speaker:** I am not preventing members of Select Committee from speaking. As a matter of fact, they may be required to explain matters which arose in the Select Committee and which necessitated a dissenting minute. In the House others, who for the first time will bring to bear their knowledge and experience on this subject, should be given preference. **Shri Ram Krishan Gupta**

श्री राम कृष्ण गुप्त (मन्नेन्द्रगढ़)  
मध्यम महोदय, इस मौजूदा बिल के जरिए जो कि ज्वाण्ट कमेटी से प्रमर्ज हुआ है और जिसके जरिये १९४९ के बैंकिंग कम्पनीज ऐक्ट को एमेड किया जा रहा है यह बिल बहुत एम्पाटेंट और नौन कंट्रावर्गियल है क्योंकि मैं यह महसूस करता हू कि इस ऐक्ट को प्रमोड करने की बहुत ज्यादा जरूरत थी।

जहां तक मैं समझता हू बैंकिंग कम्पनीज ऐक्ट जो कि मन् १९४९ में बनाया गया था और उसको प्रीक्टिकल शोष देने के लिये, ऐडमिनिस्टर करने से जो डिफिकल्टीज आई उनको इस प्रमेडिग बिल के जरिए दूर किया जा रहा है और मुझे पूरा विश्वास है कि इस बिल के पास होने के बाद वह डिफिकल्टीज काफी से ज्यादा दूर हो जायेंगी।

दूसरे मुझे सबसे ज्यादा खूबी इस बात की है कि जो थोरीजनल बिल था वह इतना एफेक्टिव नहीं था जितना कि यह प्रमेडिग बिल जो कि मौजूदा ज्वाण्ट कमेटी से एमर्ज हुआ है, एफेक्टिव है। इसके लिये मैं दो, तीन मिमाले भी पेश करना चाहता हू।

14.28 hrs.

[MR DEPUTY-SPEAKER in the Chair.]

जब थोरीजनल बिल पेश हुआ था उसके प्रन्दर कोई इम किस्म का क्लोज नहीं था जिसमें कि बैंक के डाइरेक्टर्स वर्ग, वेभरमैन या जो दूसरे प्राफिसर्स है उनके बारे में रिजर्व बैंक कोई प्रेक्शन ले मके लेकिन इस प्रमेडमेंट बिल के प्रन्दर एक नया क्लोज शामिल किया गया है जिसको कि मैं बहुत ज्यादा प्रहमियन देना हू और जो कि इम प्रकार है

"The Committee feel that the Reserve Bank should have power to remove any chairman or director or manager or chief executive officer of a banking company, if such person has been found by any tribunal or other authority to have contravened the provisions of any law and the Reserve Bank is satisfied that the association of such person with the banking company is undesirable"

मैं समझता हू कि इम किस्म के कंट्रोल की खास तौर पर बहुत ज्यादा जरूरत थी। प्राजकन हम क्या देखते हैं कि इम किस्म की बहुत सी शिकायतें होनी हैं कि प्राज बैंक बन जाते हैं, उनके जो प्राफिसर्स हैं वेभरमैन वर्ग, वह कितनी ही इम इम किस्म की इररगुलरटीज या ऐक्टिविटीज करते हैं जिनमें कि बैंकिंग बिजनेस को धीरे तमाम देश को बहुत ज्यादा नुकसान होता है। मुझे पूरा विश्वास है कि इस क्लोज से वह बीजे काफी हद तक दूर हो जायेंगी और उन प्रकसास के सिवाक जो कि इस किस्म की कार्यवाही



[श्री राम कृष्ण गुप्त]

करेंगे, हम उनके बिल पर एफेक्टिव ऐक्शन ले सकेंगे।

इसके अलावा बिल के पेज १६ पर जो क्लॉज है वह भी बहुत ज्यादा ग्रहण है। क्लॉज ३३ श्रीरीजनल बिल के अन्दर इस ऐक्ट के तहत जो प्राविजन्स हैं उन को कंट्राविन करने के लिये जो सजा मुकर्रर की गई थी वह बहुत कम थी। सैलेक्ट कमेटी ने इस बात पर विचार किया और उस को धरि ज्यादा सक्त कर दिया। यह बड़ा अच्छा कदम था और इस का रिजल्ट यह होगा कि बैंकिंग कम्पनियों पर गवर्नमेंट का कंट्रोल और भी ज्यादा बढ़ जायेगा। यह जो क्लॉज अमेंड किया गया है उस में यह कहा गया है :

For the words "five hundred rupees", the words "two thousand rupees" and for the words "fifty rupees", the words "one hundred rupees" shall be substituted

मेरी इस बारे में थोड़ी सी इतनी राय जरूर है कि अगर इस के साथ साथ थोड़ी बहुत सजा भी मुकर्रर कर दी जाती तो और भी ज्यादा अच्छा होता क्योंकि बहुत से प्रोफेसेज इस किम्म के हैं जिन के कि लिये सजा का होना भी बहुत ज्यादा जरूरी है। इस के लिये मैं ने छोटा सा अमेंडमेंट भी पेश किया है और इस के अलावा जो उस के नीचे नया मैक्शन एंड किया गया है वह भी जरूरी है और मैं समझता हू कि इस बिल के अन्दर सब से ज्यादा एम्पाटेंट मैक्शन यही है। मैं महसूस करता हू कि इस मैक्शन के जरिये बैंकिंग कम्पनीज पर गवर्नमेंट का कंट्रोल बहुत ज्यादा हो जायेगा और जैसा कि हम मैक्शन में कहा गया है :

"If any other provision of this Act is contravened or if any default is made in complying with any requirement of this Act or of any order, rule or direction made or condition imposed thereunder, every director, liquidator and other officer of the company and any other person who is knowingly a

party to the contravention or default shall be punishable with fine which may extend to two thousand rupees, and where a contravention or default is a continuing one, with a further fine which may extend to one hundred rupees for every day during which such contravention or default continues "

मैं महसूस करता हू कि ज्वाइंट कमेटी ने जो यह क्लॉज इस के अन्दर एंड किया है यह बहुत अच्छा काम किया है क्योंकि इस से गवर्नमेंट का बैंकिंग कम्पनीज पर कंट्रोल बहुत ज्यादा बढ़ जायेगा और वह उन मैलप्रैक्टिसेज को रोकने में कामयाब होंगे।

इस के अलावा मैं, दो तीन बातें जरूरी समझता हू और गवर्नमेंट का ध्यान उस तरफ दिलाना चाहता हू। इस बिल के अन्दर उन चीजों का कोई जिक्र नहीं है। मैं इस बात की बहुत जरूरत महसूस करता हू कि इन दो तीन बातों के भी इस बिल में लाने की बहुत ज्यादा जरूरत थी। इसलिये मैं दो तीन तजवीजों हाउस के सामने रखना चाहता हू।

इस बारे में मेरी सब से पहली तजवीज यह है कि इस बिल के अन्दर एक क्लॉज २५ है ? क्लॉज २५ में साफ तौर पर प्रोसीज्योर का जिक्र किया गया है जिस के जरिये कि बैंक को वाइड अप किया जायेगा या लिक्विडेंट किया जायेगा। मैं महसूस करता हू कि लिक्विडेशन और वाइडिंग की तरफ ज्यादा ध्यान नहीं देना चाहिये क्योंकि ऐसा करने से सब से ज्यादा नुकसान किम्म का होता है ? जो बैंक को कंट्रोल करता है जो बोर्ड आफ डाइरेक्टर्स है उन का इतना नुकसान नहीं होता जितना ज्यादा नुकसान कि छोटे छोटे शेयर होल्डर्स और प्रलटीमेटली डिपॉजिटर्स का होता है। इस के बारे में मेरी अपनी राय यह है कि अगर इस किम्म का कोई बैंक हो जो कि रिजर्व बैंक ऑफ इंडिया या स्टेट बैंक ऑफ इंडिया की राय में ठीक काम नहीं करता और जिन का कि इन्तजाम खराब हो, तो बजाय इस के

कि हम ऐसे बैंकों को वाइड थाप करे या लिक्विडेट करें, अगर उनको स्टेट बैंक इंडिया में मर्ज कर दिया जाय तो ज्यादा धरणा होगा। ऐसा करने से उन डिपॉजिटर्स का फायदा होगा फिर का कि १० फीसदी या ७०, ८० फीसदी के करीब रुपया उन बकों में होता है और इस से प्रोटीजेंट की पबलिक को फायदा होगा। इसलिये मैं चाहता था कि इस तरफ भी ध्यान दिया जाता और इस वाइडिंग प्रोसेज को और ज्यादा प्रहमित नहीं दी जाती। धाज सब से ज्यादा जरूरत इस बात की है कि छोटे छोटे बैंकों को बड़े बड़े बैंक में मर्ज कर दिया जाय। अगर बैंकिंग की पिछली हिस्ट्री भी मैं धाप के सामने रखू तो धाप इस बात को महसूस करेगे कि इस बात की सब से ज्यादा जरूरत है। बहुत से बैंक फेल हो गये उन को लिक्विडेट किया गया। उस का क्या नतीजा हुआ? हजारो लोग जो कि गरीब थे जिन्हो ने कि एक एक पाई इकट्ठा कर के बैंको में जमा किया था उन की वह तमाम रकम खतरे में पड गई।

इस के लिये मैं सिर्फ एक ही मिसाल रखना चाहता हूँ जो कि बहुत प्रथम है गोकि पुरानी जरूर है। माहौर के पीपुल बैंक का मामला धाप को पता ही होगा कि उस के फेल हो जाने से पजाब के कितने ज्यादा लोग बर्बाद हो गये और कितना अधिक उन को नुकसान हुआ। इसलिये मेरी यह प्रपील है कि हमे लिक्विडेशन के बजाय मर्जर की तरफ ज्यादा ध्यान देना चाहिये।

इस के अलावा दूसरी मेरी यह राय है कि इस बिल के अन्दर कोई इस सिस्म की भी क्लोज नहीं है जिस से कि बैंक्स के रिवाइन्स या एकाउन्ट्स वगैरह को धरणा तरीके से किसी एन्क्वायरी के वक्त देखा जा सके या रिजर्व बैंक आफ इंडिया उन को जैसा चाहे देख सके। एकाउन्ट्स वगैरह की सिफ्ट समझा जाता है।

मैं समझता हूँ कि इस बात की भी सब के ज्यादा जरूरत है। और अगर इस सिस्म का अस्तित्व रिजर्व बैंक को दिया गया तो धाज जो मालप्रोफिटसेज होती हैं, एकाउन्ट वगैरह जो फेब्रिकेट किये जाते हैं और जो इस तरह से रूल्स को बायलेट किया जाता है यह चीज बन्द हो जायेगी। उन के खिलाफ अगर कोई एन्क्वायरी होती है तो वह इसलिये कामयाब नहीं होती कि गवर्नमेंट के पास कोई ऐसी पावर नहीं है जिस से कि वह उन के तमाम इनर एकाउन्ट्स को देख सके। और नतीजा यह होता है कि एन्क्वायरी फेल हो जाती है। इसलिये मेरी यह प्रपील है कि इस बिल में एक ऐसा भी प्राविजन होना चाहिये या जिम में एकाउन्ट्स वगैरह को आसानी से देखा जा सकना और कच्चे में किया जा सकना। इस में दूसरा फायदा धाप को और भी होगा। इनकम टैक्स वगैरह जो इवेड किया जाता है उस की चोरी भी कम होगी। धाप कहेगे कि यह कैम। इस के लिये मैं सिर्फ इतना ही कहना चाहता हूँ कि जिन लागो में टैक्स वसूल करना है या इनवेस्ट-मेगन कमीशन के तहत जितने भी कंसेज हैं उन में ज्यादातर वह लोग इनवाल्ड होते हैं जो कि इन बड़े बड़े बैंको को कंट्रोल करते हैं। अगर कानून में कोई ऐसा क्लोज होता या ऐसी पावर होती तो उन के एकाउन्ट वगैरह को आसानी से देखा जा सकना था। इस से वह टैक्स की चोरी जा कि काफी होती है बन्द हो जायेगी। बहुत से लोग बड़े बड़े बैंको में अपना रुपया रखते हैं ऐसा भी सुनने में धाया है कि डबल एकाउन्ट रखते हैं। अगर कानून में गवर्नमेंट को उन का एकाउन्ट देखने की पावर होगी तो इस चीज को कम करने में भी बहुत मदद मिलेगी।

धरणीका में, जो कि एक कोपीटसिस्ट सिस्म है, बैंकिंग सिस्टम में ऐसा कानून है जिस के जरिये इनकम टैक्स या किसी भी काम के लिये एन्क्वायरी हो तो उन के एकाउन्ट

[श्री राम कृष्ण गुप्त]

को प्रासानी से चेंक किया जा सकता है। देखा जा सकता है।

इसलिये मैं माननीय मंत्री जी का ध्यान इन्हीं दो तजवीजों की तरफ दिलवाना चाहता हूँ। जैसा कि मैं ने कहा, सब से पहले मेरी तजवीज यह है कि लिमिटेडेशन कम होना चाहिये। मरजर की तरफ ज्यादा ध्यान होना चाहिये। दूसरे उन के एकाउन्ट्स वगैरह को कंट्रोल करने के लिये भी गवर्नमेंट को पावर अपने हाथ में लेनी चाहिये। मुझे पूरा विश्वास है कि अगर इन दोनों बातों की तरफ ध्यान दिया गया तो यह बिल जो पास किया जा रहा है इस का मतलब बहुत ज्यादा पूरा होगा और बैंकिंग बिजनेस को जो हम ने आज नहीं कल परसों किसी न कमी स्टेज पर नेशनलाइज करूँ करना है उस में हमें बहुत ज्यादा मदद मिलेगी।

मुझे इस सिलसिले में इतना ही कहना है और इतना कहने के बाद मैं इस बिल को फिर बँलकम करता हूँ क्योंकि मैं समझता हूँ कि जो इस में थोड़ी बहुत कमी जरूर है लेकिन फिर भी यह एक प्रोग्रेसिव बिल है और इस के पास होने से बैंकिंग बिजनेस पर गवर्नमेंट का कंट्रोल काफी से ज्यादा बढ़ जायेगा जो कि देश के मफाद के लिये बहुत जरूरी है।

**Shri Naushir Bharucha (East Khandesh):** Mr. Deputy-Speaker, I agree that the Joint Committee has made considerable salutary changes in the Banking Companies (Amendment) Bill. But, I am not also satisfied in respect of certain other changes which the Joint Committee has thought it wise to make

Referring to the question of definition of branches, I am inclined to think that the definition is being unduly restricted. It is being provided that any office or sub-office—by whatever name called—which receives deposits or cashes cheques or lends

moneys only becomes a branch office. Otherwise, it does not become so. If, for instance, other negotiable instruments are negotiated, endorsed, accepted or honoured, that office probably would not fall strictly within the scope of this definition. But, one thing I should like to know is this. The time has now come when any concern whether it is a limited corporation or otherwise which carries on banking business of whatever character, should be brought within the purview of the Banking Companies Act. I have not been able to understand why certain firms—partnership firms—which continue to use the name "bank" or "bankers" are not brought within the purview of the Banking Companies Act just because they happen to be partnerships in the eyes of law. There are certain partnerships which do banking business on a very large scale. Surely the business of *shroffi*, as it is understood, is not unknown to this country. This is being carried on by various firms for generations together. Some of the firms carry on business on such a vast scale that they really eclipse some of the so-called banks. I want to know from the hon. Minister why is it that these firms, simply because they happen to be partnership concerns, are being exempted from the purview of the Banking Companies Act, when they essentially carry on all banking activities. I think the time has come for taking a policy decision in this matter.

Perhaps, it may be argued that this cannot be done in view of the fact that there would be too many small firms which dot our countryside and it may be humanly impossible, physically impossible to implement the provisions of the Banking Companies Bill. But, this can be got over by prescribing a turn-over limit. It may be said that in the case of such firms which carry on *shroffi* business, where the limit is Rs 30 lakhs or 40 lakhs or half a crore or a crore, it shall be deemed to be a

bank and the provisions shall apply. What I mean is, a decision of policy has to be taken and it is high time that we took that decision.

Then, there is another point. A new and desirable principle has been introduced where the Joint Committee has decided to vest in the Reserve Bank the authority to weed out undesirable elements, directors or chief executive, by whatever name they be called. But, I am rather intrigued by the wording of the provision which excludes criminal courts' findings on contravention of the provisions of law, unless I am very much mistaken I like to be enlightened on that point. If you turn to page 4 of the Bill, sub-clause (b) says:

"(3) Where a person holding the office of a Chairman of a banking company is, or has been found by any tribunal or other authority (other than a criminal court) to have contravened the provision "

Does it mean that where a criminal court has held that provisions of the law have been contravened, in that case, this section will not apply?

Dr B. Gopala Reddi: There are other provisions in the Banking Companies Bill

Shri Naushir Bharucha: The point I am making is this I quite appreciate the Joint Committee's point of view that they do not want to nail it down to merely convictions in a court, but they want wider powers of taking action against any director who has violated any of the provisions of the law, and whose association with the firm is deemed undesirable. But, the effect of it would be, when you say 'other than a criminal court', for the purpose of this section at least as it stands, a criminal court's judgment would be excluded. I think the Joint Committee could have had a better approach this way. It should have made moral turpitude an element for taking action by the Reserve Bank of India. After all, it is not our inten-

tion that where a director through negligence or through default has done something wrong to contrive the provision, it would be undesirable to remove him. If an element of moral turpitude had been incorporated in this clause, whether the decision is by a criminal court or by any other court, I think, it would have been much better. Unfortunately, under the provision, as it stands, so far as I can read, for the purpose of this particular clause, judgments and convictions of criminal courts would be obviously excluded, which could not have been the intention of the Joint Committee.

Then, I come to another provision in respect of which I have always held very strong views I refer to the changes made by the Joint Committee in clause 10, which amends section 15. There, it has been provided:

"Notwithstanding anything to the contrary contained in subsection (1) or in the Companies Act, 1956, a banking company may pay dividends on its shares without writing off certain items ..."

If we turn to section 15(1), it provides a very salutary provision, a very healthy check on the bank. Section 15 of the Act as it stands now says

"No banking company shall pay any dividend on its shares until all its capitalised expenses (including preliminary expenses, organisation expenses, share-selling commission, brokerage, amounts of losses incurred and any other item of expenditure not represented by tangible assets) have been completely written off."

Here, 'expenditure not represented by tangible assets' would include many things. Now, the salutary provisions of section 15 have been diluted by the Joint Committee. What the Joint Committee has now said is that notwithstanding the very strict provision of section 15 in certain circumstances, dividends may be declared. They may be declared in what cases? Without writing off the depreciation, if any, in

[Shri Naushir Bharucha]

the value of its investments in approved securities in any case where such depreciation has not actually been capitalised or otherwise accounted for as a loss; secondly, even without writing off the depreciation in the value of its investments in shares, debentures or bonds in industrial concerns; and thirdly, without writing off bad debts. Assuming for a moment that a period of recession comes and there is a general long term decline in the value of the shares, supposing there is a collapse on the stock exchange as a result of which the value of industrial shares are very much depreciated and trade conditions take a long time to recover, in such cases, if depreciation were not set aside, the position would be that dividends would be paid out and though the bank may be incurring loss actually, it will be shown as if the bank is in a position to pay dividends.

This question of writing off of depreciation is a very important question depending upon what type of depreciation a particular type of concern requires to set aside. For instance, in a transport company, depreciation is exceptionally heavy where the rolling stock has to be depreciated very rapidly. In a case like this where depreciation comes all of a sudden and not gradually, where there is a collapse on the stock exchange and depreciation in securities takes place and the recession does not disappear for a long time or is not likely to disappear for a long time even in such cases, the Joint Committee has not thought it wise to provide that depreciation should be set aside before declaring any dividend. I submit that is rather a retrograde amendment. And what is more, in the case of bad debts also, the same provision has been made. The only safeguard which the Joint Committee have thought fit to incorporate is that the depreciation in such cases should be made to the satisfaction of the auditor of the banking company. The auditor is presumed to be an independent authority, but he is, after all, a human being, and there are limits to

his independence; and he cannot become so very independent as to say that the board of directors of a banking company are acting in a wrong way. Therefore, the safeguard which is provided is really illusory. I submit that in such cases, it should be provided that no dividends should be declared, because, after all, it is public money on a large scale that is involved, out of which the dividend would be declared, whereas the profits of the company may not be of such a character as to justify the declaration of a dividend. I think that requires to be looked into carefully.

There is another point to which I should now like to turn. The Joint Committee have made a welcome change, making it stricter for banks to start business or for continuing business, by including the interests of the future depositors as well. That is a move in a very right direction, and it is very necessary that if so desired, conditions precedent to the grant of licence should also provide that the Reserve Bank is satisfied that the banking company's business shall not be conducted or is not likely to be conducted in a prejudicial manner.

There is also another change in the right direction by the Joint Committee, namely that they have roped in for the purposes of inspection, subsidiaries of banks, which subsidiaries are situated outside India, and all branches whether situated inside or outside India. Under the Companies Bill also when this question was discussed, a difficulty was put forward that it might not be possible to have the necessary or the requisite auditing personnel to be able to carry out audit and inspection of the branches at many places. I should like to know whether so far as section 35 of the Act is concerned,—which provides for inspection, which necessarily includes audit, and which is a much wider term than audit—such inspection as a matter of administrative practice is of a routine character, it has to be carried out only where there is a suspicion

existing that the affairs of the company are mismanaged I should like to be enlightened on that point by Government—because I have had no experience of that—whether this section applies for the purpose of routine inspection, irrespective of whether the affairs of a company are well-managed or ill-managed, or whether it is only to be exercised in cases where some suspicion has arisen or some reasonable or probable cause exists to justify such inspection I am of the view that there should be, at least as a matter of administrative practice, a routine type of inspection carried out, irrespective of the fact that the company's affairs are well-managed or ill-managed. If such a sort of routine check is kept, I think it will keep all the banks on the alert. I think that point requires to be clarified.

With regard to the increase of penalties also, I am of the opinion that directors of the bank have got very grave responsibilities to discharge, and unless the penalties for offences are stepped up, it is not likely to have any salutary effect on them. So, I welcome that change also.

There is one last point that I would like to deal with, a point which was made by my hon friend, Shri V P Nayar. This is not a Bill the purpose of which is either to fix ceilings on the dividends of banking companies or to nationalise banking companies. My hon friend, Shri V P Nayar, opened up a very wide issue which may be considered by this House at some future date, but which certainly does not fall within the four corners of the principles contained in this Bill as it has emerged from the Joint Committee. The House has accepted only the limited principle of amending the Act in certain respects only, and, therefore, our attention should be concentrated on those aspects only.

By and large, I think, that, though there may be future occasions when

this House may have to reconsider in the light of experience gained in the working of this amending Bill as to the directions in which further amendments will be necessary, the Bill, on the whole, makes a salutary change; it progresses in the right direction; and though it may not take that stride which may satisfy my hon friend, Shri V P Nayar, with regard to its conforming to the socialistic pattern of society, by and large, today, our function is to see that these banking companies function in a healthy and efficient manner, and so far as that part of the Bill is concerned, while opinions may differ, by and large, that purpose has been achieved.

Shri L Achaw Singh (Inner Manipur) This is the second amendment to the Banking Companies Act of 1949. The first amendment was introduced in 1956 to make certain changes regarding the extension of the powers of supervision and control of the Reserve Bank on the banking industry. This Bill had been described as a clarificatory and a non-controversial Bill, when it was referred to the Joint Committee during the last session. While going through the report of the Joint Committee, however, I find that there are a number of controversial clauses, and, therefore this Bill is a controversial one.

Apart from the controversial nature of the Bill, it is very difficult for us to understand why Government have come forward with such piecemeal measures. Though this Bill has many provisions to authorise the Reserve Bank to exercise a greater control over the banking companies, yet, it seems to me that the amending Bill is totally inadequate, and it is not effective enough for the control and regulation of the banking industry in this country. And I feel that Government should have come forward with a more comprehensive Bill.

But then, this Bill has also got some salutary provisions. Under the amending Bill not only is the Reserve Bank

[Shri L. Achaw Singh]

authorised to inspect the foreign branches of the Indian companies, but it also requires the Indian companies to take out a licence if they want to open any foreign subsidiary

There is also a provision which controls the remuneration of the ordinary and part-time directors of the banks

The former provision is very much necessary because it will enable the Reserve Bank and the Government to detect who has been holding unauthorised deposits in the foreign banks, and it will also enable Government to bring them to book, and it will also help us to improve our foreign exchange position

Coming to some of the controversial clauses of the Bill, there is an amendment now which seeks to provide for the winding up of a banking company. It has been stated that the existing position in regard to the banking companies which have been prohibited from carrying on banking business currently is not very satisfactory. I understand that there are 123 such banking institutions to which licence has been refused, or which have been otherwise prohibited from accepting fresh deposits.

Under clause 26 of the Bill, Government have taken the opportunity to extend the Reserve Bank's powers to apply to the court for winding up of such companies. This measure is totally inadequate for that purpose. When the Reserve Bank withdraws the licence, the bank necessarily has to close down.

Now, it is the Reserve Bank which inspects the banking companies and also guides their operations. It is very difficult for us to understand why the depositors have to suffer unilaterally when such a bank is wound up. In the Minute of Dissent, it is suggested that the Reserve Bank should be given statutory powers for compulsory amalgamation of banks which have been working unsatisfactorily. It also says that it should not

allow the banks to degenerate further and create a ground for their winding up. I submit that this is a very good suggestion and the whole House should support it, because that is the only way by which we can avoid the failure of banks.

15 hrs.

Now, I come to clause 10 of the Bill. It refers to declaration of dividend without write-off. It says that when there is only a notional depreciation of the banks' investments in gilt-edged securities, formal write-off of the loss before declaration of dividend is being dispensed with. Such write-off is made compulsory only when there is an actual loss due to sale. This provision has also been extended to investments in joint stock companies. I submit that these are retrograde measures and by these the depositors and the public are only deprived of the huge amounts of profit which could swell the liquid reserves of these banks. These funds could be easily utilised for the financing of our industry and trade.

Again this measure furnishes the banking companies with greater scope for distribution of dividends and bonus shares. I cannot appreciate this position. The shareholders of a banking company contribute only 3 per cent or 4 per cent of the working capital. It is very difficult to reconcile oneself to the proposition that these people should be given an increasing share of profits.

There are other important questions involving policy. In clause 8, under the proposed amendment to section 10, permission is given to a bank's chief executive officer or somebody managing its affairs to be a director of a company. This company may not be a subsidiary, but must be a company registered under section 25 of the Companies Act, 1956. I submit that this will lead to interlocking of the position of a bank's chief executive officer, managing director or general

manager with that of a director of other types of concerns. It is true that these companies are not to be run for profits, for distribution of dividends, but then the interests of the banks will certainly suffer because the executives will have to divide their attention. Of course, there is a proviso which gives relaxation from three to nine months, but then that will not help, because the interlinking will certainly become a continuous process with some breaks. I appeal to the House that this provision should go

Lastly, I have one or two words to say about opening of new branches. The Bill does not provide anything for the proper regulation of opening of branches. A very undesirable feature of our banking industry in this country is that there is too much concentration in the big cities. Calcutta, Delhi and Bombay are examples of this process. The role of banking is to develop our economy. This purpose cannot be fulfilled unless there is expansion of branch banking business throughout the country. Of course, the State Bank of India has been undertaking the opening of branches throughout the country according to the recommendations of the Rural Credit Survey Committee. But that is not adequate. The scope and urgency of opening branches of banks in areas where there are no such services available should receive our primary attention. In that case, it will enable us to mop up the idle resources and uninvested moneys in those areas. That will help develop our economy.

Then there is another point. That is about undue competition between branches of the larger banks and the smaller banks in the undeveloped areas. This sometimes leads to the ruination of the smaller banking companies and also to the growth of monopoly control. I submit that the smaller institutions should be given due protection so that their services

might be available to the small traders and small customers.

I suggest that Government should take some steps to stop further concentration of the banking industry in the big towns. They should also initiate measures to prohibit unhealthy competition and undesirable tendencies of wiping out of the small institutions. With these words, I support the Bill.

**Shri Prabhat Kar (Hooghly):** Although the Bill, as it has emerged from the Joint Committee, has undergone some changes, I do not find any basic change in it from the Bill as was originally introduced. So far as the original Bill was concerned and as it has come back to the House from the Joint Committee, I want to draw attention specifically to clause 10. Without going into a theoretical discussion as to how banks should run, I want to know from the hon. Minister what was the necessity for relaxing section 15 of the Banking Companies Act which came into operation in 1949 in the background of a continuous process of liquidation of banks resulting in loss of over Rs 100 crores to the depositors. Which of the banks, during this period of ten years of the operation of the Banking Companies Act, has found it difficult to function so that a relaxation has become necessary? What are the difficulties that the banking companies have as a whole met with to justify the relaxation of section 15?

So far we know that the bank's balance sheets do not represent the true picture of accounts. Today we find that dividends can be paid without writing off depreciation. In the year 1958, depreciation will not be provided for, profit will be more, dividend will be increased. Next year, the securities will be sold. The loss will be written off. By that time, already more dividend has been paid to the shareholder. So at the cost of the institution, this provision has been brought in. I want to know during this period which of the important



[Shri Prabhat Kar]

banks has not steadily increased its dividends and whether there was any difficulty experienced by the banking companies in declaring dividends, in spite of the fact that they are paying more dividends today. Generally, the dividend today centres round 14 to 18 per cent. All the first-class banking concerns pay dividends between 14 and 18 per cent. What were the difficulties faced by the banking companies during this period that the Government have come forward for granting this relaxation that in order to declare a dividend, it will not be necessary for them to make any provision for the depreciation of government securities or of shares? Is it that they want to declare more dividends? Do they feel that the dividends paid by the banks today are not adequate?

It is a well-known fact that it is only 2 to 3 per cent of the working capital that comes from the shareholders. So far as they are concerned, they get 14 to 18 per cent. The dividend has got nothing to do with the stability of the bank.

During the last 20 years, the Allahabad Bank has been paying constantly a dividend of 18 per cent. During all these 20 years, it has not been able to make any improvement. So far as its working capital is concerned, the deposits or advances rarely centred round Rs 30 to Rs 40 crores.

During the first 10 years, the United Commercial Bank did not pay a single per cent as dividend and its working capital comes to Rs. 17 crores.

Dividend is not a factor for the improvement of a bank. It is necessary to stabilise or strengthen a banking company to make provision for that. That is why banking companies have been given the right not to show every detail in the balance-sheet. You need give the whole of the earnings. You can give in the balance-sheet the income after making provision for bad and doubtful debts and other necessary things. So, it is not the true

income that is shown. Why have you given this right? Because it is necessary to stabilise and strengthen a bank. Today the most important point is that you say that they need not make any provision for depreciation.

Government securities of the face value of Rs. 100 may be quoted at Rs 80. Tomorrow if you sell it, you will sell it at Rs. 80. You are not making any provision for the loss of this Rs. 20. What you do today is to increase the assets and show more profits. Next year, you will sell it at Rs 80 without making any provision and write-off the losses from the balance-sheet.

I want to know what were the practical difficulties which the banking companies were facing for which this amendment has been brought. I need not go into the detailed findings of the committee which went into the causes of liquidation of banks. One of the causes was that the necessary provision was not made for the depreciation of the shares and gilt-edged securities. You show the face value or the market value and inflate the profits and pay dividends. And, when the crisis comes you have nothing to fall back upon. That is why the Banking Companies Act, 1949, came into operation. During these 10 years, nothing has happened. So, I want an explanation from the hon. Minister as to the necessity for bringing in this amendment.

Sections 17 and 18 of the principal Act have been substituted by new sections according to this Bill. It is something strange. Generally, provisions are made for punishment for violation of the provisions of the Act. So long as the Act is in operation and anybody violates that provision he is punishable according to that Act. Today you make a law by which you regularise all the crimes that the parties have committed. You do not want to give retrospective effect to particular sections because it will help the employees to get some money. But so far as this amendment

is concerned, if there had been any irregularities in the past you regularise them. According to this, if the management was punishable you do not take any cognizance of it. You are amending the law and giving retrospective effect so that past mistakes or misdeeds may be regularised.

I do not know why this section 17 is being substituted, namely:—

“Every banking company incorporated in India shall create a reserve fund and unless the amount in such fund together with the amount in the share premium account is not less than its paid-up capital, shall, out of the balance of profit of each year as disclosed in the profit and loss account prepared under section 29 and before any dividend is declared, transfer to the reserve fund a sum equivalent to not less than twenty per cent of such profit

(2) Where a banking company appropriates any sum or sums from the reserve fund or the share premium account, it shall, within twenty-one days from the date of such appropriation, report the fact to the Reserve Bank, explaining the circumstances relating to such appropriation ”

Even if it is in contravention of the articles of memorandum of the banking company, the provision of this Act shall have effect.

“the provisions of this Act shall have effect notwithstanding anything to the contrary contained in the memorandum or articles of a banking company, or in any agreement executed by it, or in any resolution passed by the banking company in general meeting or by its Board of directors, whether the same be registered, executed or passed, as the case may be, before or after the commencement of the Banking Companies (Amendment) Act, 1959;”

I wrote to a bank in relation to its action in taking the money from the statutory reserve and issuing bonus shares. I do not want to name the bank. I had correspondence with the Finance Minister and the reply was that this is being regularised by the amending Bill. An act which is in violation of the existing Banking Companies Act is being regularised by moving an amending Bill subsequently. I do not know how this can be done. I want an explanation from the hon Minister as to why an amendment is necessary today.

The present provisions are in operation for the last 10 years. What difficulties were faced by the banking companies so that Government have now thought it fit to bring in this amendment?

I welcome some of the provisions regarding the inspection of foreign branches, the steps to be taken against the chairmen or directors etc They are welcome features At the same time I do not know how some smaller points come in

Under section 10, so far as the cashier-contractor is concerned, it is not a predominant system It is in no way helpful to the industry Neither does it help in the functioning of the cash department, nor is it less costly (Interruptions) Sub-clause (b) deals with commission to brokers, cashier-contractors, clearing and forwarding agents etc So far as clearing and forwarding agents are concerned, clause 6 says:

“any commission to any broker (including guarantee broker) cashier-contractor, clearing and forwarding agent, auctioneer or any other person .

First of all, I do not know how these persons can be bank employees. Na bank can employ a commission agent as commission would be paid. He has got nothing to do with employment in the bank. An auctioneer is

[Shri Prabhat Kar]

not an employee of the bank. How these things come in, I do not know. So far as the cashier-contractor is concerned, there are very few of them. Their commission should also be regularised. It is an old system. In the days of the East India Company and British merchants, there was a system known as bania system by which an Indian would guarantee to the European bank the money value. Now, it is out of vogue. In most of the banks, the cash department is run directly by the bank. Yet today, in the year 1959, by bringing in this particular sub-clause, a new suggestion is being given to the banking companies that the cashier-contractor system may be reimposed.

I have raised some main issues and pointed out the retrograde steps. I want to know from the hon. Minister why these amendments have become necessary and which of the banks wanted them. I support the other provisions of the Bill.

Shri Achar (Mangalore): I would like to make only a few submissions with regard to certain points that were argued by the hon. Member. Shri V. P. Nayar:

Shri V. P. Nayar: You have reversed them.

Shri Achar: I am sorry—Shri V. P. Nayar, and also the other Communist Member who has just sat down. It looked as if the question of dividend was being discussed from the point of view of the big commercial banks. If we consider the history of our banks, especially the smaller banks which were started in the 1920s and 1930s in the district headquarters and taluk headquarters, I am afraid the discussion that took place today regarding the dividends would not apply at all. I know several banks were started in the 1920s and 1930s with small capital. They were started with small capitals by small men at great sacrifice. I know of instances where they built

up these banks without receiving a pie of dividend for five or ten years; they built them up with great sacrifices. Now, the hon. Members here say that they should not pay dividends or the dividend should not be more than five per cent. Is it fair? There is another aspect also.

Suppose a person has contributed only Rs. 100 in 1930 or 1932. Think of the value of these hundred rupees now. As a student of economics, I can say that those hundred rupees are worth at least Rs. 500 today. My hon. friends say that they should not pay interest more than at the rate of five per cent for the sacrifices that they have made. If he has paid Rs. 100 in those days, its real economic value is Rs. 500 today and with all humility I would say that 25 per cent can be paid or even more than that can be paid. But I do not say this with regard to all banks. The same principles cannot apply to all banks even to those big commercial banks which are making huge profits. I do concede that the Government ought to interfere. There may be control. But to treat all banks in the same manner would be doing a great injustice. In several districts—not only in my district—banks have been built up after great sacrifice and no dividends were paid for several years. So, why should not those people be paid a higher rate of dividend now? My own impression is that the discussion yesterday and today was going on from the point of view of the big commercial banks in big cities, Bombay and Calcutta. I come from a small town and we are concerned with small men and small banks. But this Bill applies to every bank, big or small, alike. But I may say that so far as the provisions in the Bill go, they are quite satisfactory and I find there is no controversy over that. My criticism is about the view advocated by some hon. Members that some more provisions ought to have been there. How these small banks had been built up from 1920s and 1930s—these points

must also be considered before we think of restricting dividends I do concede that wherever there is abuse, there must be interference but it should not be a law as if it should apply to everybody in the same manner In other fields, there are differences, so, in the banking field also, there are differences So, I would submit to the House and the Minister that we have to consider the history of these banks and the position of these banks, especially the small banks

I want to submit only one more point I have felt that sufficient attention is not being paid to agricultural credit We have been discussing this question of banking both yesterday and today The question of the subsidiary banks was also discussed In fact, some of the Bills which we passed have come as a result of the recommendations of the Rural Credit Survey In spite of all these facts whether it be in that Act or whether it be in this Bill which we are now considering, there is no provision anywhere to better the banking facilities in the rural area One hon Member complained that banks are being started almost in every street and in every lane in bigger cities I wish, when we are having so much interference in the banking business and in the banking companies, very much that Government interferes in this field and sees to it that branches are opened more branches are opened in the rural area Not only that they should also see into the rural credit more than anything else In spite of the survey, in spite of the several recommendations, as it is the rural area is not getting the advantage of banking companies Even the State Bank has not been able to do much in that direction I appeal to the Minister—of course, as I said, wherever there is abuse the Government has to interfere—that the Government should interfere in these banking companies and see to it that more rural credit is made available to our agriculture

श्री० एनबॉर सिंह (रोहतक)

उपाध्यक्ष महोदय इस सिलेक्ट कमेटी की रिपोर्ट के जरिये सरकार बैंकिंग व्यवसाय के लिये एक नई नीति निर्धारित कर रही है। खास तौर पर उन आदमियों के लिये, जो बैंको को चलाते हैं उन का इन्तिजाम करते हैं, जो कदम उठाया जा रहा है वह एक मराहनीय कदम है। आज से कुछ दिन पहले इस सदन के सोमने माननीय वित्त मंत्री महोदय ने कहा था कि हमारे पास या रिजर्व बैंक के पास ऐसा कोई आम्नियार नहीं है कि अगर कोई बैंक को इतजाम करने वाला कोई गलती करे, तो हम किस तरह उस को ठीक करने पर लायक या उस का हटा सके। उस कमी का पूरा करने के लिये यह बिल खासा आगे जायेगा। मैं यह कहे बगैर नहीं रह सकता कि अब भी हम इस कानून के जरिये रिजर्व बैंक को जो अधिकार दे रहे हैं वह बड़ी अधिकार के साथ दे रहे हैं। अभी मने साथी न जिक्र किया बैंका के चलाने वालो के बारे में और गेयर-होल्डर्स की निमपत्ती के सम्बन्ध में लेकिन कौन नहीं जानना कि कोई भी बैंक चाहे वह कितना ही बडा बैंक क्यों न हो चल नहीं सकता अगर रिजर्व बैंक उस को जरूरत के वक्त पूरा सहारा न दे। हमारे मायनो में हम कह सकते हैं कि जब से हमारे देश के रिजर्व बैंक ने पुस्का तौर पर यह नीति निर्धारित की कि जिनने भी बैंक इस देश में चलते हैं, जब भी बूग वक्त आयेगा हम उन को सहारा देंगे तब से बहुत कम बैंक फेल होते हैं, हम कह सकते हैं कि उन के चलने में उन के मुनाफे में रिजर्व बैंक का बहुत बडा हिस्सा है और रिजर्व बैंक चन्द आदमियों का बैंक नहीं है — वह सारे हिन्दुस्तान का बैंक है और चालीस करोड आदमियों का बैंक है। वह बैंक जिस में चालीस करोड आदमियों का पैसा हो अगर उन बैंको को सहारा दे, जो कि कुछ आदमियों के मफाद के लिये चलें, तो हम को सोचना होगा कि रिजर्व बैंक के पास पूरी रोक-थाम करने और यह देखने

[श्री० रणबीर सिंह]

का पूरा भ्रष्टियार है या नहीं कि वे बैंक ठीक रास्ते पर, देश के हित के लिये चल रहे हैं या नहीं ।

इस में जिज्ञा किया गया है कि अगर ट्राइ-म्यूनल फंडला दे कि किमी मैनेजर, डायरेक्टर, मैनेजिंग डाइरेक्टर या किसी और काम चलाने वाले ने गलती की है और रिजर्व बैंक को तसल्ली हो कि उस को बहा में हटाना जरूरी है, तो उस को हटाया जा सकता है और अगर जवाब लिये हटाया जा सकता है । मैं समझता हूँ कि यह भी कम है । देश के आज के हालात को देखते हुए यह भ्रष्टियार कम है । आप जानते हैं कि डल सदन में बहुत सारे साथी यह चाहते हैं कि इस देश के तमाम बैंक नेशनलाइज किये जायें । हो सकता है कि देश के बैंकों को नेशनलाइज करने के लिये अभी कुछ वक्त चाहिये । कुछ मुश्किलता हो सकती है, लेकिन इस में दो रायें नहीं हो सकती कि उन के काम को ठीक तौर पर चलाने के लिये रिजर्व बैंक के पास पूरा भ्रष्टियार होना चाहिये और जब हम सब की यह राय हो, तो मैं जरूरी नहीं समझता कि हम किसी ट्राइम्यूनल के फंडले का इन्तजार करें । अगर रिजर्व बैंक की राय हो कि फला डायरेक्टर या मैनेजिंग डायरेक्टर ने बैंक को ऐसे तरीके से चलाया है, जिस से कि समाज का नुकसान है, तो उस को हटाने का रिजर्व बैंक को भ्रष्टियार होना चाहिये ।

इस सिलसिले में मैं यह कहे बगैर नहीं रह सकता कि यह अभीब दुख की कथा है कि ये बैंक और उन के हिस्सेदार आज तक जो चाहें, वह मुनाफा कमाते रहे हैं और वह कमाते रहे हैं रिजर्व बैंक के सहारे पर और रिजर्व बैंक चालीस करोड़ इन्सानों का बैंक है । इन बैंकों ने चालीस करोड़ के अस्सी फ्रीसदी हिस्से के लिये जो पैसा दिया, वह एक फ्रीसदी है । इसलिये जिस शक्स के मुक्ता-ए-निगाह में अस्सी फ्रीसदी आबादी के हित सामने हैं, वह यह कहे बगैर नहीं रह सकता कि ये

बैंक देश के मज्दा के लिये नहीं चलें, बल्कि भ्रादमियों के मज्दा के लिये चलें । मैं समझता हूँ कि बन्द भ्रादमियों के मज्दा के लिये रिजर्व बैंक का इमदाव करना सही न होगा । आज हमारे देश में करोड़ों रुपयों का अनाज बाहर से मगाया जा रहा है और देश का हर प्लानर यह मानता है कि इस देश की अनाज की पैदावार बढ़ाना जरूरी है । इसलिये खेती की तरफकी के लिए रुपया देना बहुत जरूरी है । मैं समझता हूँ कि रिजर्व बैंक को यह भ्रष्टियार होना चाहिए कि वह मुकर्रर कर दे कि फला बैंक कम से कम बीस फ्रीसदी, या पन्द्रह फ्रीसदी या दस फ्रीसदी शुरू में—और आखिर में शह हद बढ़ती जाय—खेती में रुपया लगावेगा और जो इस शर्त को तोड़े, उस के डायरेक्टर को हटाने का पूरा भ्रष्टियार रिजर्व बैंक को होना चाहिए ।

अभी मेरे साथी पूर्ववक्ता न इस बात की इलील दी कि क्यों न उन को ज्यादा मुनाफा दिया जायें । मैं पूछना चाहता हूँ कि अगर फल यह हाउम फंडला करे कि इन बैंक्स को नेशनलाइज करना है, तो क्या हम उन को जो कम्पेन्सेशन देंगे, वह शेअरज की फेम वैल्यू के हिसाब से देंगे ? हम उन को मार्केट वैल्यू के हिसाब से देंगे । उन्होंने १९२० की किस्सा-कहानी मुनाई कि १९२० में जिस हिस्से की कीमत ती रुपये थी, वह आज बहुत बढ़ गई है । फल अगर हम नें नेशनलाइज किया, तो हम उस हिस्से की कीमत तीन मी धा चार मी अदा करेंगे । क्या उन के लिए यह मुनाफा नहीं है ? जब वे मी के बदले तीन चार ली ले लेंगे, तो उन को क्या अधिकार है कि वे हद से बाहर मुनाफे की तबक्की करे । आप जानते हैं कि हिन्दुस्तान के प्राइम मिनिस्टर ने एलान किया है कि यह को-आप-रेटिष्क की पालिसी खेती में ही नहीं रहेगी बल्कि हम इस को बढ़ाना चाहते हैं और हम इस को इंडस्ट्री में ले जाना चाहते हैं । आज के दिन यह बिल आये और उस में यह धार

हो कि हम उन के मुनाफे की लावाब को बढ़ाने की इजाजत देना चाहते हैं, तो मैं समझता हूँ कि यह हमारे देश की नीति के खिलाफ है। अगर सरकार सब बैंक्स को कुछ मज-बूरियों की बजह से को-प्रोपरेटिव नहीं बनाना चाहती, या नेशनलाइज नहीं कर सकती, तो मैं चाहूँगा कि कम से कम उस प्रिंसिपल को इन बैंकों में भी लागू किया जाये, जो कि को-प्रोपरेटिव बैंक्स में लागू होता है, यानी कुछ परसेंटेज से ज्यादा मुनाफा हिस्सेदारों को नहीं मिल सकता है। मैं यह मानने के लिये तैयार हूँ कि जो मुनाफा बटें, को-प्रोपरेटिव बैंक में अगर वह पाच परसेंट है, तो यहाँ छ परसेंट हो जाये। १ या १।२ परसेंट ज्यादा बेबाक दे दें, लेकिन यह कैसे उन को छूट मिली कि वह मुनाफा इस से ज्यादा बांट सकें। मैं कहना चाहता हूँ कि इतना फर्क शेयरों के डिबिडेण्ड में नहीं होना चाहिये। मैं चाहता हूँ कि यह हद्द हटानी नहीं चाहिये दूसरे शब्दों में कोई न कोई हद्द मुकर्रग करनी चाहिये और मंत्री महोदय इस प्रॉपोजिट को वापस लें।

इस के अलावा मैं यह भी मानता हूँ कि आज के दिन जब हम इस बात की तैयारी में हैं कि हम नया बैंकों को सरकारी बना लेंगे तब हमें इस बात की इजाजत नहीं देनी चाहिये कि कोई भी बैंक फेल हो। हम को आज इस बात की पूरी जिम्मेदारी लेनी चाहिये कि किसी बैंक को हम फेल नहीं होने देंगे क्योंकि आज तो रिजर्व बैंक के पास अस्त्यार हैं। वह क्यों यह सोचे कि कोई बैंक फेल होगा तो कैसे उस का हिसाब किताब चुकायेंगे और किस तरह से उस का हिसाब निपटायेंगे? हमारे दिल के अन्दर यह चीज रहनी ही नहीं चाहिये कि कोई बैंक फेल होगा क्योंकि आज रिजर्व बैंक को अस्त्यार है कि जो किसी बैंक को चलाने वाले हैं अगर वह गलत काम करे तो उन को बहू हटा दे और उस बैंक को ले ले। हमें आज देश के लोगों के दिल में इस बात का डर निकाल देना चाहिये कि कोई भी

बैंक इस देश के अन्दर फेल हो सकता है। अगर कोई बैंक गलत काम करता है, किसी खास आदमी के मुनाफे के लिये चलता है तो हम लोग कानून के अधीन उस बैंक को ले सकते हैं और उस के चलाने वालों को हटा सकते हैं।

श्री रामेश्वर टाटिया (सीकर) उपाध्यक्ष महोदय, मैंने जो स्टेट बैंक आफ इंडिया प्रॉपोजिट बिल पर बहस हो रही थी, उस को मुना। सरकार जो ज्यादा पावर मांगती है, वह जरूरी हो सकती है क्योंकि बैंकों में भारतवर्ष के हर साधारण आदमी का, मजदूर का भी और रुपये वालों का भी रुपया जमा रहता है और वह रुपया सुरक्षित रहे, यह हम सभी चाहेंगे। इस में कोई दो मत नहीं हैं। मैं यह जरूर कहूँगा कि हमारे बैंकों में इन २०, २५ वर्षों में देश की जो सेवा की है और इतनी उन्नति की है वह एक उदाहरणस्वरूप है। मुझे आश्चर्य हुआ जब श्री प्रभात काग ने कहा कि बैंक १४ परसेंट और १६ परसेंट डिबिडेण्ड क्यों देते हैं। यह ताज्जुब की बात है कि अगर कोई मस्या काफी रुपया कमाती है, गवर्नमेंट को भी टैक्स देती है, रिजर्व में भी रुपया ले जाती है तो वह शेयरहोल्डरों को, उन शेयरहोल्डरों को जो गरीब आदमी हैं, मावारण आदमी हैं वह उन को ज्यादा डिबिडेण्ड न दे। पिछले साल मैंने हुआ था तो कई बैंक्स के एंमे ऐसे शेयरहोल्डर निकले जिन के पास १०० रु० का शेयर है, २०० रु० का शेयर है या ५०० रु० का शेयर है। अगर उन को मुनाफा अच्छा मिलता है, गवर्नमेंट को टैक्स भी देते हैं, तो आप की क्या हानि है अगर वह अपने शेयरहोल्डरों को ज्यादा डिबिडेण्ड दें। अगर कोई कम्पनी मिसमैनेजमेंट करती है, शेयरहोल्डरों को डिबिडेण्ड नहीं दे सकती है, इनकम-टैक्स नहीं दे सकती तब आप कह सकते हैं कि गलत चीज है। लेकिन यह सवाल कैसे हुआ कि वह इनकम टैक्स दे, रिजर्व में भी रुपया रखें, फिर भी शेयरहोल्डरों को कम

[श्री रामेश्वर टाटिया]

रुपया दे ? मे भाप के सामने कुछ बैंकों के उदाहरण देता हूँ । बैंक आफ इंडिया का ३ करोड़ ६० का कैपिटल है, ३ करोड़ १० लाख ६० उन के पास रिजर्व है और ८ वर्षों में उन्होंने इनकम टैक्स दिया है और शेयर-होल्डरों को उन्होंने १६ परसेन्ट डिविडेंड भी आफ टैक्स दिया है । इसी तरह से सेट्रल बैंक है । उस का ३ करोड़ १४ लाख ६० का कैपिटल है, ३ करोड़ ५८ लाख ६० रिजर्व में लगाया है, ८ सालों में करीब ५ करोड़ ६० इनकम टैक्स दिया है, और शेयरहोल्डरों को बराबर डिविडेंड दे रहा है । एक नया बैंक है यूनाइटेड कामर्सल बैंक, जिस के बारे में कार साहब ने कहा कि वह शेयरहोल्डरों को ७ १/२ परसेन्ट डिविडेंड देता है । उन्होंने थोड़े ही दिनों में रिजर्व १ करोड़ ३४ लाख कर लिया । उन की यह पालिसी मेरी समझ में नहीं आई कि बैंकों में रुपया जमा हो फिर भी वह शेयरहोल्डरों को डिविडेंड न दे । चौ० रणवीर सिंह ने भी कहा कि अगर गवर्नमेंट उन को नेशनलाइज करेगी तो उस को दाम ज्यादा देना पड़ेगा । अगर कंपनी साउठ है उस के पास रुपया है तो इस में गवर्नमेंट को कोई हर्ज नहीं होना चाहिये मार्केट के हिसाब से देने में । मेरा तो यह कहना है कि जो बैंक बहुत अच्छी तरह से चल रहे हैं, जिन्होंने अच्छा काम किया है, उन पर इतनी ज्यादा कटौत नहीं होनी चाहिये । कानून से भाप पावर लेना चाहें तो यह बात ठीक हो सकती है लेकिन इस पावर का इस तरह से इस्तेमाल नहीं होना चाहिये कि बैंकों की उन्नति में कोई बाधा आयें ।

साथ में मुझे यह भी निवेदन करना है कि कुछ बैंक ऐसे हैं जो अब तक न तो डिविडेंड दे पायें हैं और उन के शेयरों के दाम यद्यपि ५० ६० हैं लेकिन अब ४५ ६० हैं और बाजार में उन का दाम सिर्फ १० ६० है । उन्होंने कुछ ऐसा कायदा बना लिया है कि १०० ६० के शेयर वेल्यू के शेयर का दाम पेंड अप कीमत

पर ५० ६० कर दिया है । जब मर्जी आवे भाप इस को काल करके देख सकते हैं और शेयर बाजार में लोग उन को लेते नहीं । ऐसे बैंकों के लिये मैं विल मंत्री महोदय से निवेदन करूंगा कि उन की जाच की जाय । अगर कोई बैंक ऐसे है जिन्होंने आज तक डिविडेंड नहीं दिया है, १५ वर्षों से वे बैंक हैं, एक शेयर पर उन्होंने ५० ६० का दाम रक्खा है लेकिन आज उन की कीमत १० या १२ ६० है, या तो ऐसे बैंकों को खत्म किया जाय या दूसरे बैंकों में मिला दिया जाय ताकि उन के शेयरहोल्डरों को १० ६० की जगह ३५ ६० या ४० ६० मिल सके । उदाहरण के लिये मैं भाप के सामने बतलाना चाहता हूँ कि हिन्दुस्तान मर्केन्टाइल बैंक सन १९४४ में शुरू हुआ । उस में खाली १ करोड़ का डिविडेंड दिया । उस के बाद कमी भी डिविडेंड नहीं दिया । उस का ५० ६० का शेयर है, लेकिन बाजार में उस का दाम १० ६० है । उस के पास कुल १ करोड़ ५० लाख का कैपिटल है । इसी तरह में हिन्दुस्तान कामर्सल बैंक है जो कि सन १९४३ में शुरू हुआ । उस का दाम आज १३ ६० है जब कि उस का ५० ६० का शेयर है । मैं कहूंगा कि जब गवर्नमेंट आज पावर ले रही है बैंकिंग प्रमेडमेंट बिल के जरिये से तो ऐसे बैंकों के बारे में जरूर सोचे जो न तो डिविडेंड देते हैं और न जिन की कोई सख्त है कि लोग उन में रुपया लगा सके । ऐसे बैंकों को रखना या चलने देना मेरी समझ में ठीक नहीं है । या तो भाप उन को बड़े बैंकों में मिला दीजिये या जैसे भाप ने दूसरे बैंकों को लिया है उसी तरह से कोई कानून बना कर इन बैंकों को ले ले क्योंकि यह न तो शेयरहोल्डरों के हक में ही है और न गवर्नमेंट के हक में ही है कि इस तरह के बैंक चलते रहे और उन की कोई जाच न हो । मैं तो कार साहब से कहूंगा कि वह बैंक एम्प्लायीज यूनियन से सम्बन्धित है, उन को उन बैंकों के लिये सिरवर्ड नहीं मोल लेना चाहिये जो कि बहुत काफी कमाते हैं, जो गवर्नमेंट को टैक्स देते हैं और काफी डिविडेंड देते हैं । इस के बदले

बैंक बैंकों के बारे में सोचें जो कि पहले नहीं  
 पहले तो ज्यादा अच्छा होगा ।

**Dr. B. Gopala Reddi:** Sir, this amending Bill was brought after a good deal of deliberation and after gaining experience in the last few years about the working of the banking companies. Therefore, I must straightway say that due thought was given to this amending Bill. The Indian Banks Association, the Exchange Banks Association, the Reserve Bank of India, the Government of India and the Joint Committee—all of them have considered all these aspects and all the points raised in this discussion threadbare, and the amending legislation is the result of such long deliberations.

From the time the first Banking Companies Act was promulgated it is now ten years, and looking back we can confidently say that the Reserve Bank has exercised a good influence on the banking companies; they have also increased their business and are also in an increasing manner helping the industrialisation of our country. Even with regard to the agriculturists, the Reserve Bank has been contributing to the share capital of the land mortgage banks and in whatever manner possible the Reserve Bank is lending money so that the co-operative institutions can lend money to the agriculturists. So, this amending legislation is the result of a good deal of experience and, as I said, a good deal of thought.

Only three matters have been raised by Shri Nayar, but those matters were discussed in the Joint Committee and also when the Bill was introduced here. I am glad to note from the proceedings of the discussion in 1949 that some of these matters were discussed even then and the Government could not accept them. The opinion of individual Members might have changed; maybe Professor Ranga held one opinion then and I do not know whether he is

holding a different opinion now. But the Government is consistent; the attitude taken by Government in 1949 is the same as the attitude taken by Government in 1959, in spite of the fact that the Government is wedded to a socialist pattern of society. We are aware of the ideology we have accepted....

**An Hon. Member:** How does it arise?

**Dr. B. Gopala Reddi:** He raised it. But since 1949, the first and second Five Year Plans have come into being and we are already discussing the third Five Year Plan. We realise that we want resources perhaps to the extent of thousands of crores. Even in that context, it was discussed whether nationalisation of banks is going to add to our resources. We certainly need resources for our Third Plan. It is a gigantic task; we want foreign exchange and help from outside countries too. We want mobilisation of internal resources. The Planning Commission also in that context has considered whether nationalisation of banks will add to our resources. Even from that point of view, it was not found desirable to nationalise these banks. Of course, the nationalisation of banks championed by Shri Nayar is an approach of certain sections of people, holding certain opinions. I do not deny that; there may be people even in the Congress Party and elsewhere also holding these opinions. But as far as Government are concerned, we think it is not at all necessary even in the context of the third, fourth or fifth Five Year Plans.

The second point coming in its wake is the demand for a ceiling on dividends and the prohibition of bonus shares. These are of course connected with the problem of nationalisation; they are concomitants of the philosophy of nationalisation of banks. Here again, the Government, the Reserve Bank and even the banking companies and their associations have considered this aspect, whether it is necessary in the present context of our



[Dr. B. Gopala Reddi]

development that there should be a ceiling on dividends and complete prohibition of bonus shares. These two points were also considered and they were not acceptable to Government

Higher dividends and issue of bonus shares attract the Income-tax Act provisions. Whenever they declare a higher dividend, they pay higher tax; it is a special tax on the higher dividend. Likewise, whenever they issue bonus shares, there is a special provision for income-tax going up to 30 per cent or so. Therefore, there is a little deterrent under the Income-tax Act. Beyond that, we do not want to put any further hurdles in declaring dividends or bonus shares. Of course, when all criteria are satisfied, definitely permission is given to the issue of bonus shares. These are matters which are necessarily controversial and we do not want to get into unnecessary controversies in regard to nationalisation, ceiling on dividends, etc. Even the Reserve Bank, which is the bankers' bank does not advise these things.

Shri Nayar again raised the question whether a general manager of a bank could be a director of some other company. A good deal of thought was given to this matter. It is not as if we are going to detract him from his concentrated work. When his whole time should be given to the banking institution, why should his energies be dissipated by accepting directorship of some other company? After all, there are certain restrictions here again. The Reserve Bank must be satisfied and things like that. As far as I know, only under two conditions the general manager would be allowed to be a director. One is when the bank's interests ought to be safeguarded. Suppose he attends the meetings occasionally to see that nothing detrimental happens to their own advance; if necessary he will watch on behalf of his own bank to safeguard the bank's interests. That is one set of circumstances. In other cases, it

may be a Government corporation. If there is a complete prohibition that he should not be a director in any other company, his experience cannot be utilised in any other institution even if it is a Government concern. It may be a small place where a small company is coming up and his presence may be of a healthy and salutary nature. Even in such circumstances it would not be possible to utilise his experience if there is complete prohibition of dual directorship. So, we want to provide for cases where it is absolutely necessary to permit him to accept the directorship. It will not detract from his concentration on his work as general manager. So, there need not be any misapprehension on that account at all.

Shri Prabhat Kar has repeatedly laid stress on section 15. He asks, why is it necessary to come forward with this section and why when there are losses, they should not be made good before dividends are declared. I think the intention of the Government is quite clear under section 15, under which a banking company may pay dividends on its shares without writing off the depreciation in the value of its investments in approved securities in any case where such depreciation has not been actually capitalised or otherwise accounted for as a loss. When there is no sale, there is no loss. There was little doubt previously whether they should make provision for such national losses also when there is no actual sale. But now we are making it clear that wherever there is no sale with regard to approved securities, they need not make a provision. If it is not approved security, if it is any other investment in shares, debentures, bonds, etc., then of course they must make a provision, but with the satisfaction of their own auditors. I think the auditor will not make an irresponsible statement. He runs a risk if he gives a false certificate. I think we are only regularising

the present practice and removing any uncertainty. Beyond that, we are not doing anything novel or revolutionary. Only, he must make a provision to the satisfaction of his own auditor. When there is no sale with regard to approved securities, they need not make any provision. As I said, we are only regularising the present practice.

Shri Ram Krishan Gupta pleaded very hard that liquidation should not be resorted to and as far as possible, there must be a merger, because liquidation means loss to the deposit-holders, shareholders, etc. and it must be prevented at all costs. Certainly we agree with that general thesis that liquidation should not be resorted to ordinarily, except, of course, when it is forced. The Reserve Bank also is trying its best to advise the banks, whenever they are in difficulties, to merge with some other banks. With regard to mergers etc. in the latest report of the Reserve Bank also they have given full details. In paragraph 41 on page 15 of the "Progress in India during the year 1958" they say:

"A welcome development in the last two years has been the increasing trend towards bank amalgamations strengthening the banking system. During the year the Reserve Bank sanctioned schemes of amalgamation of the South Indian National Bank (Mavelikara) with the Bank of New India (Trivandrum), the Hind Bank (Calcutta) with the Bank of Madura (Madurai). In December 1958 the Madras City Bank (Coimbatore) transferred its assets and liabilities to the Cochin Commercial Bank (Cochin). Besides, three non-scheduled banks in the southern area were taking steps to amalgamate themselves with a non-scheduled bank in that area. The proposal for the transfer of certain assets and liabilities by a scheduled bank in the southern area to another scheduled bank in

the same area was also under consideration by the banks at the end of the year."

We can thus see that the Reserve Bank is certainly exercising its influence towards amalgamation and not towards liquidation. It is a welcome feature and I wish whenever there is a little difficulty in a bank it agrees to merge itself with a bank in the neighbourhood instead of going into liquidation.

16 hrs.

Shri Bharucha has raised the question of moral turpitude. He asked: why should you take such wide powers? Then he said, whenever there is moral turpitude involved in the conviction then the removal or disqualification must operate. We tried to see whether moral turpitude has been defined anywhere. Even when the authorities give their judgment, or pass proceedings, they do not specifically say whether in a particular case the conviction is on moral turpitude. They do not say in the judgment or proceedings that the cases come under moral turpitude. Moral turpitude is a very wide term and we have purposely put the section so nicely, so vaguely if you want.

**Shri V. P. Nayar:** Under the Government Servants' Conduct Rules if somebody is convicted for an offence involving moral turpitude he will not be allowed to re-enter service.

**Dr. B. Gopala Reddi:** It is a general term. It is difficult to draw a clear line. Therefore, we have said:

"if continuance, in the opinion of the Reserve Bank, is not desirable".

**Mr. Deputy-Speaker:** It is vague, it is nowhere defined, but it is well-understood!

**Dr. B. Gopala Reddi:** In a particular case we may not know whether it involves moral turpitude. There may be a border line case.

**Shri Narayanaankatty Menon:** Under the Government Servants Conduct Rules, an offence involving moral turpitude will result in the dismissal of the employee.

**Dr. B. Gopala Reddi:** You can take a reasonable attitude. Here we are giving powers to prevent contravention of the Act. Suppose a person has not taken a radio licence. Somebody might penalise him. Should it result in his disqualification? Therefore, we have said that it should be something the continuance of which, in the opinion of the Reserve Bank, is undesirable to the depositors and things like that. Therefore, more latitude must be given to the Reserve Bank. The Reserve Bank is not likely to exercise its power unnecessarily or in a vindictive manner. They must first satisfy themselves that his continuance in the bank is undesirable.

**Shri V. P. Nayar:** Technical offences are different from offences involving moral turpitude. Not having a radio licence is a technical offence.

**Dr. B. Gopala Reddi:** Some people might think that contravention of the foreign exchange rules does not involve moral turpitude. Therefore, we have given a wide discretion to the Reserve Bank.

Then, regarding the definition of the bank, Shri Bharucha asked why not link it up with deposits and transactions, their turnover and things like that. There we have drawn a line at the conventional understanding—those who do not use the cheque system for withdrawing money, they are not considered banks. They may just receive deposits. As they do not undertake all the banking operations we do not want to bring them under the umbrellas of banking and under the provisions of the Reserve Bank Act. As I said in the beginning, all these matters were given due consideration. So, I think there need not be any difficulty with regard to the definition of bank either.

With regard to inspection, there are wide powers of inspection. As far as tax evasion is concerned, under sections 57 to 59 of the Income-tax Act the taxing authorities can call for and study any banking records. So, there is ample provision against tax evasion.

With regard to estoppel by High Courts even in the old Banking Companies Act we have similar provisions in sections 39 and 40. It is nothing new that we are trying to do. When the Reserve Bank has gone into the proceedings then the High Court cannot step in. The Reserve Bank will have it entirely in their hands. Provisions of this type are necessary so that the Reserve Bank can act swiftly.

I am really happy that generally the House is welcoming the proposals and the Reserve Bank is getting some more powers. Of course, they will use them only in the interests of the country and not against individual or things like that. I am really happy that it has received widespread support from the banking institutions and from all sections of the House.

**Shri V. P. Nayar:** I want to seek a clarification. He referred to sections 39 and 40 of the original Bill and said that what is now incorporated in clause 25 is just the same thing. I have read both the sections and I find that the term "shall not" in section 40 of the original Bill is used in order to give an opportunity to the other side for putting in a petition. That is not at all the same.

**Mr Deputy-Speaker:** What is the clarification that is required?

**Shri V. P. Nayar:** I want to know whether the Government think that the provisions in clause 27 are in identical terms with sections 39 and 40.

**Dr. B. Gopala Reddi:** They may not be identical but they are more or less same.

**Shri V. P. Nayar:** They are completely different.

**Mr Deputy-Speaker:** The question is:

"That the Bill further to amend the Banking Companies Act, 1949, as reported by the Joint Committee, be taken into consideration.

*The motion was adopted.*

**Mr. Deputy-Speaker:** We now will take up the clause by clause consideration

The question is

"That clauses 2 to 5 stand part of the Bill"

*The motion was adopted.*

*Clauses 2 to 5 were added to the Bill*

*Clauses 6 to 9 were added to the Bill.*

**Mr Deputy-Speaker:** Is Shri V. P. Nayar moving his amendment?

**Shri V. P. Nayar:** Which clause are you referring to?

**Mr Deputy-Speaker:** Clause 10

**Shri V. P. Nayar:** It requires some time to follow. The copies of amendments are so difficult to read that even by using the spectacles I find it impossible to find them

**Mr Deputy-Speaker:** He should then change the spectacles.

Now the question is.

"That clause 10 stand part of the Bill".

*The motion was adopted.*

*Clause 10 was added to the Bill.*

**Clause 11—**(Substitution of new section for sections 17 and 18).

**Shri Prabhat Kar:** Sir, I have got one very small amendment with a view to include also a co-operative bank or post office savings bank account I move

Page 7, line 13,—

after "behalf" insert—

"or with co-operative bank or post office savings bank account"  
(10)

I know the case of a bank where this amount has been kept because there is no branch of the State Bank or the Reserve Bank or any other scheduled bank there. I know the specific case where the Reserve Bank Inspector is finding it difficult to accept it because it is not in the Act but the bank is running all right. It is not just imagination but it is an actual case where the Reserve Bank itself is finding a difficulty. So, when you accept a deposit in the State Bank or in the Reserve Bank I have added that a deposit in a co-operative bank or post office savings bank should also be accepted. That is my amendment.

**Mr. Deputy-Speaker:** Is it amendment No 10?

**Shri Prabhat Kar:** Amendment No. 11

**Mr Deputy-Speaker:** It must be No 10

**Shri V. P. Nayar:** It is difficult to follow

**Shri Prabhat Kar:** "Every banking company, not being a scheduled bank, shall maintain in India, by way of cash reserve with itself or in current account opened with the Reserve Bank or the State Bank of India or any other bank notified by the Central Government in this behalf....".

[Shri Prabhat Kar.]

Here, I wish to add—

“or with co-operative bank or post office savings bank account”

if it is deposited there In the State of Orissa there is a specific case of this kind I am pointing it out because if this amount is deposited with the co-operative bank, it is not considered as cash as it is not deposited with the State Bank or with the Reserve Bank

Dr B. Gopala Reddi: This matter was considered even after the amendment was tabled I think “any other bank notified by the Central Government” may be retained instead of specifying the co-operative bank or the Post Office savings bank account Once you put in “savings bank account” it runs counter to the provision here, which is that it must be in the current account

With regard to the co-operative bank, there may be some difficulties If we empower all the co-operative banks it will be rather difficult when we cannot specify any particular co-operative bank as we do not want all the co-operative banks functioning all over India to come under this category Of course, this power, namely “any other bank” is a wide enough power and I suppose we may leave it at that.

I am unable to accept the amendment

Mr. Deputy-Speaker: The question is—

“Page 7 line 13,—

after ‘behalf’ insert—

‘or with co-operative bank or post office savings bank account’ (10)

The motion was negatived

Mr Deputy-Speaker: The question is

“That clause 11 stand part of the Bill”

The motion was adopted.

Clause 11 was added to the Bill

Mr. Deputy-Speaker: Shri Ram Krishan Gupta is not here and I suppose, of the other amendments none is going to be moved.

The question is

“That clauses 12 to 36 stand part of the Bill”

The motion was adopted.

Clauses 12 to 36 were added to the Bill.

Clause 1, the Enacting Formula and the Long Title were added to the Bill.

Dr B Gopala Reddi: I beg to move:

That the Bill, as amended, be passed

Mr. Deputy-Speaker: Motion moved.

That the Bill, as amended, be passed

Shri V P Nayar: I do not want to make a speech but I would like the hon Minister, who is not at present hearing me, to explain this position to me because after hearing the hon Minister I think I must revise all my notions about law He has given a justification for using this sentence, namely “the High Court shall not make any order extending the period for which the commencement or continuance of all actions and proceedings against the company were stayed under that sub-section” According to me I never said and I shall never say that this House has no such power But is it fair that in a statute like this we use the words in such a way that it amounts to a clear ouster of the jurisdiction of the High Court? Have we done so in any other matter? I could have understood the position but for the explanation of the hon Minister in respect of another point which we raised I could have understood it He said that it is impossible for this House to give retrospective effect in regard to certain matters in which the workers will get a benefit by virtue of certain

decisions. For that he is not prepared to invoke the jurisdiction of the House and pass the necessary amendment but in the same breath he says that the High Court's jurisdiction to decide the matter of a stay according to the facts before it shall not be exercised in such and such a way I find, after reading the particular sections which he pointed out in the original Act itself, that they stand no comparison with this because section 40, which he quoted, reads like this

"Notwithstanding anything to contrary contained in section 466 of the Companies Act, 1956 (1 of 1956), the High Court shall not make any order staying the proceedings in relation to the winding up of a banking company, unless the High Court is satisfied that an arrangement has been made whereby the company can pay its depositors in full as their claims accrue"

The words "shall not" are there as they are here, but do they mean the same thing? There it is only stated that the High Court shall not pass an order unless it is satisfied. In very many statutes we get it, i.e., a court cannot pass an order unless it is satisfied. There must always be the subjective satisfaction. But there you say that the High Court shall not make any order extending the period for which the commencement or continuance of all actions and proceedings against the company were stayed under that sub-section. I am not going into the value of what will follow. I also agree that this House may have the power to pass such a clause. But is it fair, in view of what the hon. Minister has stated regarding his incapability of incorporating a section whereby retrospective effect will be given to the advantage of workers? Is it fair that we have a double standard in this matter? On the one hand we do not want to annul the decision of the Supreme Court and therefore, we do not want to make a provision. On the other hand, later on in the same Bill we

find that a provision is incorporated whereby, the High Court is asked not to extend the date and there is no alternative for the High Court even if the High Court had a subjective satisfaction and it is on the record before it. It is prohibited by this legislation from acting in accordance with its decision. I submit that it is a very difficult point for us to digest. The hon. Minister may kindly give his explanation.

Mr. Deputy-Speaker: Shri Prabhat Kar Does he want to speak?

No. Then Shri Pattabhi Raman.

Shri V. P. Nayar: I want the hon. Minister to explain.

Mr. Deputy-Speaker: Every hon. Member has also got a right to participate and explain.

Shri C. R. Pattabhi Raman. Sir, it is true that I was the Chairman of the Committee. In fact, I did not intend to speak at all, but I may by way of clarification point out to my learned friend, Shri Nayar, that the latter portion of section 39 of the Act as it stands now, is very important. There is the case of the Reserve Bank being the official liquidator—after all this must relate to some situation—winding up of a banking company and the Reserve Bank coming up with a petition for winding up. Here, the latter portion is important and with your leave I will read out the whole section. This is in the old Act.

"Notwithstanding anything contained in section 38A of this Act or in section 448 of the Companies Act where any proceeding for the winding up "by the High Court of a banking company, an application is made by the Reserve Bank in this behalf, the Reserve Bank, the State Bank of India or any other Bank notified by the Central Government in this behalf as stated in such application shall be appointed as the official liquidator of the banking company in such proceeding."

[Shri C. R. Pattabhi Raman]

That means that the discretion of the High Court is taken away completely. Here you had a section where, wherever the Reserve Bank entered into the field in winding up, the High Court had to go in a certain way. Section 40 of the old Act gives the stay of proceedings. There again, unless the High Court is satisfied with the arrangement made

Shri V. P. Nayar: The matter is not so complicated. I concede that this is ousting the jurisdiction which the High Court may derive under the Companies Act.

My contention is that the wording is very unhappy.

Shri C. R. Pattabhi Raman: I am only saying this. Ouster is not a unique provision. It is not a novel thing. There has already been a provision for ouster in the old Act. Here it is only stay. After all, what are we fighting about?

Clause 25 which seeks to amend section 37 says this:

"Where the Reserve Bank is satisfied that the affairs of a banking company in respect of which an order under sub-section (1) has been made

There is an order already

are being conducted in a manner detrimental to the interests of the depositors, it may make an application to the High Court for the winding up of the company and where any such application is made the High Court shall not make any order extending the period for which the commencement or continuance of all actions and proceedings against the company were stayed under that sub-section."

What happens is a stay was given, all that is saved under this amendment. Nothing new is intended.

Shri Narayankutty Menon: The only point is about the language used so far as the High Court is concerned: not so far as the question of law is concerned. There is no complaint on that.

Dr. B. Gopala Reddi: The spirit is more important than the words.

Mr. Deputy-Speaker: The question is

"That the Bill, as amended, be passed."

The motion was adopted.

16.22 hrs.

#### OIL AND NATURAL GAS COMMISSION BILL

The Minister of Mines and Oil (Shri K. D. Malaviya): Sir, I beg to move:

That the Bill to provide for the establishment of a Commission for the development of petroleum resources and the production and sale of petroleum and petroleum products produced by it and for matters connected therewith be taken into consideration."

I would like with your permission, at this stage very briefly to refer to certain clauses that have been mentioned here and to explain why I want to move this Bill with a view to converting the present Oil and Natural Gas Commission into a statutory Commission.

The Oil and Natural Gas Commission was set up by a Government Resolution some time in 1956. It is still a Government department. In a subsequent year after 1956, some more powers were transferred to it by the Ministry. But these powers were relatively insignificant so far as the object of expedition and increasing the efficiency of the Commission is concerned. The functioning of the

\*Moved with the recommendation of the President

entire Oil and Natural Gas Commission continued within the framework of the Government machinery and in the routine inter ministerial control methods. Experience showed that because of the particular intricacies of oil research programme and the increasing size of the organisation and the rapidly expanding volume of work handled by it, the framework of limitations on the functioning of the Oil and Natural Gas Commission proved inadequate. In spite of that, the Oil and Natural Gas Commission, with all its limited powers, struggled and wanted to complete the targets that were laid down after consultations with all types of experts that were available to us. Those targets, unfortunately, have not been fulfilled. There are very valid reasons for these targets not being fulfilled. I will come to them later on. But, one of the most important reasons is that we arrived at a stage when it was no longer possible for the Oil and Natural Gas Commission with its limitations to function for that expedition which is absolutely necessary for the oil search programme. You know, Sir that in 1956 or to be accurate in December 1955 we started from scratch. At that time the oil exploration or this oil business was not at all known to our Government. The policy was different then and there was not a single oil geologist or oil technician in the Government. Therefore, we had to start from scratch, immediately after a policy was enunciated by Government, and the entire responsibility for implementing a programme as set out by Government, under the public sector, was placed on the Ministry. We rapidly organised training cells, and with the assistance of foreign experts, and more especially of the foreign experts that came to us from the USSR and Rumania we organised a batch of workers and then undertook the work in a modest way. Soon, we found out that the obligations on the Oil and Natural Gas Commission were far more than what we had expected. Therefore, we rapidly gave powers to the Oil and Natural

Gas Commission within the framework of the Government rules and regulations and inter-Ministerial control and we expected that perhaps the Oil and Natural Gas Commission would be able to deliver the goods, so far as the targets were concerned. But very soon we found out that that could not be done.

The entire nature of the oil search programme is such that we have to function in an atmosphere of, and in the background of, uncertainties. The annual budgets or estimates are more often deviated from than stuck to. Besides that, too many changes and frequent modifications of the scheme is a result of technical assessment, periodical technical appraisal are necessary if I may say so, even in the programme of oil exploration. We build our estimates, technical estimates on a certain assessment, and soon after we have undertaken certain practical work to confirm the theoretical technical assessment, we find that the whole thing was wrong, and therefore we have to change the complete picture of our practical work. In this framing of programme and its implementation considering the uncertainties that are involved in it, we have found that the oil and Natural Gas Commission should possess more elasticity, greater autonomy and less of control which is the usual way with the routine functioning of Government.

As an illustration and with a view to give an idea as to how we have expanded, I would like to give the following figures. When we started our work in 1956 as I said, we had not more than one or two oil geologists whom we had drawn from the Geological Survey of India. We rapidly created facilities for training, and we have at present 169 Indian oil geologists and two foreign oil geologists. By the end of this Plan, it is proposed—our schemes have been framed and plans completed—to train and engage 545 oil geologists. If we



[Shri K. D. Malaviya]

have any intention to stick to the programme that has been laid down in the hope of producing the quantity of crude oil we envisage, we must have 545 oil geologists by the end of this Plan. If our schemes go through, as we wish, by the end of the Third Plan, we must have 890 oil geologists. As regards geophysicists, we have about 178 just now we would like to have 294 and by the end of the Third Plan we will have 800. With regard to drilling technicians—drilling is the most difficult thing that we have to do in our organisation because it is a new technique and very difficult to develop in a short time—we have so far about 378 Indian drillers and other drilling technicians and about 60 foreigners. By the end of this Plan, this number will go up from 378 to 2085, and by the end of the Third Plan, we will have under the Oil and Natural Gas Commission more than 6000 drillers, more than 800 geophysicists and more than 800 oil geologists.

Such a vast problem of finding oil technicians and vastly spread areas like Sibsagar in the eastern part of our country, Hocharpur and Kashmir in the north, Saurashtra in the west and Godavari and Tiruchirapalli in the south makes me feel that the task is so gigantic that it is an obvious thing for all of us to appreciate that if we want to go ahead fast the Oil and Natural Gas Commission must be provided with more elasticity and autonomy.

Shri A. C. Guha (Barasat) This Act does not extend to Kashmir even though the Commission has its operation in Kashmir.

Shri K. D. Malaviya: But with their consent, it will not be difficult for us to get some opportunity to search for oil there if there are possibilities.

Now within these three years we have done some work. But we have

not done enough. There are two main reasons for that. The first is that we have not got adequate powers. I could go on illustrating and citing instances to show how absolutely imperative it is that we should have these powers, as soon as possible. As a matter of fact, when oil was discovered in Cambay in September 1958—about 11 months ago—we realised that we had come to a stage where we could no longer show any progress if we did not possess more powers. Somehow we managed to get a little power and we thought that, for the time being, it would suffice. But I was disappointed to find that the progress was not giving any encouragement to us. So we started giving attention to the question of converting the present Oil and Natural Gas Commission to a statutory corporation with much wider powers and less control from Government in its functioning.

Looking at the whole thing from the financial point of view, the magnitude of our programme will also be clear to you. The expenditure incurred on account of the Commission in 1956-57 was only roughly Rs 80 lakhs. In 1957-58 it was Rs 205 lakhs and in 1958-59 it was Rs 278 lakhs.

Now, in the current year, 1959-60, we have already provided for Rs 650 lakhs and by the end of the year, we think, the capital goods which will be available to us will require another Rs 600 lakhs. That is by the end of this year we may have to spend about Rs 12 crores.

Thus, in the last three years, so far as the financial implication is concerned our work has increased 12 times. So far the handling of technical personnel is concerned, it has increased by about 8 times.

When we started we had only 3 deep drills. Today we have 7 deep drills spread over the entire country. Now, the organisation of a drilling party is

a very intricate affair. Various types of technical programmes are handled by the drilling party and it is not always easy to get the work smoothly done if the officers are not authorised to change their orders and directions and modify the instructions from time to time. Sometimes, the entire drilling operation has to be changed

As an illustration I would like to describe the case of Jwalamukhi Well No 1. When we planned to drill Jwalamukhi Well No 1 we had thought that the whole thing would be over by about 11 months. So, we provided in our budget another sum of a crore of rupees for putting up Well No 2 in Jwalamukhi which would have been taken up only after the indication of results from Jwalamukhi Well No 1. Instead of 11 months, we have taken about 28 months to finish the well. Obviously the one crore of rupees that was budgeted for Well No 2 in Jwalamukhi was not taken up and the sum had to be surrendered. Obviously, we were blamed for having demanded more money than what was necessary. My colleague the Finance Minister, takes me to task for it for snatching away others' shares.

Such an eventuality can be avoided only when we have the authority to function within a particular allotment, and that should completely change the picture of allotment and the way in which that money has to be spent, if we had the power of reappropriation, changing from one set of work to another. You have to take all these factors into consideration and put up before the Finance Ministry such a budget as will ultimately have to be modified and reduced appreciably.

Even now we are not able to decide whether we shall put Well No 2 in Jwalamukhi or not although every day we are assured of Well No 1 in Jwalamukhi giving us great hopes.

Another illustration which I would like to give is this. When we started

our work in 1956-57, the Soviet experts recommended a programme to us. It is known as the Report of the Soviet experts on the task of oil gas prospecting and exploration in India during 1956-57. Here for 1956-61, a general outline of a programme was laid down, 4 or 5 lines of which I would like to read out. Of course, this report was drawn up about 6 years back. (*Interruptions*)

Shri Hem Barua (Gauhati) They drew up a programme for the Second Plan Period.

Shri K. D. Malaviya I am only referring to what was happening. They said

"During coming 5 years it will be best to concentrate attention in two States, Punjab and Rajasthan (Jaisalmer area) which are the most studied and where the prospects are encouraging. Simultaneously, it is essential to carry out geological and geophysical investigations as well as deep test drilling in the Ganga valley and West Bengal, geological and geophysical survey and core drilling in Cambay area, geophysical and geological investigations on the Madras coast. The latter four regions will constitute a reserve for extending the exploration during following years, and could compensate the first two regions in case of possible failures. The following are the main works for oil and gas prospecting and exploration during 1956-61."

The emphasis was more on Punjab and Jaisalmer area in 1956-57. What happened? When we started our drilling operations in Punjab we were very hopeful of getting some structures which would lead us further into the oil search programme in Punjab. The Hoshiarpur drilling operations were completed only recently and we are not very hopeful of finding any indication of oil or gas roundabout Hoshiarpur. In the last two years, we have had to change our

[Shri K. D. Malaviya]

total assessment, geological assessment of oil in the Punjab basin where we have been working and where it was recommended that we should work. We are still hopeful of the entire Punjab basin; we think that some day we are sure to find oil and gas there. Still, objectively the area which was recommended by the experts five or six years back is almost well nigh being abandoned. Similarly, in Jaisalmer also where we were very hopeful about 5-6 years ago, we have not made much progress and when we get some interesting horizons, we will continue to apply our energy. In between, when we have found oil in Cambay, the technical assessment was to be modified. The overall technical assessment of Cambay during those years was not very encouraging. It was only subsequently, in the year 1957-58, that the seismic investigations gave us lot of hopes in Cambay and the Oil and Natural Gas Commission decided and took a great risk in putting a hole in that area where seismic investigations have given us some encouragement. So, we have almost diverted or deviated from the experts' recommendations, although in consultation with them, because in all prospecting, no one knows and no one can say 'Do not do it here'. The moment you are encouraged by seismic investigations, there is no geologist who will come and say: 'Do not do it here'. The Oil and Natural Gas Commission decided to have such a deviation, a more or less big departure from the programme projected by the experts. We succeeded. The whole attention of the Commission was switched on to Cambay from certain other areas. I have said this to make out the point that the element of uncertainty is a very very important factor in oil prospecting. Therefore, any assessment that has to be made of the work done by this Commission must be made in this background that we live from month to month, quarter to quarter. A Commission that will be entrusted with the task of searching for oil must

have full powers, to change, shift and modify its programme in such a way that leads to expeditious discovery of oil or gas. That cannot be done under the framework and limitations under which a Government department suffers. We have to change but we cannot change because we are a Government department. We have to change into an autonomous organisation to produce results and to take responsibility.

The other element which is very necessary for the House to consider is that we are functioning in an atmosphere of competition. A certain amount of criticism was levelled against us a few months back by certain sections of the Press that we were too slow to function, that our costs were mounting up because certain things were done by a private concern much more expeditiously and that the difference was so much that perhaps an enquiry was needed or certain rustications were called for so far as this Commission was concerned. I was taken to task and was criticised for the inefficiency of the Commission. It is a fact that we did not function as expeditiously and as economically as we should have, and I must frankly admit to the House that if we have to function under these limitations we will continue to spend more money, take more time, give you less hopes. But, on the other hand, if we take more risks and deviate from the existing pattern of rules and regulations under which we are bound, then I have no doubt in my mind that we will effect economy, achieve greater results and also increase our efficiency.

Recently there was a break-down in our Cambay drilling operations. Previously also once or twice there were certain break downs in our work. We had to approach the Government for financial sanction of purchases in a big way. Obviously, it takes time for

examinations, scrutiny by my colleague the Finance Minister, and it is not always easy to convince the Finance Minister that I am right. Perhaps, generally I have to admit my mistakes so far as rules and regulations are concerned. So it takes time. Then the purchasing department comes, the construction department comes and for what could happen or what is generally achieved by the Standard Vacuum Oil Company in Bengal in ten to fifteen days we sometimes take three to four months to complete. In order to get the sanction for a small sum of Rs. 50,000 which could save perhaps Rs. 50,000 by way of salaries a day, we have to wait for ten to twenty days. It is inevitable, because the rules bind us

Therefore, if we have to function in this atmosphere of competition, if we have to show greater economy, then what is most necessary at this crucial stage, when we have discovered certain oil beyond expectation, in less time than what I had anticipated, and some gas in Jwalamukhi area—and this I realised four months back—is that we should have more power, we should transfer more power to the Oil and Natural Gas Commission. I was anxious, Sir, to introduce this Bill in the last session but it could not be done for obvious reasons, because things were being examined and I was myself not sure whether the Bill that we have produced could have been produced at that time. I took great care to examine all aspects of the Bill, and therefore we are already late by four months. I am therefore most anxious that our present Commission should be converted into a statutory corporation very soon, almost immediately, without any loss of time.

We are in a critical phase of our programme. We have already entered into a certain agreement for the purchase of equipment which took us about seven to eight months. We want to make very urgent purchases

very soon. I want to avoid all this loss of time. We want to get certain things manufactured in order to save drilling time at one well. We want to finish all this programme before the year ends, because some time back I promised that so far as the Cambay well is concerned—the unit structure in Cambay—we will be able to declare some results by the end of this year or by January 1960. Our well No. 2 has been completed, and if we do not get enough power and elasticity to function it may not be possible for us to put another seven or eight holes in that area and some more holes in the Surat area and Jwalamukhi area. Therefore, from the point of view that we have to compete in this free world and that we have to function more elaborately, and in a greater area and show some result if there is oil in this country, it is highly necessary that the House accepts the proposals that have been made in this Bill and without any loss of time gives the powers that are sought therein.

Our present difficulties are enormous. I need not refer to those difficulties and those headaches. But I only hope that most of them will be removed or a good part of them will be removed soon when we get these powers. As the House might have seen, the broad features of these proposals are to carry out geological and geophysical surveys for the exploration of mineral oil, drilling and other prospecting operations to prove and estimate the resources of mineral oil and carry out all such activities that will lead to the desired results, to produce oil and natural gas from such resources, refine the same and if necessary to set up or increase the pace of utilisation of oil and natural gas. Apart from such specific resources which will be provided in the discharge of the functions under the Act, the Commission shall be bound to abide by such directions as the Central Government may in writing or for reasons to be recorded make from time to time.

[Shri K. D. Malaviya]

I hope that the House will accept the proposals that I have made in this Bill and that we shall soon be enabled to start the work according to our proposals

**Mr. Deputy-Speaker:** Motion moved:

"That the Bill to provide for the establishment of a Commission for the development of petroleum resources and the production and sale of petroleum and petroleum products produced by it and for matters connected therewith, be taken into consideration"

**Mr. Deputy-Speaker:** Does Shri Naldurgkar want to move his amendment to refer the Bill to a Select Committee?

**Shri Naldurgkar (Osmanabad):** Yes, Sir

**Mr. Deputy-Speaker:** I shall give him an opportunity. Now, Shri Sarju Pandey—he is not moving his amendment. Yes, Shri Naldurgkar

**Shri Naldurgkar:** My Deputy-Speaker, Sir I welcome the introduction of this Bill because it is the first of its kind and a very important one. From the statement of the hon Minister it is evident that with its voluminous work the size of the organisation has also increased. The activities of the organisation will also advance in future and therefore it is essential that such an enactment should be introduced and passed by this House. But there are certain clauses in which certain defects are inherent and it is essential

**Mr. Deputy-Speaker:** Before proceeding further, the hon Member may make his motion and read out the names of Members that he wants to be included. Let us see whether they agree to it.

**Shri Naldurgkar:** I beg to move:

"That the Bill be referred to a Select Committee consisting of

Swami Ramananda Tirtha, Shri N. K. Pangarkar, Shri Harish Chandra Mathur, Shri Tayappa Hari Sonavane, Shri Shivram Rango Rane, Dr. Devrao Namdevrao Pathrikar Kamble, Shri Narayan Ganesh Goray, Shri Nath Pai, Shri Keshava Deva Malaviya, Shrimati Mafida Ahmed and Shri Venketrao Srinivasrao Naldurgkar, with instructions to report by the 1st September, 1959"

**The Deputy Minister of Law (Shri Hajarnavis):** Has the consent of the Members been obtained as the rule requires?

**Mr. Deputy-Speaker:** Has the consent of these Members who have been included, obtained?

**Shri Naldurgkar:** They have been included perhaps with the hope that they will agree. I have consulted some of them.

**Shri Narayanankutty Menon (Trikandapuram):** He has been kind enough not to include any Member from this side!

**Mr. Deputy-Speaker:** Has the consent of those Members been obtained?

**Shri Naldurgkar:** I have obtained the consent of some of them.

**Mr. Deputy-Speaker:** What about the others?

**Shri Naldurgkar:** I hope the others would not be disagreeable.

**Mr. Deputy-Speaker:** He only wants an opportunity to speak. I suppose let him proceed.

**Shri Naldurgkar:** This Bill is a very important one and there are certain clauses which require more clarification. I hope the hon Minister will consider those matters.

I have spoken two or three times in this House stressing that while legislating any law, the House must be

more cautious and we should take care that we are not traversing beyond the limits of our legislative powers. It is curious to note that sometimes that collective wisdom of the two Houses is challenged by individual advocates before courts of law and some provisions are held *ultra vires*. So, I am of the opinion that every law which is enacted must be explanatory as well as explicit and unequivocal. Particularly the House must be cautious to avoid what we call delegated power.

\*I am afraid that clause 26 read with clause 3 will be *ultra vires* of the powers of this House. Clause 26 reads thus:

"The Commission may, by general or special order in writing, direct that all or any of the powers or duties which may be exercised or discharged by it shall, in such circumstances and under such conditions, if any, as may be specified in the order, be exercised or discharged also by any person specified in this behalf in the order."

According to clause 3, we have delegated the power to the Central Government for the constitution of the Board. Clause 3 reads thus:

"With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be established a Commission to be called the Oil and Natural Gas Commission."

So, it is quite clear that according to clause 3, the power of forming or establishing the Commission is vested with the Central Government only. So, the Commission is the creation of the Central Government. Now, when we are giving certain definite powers to the Central Government, again we are delegating the same powers to another body that is created by the Central Government. This doctrine of delegated legislation has been viewed with reprobation by judicial decisions.

I may refer to Basu's *The Constitution of India*, page 246, where it is said:

"No legislative order can delegate to another department of the Government or to any other authority the power either generally or specially to enact laws. The reason is found in the very existence of its own powers. This high prerogative has been entrusted to its own wisdom, judgment, and patriotism and not to those of other persons and it will act *ultra vires* if it undertakes to delegate the trust instead of executing it."

What is the criteria to decide whether a certain power is delegated or not? Basu says:

"The true distinction, therefore, is between delegation of power to make the law, which necessarily involves a discretion as to what it shall be and conferring authority or discretion as to its execution."

Therefore, in this case, if the power of constitution or power of forming the Oil and Natural Gas Commission is vested with the Central Government the interpretation of clause 26 will be that the Commission also is vested with the power to create another commission. These words are very important.

17 hrs.

**Shri Hem Barua:** May I know the time allotted for the general discussion and the time for clause by clause consideration? Do you propose to increase the time?

**Mr. Deputy-Speaker:** We have to feel that there is some necessity. Then only it can be considered.

**Shri Narayanankutty Menon:** May I know the time for general discussion?

**Mr. Deputy-Speaker:** We have allotted four hours in all. I think we can divide it into 3 hours and 1 hour.

Shri Narayanankutty Menon: That will be all right.

Mr. Deputy-Speaker: Is the hon. Member likely to take long?

Shri Naldurgkar: Yes, I will take more time.

Mr. Deputy-Speaker: In that case he might continue tomorrow.

17.52 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, August 13, 1959/Sravana 23, 1931 (Saka).

[Wednesday, the 12th August, 1959/12th Sravana, 1881 (Saka)]

ORAL ANSWERS TO QUESTIONS		
S.Q. No.	Subject	COLUMNS 1859—1900
334	Air accidents	1859—62
335	Slum clearance work in Delhi	1862—66
336	Road bridge on Ruonarian River	1866—68
337	Bridge over river Torsa National Highway No. 31	1868—70
338	Road and Inland Water Transport Committee	1870—72
339	Replacement of dakota aircrafts of Indian Airlines Corporation	1872—77
340	Hydrogenated oils	1878—82
341	Ganga bridge in Bihar	1882—84
342	N.E.S. blocks	1884—85
343	Training of Sarpanches of Panchayats	1885—89
344	Bhakra dam	1889—90
345	Tungabhadra Project	1890—93
347	North Trunk road	1893—94
349	Dam on river Ram Ganga	1894—96
351	Food production	1896—97
S N Q		
r	Wild cattle in Delhi	1897—1900

WRITTEN ANSWERS TO QUESTIONS		
S.Q. No.	Subject	COLUMNS 1900—82
346	Plantation of timber along-side railway track	1900—01
348	Seizure of rice in Manipur	1901
350	Waterlogging in Delhi	1902
352	Perumbai bridge on Bombay-Kanya-Kumari Road	1902—03
353	Indian plough	1903
354	Export of rice and paddy from Orissa	1903—04
355	Ayurvedic drugs	1904—05
356	Ad hoc Railway Tribunal	1905
357	Air Mail Service	1905—06
358	Death of fish at Okhla	1906—07
359	Assault on a woman in train	1907
360	Railway line from Rourkela to Barsua	1907—08
361	Underground coaxial cable scheme	1908

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WRITTEN ANSWERS TO QUESTIONS—contd		
S Q. No.	Subject	COLUMNS
362	Bridge over river Krishna near Rangapur	1908
363	Master plan for flood control in Kashmir	1909
364	Inferior grade of coal	1909
365	Najafgarh drainage Delhi	1910
366	Dam on River Beas	1910—11
367	Transport Cooperative Societies	1911
368	World Bank Team Visit	1911—12
369	World Health Assembly in Geneva	1912
370	Defective construction of ships at Hindustan Shipyard	1913
371	Printergram Service	1913
372	Sugar production	1914
373	Hooliganism by students on railways	1915
374	Steel bridges in Andhra Pradesh	1915—16
375	Cabins on Northern Railway	1916—17
376	Shortage of wagons for collieries	1917
377	Street lights on Safdarjung-Kutab Manar Road	1917
378	Regional and State Water Sewage Boards	1917—18
379	Doubling of Bina-Bhopal Sections	1918
380	Provision for flood control	1918—19
U S Q		
No		
600	Telegram and Telephone facilities in Hissar and Mohindergarh Districts	1919—20
601	Railway Service Commission Allahabad	1920
602	Covering of platforms in Bikaner Division	1920—21
603	Utilization of water for irrigation	1921
604	Casual workers on Northern Railway	1921—22
605	New buses for D.T.U.	1922
606	Electrification of Stations on Northern Railway	1922—23



WRITTEN ANSWERS TO  
QUESTIONS—contd.

U.S.Q. No.	Subject	COLUMNS
607	Poultry development in Bombay State	1923-24
608	Irrigation Schemes in Bombay State	1924
609	Cooperative Marketing Societies in Tripura	1924-25
610	Effects of excess intake of salt	1925-26
611	Issues raised by Port Unions referred for arbitration	1926-27
612	Kathmandu-Calcutta Air Service by Nepal	1927
613	Delhi Milk Supply Scheme	1928
614	Salt for cattle	1928
615	Telephone connections	1929
616	Indo-Tibet National Highway	1929
617	Utilisation of funds for irrigation and power	1929-30
618	Scholarships for school-going children of Railway employees	1930-31
619	Credit through Cooperatives	1931
620	Water supply in Calcutta	1932
621	Revision of minimum wages of D.T.U. employees	1932
622	Purchase of Railway Stores	1932-33
623	Alarm Chain pulling	1933-34
624	Target of cooperative development	1934-35
625	Classification and categorisation of dock workers posts	1936
626	Himachal Pradesh State Cooperative Bank	1936
627	Cooperative Societies in Himachal Pradesh	1937
628	Irrigation Survey in Himachal Pradesh	1937
629	W.H.O. Regional Office Building in Delhi	1937-38
630	Sugar factories	1938
631	Norwegian Assistance	1938-39
632	Bulhar grain discharging plant	1939
633	Family Planning	1939
634	D.V.C. Navigational Canal	1939-40
635	T.B. Demonstration and Training Centres	1940
636	Road accidents in Delhi	1940-41
637	Ganga Barrage Scheme	1941
638	"Kharif Campaign"	1941-42

WRITTEN ANSWERS TO  
QUESTIONS—contd.

U.S.Q. No.	Subject	COLUMNS
639	Reclamation work at Chhaleswar near Agra	1942
640	Doubling of Poona-Dhond Line	1942
641	Jalna-Bir-Osmanabad-Sholapur Railway line	1942-43
642	Odd timings of trains from Barauni	1943-44
643	Procurement of rice and paddy in Orissa	1945
644	City booking office in Cuttack	1945
645	Lady Hardinge Medical College and Hospital	1945-46
646	Mental Health Services	1946
647	All India Institute of Medical Sciences	1946-47
648	Payment of Ship Freight in Rupees	1947
649	Survey of wood and timber in Chamba	1947-48
650	Railway line in backward areas	1948-49
651	Development of cattle breeds	1949
652	Class IV posts in the I.A.R.I.	1949-50
653	Class IV posts in the I.A.R.I.	1950
654	Land Settlement Advisory Committee, Manipur	1950-51
655	Land Settlement Advisory Committee	1951
656	Drinking in hotels	1951-52
657	Fans in Delhi-Bombay Janata Train	1952
658	Overbridge at Bamnia Railway Station.	1952-53
659	Rise in prices of peas, gram and pulses	1953
660	P.&T. Building Burdwan.	1953-54
661	Facilities for training in Government Laboratories	1954-55
662	Ajmeri Gate Slum Clearance Scheme	1955
663	Sitarampur Junction	1956
664	Late running of trains on Bombay Poona Section	1956-57
665	UNICEF	1957-58
666	Postal staff at Rourkela	1958
667	Treatment under Ayurvedic System	1958-59

WRITTEN ANSWERS TO  
QUESTIONS—contd.

U.S.Q. No.	Subject	COLUMNS
668.	Water supply in New Delhi	1959
669.	Consolidation of land holdings in Himachal Pradesh . . . . .	1959-60
670.	Parbhani-Latur rail link . . . . .	1960
671.	Sultanpur Project . . . . .	1960-61
672.	Krishnapuram Aerodrome . . . . .	1961-62
673.	Post Offices opened in Punjab . . . . .	1962
674.	Ticketless travel on N.E. Railway . . . . .	1962
675.	Nagarjunasagar Control Board . . . . .	1963
676.	Conversion of metre gauge line into broad gauge . . . . .	1963
677.	Conference of the State Ministers of Co-operation . . . . .	1963
678.	Minor irrigation in Tripura . . . . .	1964
679.	State-Co-operative Bank, Tripura . . . . .	1965
680.	P. & T. building, Jammu and Kashmir . . . . .	1965-66
681.	Radio licence fees due from Rajasthan Government . . . . .	1966
682.	Labourers employed in ports . . . . .	1966-67
683.	Suspension bridges in Manipur . . . . .	1967-68
684.	Recruitment of Scheduled Castes and Scheduled Tribes as Postmen . . . . .	1968
685.	Gangtok road . . . . .	1968-69
686.	Floods in Tripura . . . . .	1969
687.	Hybrid maize . . . . .	1969
688.	Pole near 'D' Cabin at Baroda Station . . . . .	1970
689.	Chemical fertilizers . . . . .	1971
690.	Increase in postal rates for foreign countries . . . . .	1971-72
691.	Delay in payment by ship-owners to Hindustan Shipyard . . . . .	1972-73
692.	Breakdown of a travelling crane in Hindustan Shipyard . . . . .	1973
693.	Hindustan Shipyard . . . . .	1973-74
694.	Hindi Telegraph Service . . . . .	1974
695.	New Primary Schools for Children of Railway Employees . . . . .	1974
696.	Dadri distributary . . . . .	1975
697.	Advanced post-graduate medical courses . . . . .	1975-76

WRITTEN ANSWERS TO  
QUESTIONS—contd.

U.S.Q. No.	Subject	COLUMNS
698.	Nursing Colleges . . . . .	1976
699.	Medical Colleges . . . . .	1976-77
700.	Repair of railway bridge on Godavari . . . . .	1977
701.	Community Development Conference . . . . .	1977-78
702.	Integral Coach Factory Perambur . . . . .	1978
703.	Train derailment on Southern Railway . . . . .	1978-79
704.	Train derailment at Madurai . . . . .	1979-80
705.	Recovery of Centre's loan to States for Major Irrigation Projects . . . . .	1980-81
706.	Production of food from sea weeds . . . . .	1981
707.	Dry fruit research station in Lahaul Valley . . . . .	1981-82

MOTION FOR ADJOURNMENT . . . . .

1982-93

The Deputy Speaker withheld his consent to the moving of the following adjournment motions given notice of by the members shown against them :—

(i) Shortage and Notice by high prices of Shrimati rice in West R e n u Bengal. Chakravarty.

(ii) Lathi charge Notices by by the Ceylon Sarvasbri Police on Hem Barua and S. C. Gupta Kerala demonstrators within the precincts of the Indian High Commission at Colombo.

PAPERS LAID ON THE TABLE . . . . .

1994-95

(1) A copy of Notification No S.Q. 1709, dated the 1st August, 1959 under Section 58 of the Delhi Development Act, 1957 . . . . .

(2) A copy of the Annual Report of the Indian Council of Agricultural Research for the year 1955-56.

(3) A copy of each of the following Notifications under sub-section (6) of Section 3 of the Essential Commodities Act, 1955 :—

(i) G.S.R. No. 837, dated the 16th July, 1959.

PAPERS LAID ON THE  
TABLE—contd.

## COLUMNS

- (ii) G.S.R. No. 874, dated the 23rd July, 1959.
- (iii) G.S.R. No. 877 dated the 27th July, 1959 containing the Sugar (Movement Control) Order, 1959.
- (iv) G.S.R. No. 893, dated the 1st August, 1959 making certain further amendments to the Rice and Paddy (Andhra Pradesh) Second Price Control Order, 1959.
- (v) G.S.R. No. 925, dated the 8th August, 1959 making certain further amendment to the Inter-Zonal Wheat Movement Control Order, 1957.
- (4) Copy of a statement containing reply to a memorandum received from a Member in connection with Demands for Grants (Railways) 1959-60.

## BILL INTRODUCED

1995

The Andhra Pradesh and Madras (Alteration of Boundaries) Bill, 1959.

## BILLS PASSED

1995—2098

- (i) Further discussion on the motion to consider the State Bank of India (Subsidiary Banks) Bill, as reported by

## BILLS PASSED—contd.

- the Joint Committee, was concluded. The motion was adopted. After clause-by-clause consideration the Bill was passed, as amended.
- (ii) The Minister of Revenue and Civil Expenditure (Dr. B. Gopala Reddy) moved that the Banking Companies (Amendment) Bill, 1959, as reported by the Joint Committee be taken into consideration. The motion was adopted. After clause-by-clause consideration the Bill was passed, as amended.

## BILL UNDER CONSIDERATION

2098—2114

The Minister of Mines and Oil (Shri K. D. Malaviya) moved that the Oil and Natural Gas Commission Bill, 1959 be taken into consideration. The discussion was not concluded.

## AGENDA FOR THURSDAY, AUGUST, 13, 1959/SRAVANA 22, 1881 (Saka).

Further consideration of the Oil and Natural Gas Commission Bill and passing of the Bill and consideration of the Report of National Coal Development Corporation.