

COMMITTEE ON PETITIONS

TENTH REPORT

(SECOND LOK SABHA)

(Presented on the 8th September, 1960)



**LOK SABHA SECRETARIAT
NEW DELHI**

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PERSONNEL OF THE COMMITTEE ON PETITIONS

1. Shri Upendranath Barman—*Chairman.*
2. Shri M. K. M. Abdul Salam
3. Shri Arjun Singh Bhadauria
4. Shri Jaljibhai Koyabhai Dindod
5. Thakor Shri Fatesinhji Ghodasar
6. Pandit Jwala Prasad Jyotishi
7. Shri M. R. Krishna
8. Shri Ram Chandra Majhi
9. Shrimati Krishna Mehta
10. Shri P. K. Vasudevan Nair
11. Shrimati Uma Nehru
12. Shri Phani Gopal Sen
13. Shri M. K. Shivananjappa
14. Shri N. Siva Raj
15. Pandit Dwarka Nath Tiwary.

SECRETARIAT

Shri A. L. Rai—*Deputy Secretary.*

REPORT

I, the Chairman of the Committee on Petitions having been authorised by the Committee to present the Report on their behalf, present this their Tenth Report.

2. The Committee held three sittings during the Eleventh Session, i.e., on the 29th and 31st August, and the 6th September, 1960.

3. The Committee considered and adopted this Report at their sitting held on the 6th September, 1960.

4. The Committee considered at their above mentioned sittings 83 representations and letters addressed by various individuals, associations etc. to the House, the Speaker or the Chairman of the Committee which were inadmissible as petitions.

5. The observations of the Committee on matters of special interest made during the course of their consideration of the representations which required to be brought to the notice of the House, as well as the recommendation of the Committee, have been included in this Report.

6. The Committee at their sittings held on the 27th August and 9th September, 1958; 17th February and 12th August, 1959; and the 29th August, 1960, considered two representations from Shri C. P. Agrawal, Kaimganj, U.P. (See Appendices I and II) regarding the Rationalisation Scheme on the North-Eastern Railway.

7. Under the Rationalisation Scheme on the North-Eastern Railway, certain orders were issued by the District Traffic Superintendent, Fatehgarh, empowering the carriage of goods from Kaimganj to outstations *via* a longer rail route, though a shorter rail route *via* Hathras was available. The petitioner alleged that these orders were *ultra vires* of the Indian Railways Act, 1890. He maintained that such transit of goods resulted in delay in transshipment of goods and loss of money to the traders and that the Scheme had become a source of corruption on the Railway.

8. The Committee perused in this connection the comments of the Ministry of Railways and noted that specific powers had been conferred on the Government by an amendment of section 27A of the Indian Railways Act, 1890, under the Indian Railways (Amendment) Act, 1957, which empowered the Railway Board in the public interest to direct any railway administration to carry any goods or class of goods by general or special order by such route or routes and at such rates as might be specified in the order. The Committee note that transshipment of goods *via* the longer rail route under the Rationalisation Scheme is in the overall public interest and with a view to expedite movement of wagons.

9. As regards Shri Agrawal's allegations of corruption on the North-Eastern Railway the Committee examined the petitioner. He alleged that the railway staff committed malpractices on getting illegal gratification in the following manner:

(i) In several cases while goods were carried from Kaimganj via Farrukhabad, a longer route, they were charged lesser rates for a shorter route via Hathras.

(ii) Khandsari molasses, which ought to have been charged at a higher freight rate was charged at a lower rate applicable to ordinary molasses when despatched from Kaimganj, (a non-sugar production area).

10. The Committee also perused a statement submitted by Shri Agrawal giving particulars of railway receipts and showing freight rates charged during 1957 and 1958 for tobacco consignments as if they were to be carried via Hathras to Chandausi, the shorter route, while the goods were in fact carried via Farrukhabad to Chandausi, i.e., by the longer route under the Rationalisation Scheme.

11. The Committee as well heard the evidence of the representatives of the Ministry of Railways on the points that arose out of the evidence tendered by Shri Agrawal and also perused facts later on furnished by the Ministry of Railways.

12. The Committee gather from the evidence and the facts supplied by the Ministry that in the years 1957 and 1958 several consignments of tobacco booked from Kaimganj to Amritsar and Chandausi, although were offered in full wagon loads were treated as less than full wagon loads i.e., 'smalls' and charged at the 'class rates' instead of at the wagon load scales. Under the Rationalisation Scheme, wagon loads have to be carried by the longer route i.e., via Farrukhabad and the 'smalls' have to be carried by the shorter route i.e., via Hathras or via Bareilly. The said consignments having been treated as 'smalls' and charged as such ought to have been carried by the shorter route. But in fact they had to be carried by the longer route as they were full wagon loads.

There was no authority for charging such consignments by the non-rationalised shortest route. The then station master, Kaimganj, Shri Harish Chandra, during whose tenure, the irregularities took place, is no longer alive.

13. The Committee note that 32 cases of such default by the railway staff had been investigated into after having been pointed out by the petitioner and six assistant goods clerks had been punished therefor by stoppage of increment for one year non-cumulatively.

14. The Committee have also perused facts regarding despatch of molasses and khandsari molasses from Kaimganj to outstations in 1957 and 1958. The Committee note that certain consignments of khandsari molasses were booked from Kaimganj as molasses (other than khandsari) with a view to obtain cheaper rate. Scrutiny of records at Kaimganj revealed that molasses consignments offered for despatch prior to August, 1957, were correctly declared by the

senders as 'khandsari' molasses but were charged for in many cases incorrectly at the rate applicable to mill molasses. After August, 1957, the merchants began declaring the articles so offered as 'Shira not Khandsari' and the booking staff at Kaimganj realized freight on the basis of description of goods entered in the forwarding notes, though there is no sugar factory in the vicinity. While the action of the station staff in charging on the basis of the description entered in the forwarding note was formally correct, they failed to exercise initiative in detecting and reporting the change in the declaration resorted to by the trade.

15. The Committee find that:—

(a) prior to August, 1957, in 75 cases so far known molasses consignments though correctly declared by the senders as 'Khandsari' molasses, were charged for incorrectly at the rates applicable to mill molasses. Three assistant goods clerks had been punished by stoppage of increments, two for six months non-cumulatively and the third one for two years cumulatively; and

(b) after August, 1957, 101 cases of booking of khandsari molasses from Kaimganj as 'Shira not Khandsari' had been detected and it was discovered that the booking staff had failed in these cases to report the change in the declaration by the trade to obtain cheaper rates and exemption from the rationalisation scheme.

Three assistant goods clerks who were responsible were punished by stoppage of increment in one case for two years cumulative and in the other two cases by stoppage of increments for one year cumulatively. The Committee also note that one clerk whose services had been terminated before finalisation of the enquiry was also responsible but no further action could be taken against him now.

16. The Committee view with great concern this unfortunate state of affairs on the North-Eastern Railway brought to light by the petitioner. They do not know if it extends to other articles or beyond the station pointed out by the petitioner. They do, however, feel that this situation has arisen mainly due to the laxity of supervision by the railway officers and non-compliance of the rules, regulations etc. framed under the Indian Railways Act, 1890.

17. The Committee recommend that the attention of the Railway Administrations be drawn to the need for strict supervision and observance of the rules, regulations, etc. and orders or directions issued by the Ministry of Railways (Railway Board) under the said Act.

18. The Committee also note with satisfaction that through their intervention during the period under report fifteen petitioners had been provided expeditious relief or complete or due redressal of their grievances (See Appendix III).

NEW DELHI;

UPENDRANATH BARMAN,

September 8, 1960.
Bhadra 17, 1882 (Saka)

CHAIRMAN,
Committee on Petitions.

APPENDIX I
(See Para 6 of Report)

To

Lok Sabha,
New Delhi.

The humble petition of Shri Chandra Prakash Agrawal sheweth:

The District Traffic Superintendent, North Eastern Railway Fatehgarh, issued a circular letter dated 10th December 1955 with respect to clearance of goods traffic from Fatehgarh District. Under the aforesaid Circular, clearance of broad gauge traffic from Kaimganj was restricted to only *via* Farrukhabad instead of the proper and shorter routes *i.e.* Kanpur (GMC), Hathras Junction, (HRS), Mathura Jn. (MTJ).

2. Later on, another Circular letter dated 16th October 1956 was issued by some one on behalf and under authority of the Chief Operating Superintendent, North Eastern Railway Gorakhpur, with respect to the booking of goods traffic between stations on the North Eastern Railway and other Railways under the 'Rationalisation Scheme'.

3. Since the enforcement of the aforesaid two circulars, your petitioner on behalf of the Tobacco Merchants Association, Kaimganj (U.P.), all along made representations to the North Eastern Railway Authorities and agitated the enforcement of the invalid scheme under the aforesaid two circulars which were issued without authority of law.

4. The North Eastern Railway Authorities did not care and they deliberately avoided to intervene in the matter with the result that the aforesaid invalid scheme was allowed to remain in force at the cost of the inconvenience and great trouble on the one hand, and on the other collection of extra freight by the Railway besides transit delay which was natural in passing through the traffic through the longer route, on the part of the trading public.

5. Various requests and personal representations were also made by the petitioner from time to time to the Railway Board (Ministry of Railways), Government of India, but they also did not care to intervene to stop the enforcement of the aforesaid invalid scheme to save the trading public from the great trouble as stated in the foregoing para.

6. The aforesaid invalid scheme under the circumstances as stated above has become a source of corruption in the North Eastern Railway besides trouble and inconvenience already stated.

7. The main cause of the prevailing corruption on the Indian Railways is that while a particular person or officer or authority practises corruption by some way or the other, others directly or indirectly assist him, what to say of checking or intervening to stop the prevailing illegality.

8. A perusal of the Indian Railways Act (No. IX of 1890) shows that there is no provision in the Act itself so as to invest any such power in the District Traffic Superintendent or any officer or even the Chief Operating Superintendent to be so exercised by them, as it was done in the present case.

9. Section 47 of the Act confers rule making power in the Central Government and under Indian Railway Board Act, 1905 the Railway Board can only exercise some of the said powers which are invested in the Central Government.

10. Section 54 of the Act confers power in the Railway administration to impose conditions consistent with the Act or with any Rule thereunder, with respect to the receiving, forwarding, or delivering of any animal or goods.

11. The District Traffic Superintendent or any other Officer, or any particular Officer who issued the later circular or even the Chief Operating Superintendent cannot be treated or considered in Law as 'Railway Administration' as defined under section 3 of the Act itself, and in the circumstances power of imposing conditions under section 54 cannot be exercised by them or any of them.

12. There is limitation for imposing conditions and under the guise of the 'conditions' the Railway Administration cannot lay down the Law of its own so as to over-ride the Statute itself.

13. When the proper and short route exists, no authority other than the Legislature itself, can put any such restriction so as to restrict transport *via* the proper and shorter route, and in the circumstances no such power can be exercised as it is exercised by the District Traffic Superintendent, or the Chief Operating Superintendent or any other officer. Even the Railway Administration under section 54 of the Act, even Central Government is not competent to exercise any such power under section 47 of the Act.

14. The circumstances of the case require immediate action to save the trading and other public from facing the great hardships as well as to stop good deal of corruption which is being practised under the guise of law which is no law and the same was held to be so by the competent judicial authority.

and accordingly your petitioner prays for favourable consideration of the petition.

and your petitioner as in duty bound will ever pray.

Name of petitioner	Full Address	Signature with date
Shri Chandra Prakash Agrawal	Honorary Secretary, Tobacco Merchants Association, Kaimganj (U.P.)	(Sd.) C. P. Agrawal 3-3-1958.

APPENDIX II

(See para 6 of Report)

To

Lok Sabha,
New Delhi.

The humble representation of Shri C. P. Agrawal sheweth:

In continuation of your petitioner's representation dated the 3rd March, 1958 (See Appendix I) it is respectfully submitted as under:

1. The rationalisation scheme might have been designed to ensure the best possible use of available resources as well as to achieve certain other objects, but what has been actually happening is contrary to this and the scheme has become a cause of trouble and inconvenience to the people at large, and this fact may kindly be taken into consideration in considering the merits and demerits of the scheme.

2. The scheme is definitely a source of corruption and this is an open secret known even to the authorities. It will be appreciated if the Hon'ble members of the Committee may make an on the spot enquiry in the matter to satisfy themselves with the reality of the fact. Corruption is not a new thing on the Indian Railways. It has taken deep root and the present scheme under reference has been making additions in this direction.

3. Parliament had no doubt enacted the Indian Railways (Amendment) Act, 1957, but it has no bearing on the present subject with which it has nothing to do. Under the Amendment Act, the Orders will be issued by the Central Government and the orders so issued by the Central Government will be judged on its merits and so far as the orders in the present case are concerned, they have nothing to do with the Amendment Act. In this connection the information received by your petitioner from the Ministry of Railways reveals that no order has so far been issued by the Government on the subject of routing.

4. It is a matter of surprise as to why the Ministry of Railways have taken reliance on grounds which have no legal value and also don't stand on reasoning. This is no less than corruption and due to these reasons, state of affairs in the Indian Railways are bad. In the welfare State the Executive Government should control and limit its power and should not act against the interest of the people.

and accordingly your petitioner hopes and prays that this will receive the best attention of Lok Sabha in the public interest.

and your petitioner as in duty bound will ever pray.

Name of petitioner	Full Address	Signature with date
Chandra Prakash Agrawal	Kaimganj (U.P.)	(Sd.) C. P. Agrawal 12-9-1958.

APPENDIX III

(See para 18 of the Report)

List of Representations on which the Committee's intervention had resulted in speedy relief to or complete redressal of or on which facts were furnished by Ministries meeting adequately, the petitioners' grievances.

Sl. No.	Name of Petitioner	Brief Subject	Facts perused by the Committee
1	2	3	4
1	Shri Gian Chand, Delhi.	Correct adjustment of sale price of Quarter No. 7/8 Ramesh Nagar, Delhi, i.e. Rs. 13,800/- against petitioner's verified claims for Rs. 21,862.69NP.	(Ministry of Rehabilitation). The case had been finally processed for refund of excess amount recovered and after approval of the revised adjustments by Pay & Accounts Officer, the documents will be delivered to petitioner.
2	Shrimati Lachhmi Bai, Chhuharmal.	Delay in payment of her share of decretal amount for mortgage right on claim of Shri Wadhumul Hassaram under her C.A.F.	(Ministry of Rehabilitation). Petitioner had been paid decretal compensation of Rs. 263/- by a statement of account on 19-1-1960.
3	Shri Pyare Lal, Hissar.	Non-delivery of vacant possession of a shop purchased in Rohtak in auction in 1955.	(Ministry of Rehabilitation). The shop was in possession of an old tenant and no commitment was made for handing over vacant possession to petitioner.
4	Shri Deomal Harumal.	Payment of decretal amount as mortgage on C.A.F. of Shri B. Motumal.	(Ministry of Rehabilitation). A sum of Rs. 1,702/- was payable to the petitioner who had been advised to submit the application on prescribed form.
5	Shri Satish Chandra Sethi (displaced person) Delhi.	Allotment of a shop in East Vinay Nagar, Govt. Colony Market.	(Ministry of Works, Housing and Supply). The 600 shops constructed in 7 colonies would be transferred to the Delhi/New Delhi Municipal Committee and in turn allotted to bona fide displaced persons. Shri Sethi might approach the Delhi Municipal Committee.

1	2	3	4
6	Shri Y. S. Vyas, Sub-Editor, 'Times of India', New Delhi.	Payment by D.G.P. & T. of Rs. 1000/- as rent due on tenement No. 117, in petitioner's father's name at Gandhidam, Kutch, leased for P.&T. Staff.	<i>(D.G.P.&T).</i> The President's sanction had been issued for renting of private building at Gandhidam and Adipur upto 30-6-60 and Shri Vyas's claim would be settled by Post Master General, Bombay.
7	Shri H. S. Dutt Gaur, Railway Claims and Employment Agency, Ghaziabad.	Delay in settlement of claims for compensation on loss of one wagon of 600 tons of kerosene oil ex-Sewri to Ghaziabad and 2 bundles of lady cradles ex-Ghaziabad to Raipur.	<i>(Ministry of Railways).</i> Repudiated liability for loss in former claim and had arranged for payment of Rs. 375 500P on the latter claim.
8	Shri Kachhmal Chandanmal, Ulhasnagar.	Rejection of application for rehabilitation grant on property claim for want of proof.	<i>(Ministry of Rehabilitation).</i> Petitioner had exhausted all legal remedies within the powers of the Chief Settlement Commissioner. He had, however, another remedy by way of an application under sec. 33 of Displaced Persons (Compensation and Rehabilitation) Act, 1954, to the Secretary, Ministry, of Rehabilitation.
9	Shri Thairomal Thalmal.	Non-assessment of claims for 4 Dehs since 16-10-1952.	<i>(Ministry of Rehabilitation).</i> Claim had been rejected on 6-2-1953 for want of evidence and he could have a copy of that order on usual terms.
10	Shri Pannalal Rehgar, Harijan.	Non-appointment as watchman at Sanganer Aerodrome.	<i>(Ministry of Works, Housing and Supply).</i> No appointment had been made so far. Shri Pannalal might send to the Ministry details of his registration card number with local Employment Exchange and that of the introduction card received by him.
11	Shri Moolchand Tindinmal.	Finalisation of C.A.F.	<i>(Ministry of Rehabilitation).</i> Two rural claims for Rs. 12,140/- and an agricultural claim for 21 std. acres and 4.13/20 units had been

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respectively compensated for by adjustment of Rs. 4.225/- against public dues and by issue of a statement of account on 13-2-1959. A further land claim had been assessed on 23-1-59 for 8 std. acres and 14.1/4 units, and the duplicate application was being sent to Central Office for checking and return. Thereafter he would be compensated therefor.

12 Shri C. P. Agrawal,
Kaimganj, U.P.

(a) Publication in Gazette of India of orders under sec. 27A of the Indian Railways Act, and

(b) allegations *re*: artificial scarcity in rolling stock caused by making over of empty wagons while loaded raffle was detained.

(Ministry of Railways).

(a) Adequate publicity was given for orders under sec. 27A of the Act but as publication in the Gazette thereof is not laid down in the Act Govt. are not bound to publish them.

(b) The other allegations were incorrect as figures furnished by the Ministry showed increase in loading of wagons, but percentage of empty wagons moved was very small and outstanding registrations of loaded wagons *via* Achnera was more than empty wagons.

13 Shri C. P. Agrawal,
Kaimganj, U.P.

Revision of Central Excises and Salt Act, 1944, regarding control over duty-paid goods, checks on private bonded wirehouses etc.

(Ministry of Finance—GBR)

Government were considering implementing the recommendations of the Estimates Committee in their 49th and 57th Reports for setting up of (a) an Appellate Tribunal independent of the Ministry to hear revision applications and (b) a Central Excise Re-organisation Committee on lines of Badhwar or Tyagi Committee.

No excise control existed over manufactured excisable products cleared

1	2	3	4
			<p>on payment of duties. Except for certain relaxations, control could not be further relaxed. Physical control of warehouses by posting of staff etc., curtailment of warehouses, employment of low-paid staff or recovery of expenses from licencees were not feasible as the first entailed more expenditure, second was not workable and the last two were dangerous to revenue security.</p>
14	<p>Shri Krishan Lal Ram Lal Bhasin, Amravati.</p>	<p>Payment of cash compensation against CAF in lieu of certificate.</p>	<p>(Ministry of Rehabilitation). Could not be acceded to as he did not fall in a 'priority' category entitled for cash payment under the Rules. He could, however, purchase property against the statement of account issued to him, by associating with another claimant.</p>
15	<p>Shri Nanumal Dhar- mumal, Amravati Distr.</p>	<p>Refund of amount due against CAF which was wrongly adjusted towards loans advanced by R.F.A., when he a non-loanee.</p>	<p>(Ministry of Rehabilitation). Case finalised, but despite six notices issued to him, he had failed to appear. The case was being settled on his present address.</p>