

COMMITTEE ON PETITIONS

(FOURTH LOK SABHA)

SIXTH REPORT

(Presented on the 24th December, 1969)



LOK SABHA SECRETARIAT
NEW DELHI

December, 1969/Pausa, 1891 (Saka)

Price : Rs. 1.90

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Corrigenda to the Sixth Report
of the Committee on Petitions
(Fourth Lok Sabha).

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PERSONNEL OF THE COMMITTEE ON PETITIONS
(1969-70)

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1. Shri B.K. Mukherjee - Deputy Secretary
2. Shri J.R. Kapur - Under Secretary.

REPORT

I

INTRODUCTION

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

1.2. The Committee, after presentation of their Fifth Report, held eight sittings on the 15th May, 27th June, 19th July, 28th August, 27th, 28th and 29th October and 22nd December, 1969.

1.3. At their sittings mentioned above, the Committee considered the following Petitions|Representations which form the subject matter of this Report:

- (i) Petition (No. 9) from Shri Bipinchandra J. Antani, and others of Kutch District regarding development of Kutch area (See Appendix I);
- (ii) Petition (No. 12) from Sarvashri Jagdish Oberoi, A. S. Chauhan, and others regarding repeal of Essential Services Maintenance Act, 1968 etc. (See Appendix III);
- (iii) Petition (No. 15) from Shri P. L. Tandon, a Bank Depositor, and 1919 others regarding Banking Companies Acquisition and Transfer of Undertakings Bill, 1969 (See Appendix VI);
- (iv) Petition (No. 16) from Shri R. R. Diwakar, President, Gandhi Smarak Nidhi and Gandhi Peace Foundation, Rajghat, New Delhi and others regarding release of prisoners on the eve of Gandhi Centenary. (See Appendix VII);
- (v) Representation from Shrimati Lilawanti, Qadian, District Gurdaspur, regarding restoration of gold ornaments seized by Pakistan Customs Authorities;
- (vi) Action taken by Government on the recommendataions contained in the Fifth Report (First Lok Sabha), Fifth Report (Third Lok Sabha) and First Report (Fourth Lok Sabha) of Committee on Petitions regarding fair distribu-

tion of agricultural evacuee property amongst displaced persons and other pending cases of displaced persons;

- (vii) Actions taken by Government on the recommendations of the Committee on Petitions in their Fourth Report (Fourth Lok Sabha), on representations re. grievances of Central Government Pensioners;
- (viii) Action taken by Government on the recommendations of the Committee contained in their Fourth Report (Fourth Lok Sabha) on representation from employees of the Beas Designs Organisation, New Delhi re. the proposed shifting of their Office from New Delhi to Nangal; and
- (ix) 35 representations inadmissible as Petitions (See Appendix V).

1.4. At their forty-eighth sitting held on the 15th May, 1969, the Committee examined the following witnesses in connection with Petition No. 9 from Shri Bipinchandra J. Antani, and others of Kutch District regarding development of Kutch area (para 1.3. item (i) supra):

- | | | |
|--|---|----------------------------------|
| <ul style="list-style-type: none"> (i) Shri Bipinchandra J. Antani,
LL.B., Advocate (i) Shri Tulsi Boda (iii) Shri Khimji J. Shah | } | Members of Jan Parishad
Bhuj. |
| <ul style="list-style-type: none"> (iv) Shri B. T. Abichandani, Principal, Dr. Choithram Gidwani High School, Gandhidham, Kutch. | | |

1.5. At their fiftieth, fifty-first and fifty-fourth sittings held on the 19th July, 28th August and 29th October, 1969, the Committee examined the representatives of the following Organisations|Ministries in connection with petition No. 12 from Sarvashri Jagdish Oberoi, A. S. Chauhan and others regarding repeal of Essential Services Maintenance Act, 1968 etc., (para 3, item (ii) supra):

- (i) The All India Trade Union Congress, New Delhi;
- (ii) The All India Railwaymen's Federation, New Delhi
- (iii) The United Trade Union Congress, Calcutta;
- (iv) The All India Bank Employees Association, Delhi;
- (v) The National Federation of Postal and Telegraph Employees, New Delhi;

- (vi) The Delhi Police Non-Gazetted Karamchari Sangh, New Delhi;
- (vii) The Hind Mazdoor Sabha, Bombay;
- (viii) The Hind Mazdoor Sabha, Bombay;
- (ix) The National Union of Postal Employees Class III, New Delhi; and
- (x) The Ministries of Home Affairs, Finance, Railways and Labour, Employment and Rehabilitation.

1.6. The Committee considered and adopted the Report at their sitting held on the 22nd December, 1969.

1.7. The recommendations|observations of the Committee on the above matters have been included in this Report.

II

PETITION NO. 9 FROM SHRI BIPINCHANDRA J. ANTANI ADVOCATE, AND OTHERS OF KUTCH DISTRICT REGARDING DEVELOPMENT OF KUTCH AREA

2.1. The Petition (See Appendix I) was presented to Lok Sabha by Shri George Fernandes, M. P., on the 20th December, 1968.

A. Petitioners' Grievances

2.2. The Petitioners have alleged that the economic development of the border district of Kutch is totally neglected. This district has great potentialities by virtue of its even climate, large tracts of land, a coastline of about 250 miles, huge piles of salt and a number of mineral deposits. Due to the absence of (i) transport network joining the interior with the mainland of the country, (ii) supply of cheap power, (iii) availability of drinking water in substantial quantity, there has been a heavy drain of enterprise and skill. For strengthening effective defence of the area, for the betterment of the local inhabitants, and also for augmenting national income, a high priority should be accorded to the development of Kutch.

By discontinuing special allocation of Rs. 40 lakhs per annum, as recommended by the First Finance Commission, and by not creating a special agency for co-ordinated speedy development, Kutch has been accorded a step-motherly treatment.

The petitioners have further stated that huge investments of money made in the construction and development of the major port of Kandla are not having the results they ought to produce, but have resulted in sheer waste of public money. The Railways are also made to suffer heavy losses on account of running empty wagons to Kandla to fetch imported food-grains and fertilisers. In spite of the strangling congestion at Bombay, no meaningful attempt is made to realise the proclaimed objective of making Kandla a gateway to Northern India.

The petitioners have also stated that the wrong policies of the Government in merging a small traditional harbour of Tuna into Kandla and increasing the port charges there, have dried up the old trade channels with Saurashtra. Tuna should be restored to its old position of an independent port.

The petitioners have further alleged that on the Bhuj station of All India Radio, no time is allotted for broadcasting programmes in the local dialects of Kutch. For the promotion of cultural development, as well as for defence oriented propaganda purposes, provision should be made for more and suitable timings for programmes in Sindhi and Kutchi languages.

Specific suggestions of the Petitioners

2.3. The petitioners have made the following suggestions for redressal of their grievances:—

- (i) Possible lines of development like promotion of primary industries, e.g. dairy, animal husbandry and fishing, traditional handicrafts like cotton textile weaving, dyeing and printing and cutlery making, salt and salt-based chemical and fertiliser industries etc. might be explored.
- (ii) The step-motherly treatment accorded to Kutch by discontinuance of special allocation of Rs. 40 lakhs per annum recommended by the First Finance Commission and by not creating a special agency for co-ordinated speedy development, might be stopped forthwith. The special allocation should not only be restored, but also increased and an autonomous corporation to plan for its co-ordinated development and to expedite its implementation as well as to attract and channelise public and private capital, should be established without any delay.
- (iii) A high power inquiry should be instituted into the functioning of the Kandla port and for taking effective steps to utilise fully the potentialities of Kandla.
- (iv) Tuna, which had small traditional harbour before it was merged with Kandla, should be restored to its old position as an independent port, since the merger has dried up the old trade channels with Saurashtra.
- (v) Both from defence and development considerations, a network of broad-gauge railway line (a) from Kandla to Bhuj; (b) loop line from Bhuj *via* Mundra, Mandvi, Jakho, Lakhpat Nakhatrana to Bhuj back and (c) from Bhuj to Khavda, should be included in the plan of railway development.
- (vi) Since about a third of the villages are without even primary schools, and an Art School at Bhuj with nearly 100 year's standing has been closed down, the area requires high priority in promotion of educational facilities, training in shipping and technical training.

- (vii) For promotion of cultural development as well as for defence-oriented propaganda purposes, more and suitable timings should be allocated on the Bhuj station of AIR for programmes in Sindhi and in Kutchi languages.

B. Factual comments of Ministries concerned on the Petition

2.4. The Committee have perused the written comments (See Appendix II) of the Ministries of Railways (Railway Board), Information and Broadcasting and Transport and Shipping (Transport Wing) on the petition and note the following facts therefrom:—

(1) *Ministry of Railways (Railway Board).*

“The construction of new railway lines in the border area of Kutch was recently considered by them. In view of the growing importance thereof and its potential capacity for industrial development, they propose in 1969-70 working season to carry out engineering and traffic surveys for a broad gauge or a metre gauge railway line from Gandhidham to Lakhpat via Mundra, Mandvi and Kotesswar. After the surveys are completed, the proposal will be further considered and survey reports examined sometime in 1971.”

(2) *Ministry of Information and Broadcasting.*

- “(i) Hardly any literature is produced in Kutchi or any periodical, Magazine or a newspaper published in Kutchi. Almost all Kutchi speaking people understand and speak Gujarati.
- (ii) Out of 620 minutes folk music in a month, Bhuj Station of A.I.R. broadcasts 250 minutes of Kutchi folk music and 15 minutes each per month of poetry recitation and short story reading once in two months. For a duration of 15 minutes per month a feature on agricultural matters and at least two or three interviews in a quarter with farmers are broadcast in Kutchi. A 15 minutes' short play once in a quarter in the programme for women is also being arranged.
- (iii) While Bhuj Station has no Kutchi knowing programme executive or producers on its staff, there are four or five staff artists, and class III staff members speaking Kutchi, whose services are being utilised in producing Kutchi programmes.

The Ministry are considering introduction of local news broadcast in Kutchi dialect for five minutes daily but feel that it would be rather too early to introduce a programme on any fixed frequency at the moment. They prefer building up the required talent gradually and taking up the question of introducing a regular programme at a later stage. They also point out that they are broadcasting three programmes in a week in Sindhi language for a duration of 60 minutes and state that at this stage it is not possible to increase the frequency or duration at this stage."

(3) *Ministry of Transport and Shipping.*

The Ministry have forwarded a copy of the comments of the Kandla Port Trust (Enclosure 1 to Appendix II) and a statement (Enclosure 2 to Appendix II) showing the traffic handled by the Port since it was brought into operation. The Ministry also point out that during the famine years 1964 to 1966, Kandla Port played a particularly significant role; as it handled substantial quantities of foodgrains and gave effective relief to other Major Ports.

The Kandla Port Trust in their comments have stated as follows:

- “(i) Ample water supply already exists in the complex and it is being augmented by the proposed Tapar Dam.
- (ii) There is decline in trade and it is hoped that the pattern of trade would change and increase specially on the completion in the near future of the broad gauge link and the starting of the National Highway linking Kandla with Ahmedabad
- (iii) For handling on an emergency basis, the import and distribution of foodgrains in the last few years, about 250 wagons were loaded daily from this Port. A large number thereof had to come to Kandla as empty wagons since there were no sufficient export cargo.
- (iv) The gap created in the traffic handled by the Port could be filled up if other traffic like cotton, moving from hinterland filled it up.
- (v) Though the minor Port of Tuna on the Kandla Creek falls under its control, Tuna functions as a separate

Port, the charges for sailing vessels using this Port being comparable with those laid down by the Gujarat Government for their minor Ports. A sub-Committee of the Board of Trustees is presently examining the different charges levied by the Port to streamline them further. The reduction of traffic via Tuna Port is due to the development of Kandla Port, the improved road system and the construction of metre gauge Railway line."

C. Evidence of the Petitioners

2.5. Besides calling for the written comments of the Ministries concerned, the Committee have also taken the oral evidence of the representatives of the petitioners.

2.6. In his oral evidence before the Committee, Shri Bipinchandra J. Antani, Advocate and member, Jan Parishad, Bhuj, stated that in the background of the invasion of Kutch by Pakistan in 1965, the first important issue was the defence of the Kutch area, which should be given priority. According to the witness, "unless the people have confidence in defence preparedness then only the investment could flow in and development would be accelerated". The witness further stated that development of Kutch was being neglected by the State. According to him, there was "frequent recurrent scarcity" in Kutch and "every two years we are facing an acute famine". He added that "instead of doing anything concrete, Government thought of migrating our cattle wealth to areas which were not affected by famine." According to him, the Government of Gujarat was not paying proper attention to the development of Kutch. He added that apart from being a backward area, Kutch was a border area and its development should, therefore, get top priority over other backward areas in Gujarat State.

2.7. The witness then raised the issue of the development of Kandla Port. He said that Kandla was a major port, but it was not running properly and it was being neglected. He added that "for the last two years, no traffic is being diverted to Kandla Port. All the docks at Kandla Port are empty". In reply to a question, however, the witness admitted that "in the last month, two or three ships embarked in the dock."

2.8. The witness said that since Kutch was a strategic area, there should be a net-work of broad-gauge railway lines in Kutch. He suggested that there should be a broad-gauge railway line from

Kandla to Bhuj, a loop line from Bhuj via Mundra, Mandvi, Jakho, Lakhpat and Nakhatrana to Bhuj back. He also suggested that there should be a broad-gauge railway line from Bhuj to Khavda which should get top priority from the defence point of view.

2.9. Asked about the particulars of the special allocation of Rs. 40 lakhs, per annum to Kutch area, restoration of which had been demanded by the petitioners, the witness stated that "I don't have any first hand information about this".

2.10. Asked about the alleged running of empty rail wagons to Kandla to fetch imported food grains and fertilisers, the witness said that this problem could be solved if wagons were allotted for that purpose from the area where salt was manufactured so that the wagons could carry salt to Kandla from where it was being exported and fetch imported food grains and fertilizers on their return journey.

2.11. Asked what his basis was for saying that Tuna Port had been merged with Kandla Port and whether it was not a fact that Tuna Port still functioned as a separate Port, the witness stated that "Tuna, being adjacent to the Major port, has lost its independent entity".

2.12. As regards the programmes being broadcast by A.I.R. from Bhuj Station, the witness stated that apart from Kutchi language, programmes in Sindhi language should also be broadcast from there as a large number of Sindhi-speaking people live there.

2.13. Asked about his suggestion to attract entrepreneurs to set up business and industries at Kandla and in Kutch area, Shri Khimji J. Shah, member, Jan Parishad, Bhuj, stated that "Power is not available. For five thousand K.W. power, applications are pending. But they are not in a position to supply the power". He said that the industries of Cement, Chemicals, Animal Husbandry, Bauxite, Aluminium and Salt based industries could be developed in the Kutch area. He added that Animal Husbandry was the major industry there and that as regards Cement industry, more than 200 million tonnes of limestone was available there. He also suggested that both from strategic as well as industrial points of view, pucca roads and rail facilities should be provided so as to connect Gandhidham, Anjar, Mundra, Mandvi, Naliah, Narayansrover and Lakhpat. Shri Khimji J. Shah said that construction of Coastal highway and railway line should be given priority from the point of view of defence as well as economic growth. In reply to a question, the witness stated that a Sainik School should also be started in Kutch.

2.14. Shri Tulsi Boda, member, Jan Parishad, Bhuj, said that one-third of the villages in Kutch district did not have facilities for primary education. He suggested that in order to make Kandla Port "a live major port", more goods traffic should be diverted from Bombay to Kandla by providing the necessary incentives like concession in railway freight rates, as in the case of Bombay. He also suggested the setting up of some public sector units and shifting of some Central Government Offices to Kutch in order to create a climate for entrepreneurs to invest their money in industries there and to boost their morale.

2.15. The witness added that due to lack of transport facilities, the free trade zone at Kandla had been unable to become the "beehive of activities as it was intended to be". He suggested that "all the causes for the failure in this area should be analysed and necessary solutions should be found". He also suggested the setting up of "an autonomous board which would plan out the growth of industries both in the private and public sectors". He claimed that about 6 million tonnes of bauxite was estimated to be in Kutch area which could be used for manufacture of aluminium if this industry was set up there.

2.16. Shri B. T. Abichandani, Principal, Dr. Choithram Gidwani High School, Gandhidham, Kutch, suggested that more programmes in Sindhi and Kutchi languages should be broadcast in Kutch area. He said that there were about 1,20,000 Sindhi speaking people in Kutch area. He also suggested the diverting of goods traffic of Cotton, Mica, Soapstone and Iron ore to Kandla from Bombay.

D. Recommendations of the Committee

2.17. The Committee have noted the steps being taken by the Ministry of Railways for the construction of a new railway line in the Kutch area. They hope that the proposed railway line from Gandhidham to Lakhpat via Mundra, Mandvi and Koteshwar would be expeditiously completed. They would, however, stress the need for undertaking surveys for the construction of more railway lines, e.g. from Kandla to Bhuj and Bhuj to Khavda, keeping in view the potentialities of traffic and the strategic needs of the area.

2.18. From the comments furnished by the Ministry of Transport and Shipping, the Committee have noted that there is a decline in the trade and traffic handled by the Kandla Port. The Committee desire that the causes of this decline should be carefully analysed and intensive efforts made to utilise fully the facilities avail-

able at the port by increasing trade and traffic so that huge investments made in the development of Kandla Port bring in the desired results.

2.19. The Committee have noted that Tuna continues to function as a separate port. The Committee hope that necessary measures would be taken by Government to ensure that Tuna continues to function as an independent Port and is able to attract adequate traffic.

2.21. The Committee desire that Government should give due attention and Broadcasting, the Committee have noted the frequency and duration of the current programmes broadcast on the Radio in the local dialects of Kutch. The Committee appreciate the difficulties experienced by the Government in increasing the frequency and duration of such programmes due to paucity of literature in Kutchi dialect and non-availability of the requisite talent in that dialect. However, in view of the growing importance of radio as a medium of mass communication and education, particularly in the border areas, the Committee would emphasise that steps should be taken to build up the required talent quickly so that regular programmes in the local languages, both in Kutchi and Sindhi, may be introduced early. The Committee desire that maximum use should be made of the existing talent in Kutchi and Sindhi languages and the duration and frequency of the programmes in these languages from the Bhuj Station of the All India Radio should be progressively increased.

2.21. The Committee desire that Government should give due consideration to the development of such industries in the Kutch area as can utilise the mineral and other resources of the area, keeping in view the needs and skills of the inhabitants and the overall economic and industrial development of the region. The Government should pay special attention to build up the infra-structure in the area.

2.22. The Committee hope that Government fully realise the strategic importance of the Kutch area and appreciate the problems faced by its inhabitants. Government should consider the question of appointing, if there is none already, a co-ordinating agency to ensure an even and harmonious development of this border area.

III

PETITION NO. 12 FROM SARVASHRI JAGDISH OBEROI, A. S. CHAUHAN AND OTHERS REGARDING REPEAL OF ESSENTIAL SERVICES MAINTENANCE ACT, 1968, ETC.

3.1. The Petition (*See* Appendix III) was presented to Lok Sabha by Shri S. A. Dange, M.P., on the 1st May, 1969.

A. Petitioners' Grievances and Prayer

3.2. The petitioners have referred to a joint meeting of national executives of All India Trade Union Congress, Hind Mazdoor Panchayat, Bharatiya Mazdoor Sangh, United Trade Union Congress, All India Railwaymen's Federation, All India Bank Employees' Association, All India Defence Employees Association, All India Federation of State Government Employees, All India Newspaper Employees' Federation, Indian Federation of Working Journalists and Police Karamchari Sangh, etc., held on the 4th and 5th January, 1969, at New Delhi, wherein a decision was taken to present this petition containing the following demands:

- "(i) Repeal of the Essential Services Maintenance Act, 1968, the Railways (Amendment) Act, 1968, Section 36AD of the Banking Laws (Amendment) Act, 1968, and the Central Industrial Security Force Act, 1968.
- (ii) (a) Compulsory recognition of unions in every industry, plant, shop and trade; in case of multiplicity of unions, recognition of unions by ballot;
(b) Restoration of recognition of all unions whose recognition was withdrawn after the 19th September, 1968 strike in Central Government Services, or otherwise;
- (iii) Withdrawal of court cases against all in connection with the September 1968 strike in Central Government services and end to all victimisation of Central and State Government employees;
- (iv) To end victimisation and retrenchment, anywhere and everywhere;
- (v) Grant of Need-based Minimum Wage on the basis of the norms unanimously agreed to at the 15th Indian Labour Conference and full neutralisation in D.A."

3.3. The petitioners have prayed that "the Parliament of India may be pleased to take action in this behalf in order to enforce the Fundamental Rights guaranteed under the Constitution, particularly in the matter of Freedom of Association and to implement the Directive Principles of State Policy, with special reference to Article 39 (a) of the Constitution which provides for the right to an adequate means of livelihood, and clauses (b) and (c) of Article 39, which enjoin upon the State to ensure "that the ownership and control of the material resources of the community are so distributed as best to subserve the common good"; and "that the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment".

B. Factual comments of the Ministries of Home Affairs, Finance and Labour, Employment and Rehabilitation and evidence given before the Committee

I. Repeal of the Essential Services Maintenance Act, 1968

3.4. It has been submitted before the Committee by the representative of the All India Trade Union Congress, New Delhi, that Article 19(1) (c) of the Constitution guaranteed the right to form associations or unions. Article 19(4) empowered the State to make any law imposing, in the interests of the sovereignty and integrity of India or public order or morality, reasonable restrictions on the exercise of the right conferred by Article 19(1) (c). But Section 3(1) of the Essential Services Maintenance Act, 1968, had put a blanket ban on strikes in "public interest" while the Constitution, envisaged "public order". According to him, 'public interest' was a much wider term.

It was stated that all associations or unions of workers were Trade Unions registered under the Indian Trade Unions Act, 1926, which conferred certain civil and criminal immunities upon all members of the Trade Unions with regard to any charge of conspiracy in connection with strikes. A strike could not be declared illegal unless it contravened the provisions of Sections 22 and 23 of the Industrial Disputes Act, 1947, which briefly were: "the dispute which is subject matter of the strike should be a matter which is covered by a settlement in operation or by an award in operation or the subject matter of the dispute should have been referred to arbitration, adjudication or conciliation." Explaining the position, the witness referred to certain judgements of the Supreme Court stating that dismissal was not the proper punishment for participating in a strike even though the strike might be illegal. Dismissal was a punishment for cases of sabotage, violence or such other acts which had been proved

after charge-sheeting and conducting an enquiry against the person concerned.

The witness pointed out that under the Essential Services Maintenance Act, 1968, a mere executive order was sufficient to declare a strike illegal and that executive order was not subject to any judicial review. Any service could be declared an essential service by an executive order. The witness drew the attention of the Committee to the Industries (Development and Regulation) Act, 1951, which contained a list of industries including 'cigarettes industry' on which Parliament had the power to legislate and said that even in the cigarettes industry strikes could be banned by mere executive orders. He said that the Essential Services Maintenance Act, 1968, 'brought within its purview almost every industry and every service in every part of India' and, therefore, it imposed a blanket ban on strikes.

Summing up, the witness stated that the Essential Services Maintenance Act, 1968, was violative of the Constitution itself as it offended against the rights guaranteed to workers under the Constitution. Secondly, it was in contravention of the pronouncements of the Supreme Court regarding strikes. Thirdly, it was an unnecessary piece of legislation because machinery for settlement of disputes was already provided for in the Industrial Disputes Act, 1947, and if any change was needed, that change could have been brought about after the National Commission on Labour had given their report. The witness felt that there was thus a strong case for repealing the Essential Services Maintenance Act, 1968.

3.5. The representative of the National Federation of Postal and Telegraphs Employees submitted before the Committee that the Industrial Disputes Act, 1947, was intended to avert strike by providing various legal avenues for settlement of disputes such as Conciliation Boards, Tribunals etc. He added that "both in 1960 and 1968, the Ordinance was issued by the Government to ban the strike only because the Government was not prepared to accept any of the obligations under the Industrial Disputes Act." The Committee drew the attention of the witness to the proposed comprehensive legislation by Government to replace the Essential Services Maintenance Act, 1968, providing for effective machinery for the settlement of disputes by putting the Joint Consultative Machinery on a statutory basis and ask him to express his views thereon. The witness stated that they had accepted the Joint Consultative Machinery Scheme and worked sincerely for its successful operation, but the Government had backed out. He further stated that Government had not

made any reference to the National Commission on Labour about the Joint Consultative Machinery Scheme.

He also added that under the existing position, if the dispute was referred to a Conciliation Board, the strike would become illegal. Further, if the conciliation failed and the dispute came before the Tribunal, then also the strike would become illegal. But these things had not been applied in their case. He added that the Government did not agree to refer their demand of minimum wage for compulsory arbitration as provided in the Joint Consultative Machinery Scheme. He stated that "if a machinery for settlement of disputes is provided by law, we will welcome it."

It was stated by the representative of the All India Trade Union Congress that in view of the existing provisions of Sections 10 and 22 of the Industrial Disputes Act, 1947, "any comprehensive legislation which the Government is thinking of is redundant and is nothing short of an attack on the right to strike and we may not be a party to it because this is already there."

3.6. The Committee have perused the comments (See Appendix IV) furnished by the Ministry of Home Affairs who have *inter alia* stated as follows:—

"The Essential Services Maintenance Act, 1968, was passed to replace the Essential Services Maintenance Ordinance, 1968. The Act is valid for a short duration, *viz.*, for a period of three years. As announced by the Minister in the Ministry of Home Affairs in the Lok Sabha|Rajya Sabha on 16.12.1968|23.12.1968, it is proposed, as early as possible, to bring forth a comprehensive legislation to put Joint Consultative Machinery Scheme on a statutory basis on the one hand and to ban strikes among Government servants on the other. The Essential Services Maintenance Act would be repealed by the proposed new law. For these reasons, the question of repealing the Act at this stage does not arise."

3.7. During the course of evidence before the Committee, the representative of the Ministry of Home Affairs was asked why the Government had promulgated the Essential Services Maintenance Ordinance, 1968, when the Industrial Disputes Act, 1947 was stated by the petitioners to be sufficient to deal with the situation. The witness stated that the Industrial Disputes Act, 1947, applied to industrial disputes only and it did not cover the non-industrial employees of the Government of India, while the strike was going to

be a general strike covering all Government employees. The witness added: "it was essential in the interest of maintaining the life of the community that this strike should be averted. It was on the basis of that that this decision was taken and the Parliament enacted this legislation." The Committee asked as to what extent the proposed comprehensive legislation would effect the trade union rights of the workers and in what respect it would improve the situation *vis-a-vis* the provisions of the Industrial Disputes Act, 1947. The witness stated that the matter had not yet been finally considered by the Government and he was, therefore, not in a position "to say what its final shape would be."

3.8. When asked to comment on the observation of the National Commission on Labour (1969) that "collective bargaining cannot exist without the right to strike|lockout", the representative of the Department of Labour and Employment stated that that was in many ways basic to the whole question of employer-employee relationship: It called for a somewhat revolutionary departure from the existing principles and practices for the settlement of industrial disputes. He thought that it was premature for him to venture any opinion, at that point of time, as to what the Government's own thinking was going to be on that subject.

3.9. The Committee enquired about the steps taken by Government to follow Articles 87 and 98 of the I.L.O. Conventions which entitled the workers to form unions and to go on strikes. The Secretary, Ministry of Labour, Employment and Rehabilitation (Department of Labour and Employment) explained that "there are two Conventions. Convention 87 relates to Freedom of Association and the right to organise and Convention 98 relates to rights to organise and bargain collectively. Neither of these Conventions has been ratified by the Government of India. And neither of these Conventions says anything about the right to strike."

When asked by the Committee whether the I.L.O. Convention 98 had defined "collective bargaining" by precluding the right to strike, the Secretary (Labour and Employment) stated: "It does not preclude that I was saying that no specific reference is made to the right to strike in the Convention". He added that "in no document which has been formally ratified by the I.L.O., there is any reference to the right to strike." Explaining the reasons for non-ratification by Government of India of I.L.O. Conventions 87 and 98, the witness stated that there were certain provisions in the Indian Trade Unions Act, 1926, which could be considered "as an interference" in the working of the trade unions as envisaged in the I.L.O. Conventions.

He added that if the Government had ratified these Conventions, it would have been difficult to reconcile these Conventions with the provisions of the Indian Trade Unions Act, 1926, which permitted even non-employees to become office-bearers of the Trade Unions.

The Committee was also informed by the witness that the recommendation of the National Commission on Labor (1969) regarding ratification of the I.L.O. Conventions, which called for periodical review of the position, was "almost certain, to be accepted." Government had a tripartite body which occasionally went into these Conventions, but, the witness added, it had to be put on a more regular basis.

3.10. The Committee asked the representatives of the Ministry of Home Affairs to comment on the recommendation of the National Commission on Labour (1969) regarding need for further widening the scope of the Joint Consultative Machinery, the witness informed the Committee that the Government thought it was already fairly comprehensive. He explained what exactly the Joint Consultative Machinery stood for, as follows:—

"The scope of the Council will include all matters relating to conditions of service and work, welfare of the employees and improvement of efficiency and standards of work.

Provided, however, that in regard to recruitment, promotion and discipline, consultation will be limited to matters of general principles, and individual cases will not be considered."

The witness added that the scope of discussion in the Joint Consultative Machinery was comprehensive, though every question, e.g. 'need-based minimum wage', was not referable to arbitration.

3.11. In a written reply to Unstarred Question (No. 877) answered on the 25th July, 1969 in Lok Sabha, the Minister in the Ministry of Home Affairs stated that a decision had been taken regarding the outlines of the Statutory Machinery for Joint Consultation and Compulsory Arbitration for the Central Government employees. He added that the details were still being worked out and that Government expected to introduce a Bill in Parliament in that connection as early as possible.

3.12. During the course of evidence before the Committee, the representatives of the Department of Labour and Employment express-

ed the view that the recommendations of the National Commission on Labour for the setting up of an Industrial Relations Commission, independent of the executive, to settle the "interest" disputes, was a revolutionary departure from current practices concerning industrial disputes.

3.13. The Committee enquired of the representatives of the Ministry of Railways (Railway Board) about the extent to which the permanent negotiating machinery had been successful in resolving the disputes with the Railway employees and the reasons why it had not been fully successful in doing so, as alleged by the All-India Railwaymen's Federation. The witness quoted figures to show that the negotiating machinery had by and large been successful. There were a number of cases which had been settled at the Zonal Railways level and at the divisional and district levels of the Railways. Certain items were dropped with the consent of the parties.

The Committee asked whether any concrete steps had been taken for restoration of normalcy and effective functioning of the existing machinery for removal of grievances. The witness stated that in the course of meetings at the Railway Board level with the two organized labour federations, instructions were issued to the Zonal Railways with regard to the manner in which the machinery should be operated. The Zonal Railways were repeatedly impressed upon to follow these instructions. By and large, cases were settled to the satisfaction of the labour excepting those few items which they again brought up for discussion at the Railway Board level.

The witness added that the policy of the Government was not to recognise sectional unions. But when sectional unions represented to the Minister or the senior officers, the grievances were looked into and if there was any lapse on the part of the Government, it was rectified.

II. Repeal of Railways (Amendment) Act, 1968

3.14. It was submitted before the Committee by the representative of the All India Railwaymen's Federation, that the Indian Railways (Amendment) Ordinance, 1968, was promulgated because, as contended by the Government, "the existing provisions in the Indian Railways Act are, however, not adequate to deal effectively with the obstructions to the running of trains by abandonment thereof by Government servants, or by squatting, picketing or other omissions either by railway servants or by others." It was in order to provide penalties for such obstructions that the Indian Railways (Amendment) Ordinance, 1968 was promulgated, on the 14th Sep-

tember, 1968, but the workers felt that the Act was absolutely redundant because in their opinion the existing provisions of sections 71 (f), 121, 122, 126, 127, 128, 131 and 137 of the Indian Railways Act, 1890 and the provisions of the Indian Penal Code, 1860, Service Conduct Rules and Disciplinary and Appeal Rules were adequate to deal with such situations. Pointing out one lacuna in the Indian Railways (Amendment) Act, 1968, the witness said: "Suppose one loyal worker is there with others who are on strike. I am an engine driver and along with me there are firemen. I am a loyal worker and I do not go on strike but the rest of the drivers have gone on strike. I had been in the engine continuously for 48 hours or 72 hours and no relief was given to me. Under the provisions of the Act, I should not leave the engine, otherwise I shall also be penalised."

The witness stated that Sections 100A and 100B as inserted by the Indian Railways (Amendment) Act, 1968, were corresponding to Sections 4 and 5 of the Essential Services Maintenance Act, 1968. The Government had taken a lenient view of the offences under Sections 4 and 5 of the Essential Services Maintenance Act, 1968. He urged that Government should also give sympathetic consideration to offences under sections 100A and 100B as inserted by the Indian Railways (Amendment) Act, 1968. In reply to a question, the witness stated that Sections 100A and 100B were harsher. He added that in England also Government intended to introduce a Bill similar to the Essential Services Maintenance Act banning strikes, but after consultation with the labour organisations, they dropped it. The witness added that in India also, the Essential Services Maintenance Act should be repealed.

3.15. During the course of evidence before the Committee, the representative of the Ministry of Railways was asked to comment on the contention of the All-India Railwaymen's Federation that the provisions of sections 100A and 100B of the Indian Railways Act, 1890, as inserted by the Indian Railways (Amendment) Act, 1968, were redundant in view of certain existing provisions of the Indian Railways Act and the Indian Penal Code. The witness stated that the amendment was intended to cover cases of abandonment of trains. The intention of the Government was that passengers, who were daily being carried on several hundreds of trains, should not be put to any difficulty by abandonment of trains at inconvenient places. All the sections referred to above related to wilful or unlawful action. There were cases which might not be covered by the provisions of the law as they stood before the amendment. That was why new sections 100A and 100B were inserted in the Indian Railways Act. He, however, informed the Committee that no cases of

prosecution or discharge or suspension under sections 100A and 100B of the Indian Railways Act were pending with them.

III. *Repeal of Section 36AD of the Banking Companies Act as inserted by the Banking Laws (Amendment) Act, 1968*

3.16. It was submitted before the Committee by the representative of the All India Bank Employees Association, that Section 36AD of the Banking Companies Act as inserted by the Banking Laws (Amendment) Act, 1968 had no relevancy to the provisions of the original Act which had been enacted to canalise the credit policies of the Commercial Banks and to sever their links with big industrial houses. This Section empowered the bank managements to declare 'lock out' which was earlier prohibited in the banking industry. He added that Section 36AD had put a ban on the legitimate trade union activity of the Bank employees. This Section also provided punishment of fine and jail in addition to dismissal. The witness requested the Committee to recommend to Parliament to repeal Section 36AD of the Banking Companies Act.

It was also pointed out to the Committee by the witness that the offence under Section 36AD was not an offence under the common law. It was an offence specially created by the statute. The witness added that under Section 36AD of the Banking Companies Act, anybody could register a complaint or file a criminal case against the employees and thus this Section gave blanket powers to the managements of the Banks, whereas under Section 23 of the Industrial Disputes Act, 1947, no such blanket power to prosecute the employees was given. Under the Industrial Disputes Act, a case could not be registered in the Court by an employer unless it was scrutinised and permission given by the competent Government authority, i.e. the Labour Department of the State Government concerned. Section 36AD of the Banking Companies Act, thus discriminated against the Bank employees and caused harassment to them. The provisions of this Section were against the understanding that was developing in the country in the field of industrial relations. According to the witness, the court should not take cognisance under any circumstances until the competent Government authority had gone into the merits of a case. As regards the proposed comprehensive legislation by the Government for the settlement of disputes, he stated that the Industrial Disputes Act, 1947, already provided for the various contingencies and the circumstances which the Government were thinking of and the proposed comprehensive legislation would only amount to taking away some of the rights of the employees. There was, therefore, no necessity for the proposed comprehensive legis-

lation. He urged that the Essential Services Maintenance Act, 1968 should also be repealed.

3.17. In this connection, the Committee perused the written comments (See Appendix IV) furnished by the Ministry of Finance, which *inter alia* read as follows:—

“Briefly, the new Section 36AD seeks to prohibit the obstruction of business at any office of a bank, or to hold within the office or the place of business of any banking company, any demonstration which is violent or which prevents, or is calculated to prevent the transaction of normal business, to ensure that no inconvenience is caused to the members of the public and no harm is done to the creditworthiness of a banking company. Banks are primarily service institutions and have to function as efficient and disciplined units.... and have also certain obligations under the Negotiable Instruments Act to stay open and meet their commitments under the Act. Since banks are delicate credit institutions, Government have a responsibility to ensure that they are able to function normally during the usual business hours. It may be pointed out that provisions of this Section cannot in any way be said to abridge any lawful trade union rights, including right to strike, in any orderly manner after due notice. This Section only prohibits acts which are clearly undesirable in the wider public interests.”

3.18. During the course of evidence, the Committee asked the representative of the Ministry of Finance to express his views on the question of adequacy of the Industrial Disputes Act, 1947, as compared to Section 36AD of the Banking Companies Act, as inserted by the Banking Laws (Amendment) Act, 1968. The Additional Secretary, Ministry of Finance, stated that “this (Section 36AD) is meant for any person who obstructs another from entering into a Bank. There is another provision about undermining the confidence in a bank. That is a thing which Industrial Disputes Act would not cover. After nationalisation that has become much more important. This (provision) does not prohibit a strike.”

The Committee pointed out that under the Industrial Disputes Act, 1947, cases against employees could be registered only with the permission of the State Labour Department, but according to the provisions of Section 36AD, anybody could register a case against the bank employees, which might lead to harassment of the bank employees. The witness stated that the cases would be decided by

the Courts of Law. He did not feel that this provision would lead to the harassment of the bank employees.

The Committee enquired whether Section 36AD of the Banking Companies Act empowered the management of the banks to declare 'lock out', the witness replied in the negative. It was further stated by the witness that the provisions of Section 36 AD *ibid* applied not only to the bank employees but to all persons who sought to obstruct the functioning of a bank. The witness also stated that the "Banks are in a special position. They serve whole of the industry and trade and if their functioning is prevented, it will effect the whole of trade and industry."

1V. Repeal of Central Industrial Security Force Act, 1968:

3.18. It was submitted before the Committee by the representative of the All India Trade Union Congress that the maintenance of Law and Order was a State subject but the Central Industrial Security Force Act, 1968, had taken away the power of the State Governments with regard to Public Sector Undertakings controlled by the Central Government. He added that arbitrary powers were conferred on the constables of the Security Force under that Act according to which, "every Member of the Security Force has the power to arrest without warrant, search or deport not only from inside the factory but from the township, if there is a reasonable suspicion in the mind of a foot constable that that man is possibly going to commit some breach of law." According to the witness, such provisions were against the rule of law. He alleged that that Act had been designed specifically to curb the trade union movement in the Public Sector Undertakings and demanded that the Central Industrial Security Force Act should, therefore, be repealed.

3.20. During the course of evidence before the Committee, the Secretary (Services), Ministry of Home Affairs, stated that at the time of passing of the Central Industrial Security Force Act, 1968, all aspects were examined in great detail, and Government did not feel that it should be repealed.

The Committee enquired whether it was correct to say that the Central Industrial Security Force Act, 1968, adversely affected the Trade Union rights of the employees of the Public Sector Undertakings. The representatives of the Ministry of Home Affairs stated that "if the employees belong to one particular industrial unit, the Security Force people are entitled under the existing laws to become members of trade union but if there is one force responsible

for maintenance of the security of a large number of undertakings and has its own discipline and control then since they are not employees of any particular organisation or union they can be brought under this general Act which has been passed by Parliament. So there was no attempt to deprive any particular section of employees of any undertaking of their trade union rights but for the better performance of the security arrangements, it was felt that a disciplined force for a number of undertakings would be a better form." The Committee wanted to know whether the alleged arbitrary powers to arrest without warrant search etc. conferred even on a foot-constable of the Security Force under this Act was not likely to result in abuse of those powers. The representative of the Ministry of Home Affairs stated that to ensure the safety and security of the installations of the Central Government or Public or Corporate Undertakings, only the minimum power necessary to achieve these objectives were given to the Central Security Force. It was further stated by the witness that "they are not functioning as a police force. Minimum powers are given to them with a view to enable them to take appropriate action against those seeking to interfere with the security of the plant and installations and pass them over to the local police authority."

V. *Recognition of Unions*

3.21. It was represented before the Committee by the representative of the All India Trade Union Congress that there should be a law for the recognition of trade unions. In case of multiplicity of trade unions, the question of recognition should be decided by secret vote. He also submitted to the Committee a draft of a Bill which he proposed for recognition of trade unions.

3.22. The representatives of the National Union of Postal Employees Class III stated that taking into consideration the Trade Union Movement in the country, especially in the Central Services, multiplicity of unions was an absolute necessity and a historical inevitability.

Asked whether the multiplicity of unions in a particular organisation would not reduce the collective bargaining power of the workers, the witness replied in the negative. He added that insofar as the basic issue was concerned, there might not be any difference of opinion. He elucidated that if a particular demand raised by one Union was reasonable that would be supported by other unions also.

Asked to clarify his views, contained in his Memorandum submitted to the Committee, in which he had opposed the demand for recognition of unions by ballot in an industry department etc., he stated that each union might be required to have a minimum prescribed membership, say, roughly about ten per cent of the strength of the Establishment.

Asked to state as to how the representative character of a union should be determined in a case of multiplicity of unions, the witness stated that if in a particular Department, 15 per cent of the strength of the workers were members of a union, that union acquired the representative character. He added that if there were three unions, each with 15 per cent membership, all those unions should have equal authority in representing the workers in that particular industry.

3.23. The representative of the Delhi Police Non-Gazetted Karamchhari Sangh informed the Committee that under the Police Forces (Restriction of Rights) Act, 1966, they had no right to strike. 1500 persons of Delhi Police were facing starvation just because they exercised their right to improve their economic conditions. He added that 18 leaders of the Delhi Police Karamchhari Sangh were dismissed** without holding any enquiry against them under Article 311(2) (c) of the Constitution on the ground of danger to the security of the country, although they had protested with decorum and in a non-violent way. He pointed out that Government could have proceeded against these police officials under the Police Forces (Restriction of Rights) Act or under the Punjab Rules which governed their service conditions. In reply to a question, the witness told the Committee that the Police Associations were recognised in Bihar and Bengal. He requested the Committee to consider their demands on humanitarian grounds as policemen were also citizens of India.

**In a written communication dated the 12th December, 1969, the Ministry of Home Affairs informed the Committee as follows :—

“During April, 1967, 18 personnel of Delhi Police Force were dismissed by an order of the President under sub-clause (c) of proviso to clause (2) of Article 311 of the constitution. The activities of these 18 persons were found prejudicial to the maintenance of public order and were undermining the morale and discipline of the Police Force in Delhi. Government, after carefully considering the matter, found it necessary to take immediate disciplinary action in the interest of the security of the State, and hence action under Article 311(2)(a) was resorted to. Sixteen of the 18 persons had preferred writs to the Delhi High Court challenging the order of dismissal. The writ petitions were dismissed by the Court in December, 1968. An appeal has been preferred by the petitioners to the Supreme Court against the judgment of the High Court. The matter is *subjudice*.

3.24. In their written comments (See Appendix IV) furnished to the Committee, the Ministry of Labour, Employment and Rehabilitation, have *inter-alia* stated as follows:—

“There is at present no Central Law for recognition of unions. In some States like Gujarat, Maharashtra, Madhya Pradesh and Rajasthan, the State enactments provide for recognition of unions. The Code of Discipline evolved by the Indian Labour Conference (May, 1958) lays down certain criteria for voluntary recognition of unions in an establishment or industry. There is no provision in the Code for holding ballot for the determination of the representative character of unions. The whole question of industrial relations including the conditions and procedures for recognition of unions is at present under the consideration of the National Commission on Labour. A change in the existing practice, which is based on tripartite agreement, can be considered only after the Commission's recommendations have been received by Government and examined in consultation with the various interests concerned.”

3.25. During the course of evidence, the Committee asked the representative of the Ministry of Home Affairs, whether there were any rules to regulate the recognition of the unions. The witness replied in the affirmative. He however, added that “these rules were deemed to be struck down by the Supreme Court (in 1962). After that we have not had any formal rules, on the basis of which we recognise unions, except in the case of Railways, etc. of some other Departments where they have specific rules of their own.” However, with a view to provide representation to the employees' organisations on the Joint Consultative Machinery after the September, 1968 strike, the unions “which broadly and adequately represented the employees of that Department might be treated as recognised unions for this purpose.” The witness added that the total number of 640 recommendations of the Khosla Commission on Delhi Police had been considered by the Ministry of Home Affairs in consultation with the Ministry of Finance and necessary administrative orders had been issued.

3.26. In reply to a Starred Question (No. 796), answered in Lok Sabha on the 28th August, 1969, the Minister of State in the Ministry of Labour, Employment and Rehabilitation stated that in the Central sphere and most of the States, where there was no specific legislation, the criteria for recognition of unions were as in the

Voluntary Code of Discipline. As far as the Voluntary Code of Discipline was concerned, the management had to deal with the majority union (recognised in case of multiplicity of unions in an industrial undertaking, subject to certain conditions, for the purpose, in an establishment or industry in a local area). In reply to an Unstarred Question (No. 611), answered on the 20th November, 1969, the Minister stated that there was no law yet in any State/Union Territory governing recognition of unions through secret ballot. The West Bengal Legislature had, however, passed a Bill entitled "The Trade Unions (West Bengal Amendment) Bill, 1969 providing for election by secret ballot in the prescribed manner, in order to ascertain which of the applicant Trade Unions had the following largest number of eligible workmen employed in the industrial establishment or class of industry in a local area, as the case might be. . . . The Bill was awaiting the assent of the President. The Government of Kerala too were considering legislation on the subject."

VI. Restoration of recognition to the de-recognised unions

3.27. The Committee understand that 102 federations|unions|associations were de-recognised as a sequel to their participation in the Central Government employees' strike of September, 1968 (cf. Starred Question No. 293, L.S. Deb., dated 28th November, 1969 and Starred Question No. 81, R.S. Deb., dated 19th November, 1969.)

3.28. In their written comments (Appendix IV), the Ministry of Home Affairs, have *inter-alia* stated as under:—

"The unions|associations|federations, which had participated in the Scheme for Joint Consultative Machinery had subscribed to a Declaration of Joint Intent, clause 5 of which is reproduced below:

'5. The associations|unions:—

- (a) agree to give a fair trial to the scheme of joint consultation and compulsory arbitration for a minimum period of 5 years.
- (b) agree that during this period of trial all disputes shall be resolved through the machinery of joint consultation and compulsory arbitration.

However, contrary both to the letter and the spirit of this Declaration, many unions/associations/federations had persisted with their strike call despite the conciliatory attitude adopted by the Government and the promulgation of the Essential Services Maintenance Ordinance, declaring the strike illegal. The conduct of the unions in participating in an illegal strike rendered them liable for appropriate action regarding their de-recognition. There is, therefore, no ground for restoring the recognition of the unions which participated in the illegal strike."

3.29. During the course of evidence, the Committee enquired about the policy of the Government regarding the question of granting recognition to the de-recognised unions. The representative of the Ministry of Home Affairs informed the Committee that orders had been issued that fresh and interim recognition should be granted on application from the federations or unions or associations of Government employees in case such unions etc. were recognised prior to the strike of 19th September, 1968.

3.30. In reply to a Starred Question (No. 293), answered in Lok Sabha on the 28th November, 1969, the Minister of State in the Ministry of Home Affairs stated that the Ministries/Departments who were competent to grant recognition to unions etc., had been advised to grant fresh recognition to such of the unions/associations/federations which had been de-recognised after the strike of September, 1968. Necessary action was being taken accordingly by the Ministries/Departments concerned, and it was expected that all such unions/associations/federations would be recognised as soon as the necessary formalities were completed.

VII. *Action against employees who participated in the September, 1968 strike*

3.31. The representative of the National Federation of Postal and Telegraph Employees submitted before the Committee that the number of employees who were involved in criminal cases for participating in the 19th September, 1968 strike and who had not been taken back in jobs numbered about 1500 (650 in P. & T.; 400 in Railways; 300 Civilians in Defence and 200 in other Departments) although Government had stated that except a few dozens all others would be taken back. The witness alleged that there was contradiction between the announced policy and administrative instructions issued by the Home Ministry. He told the Committee that in Delhi,

prosecutions were going on. He suggested that Court cases should be dropped.

3.32. In their written comments, the Ministry of Home Affairs had stated *inter-alia* as follows:

“Government’s policy has always been to allow the law to take its own course and not interfere with the normal course of justice. Government have, however, requested the State Governments/Union Territories to have a careful scrutiny made of the pending prosecution cases with a view to taking steps for the termination of the legal proceedings according to law in cases in which there is not sufficient evidence. Government’s policy with regard to the persons, who took part in the strike, has been made known from time to time through Press Notes dated 18th October, 1968 and 7th January, 1969 and through the statements made by Minister in the Ministry of Home Affairs in Parliament on 13th March, 1969 and 30th April, 1969. According to this policy, all employees, quasi-permanent or temporary would be taken back in service if there is no complaint of violence, intimidation or active instigation. This is ample proof that Government do not intend to be vindictive in regard to their employees, who took part in the strike. Any cases of alleged victimisation are also being looked into whenever they are brought to the notice of Government.”

3.33. During the course of evidence, the Committee enquired about the latest position of the number of employees who had not been reinstated and the reasons therefor. The representative of the Ministry of Home Affairs replied that as on the 19th August, 1969, 1,679 employees had not been reinstated. Out of these 1,679 employees, 887 were permanent or quasi-permanent and 792 were temporary**.

Explaining the reasons for not reinstating these employees, the witness stated, “according to our instructions those people who were

**In a communication dated the 12th December, 1969, the Ministry of Home Affairs informed the Committee that the number of Government employees who took part in the September, 1968 strike was 2,91,228, the number of employees suspended from service was 8813, the number of employees re-instated by then was 8364, the number of cases pending for review was 449 (in a majority of these cases, the review was pending the finalisation of court cases and/or disciplinary proceedings, and, according to the information collected in the first week of November, 1969, 607 employees were involved in cases of “active instigation” with or without other charges.

charged with violence, intimidation or active instigation will not be reinstated, all others will be reinstated."

When asked by the Committee to define 'active instigation' and to distinguish it from 'instigation', it was stated by the witness that initially it was not defined by them, though some employees' organisations had requested for its definition. They thought it better to leave it at the discretion of the administrative Ministries. But two or three Railway administrations had issued a circular that for this purpose reference might be made to the term "gross-misbehaviour" defined at the time of 1960 strike. As "gross misbehaviour" was different from "active instigation", the Home Ministry had issued a clarification drawing the attention of the Ministries to a judgment of the Patna High Court (reported in AIR 1958, Patna, 259), in which the Court had explained the terms "instigation", "incitement" and "active instigation". However, it was entirely for the Departments concerned to apply their own standards.

On being asked whether by not distinguishing the word 'active instigation' from 'instigation' they had left the employees open to victimisation, the witness replied that it was intended to make "active instigation" stricter than mere "instigation". According to him, 'active instigation' would require something little more than mere 'instigation'. Elaborating further, the witness stated, "as far as the law itself is concerned, instigation is enough. It was only with a view to reinstatement that we thought that we should modify, that reinstatement should be denied only to those people who were guilty of something more than mere instigation".

The Committee enquired whether the cases of the 1,679 Government employees, who had not been reinstated, would be reviewed by the Government. The witness replied: "we are examining the question whether we can have a fresh review."

3.34. The Committee drew the attention of the representative of the Ministry of Railways to the allegation made by the All India Railwaymen's Federation that in many cases, the Zonal Railway Administrations had not withdrawn the termination of service orders in accordance with the declared policy of Government. The witness stated that as on that date there were 170 pending cases of suspension from service. This number was included in the total number of pending cases given by the representative of the Ministry of Home Affairs. A Committee of Senior Officers in the Railway Board had been set up to review the cases submitted by the Railways. Out of 170 cases of suspensions from service, 129 were

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court cases and 41 were departmental cases. Those cases related to violence, intimidation or active instigation. There were 48 cases of discharge of temporary employees.

3.35. In reply to a Starred Question (No. 283), answered in Lok Sabha on the 28th November, 1968, the Minister of State in the Ministry of Home Affairs stated that review of cases of Central Government employees who participated in the 19th September, 1968 strike, was in progress. The review would cover both temporary and permanent employees. He added that 594 employees had been benefited as a result of the review.

VIII. *Victimisation and retrenchment of employees*

3.36. In their written comments (Appendix IV), the Ministry of Labour, Employment and Rehabilitation have stated as follows:

“The Industrial Disputes Act, 1947 provides for the machinery for the investigation and settlement of industrial disputes.

Chapter VA of the Industrial Disputes Act, 1947 lays down conditions precedent to retrenchment of workmen in any establishment. The benefits of retrenchment compensation are applicable to all workmen covered by the Act. No workman employed in any industry who has been in continuous service for not less than one year can be retrenched until one month's notice (or wages in lieu thereof) is given to him in writing indicating the reasons for retrenchment.

An employer desiring to effect retrenchment must give notice in the prescribed manner to the appropriate Government.

Under the Act no employer shall change the conditions of service of workmen in any matter connected with the dispute or discharge or punish any workmen concerned with the dispute without the permission in writing of the authority before which any proceeding under the Act is pending.

The subject of additional measures for protection against victimisation and reference of cases of victimisation to Arbitration was last discussed at the 20th Session of the Standing Labour Committee held in October, 1962. It was decided that cases of alleged victimisation should be referred to arbitration to the utmost extent possible.

The Industrial Disputes Act safeguards the interests of workmen in regard to retrenchment and victimisation."

3.37. In reply to an Unstarred Question (No. 964), answered in the Lok Sabha on the 25th July, 1969, the Minister of State in the Ministry of Home Affairs stated that there was no ban on the promotion of employees who participated in the strike of 19th September, 1968. All employees eligible for promotion were to be considered according to rules pertaining to their service and their suitability for promotion was to be judged keeping in view all the factors including their conduct and record of service.

IX. *Need-based minimum wage*

3.38. It was submitted before the Committee by the representative of the All India Trade Union Congress that the demand for the need-based minimum wage was based on the Directive Principles of State Policy, as envisaged in Article 39 of the Constitution. He added that in tripartite meeting of the Indian Labour Conference, 1957, it was agreed that the minimum wage was need based and should ensure the minimum human needs of the industrial workers irrespective of any other consideration, such as the prevailing poverty of the agricultural man, the prevailing super profits of the monopolists, the capacity to pay, the productivity of the organisation, etc. The Conference had also laid down that "the need-based minimum wage shall not be in terms of money but it shall be in terms of physical norms because the money value is changing constantly." The witness added that "at the present level of productivity in the organised sector, need-based minimum wage is an absolute necessity and it must be given."

As regards the practicability of fixing a single minimum wage throughout the country, considering the various regional disparities, the representative stated that in the beginning, a regional minimum wage might be fixed which could then be brought to the national level. He added that "once the parity has been achieved between the physical norms and the prices, then the D.A. should be given to act as 100 per cent neutralisation. Otherwise, with every rise of prices, there will be an erosion in real wage."

3.39. The representative of the All India Railwaymen's Federation stated that the green signal to start an industry or factory should not be given unless human labour was assured of a minimum wage.

3.40. The representative of the Hind Mazdoor Sabha, stated that by giving a need-based minimum wage to the Central Government employees, the Government would have to incur an additional expenditure of Rs. 100 crores. In his opinion, it was not a big burden. It was only 3.3 per cent of the total expenditure of the Government on non-capital works. That money could be saved by a little more economy in other sectors. He added that "only 25 per cent more of the existing wage will be necessary to cover the need-based minimum wage." In reply to a question, the witness said that "once the Central Government starts paying the need-based minimum wage to its own employees, it will be setting a good example to the State Governments. The State Governments Employees Unions will fight for it and get it."

3.41. As regards the paying capacity, the representative of the All India Bank Employees' Association stated that the paying capacity should not determine the minimum or fair wage. Paying capacity should be considered for wages at higher level.

The representative of the All India Trade Union Congress, however, conceded that there was no capacity to pay the minimum wage keeping in view "the overall achievement at the national level." But he added that in the case of organised services and industries, the capacity to pay the minimum wage existed at present. He illustrated his point by taking the case of CIBA and other Chemical and Textile Industries. He added that if the Textile mills in Ahmedabad and Bombay could pay that wage, others could also do it.

3.42. The representative of the United Trade Union Congress suggested that in order to increase production, to remove unemployment, to stop lock-out in factories due to recession, it was necessary to give need-based minimum wage to the employees. He added that by raising minimum wage, compulsory savings would go up which would come back for investment.

3.43. In their written comments (See Appendix IV), the Ministry of Labour, Employment and Rehabilitation have *inter-alia* stated as follows:—

"The Minimum Wages Act, 1948, was enacted to protect workers in unorganised and 'sweated' industries where they were weak and stood in need of protection against exploitation by employers. The Act, however, does not define the term 'minimum wage' or what precisely should be its content.

The first attempt to quantify minimum wage was made by the 15th Session of the Indian Labour Conference held in 1957. The Conference laid down 'norms' for working out the need-based minimum wage.

The question subsequently came up before the Standing Labour Committee in April, 1960. It was agreed that the question of nutritional requirements of the worker and his family and the composition of the diet which was to provide the requisite nutrition needed further examination at a technical level.

There has been no decision of Government accepting the recommendations of the 15th Session of the Indian Labour Conference held in 1957. Government (Ministry of Finance, Department of Expenditure) has in fact examined the question of need-based minimum wage for its employees and its views are incorporated in that Department's Memorandum to the National Commission on Labour.

The scope for economic development with a view to achieving this objective is, however, limited by resources and, therefore, there is a conflict between payment of higher wages to those already employed and creation of greater employment opportunities.

It may not be practicable to fix a single minimum wage throughout the country in the present stage of our economic development; minimum wage separately for each occupation or class of occupations may be more feasible.

- The over-all resources position cannot, therefore, be ignored in determining the capacity of Government to pay wages in accordance with the 'needs' of the worker.

The National Commission on Labour is seized of the problem. Its terms of reference, *inter-alia*, relate to 'the levels of workers' earnings, the provisions relating to wages, the need for fixation of minimum wage including a national minimum wage. In the questionnaire issued by the Commission it has specifically referred to the norms recommended by the Indian Labour Conference and difficulties in implementing them.

The issue of need-based minimum wage is, therefore, before the National Commission on Labour which is expected to report soon. The Government would, no doubt, give

due consideration to the recommendations of the Commission in laying down its policy on the subject.

As regards neutralisation, Government is in general agreement with the principle that adequate steps should be taken to protect the erosion of workers' real earnings as a result of rise in prices.

Considering the overall position of the economy, full neutralisation of the rise in the cost of living does not seem to be feasible at all levels of income."

3.44. During the course of evidence, the representative of the Ministry of Home Affairs stated that the question of appointment of a Pay Commission, as recommended by the National Commission on Labour, was under consideration of the Government, in the Ministry of Finance.

The Committee enquired as to why the demand of the employees for a need-based minimum wage was not referred to arbitration. The Secretary (Services) Ministry of Home Affairs stated: "there are two matters: one was the need-based minimum wage and the other was merger of D.A. On the question of merger, it was explained that the Government had doubts whether an issue affecting the pay and allowances of the totality of Government employees, as distinct from those of a particular class or grade, is arbitrable under the scheme of the Joint Consultation and Arbitration, yet they have indicated in clear terms more than once that the subject of merger of D.A. with pay can be negotiated and could also be referred to arbitration, if need be."

The witness added that as regards the demand for need-based minimum wage, it was then stated by the Government that this matter had been referred to the National Commission on Labour and, there therefore, the Government employees should await the report of that Commission before insisting on arbitration.

The Committee pointed out that only the broad question of 'minimum wage' had been referred to the National Labour Commission whereas the demand was for 'need-based minimum wage'. The witness replied that "the terms of reference mention 'need for fixation of minimum wage', not 'need based minimum wage', but the questionnaire issued by the Commission referred to 'need based minimum wage'."

When the Committee enquired about the authority which decided whether an issue was arbitrable or not, the Secretary (Services)

stated that "under the scheme of the Joint Consultative Machinery, the three items for which compulsory arbitration was available have been laid down. That is, pay and allowances relating to a particular category of Government servants, hours of work and leave. Now there would be hardly much room for differences of opinion on whether an item falls under pay and allowances or hours of work or leave. Initially, when this was negotiated, at least there was no such apprehension. Otherwise, the employees would have demanded that this should be more precisely defined and even now it was not a question of decision. The only point was that they were not related to any category of Government employees as such and we had consequently referred this matter of need-based minimum wage to the National Commission on Labour".

3.45. In reply to a Starred Question (No. 725), answered in Lok Sabha on the 25th August, 1969, the Minister of State in the Ministry of Finance stated that Government regarded a need-based wage to be an important objective of their socio-economic policy. He added that the pace at which that objective could be achieved would depend on a variety of factors such as the overall growth of the economy the priorities required to meet the essential needs of the poorest section of the people both in rural as well as urban areas, and other inescapable demands on our resources such as those on accounts of defence.

3.46. On the 21st November, 1969, the Prime Minister (Shrimati Indira Gandhi) made the following statement in the Lok Sabha, in response to a Calling Attention Notice regarding Appointment of Pay Commission for Central Government employees:—

"The question of appointing a Pay Commission to review the pay structure and other conditions of service of Central Government employees has been under examination for sometime. Government have taken a decision, in principle, to appoint a new Commission for the purpose. Questions like its composition, coverage and terms of reference are under active examination and as soon as these details are finalised, an announcement will be made, if possible in the course of the current session.

The previous Commission, namely the Second Pay Commission, have its report in August, 1959. Since then, the National Commission on Labour has made the following recommendation in its report submitted in August, 1969 on the approach to the question of wage policy in respect of indus-

trial employees of the Government covered by its terms of reference:—

'We feel that the conditions have changed so much since the setting up of the last Pay Commission, that there is a strong case for setting up another Pay Commission to review the wages and other conditions of service of industrial employees of Government and we recommend the setting up of such a Commission without delay.'

This recommendation has direct application to about 21 lakh Central Government industrial employees constituting more than 84 per cent of the total strength of Central Government employees. Government are, however, of the view that instead of sectoral approach in respect of departments or categories of Government employees, the new Pay Commission should go into questions that may be referred to it in respect of Central Government employees as a whole.

As has been stated earlier, the coverage and terms of reference of the new Commission have yet to be finalised. However, the new Commission will be expected to take into account not only all relevant developments since the previous Commission reported in 1959, but also various important factors, such as the requirements of the Plan, the additional demands on resources that may be entailed on this and other inescapable accounts, and possible repercussions on State Governments, Local Bodies, Public Sector Undertakings. All these matters are under consideration."

3.47. During the debate, the Prime Minister also stated as follows:—

"Government had made it clear in the last Session that Government regard a need-based wage to be an important objective of the socio-economic policy and that it could be said that the Gajendragadkar Commission on Labour was seized of the question. That Commission has since made its report, and on this particular question the Commission has expressed the view that the principle of a national minimum wage to be determined in monetary terms is not practicable. They have also accepted in principle that the capacity to pay will be a relevant consideration in determining the need-based minimum. They have also stated

that they are not in a position to quantify the need-based wage in money terms or to assess Government's capacity to pay. These matters have been left by them to be gone into by a Pay Commission.

As I said in the statement, the terms of reference of the new Pay Commission are under consideration. However, it is our intention that it should be open to the Commission to consider this question in all its aspects. The previous Commission also consider similar issues.

The House is aware that our general sympathy on this issue is with the workers, but the question is a rather complicated one in terms of what is possible and practicable. The matter was considered by the Second Pay Commission, but they neither accepted nor rejected the demand. So, we would like this question to be considered in all its aspects by the new Pay Commission as was recommended by Shri Gajendragadkar.

Some hon. Members said that the previous Commission's recommendations had not been accepted. As far as I know, speaking subject to correction, by and large they were accepted, and in fact, in regard to some aspects like family pension, we went beyond the recommendation. The matters to be considered are very complicated. It is very difficult for us to give a time limit. We can only say that the last Commission, as hon. Members know, took about two years.....

We will consider all these points when we set up the Pay Commission. As I said, the previous Commission took about two years to finalise its recommendations. I would certainly hope that this Commission finishes its work in less time, if possible; certainly, not more than that. The recommendations of the Second Pay Commission were largely accepted and statements have been made in the House explaining the items which were accepted as well as those in regard to which some departures were found necessary. It must be left to the Pay Commission to take all points of view, to consider all aspects and then come to a conclusion."

C. Conclusions and recommendations

3.43. The Committee observe that the Essential Services Maintenance Ordinance, 1968, was promulgated to avert the general strike

of Central Government employees in September, 1968 so as to maintain the life of the community, and it was subsequently replaced by the Essential Services Maintenance Act, 1968. The Committee also observe that the said Act is a temporary measure for a period of three years, when it is proposed to be replaced by a comprehensive legislation so as to put the Joint Consultative Machinery Scheme on a statutory basis.

3.49. The Committee appreciate that maintenance of life of the community is the foremost duty of the Government and they have to take necessary steps to achieve this end.

3.50. The Committee are happy to note that a proposal, to enact a comprehensive legislation to give statutory basis to the Machinery for Joint Consultation and Compulsory Arbitration for Central Government employees so as to minimize chances of recurrence of a general strike is under consideration of the Government. They hope that the proposed comprehensive legislation would be enacted early so as to obviate the necessity of resorting to the provisions of the Essential Services Maintenance Act, 1968.

3.51. The Committee are unhappy to note that the Government of India have as yet not ratified Conventions 87 and 98 of the International Labour Organisation. The Committee hope that Government would take early steps to ratify these Conventions as recommended by the National Commission on Labour.

3.52. The Committee observe that the Indian Railways (Amendment) Act, 1968 was enacted to fill certain lacunae in the provisions of the Indian Railways Act regarding abandonment of trains at inconvenient places, so as to avoid any difficulty to the innocent passengers.

While the Committee appreciate that Government should have the necessary powers to deal adequately with the anti-social elements in the society so that no one should be able to take undue protection under the cover of any lacunae in the existing laws, they wish to emphasise that liberal interpretation should be put on various provisions of the law so that while dealing with the human factor the approach is pragmatic and individual cases are dealt with by Government against their own employees in a spirit of understanding and compassion.

3.53. The Committee observe that Section 36AD of the Banking Companies Act as inserted by the Banking Laws (Amendment) Act, 1968, has been enacted in order to ensure that no inconvenience

is caused to the members of the public and no harm is done to the credit-worthiness of the banks. The Committee appreciate that banks are delicate credit institutions and the Government have a responsibility to ensure that they are able to function normally without any obstructions so that the trade and industry is not adversely affected. The Committee would, however, like to emphasise that while applying these provisions it should be ensured that genuine trade union activities do not receive any set back and also the bank employees are not harassed in any manner.

3.54. The Committee observe that the Central Industrial Security Force Act, 1968, has been enacted with a view to ensuring safety and security of the installations of the Central Government undertakings. Members of the Force have been given necessary powers to take appropriate action against those seeking to interfere with the security of the plant and installations, and pass them over to the local police authority for further action. The Committee do not consider that this Act affects adversely in any way the trade union rights of the employees of the public undertakings concerned.

3.55. The Committee find that presently there are no formal rules or law to regulate the recognition of the workers' unions. There is also no law as yet in any State or Union Territory governing the recognition of unions through secret ballot. The criteria for recognition of unions are broadly as contained in the Voluntary Code of Discipline.

3.56. The Committee are of the opinion that in order to place the trade union movement on a sound footing it is imperative that there should be definite rules to regulate the recognition of trade unions.

3.57. The Committee also note that the National Commission on Labour has also made recommendations in regard to the recognition of unions and they are to be considered by the Government in consultation with the State Governments, other Ministries of the Government of India and employers' and workers' organisations for which purpose the Ministry of Labour, Employment and Rehabilitation have decided to hold a special session of the Indian Labour Conference.

The Committee hope that a satisfactory Code would be evolved in consultation with the representatives of the employees' and workers' for granting recognition.

3.58. The Committee find that a large number of unions/federations/associations of Central Government employees were derecog-

nised for participating in the September, 1968 strike. The Committee note with satisfaction that the various Ministries|Departments have been advised by the Ministry of Home Affairs to grant fresh recognition to such of the unions etc. which had been de-recognised after the strike of September, 1968. The Committee hope that this process of restoring recognitions will be completed without any delay.

9.59. The Committee have noted that, as on the 19th August, 1969, 1679 employees, which included 887 temporary employees, had not been reinstated. They have further noted that by the 28th November, 1969, as many as 594 employees had benefited as a result of a review of their cases. They would strongly urge that the remaining cases, including those of the temporary employees, should be sympathetically considered so as to mitigate the avoidable hardships to the Government employees concerned.

3.60. While the Committee are aware of the provisions of the Industrial Disputes Act, 1926, regarding retrenchment etc., of the industrial workers, they wish to emphasise that it should be ensured that all categories of employees in all sectors of employment are given due protection against retrenchment and victimisation. The Committee would like to be informed in due course of the measures taken by Government in this direction.

3.61. The Committee observe that the Government regard a need-based wage to the workers as an important objective of their socio-economic policy. They are happy to note that the Government have taken decision to appoint a new Pay Commission to review the pay structure and other conditions of service of the Central Government employees. They hope that the terms of reference of the new Commission will be sufficiently comprehensive to include the question of giving a "need-based minimum wage" to the Central Government employees.

3.62. The Committee were informed during the course of evidence, by the representatives of the Ministries of Home Affairs and Labour, Employment and Rehabilitation, that the various recommendations of the National Commission on Labour (1969) were under consideration of the Government. The Committee hope that the recommendations of the National Commission on Labour will be expeditiously considered and necessary steps for their implementation will be taken by Government. The Committee would, in particular, like to be informed in due course, of the decisions of the of the Government on the recommendations of the National Commission on Labour given in Appendix V which touch the various points raised in Petition No. 12.

IV

PETITION NO. 15 FROM SHRI P. L. TANDON, A BANK DEPOSITOR AND 1919 OTHERS RE: BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKING) BILL, 1969

4.1. The Petition (Appendix VI) was presented to Lok Sabha by Shri D. N. Patodia, M.P., on the 31st July, 1969. The petitioners had prayed that the Banking Companies (Acquisition and Transfer of Undertakings) Bill, 1969 be not proceeded with.

4.2. The Committee have noted that, as the Bill was then under consideration in the House, the petition was circulated in extenso to all the Members of Lok Sabha immediately after presentation, in pursuance of the Deputy Speaker's direction under Rule 307(1) of the Rules of Procedure and Conduct of Business in Lok Sabha.

**PETITION NO. 16 FROM SHRI R. R. DIWAKAR, PRESIDENT,
GANDHI SMARAK NIDHI AND GANDHI PEACE FOUNDATION,
RAJGHAT, NEW DELHI AND OTHERS RE.
RELEASE OF PRISONERS ON THE EVE OF GANDHI
CENTENARY**

5.1. The Petition (See Appendix VII) was presented to Lok Sabha by Shri J. H. Patel, M.P., on the 14th August, 1969.

A. Petitioners' Prayer

5.2. The petitioners have *inter alia* stated as follows:

"In order to balance justice on the one hand and humanitarianism on the other, we pray on the eve of Gandhiji's Centenary Celebrations and 15th of August, 1969, on this auspicious Independence Day when Members of Parliament have the honour to serve as the guardians of the nation, to set free at least those prisoners who have already spent five years in jail, irrespective of their death sentences or imprisonment terms and who agree to pledge themselves to lead a life of non-violence..... and truth in the society by repenting to abandon the past criminal motivated activities.....

.....all repented prisoners should be given a chance to show their worth in their future life in the society...."

The petitioners have prayed "to release forthwith all those prisoners who plead to lead a loyal life on any condition imposed by the State before the 15th August, 1969 if possible, or at least on the day of Mahatma Gandhi's Jayanti on the 2nd October, 1969, the auspicious and most deserving day of nationalism and humanism of mankind at large."

B. Comments of the Ministry of Home Affairs

5.3. The Ministry of Home Affairs, in their written comments, have sated as follows:

"Prisoners can conveniently be sub-divided into the following categories for the purpose of grant of remission:

- (i) those convicted for offences against State laws;

- (ii) those convicted for offences against Union laws (including Military persons) and;
- (iii) civil prisoners confined in prison in execution of decrees of civil courts.

Only the State Governments are competent to grant remission to the prisoners of category (i) above. According to the information received from the States, almost all of them have decided to grant remission to prisoners on the occasion of Gandhiji's Birth Centenary, but the scale of remission allowed differs from State to State.

Prisoners in Union Territories and those convicted for offences against Union laws have been allowed remission of sentences on the occasion of Gandhi Centenary Celebration on the following scale:

- (i) all female convicts whose offences were not a serious nature should be released;
- (ii) one month's remission for every year of imprisonment;
- (iii) all juvenile delinquents (the term being defined to mean all convicts who were under 21 years of age at the time of conviction) whose offences were not of a serious nature, should be released;
- (iv) Military prisoners undergoing sentences in Civil Jails be given one month's remission for every year of imprisonment.

These orders are to have effect on 2nd October, 1969 in the case of female convicts and juvenile convicts; the term 'offences of serious nature' has been defined as offences where they are sentenced for not less than two years.

As regards the civil prisoners confined in prison in execution of decrees of civil courts, the Central Government have been advised that cases of commitment to prison for non-payment of a debt have to be distinguished from cases of commitment to jail as a consequence of conviction by a court of law in as much as, the former are confined in the jail in execution of civil decrees at the instance of decree-holders. It would, therefore not be legally proper to release them without the consent of the decree-holders. Such prisoners are, therefore, excluded.

Taking all these facts into account, the Government of India regret that it would not be feasible to accept the proposal contained

in the petition of Shri R. R. Diwakar for release of all those prisoners who pledge to lead a loyal life.”

5.4. A statement showing the period of remission of sentences of prisoners granted by various State Governments, furnished by the Ministry of Home Affairs is at (Appendix VIII).

5.5. The Committee considered the matter at their sitting held on the 27th October, 1969.

C. Conclusions and Recommendations

5.6. The Committee are glad to note that the Government of India as well as the State Governments and the Union Territory Administrations have, as a token of homage to Mahatma Gandhi on the occasion of his birth Centenary, released prisoners or granted remissions in the sentences of their imprisonment.

5.7. The Committee, however, observe that the scale of remission granted to various categories of prisoners differs from State to State. The extent of remission ranges, say, in the case of life convicts, from 6 months in Haryana to 69 months in Gujarat. The Committee feel that the adoption of widely different scales of remission of sentences by different States is not desirable. The Committee are, therefore, of the opinion that there should be, as far as possible, some uniformity in the scale of remission of sentences of prisoners. To achieve this objective, the Committee desire that the Central Government may request all the State Governments to follow, as far as possible, a uniform scale of remission of sentences of prisoners, which should not be less than the scale adopted by the Central Government for the Union Territories.

VI

REPRESENTATION FROM SHRIMATI LILAWANTI, QADIAN, DISTRICT GURDASPUR, RE: RESTORATION OF GOLD ORNAMENTS SEIZED BY PAKISTAN CUSTOMS AUTHORITIES ON 9TH OCTOBER, 1962

6.1. Shrimati Lilawanti, Qadian, District Gurdaspur (Punjab) in her representation had stated that while returning from Pakistan to India via Khekhrapar Immigration Check Post on the 9th October, 1962, her ornaments (weighing about 22 tolas) were seized by the Pakistan Customs authorities without any justification. On her representation, the Deputy Collector, Central Excise and Land Customs, Karachi, ordered the release of her ornaments and asked to appear before him in person to collect the ornaments. But due to out-break of Indo-Pakistani conflict in September, 1965, she could not proceed to Pakistan to collect her ornaments personally. After the restoration of postal communications between India and Pakistan in 1966, she sent several requests to the Deputy Collector, Central Excise and Land Customs, Karachi to arrange to have her gold ornaments delivered to her through the High Commission of Pakistan in India, but no reply whatsoever was received by her.

6.2. The Committee took up the matter with the Ministry of External Affairs who in their reply dated the 9th October, 1968, have stated as follows:—

“On receipt of a request from Shrimati Lilawanti for the release of gold ornaments, the Indian High Commission at Islamabad took up the matter with the Government of Pakistan *vide* their Note No. ISL(CONS)7/66, dated the 31st May, 1966. It was requested in that note that the ornaments of Shrimati Lilawanti may be delivered to her through the Pakistan High Commission in New Delhi. Since then the Pakistan Government has been reminded periodically, but no final reply has been received from that Government except routine acknowledgements to our notes saying that ‘the matter is receiving attention’. The last such acknowledgement was received on 22nd July, 1968. It is regrettable that Pakistan Government has adopted an attitude which shows that they are not at

all keen in settling such matters in spite of best efforts on our part. The Indian High Commission in Pakistan has again reminded the Ministry of Foreign Affairs of the Government of Pakistan and have asked them to let us know the latest development in the case."

In a subsequent communication, dated the 4th October, 1969, the Ministry of External Affairs have stated that no firm reply had yet been received in the matter from the Government of Pakistan and that they had last reminded the Pakistan authorities on the 6th August, 1969.

6.3. The Committee are distressed to note that despite the best efforts of the Ministry of External Affairs, the case of Shrimati Lilawanti could not be settled. The Committee deplore the fact that the Pakistan Government has adopted an attitude which shows that they are not at all interested in settling such matters of individuals. The Committee hope that the Ministry of External Affairs would continue to make efforts for the release of gold ornaments of Shrimati Lilawanti.

VII

ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE FIFTH REPORT (FIRST LOK SABHA), FIFTH REPORT (THIRD LOK SABHA) AND FIRST REPORT (FOURTH LOK SABHA) OF COMMITTEE ON PETITIONS RE: FAIR DISTRIBUTION OF AGRICULTURAL EVACUEE PROPERTY AMONGST DISPLACED PERSONS AND OTHER PENDING CASES OF DISPLACED PERSONS

7.1. The Committee on Petitions, in their Fifth Report (First Lok Sabha), while considering Petition No. 2 from Shri Ramdas T. Chugani regarding fair distribution of agricultural evacuee property amongst displaced persons, had observed as follows:—

“The petitioner prayed that agricultural evacuee lands near or adjoining or within municipal limits in India may be allotted only to those displaced persons who had similar holdings in Pakistan in order that they may be properly compensated.

In this connection it was explained to the Committee by the representatives of the Ministry of Rehabilitation that the agricultural evacuee lands within municipal limits are being generally auctioned as they are valuable land. The Committee, however, recommend that Government should as far as possible allot such land to displaced persons in the manner prayed in the petition.”

[Para 10, P. 3, Fifth Report, First Lok Sabha]

7.2. Subsequently, the Committee, in their Fifth Report (Third Lok Sabha), while considering two representations from Shri Ramdas T. Chugani regarding alleged non-implementation of the recommendations of the Committee contained in their Fifth Report (First Lok Sabha) regarding his petition No. 2, had observed as under:

“As regards the non-implementation of the recommendations of the Committee on Petition No. 2, First Lok Sabha, which

related to fair distribution of agricultural evacuee property amongst displaced persons, the Committee consider that the explanation of the Government, *viz.*, that the recommendation of the Committee could not be implemented because the concerned file was not readily 'forthcoming', is not satisfactory. The Committee are deeply concerned with this state of affairs prevailing in the Ministry of Labour, Employment and Rehabilitation (Department of Rehabilitation). The Committee recommend that the non-availability of the relevant file should be thoroughly enquired into by the Ministry and the result of the enquiry intimated to the Committee. The Committee apprehend that a number of files relating to other similar cases too might have been lost by efflux of time or tampered away with, thus subjecting the claimants to hardships. The Committee would, therefore, like all such cases of loss being investigated thoroughly and suitable relief afforded to the applicants after taking appropriate action against the delinquent officials."

[Para 71, P. 29, Fifth Report, Third Lok Sabha].

7.3. Again, the Committee, in their First Report (Fourth Lok Sabha), while considering the implementation of the recommendations contained in their Fifth Report, Third Lok Sabha, regarding the representations from Shri Ramdas T. Chugani, observed *inter alia* as follows:

"The Committee have perused, in this connection, the correspondence that was exchanged between their Secretariat and the Ministry of Rehabilitation in 1954-55 in regard to the examination of the representatives of the Ministry and note that, at the request of the Ministry, the Committee had even postponed examination of the witnesses for nearly six months. The Committee have also seen the Office Memorandum forwarding a copy of the Fifth Report of the Committee, First Lok Sabha, to the Ministry for necessary action and note that subsequently no communication had been sent by the Ministry to the Secretariat regarding the action taken on the recommendations. The Committee feel it rather strange that the file regarding such an important matter discussed thread-bare by a Parliamentary Committee had either been lost or is not traceable, because of its movements not being traced due to destruction of the Diary Register.

After considering the evidence of the Ministry's representatives carefully, the Committee feel that the Ministry's representatives have not satisfactorily explained the omission to implement the recommendations of the Committee on Petition No. 2, First Lok Sabha, nor have they adequately elucidated the reasons for a departure from their later reply furnished to the Committee during the Third Lok Sabha.

The Committee desire that the Ministry should furnish a list of all such cases of displaced persons not sponsored by the Committee, which are three years old and are still pending finalisation. Further, the Committee are of the view that though the amendments to, as well as the Rules relating to the settlement of Compensation claims viz. the Displaced Persons (Compensation and Rehabilitation) Rules, 1955, were discussed by the Lok Sabha, no attempt appears to have been made by the Ministry of Rehabilitation to bring the recommendations of the Committee on Petitions, First Lok Sabha, to the notice of the appropriate authorities concerned and to initiate action in the light of their recommendations for making necessary changes in the said rules. This coupled with the fact that the relevant file is now missing, leaves the Committee an impression that a deliberate attempt had been made to by-pass its recommendations, which might have been motivated by some ulterior considerations in view. The Committee, therefore, suggest that a thorough enquiry should be made into the whole matter by the Ministry once again and the responsibility fixed for this serious lapse. The Committee also desire that the specific action taken by the Ministry in this regard should be intimated to them as early as possible."

[Paras 88—90, pp. 35-36, First Report, Fourth Lok Sabha.]

7.4. Explaining their position, the Ministry of Labour, Employment and Rehabilitation (Department of Rehabilitation), in their U.O. Note, dated the 15th July, 1969 have *inter alia* stated as follows regarding the implementation of the above recommendations contained in their First Report (Fourth Lok Sabha):—

"In compliance of the direction of the Committee to hold a thorough enquiry into the question of not bringing the recommendations of the Committee on Petitions of the

First Lok Sabha, to the notice of the appropriate authorities, an officer of the rank of Settlement Commissioner was deputed to hold the desired enquiry. An essential step in the holding of an enquiry into this matter was to lay hands on the files in which the aforesaid recommendations of the Committee on Petitions were dealt with. The practice in the then Ministry of Rehabilitation in 1955 was that all Parliament papers were received in the Parliament Section, and then passed on to the Section concerned, and so, the Parliament Section and also the Record Section of the Department were consulted again. Unfortunately, the record relating to the year 1955 had been weeded out in accordance with the standing practice, and it has not been possible for the Parliament Section, therefore, to give any indication about the file in which the aforesaid recommendations of the Committee on Petitions were dealt with. Strenuous efforts have also been made to locate the file in other sections, but these efforts too have not borne fruit. The absence of these relevant papers has seriously handicapped the conduct of the inquiry, and it is not possible, therefore, to indicate the circumstances in which a reply was not sent to the Committee on Petitions regarding their recommendations.

In spite of this serious handicap of absence of papers, the matter has been pursued, and the officers, who were then dealing with the subject in the Ministry of Rehabilitation have been consulted. One of the officers from his recollection has stated that 'all he remembered was that discussions were held in the Ministry, and it was pointed out that urban agricultural land within the Municipal limits of Delhi was too valuable to be treated as if it was to be equated with the urban agricultural land in various small towns in Pakistan. By giving allotments in this way, we would be shirking the real issue and would also be putting unearned profits into the hands of people who would certainly sell the land as soon as they got it, for many times the price they paid for it.'

The subsequent auctions of urban agricultural lands near Delhi have obviously borne out the correctness of this assessment. He has added that he does not remember the details, but it is quite clear that 'the matter was very carefully considered, not necessarily in the context of Shri

Chugani's case but in the context of the necessity to make the best use of the properties in the Compensation Pool. He has further observed that it should be remembered that the quantum of compensation payable to the generality of the refugees depended, to a very large extent, on the size of the Compensation Pool. The claims of the Compensation Pool as a whole were of more importance than the interests of a single refugee, particularly when by granting requests like those of Shri Chugani, the Government would have been giving a more than proportionate benefit to certain individuals to which they were not entitled.'

The position set out above, from the recollection of the Officer concerned, makes it quite clear that there was valid justification for treating the land around Delhi as *urban* land, and subsequent phenomenal rises in the price of Delhi land have further proved the correctness of the policy laid down by the Government. Viewing the whole issue in its proper perspective at this distant time, it should be appreciated that that was the only proper policy to be followed in the general public interest at that time.

It is sincerely regretted that we have not been able to lay our hands on that particular file on which the recommendations of the Committee on Petitions might have been examined, but this should not lead the Committee to doubt the genuineness of the general position stated in the foregoing paragraphs. The point raised touched a major issue of policy which could not be settled or altered in the light of a solitary case, such as that of Shri Chugani. In this matter, all the displaced persons whether they came from Sind, West Punjab or N.W.F.P., who had settled on land in Delhi, were treated alike. The land allotted to each one of them in the notified areas around Delhi, was treated as urban land, and they had to pay the price of that land as fixed by the Government.

In view of the foregoing clarification, it is hoped that the Committee on Petitions will feel assured that there has been no deliberate attempt on the part of this Department to by-pass or ignore the general recommendations of the Committee.

It would be well to add here that Shri Chugani's** was not the only case of this kind, and there must have been hundreds of other cases settled on the same principle, which would have required re-opening if a different mode of dispensation, as recommended by the Committee on Petitions, had been allowed to him. Apart from the enormous practical difficulties that would have been involved in following such a course, that would have conferred on Shri Chugani and others like him an unearned benefit of considerable amount at the cost of the compensation pool.

The Committee on Petitions are requested to accept the position as explained in the preceding paragraphs, and to treat the matter as closed."

7.5. A statement indicating the upto date position of the cases of displaced persons not sponsored by the Committee, which were pending for more than three years, as furnished by the Department of Rehabilitation *vide* their U.O. Note, dated the 15th May, 1969 in pursuance of the directions of the Committee in their First Report (Fourth Lok Sabha), is at Appendix IX.

7.6. In this connection, the Department of Rehabilitation (Central Claims Organisation) have also stated as follows:—

"In accordance with the Indo-Pakistan arrangements arrived at in April, 1949 and May, 1955, claims for G.P. Fund, Leave Salary, Pension and Contractors claims of displaced persons etc., are dealt with by this Organisation, which have been referred to the Government of Pakistan for verification, acceptance and issue of payment authorities, and release of security documents. There are several thousand claims which are still pending with the Government of Pakistan and these are being pursued by issue of reminders under intimations to individuals claimants, and whatever applications/representations are received from the claimants for the settlement of such claims, necessary action including expediting the Government of Pakistan is taken by this Organisation and the claimants are apprised of the position. No representation from the displaced persons are pending with this Organisation for more than three years. It is, therefore, presumed that the

**As regards Shri Chugani's personal case, the Committee on Petitions in their Fifth Report (Third Lok Sabha) had decided to treat it as closed. (Para 70 of that Report).

information in respect of these individual claims is not required to be shown in the prescribed proforma for submission to Lok Sabha.”

7.7. The Committee have noted the explanation furnished by the Department of Rehabilitation stating the results of the enquiry conducted by the Department into the question of not bringing the recommendations of the Committee contained in their Fifth Report (First Lok Sabha) to the notice of the appropriate authorities concerned and failure to initiate action in pursuance thereof and subsequent non-availability of the relevant files.

7.8. The Committee feel unhappy that the Department of Rehabilitation have not been able to trace an important file dealing with the implementation of the relevant recommendations of the Committee contained in their Fifth Report (First Lok Sabha) and indicate the circumstances in which a reply was not sent to the Committee regarding the action taken by them on the recommendations of the Committee. In view of the sincere regrets expressed by the Department of Rehabilitation, however, the Committee have decided to treat the matter as closed. The Committee trust that such lapses will not reoccur.

7.9. The Committee have noted with regret that several thousand claims are still pending with the Government of Pakistan although those are being constantly pursued by the Departments of Rehabilitation. The Committee hope that Government would take vigorous steps to have all compensation claims settled expeditiously as most of these have now been pending for almost two decades.

VIII

ACTION TAKEN ON THE RECOMMENDATIONS OF THE COMMITTEE ON PETITIONS IN THEIR FOURTH REPORT (FOURTH LOK SABHA) ON REPRESENTATIONS RE: GRIEVANCES OF CENTRAL GOVERNMENT PENSIONERS

8.1. The Committee in their Fourth Report (Fourth Lok Sabha) after considering the representations from (i) Shri V. H. Kelkar, General Secretary, All India Posts and Telegraphs Pensioners' Association, Poona; (ii) Shri Natha Singh, Secretary, Pensioners' and Seniors' Society, Amritsar; and (iii) Others, on the subject noted above, and comments of the Ministry of Finance, had recommended as follows:

“(i) With every increase in emoluments of the Central Government employee based on cost of living index, Government should grant to Central Government pensioner a corresponding increase in pension proportionate to his emoluments. The Committee would like the details of the Scheme to be worked out by Government.

As an immediate step, Government should sanction an *ad hoc* relief of 10 per cent of the pension, subject to a minimum Rs. 10.

- (ii) To fill up the vacuum created in an employee's life immediately on his retirement; the pension emoluments paid to him should be worked out at not less than 50 per cent of total emoluments last drawn, whether in temporary or in substantive capacity, instead of last three years' average as at present. This should be in addition to present-day gratuity benefits.
- (iii) A low-paid pensioner getting only Rs. 10 to Rs. 30 as monthly pension, should be paid a minimum pension of not less than Rs. 40 or Rs. 50 per month in view of the extraordinary rise in the cost of living over the last 20 years.
- (iv) Pensioners with emoluments of Rs. 10 to Rs. 30 should not be subject to harassment as at present, but it should be the

duty of Government to devise concrete measures to pay them their pensions at their residences. The Committee would suggest remittance of the pension amounts by money orders, commission to be borne by the State, at the addresses given by pensioners, and verified by the local authorities.

- (v) With a view to prevent undue hardships to retired employee by long delays in settlement of pension cases, the Committee would recommend that quick and positive steps should be taken by Government that pensions are paid to the retired employees within 2 months of their retirement dates. It should also be the duty of the Ministries/Departments concerned to ensure that pension amounts are despatched by a specific target date each month to the accounts or other addresses given by pensioners. The rules re: commutation and verification of pension should not be operated adversely to the pensioners' interests. For this purpose, the present elaborate procedures should be simplified and simple instructions issued for the guidance of all concerned in the administrative branches of the respective Ministries.
- (vi) Since the Pensions Act of 1871 is still in force, while there have been vital and far-reaching changes in administrative structure, employment position and pay structure of employees, the Committee would recommend that a comprehensive Bill to amend the Pensions Act of 1871 or to replace it, might be introduced by Government in Parliament at an early date."

[Para 129, pp. 37-38, Fourth Report, Fourth Lok Sabha].

8.2. The Ministry of Finance, in their reply, dated the 9th July, 1969, regarding the action taken by them on the above recommendations of the Committee, stated as follows:—

"These recommendations have been examined in consultation with the Ministry of Home Affairs and Deputy Prime Minister's Orders have been obtained. The conclusions reached are set out below seriatim:

Recommendations (i) to (iii)

In view of the resources position it is not possible to grant any further relief to the pensioners or to enhance the amounts of pensions.

In the case of Government servants who retired or retire on or after 1st January, 1964 the rules already provide for Rs. 25 p.m. as minimum pensionary benefit.

Recommendation (iv)

Existing orders already provide for the remittance upto Rs. 200 of pension by money order if so desired by the pensioners at their own cost. A sample survey conducted in 1965 limited to pensioners drawing pension from the Delhi Treasury revealed that most of the pensioners were not in favour of getting pension by money order. It has also been estimated that sending of pensions by money order at Government cost will involve substantial expenditure and will be administratively inconvenient and cumbersome. In view of this it has not been found possible to accept this recommendation.

Recommendation (v)

Steps are already being taken to simplify the rules and to eliminate delays in sanctioning payment of pension. The need for expedition in this matter has already been impressed upon the authorities concerned from time to time.

Recommendation (vi)

Pensions Act, 1871 regulates matters relating to rights to pensions and commutation of pensions. Section 11 of the Act protects pension against attachment and under Section 12 assignments etc. made in anticipation of pension are void. The changes in the administrative structure, employment position and pay structures of the employees have not rendered the provisions of the Act obsolete. Apart from this, Pensions Act, 1871 does not regulate matters such as scales of pension, grant of relief to pensioners and the procedure for sanctioning pension. These matters are regulated by the pension rules contained in Civil Services Regulations and the various executive instructions issued from time to time. Any liberalisation of the Pension Rules including the raising of existing scales of pension can be achieved by amending the Civil Service Regulations or by issue of executive instructions and not by amending or replacing the Pensions Act, 1871. In the circumstances, the question of replacement of the Pensions Act, 1871 by a fresh law to serve the purposes in view does not arise."

8.3. The Committee have noted that subsequently in reply to Starred Question No. 734 on the 26th August, 1969 in Rajya Sabha, the Prime Minister announced that "the existing rates of the *ad hoc*

increase in pension are being increased by Rs. 10 per month in respect of low grade pensioners who are drawing pension upto Rs. 200 per month. There is a necessary marginal adjustment for those drawing salary above Rs. 200 per month. This increase will take place from 1st September”.

8.4. The Committee are glad to note that the Government have granted an ad hoc increase in the existing rates of pensions, by Rupees 10 per month in respect of low grade pensioners who have been drawing pension upto Rs. 200 per month. The Committee hope that keeping in view the increasing rise in the cost of living and the hardships of the pensioners, Government would consider sympathetically the other demands of the pensioners of all grades as recommended by the Committee in their Fourth Report (Fourth Lok Sabha), in order to mitigate the hardships of the pensioners. The Committee feel that Government should also consider the question of providing some relief to the pensioners drawing pensions more than Rs. 200 per month.

IX

ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS OF THE COMMITTEE CONTAINED IN THEIR FOURTH REPORT (FOURTH LOK SABHA) ON REPRESENTATION FROM EMPLOYEES OF THE BEAS DESIGNS ORGANISATION, NEW DELHI, REGARDING THE PROPOSED SHIFTING OF THEIR OFFICE FROM NEW DELHI TO NANGAL

9.1. In their Fourth Report, presented to Lok Sabha on the 19th December, 1968, the Committee, after considering the representation from Shri K. N. Singh and S. S. Sondhi, Beas Designs Organisation, Kaka Nagar, New Delhi on the subject noted above, and in the light of the comments and oral evidence of the Ministry of Irrigation and Power, had recommended as follows:

“As regards amenities to the staff, the Committee had elicited an assurance from the Government witness that accommodation comparable to that provided to the staff already at Nangal would be provided to the staff under transfer. The Committee hope and trust that on this score the employees would not have any discontent. In regard to educational facilities, the Committee feel that transport arrangements should be provided to student children of those going on transfer (by the Government), if they wished to continue college studies at the two colleges near Nangal.

The Committee also recommend that the transfer of those employees of the Organisation whose children are to appear at examinations in April, 1969, might be postponed till then; or, if this is not possible, they may be allowed to retain their quarters at Delhi till then on the present terms and conditions.”

[Para 146, P. 47, Fourth Report, Fourth Lok Sabha].

9.2. The Ministry of Irrigation and Power have now informed the Committee as follows:

“According to original schedule, one Directorate of the Beas Design Organisation was to shift to Nangal in July-August,

1968 and the other in December-January. However, at the request of the staff, and keeping in view the academic years in the schools at Delhi, it was decided to postpone it to December, 1968 and April, 1969 respectively. Individual cases were also considered sympathetically and the General Manager, Beas Project was authorised to allow the staff to retain houses and/or grant them leave as the case may be, till the examinations of their wards were over.

With a view to providing best possible accommodation to the staff of the Beas Design Organisation transferred to Nangal, all allotments of accommodation at Nangal were temporarily frozen. The Beas Design staff (Class II & IV) were given accommodation as available at Nangal. Most of the officers and staff have been allotted status accommodation and the rest will be so accommodated shortly along with the staff of the Bhakra Management Board.

In regard to the transport facilities for the college going children of the transferees, the position is that there are two colleges near Nangal i.e. at Una and Anandpur Sahib Government College, Una is connected by a pucca road from Nangal to Hoshiarpur and is about 9 miles away from Nangal. Regular Bus service is available for Una at a frequency of 60 minutes. Similarly, the College at Anandpur Sahib which is located at a distance of about 13 miles, is connected by Rail/Pucca Road, with Bus service available at a frequency of 40 minutes, in addition to the Railway service. It has been ascertained that the monthly passes issued by the transport companies are much cheaper than the fare that would be chargeable by the Departmental buses. It may also be mentioned that there has been no demand for introduction of Departmental bus service in view of adequate public transport system serving these localities."

9.3. The Committee are happy to note that most of the demands of the petitioners have been accepted by the Government and necessary action has been taken for the convenient and smooth shifting of the concerned Officers and staff of the Beas Designs Organisation and their families.

X

REPRESENTATIONS INADMISSIBLE AS PETITIONS

10.1. During the period under report, the Committee have considered 35 representations and letters addressed to the House, the Speaker or the Committee by various individuals and associations etc., which were inadmissible as Petitions.

10.2. The Committee observe with satisfaction that through their intervention the petitioners have been provided expeditious, partial or complete relief or due redressal of their grievances, or that the Ministries/Departments concerned have explained satisfactorily the grounds for not being able to remove the petitioners' grievances. (See Appendix X Parts I & II).

NEW DELHI;

The 22nd December, 1969.

S. SUPAKAR,
Chairman,
Committee on Petitions.

APPENDIX I

(See para 2.1 of the Report)

PETITION No. 9

[Presented to Lok Sabha by Shri George Fernandes, M.P. on the
20th December, 1968]

To

LOK SABHA,
NEW DELHI.

The humble petition of Shri Bipinchandra J. Antani, Advocate, and other citizens of Kutch district respectfully SHEWETH

The economic development of this border district is totally neglected. Fortunately, it has great potentialities by virtue of even climate, large tracts of land, a coastline of about 250 miles, huge piles of salt and a number of mineral deposits. Due to the absence of (i) transport network joining the interior with the mainland of the country, (ii) supply of cheap power, (iii) availability of drinking water in substantial quantity, there has been a heavy drain of enterprise and skill. For strengthening effective defence for the betterment of the local inhabitants, and also for augmenting national income, high priority should be accorded to the development of Kutch. A comprehensive plan of integrated, high speed development may be formulated. Promotion of (a) primary industries like dairy, animal husbandry and fishing, (b) traditional handicrafts like cotton textile weaving, dyeing and printing and cutlery making, (c) salt and salt-based chemical and fertiliser industries, and (d) cement aluminium etc. can be the possible lines of development.

2. By discontinuing special allocation of Rs. 40 lakhs per annum as recommended by the first Finance Commission, and by not creating special agency for co-ordinated speedy development, Kutch has been accorded a step-motherly treatment. This should stop forthwith. Special allocation should be restored and increased. An autonomous corporation to plan for coordinated development and to expedite its implementation and to attract as well as channelise public and private capital, should be established without any delay.

3. Huge investments of money made in the construction and development of the major port of Kandla are not having the results they ought to produce, but have resulted in sheer waste of public money. The Railways are also made to suffer heavy losses on account of running empty wagons to Kandla to fetch imported food and fertilisers. In spite of the strangling congestion at Bombay, no meaningful attempt is made to realise the proclaimed objective of making Kandla a gateway to Northern India. A high-power inquiry into this matter is urgently called for and effective steps ought to be taken to utilise fully the potentialities of Kandla immediately.

4. The wrong policies of the Government in merging a small traditional harbour of Tuna into Kandla and consequently increasing the port charges there, have dried up the old trade channels with Saurashtra, Tuna should be restored to its old position of independent port.

5. A network of broad-gauge railway line (a) from Kandla to Bhuj, (b) a Loop line from Bhuj *via* Mundra, Mandvi, Jakho, Lakhatpat & Nakhatrana to Bhuj back, and (c) from Bhuj to Khavda, which is highly called for by both the defence and development considerations, has not been included in the plan of railway development. This should be done immediately.

6. Promotion of educational facilities has not been attended to adequately. About a third of the villages are still without primary schools. An Art School at Bhuj, of about a hundred years' good standing has been closed down unceremoniously, facilities for technical training are meagre and for training in shipping are non-existent.

7. On the Bhuj station of All India Radio, no time is allotted for programmes in the local dialects of Kutch. For the promotion of cultural development, as well as for defence oriented propaganda purposes, provisions should be made for more and suitable timings for programmes in Sindhi and in Kutchi languages.

and accordingly your petitioners pray for immediate enquiry into their grievances by Lok Sabha by making recommendations to the authorities concerned for redressal of these on the lines indicated in the petition or on the lines deemed fit and useful by the House,

and your petitioners, as in duty bound, shall ever pray.

Name(s) of Petitioner	Full Address	Occupation	Signature
1. Shri Bipinchandra J. Antani . . .	Camp Bhuj Kuka	Advocate	Sd/-
2. Shri Amritprasad R. Antani . . .	Nagar Chakla, Bhuj.	Advocate	Sd/-
3. Shri Jawaharlal Motilal Sanghvi and others . . .	Bhuj		Sd/-

Countersigned by Shri George Fernandes, M.P. Div. No. 378.

APPENDIX II

(See para 2.4 of the Report)

Written comments furnished by the Ministries of Railways, Information & Broadcasting, and Transport & Shipping on Petition No. 9

[Comments of the Ministry of Railways (Railway Board)]

GOVERNMENT OF INDIA

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

No. 69|W4|PQL|W|1

New Delhi, dated 15-1-1969.

OFFICE MEMORANDUM

SUB.:—*Petition No. 9 from Shri Bipinchandra J. Antani, Advocate and other citizens of Kutch district regarding development of Kutch area.*

The undersigned is directed to refer to the Lok Sabha Secretariat's U.O. N. F. 21|C|II|68, dated 30-12-68, on the above subject and to state that this Ministry is concerned with para No. 5 of the Petition No. 9 referred to above. The construction of new railway lines in the border area of Kutch was recently considered by this Ministry. In view of the growing importance of this area, and its potential capacity for industrial development, it has been decided to carry out Engineering and Traffic Surveys for a broad guage or a metre guage railway line from Gandhidham to Lakhpat, *via* Mundra, Mandvi and Koteswar. It is proposed to carry out these surveys in the 1969-70 working season. Further consideration to the proposal for construction of this railway line will be given after the surveys mentioned above are completed and the surveys reports examined by the Railway Board, say sometime in 1971.

2. In view of the position as indicated above, this Ministry does not propose to furnish a detailed brief on this subject. This Minis-

try will have no objection if the above information is communicated to the concerned parties.

Sd/- M. G. NAIR,

14-1-69.

DA Nil

for Secretary (Works),
Railway Board.

To

The Lok Sabha Secretariat (Attention—Shri J. R. Kapur), Committee Branch, New Delhi.

[Comments of the Ministry of Information and Broadcasting]

Note explaining the position regarding para 7 of the Petition No. 9 Programme in Kutchi dialect.

(i) Kutchi is a spoken dialect and not a written one. Although the population of Kutchi speaking people, according to the Census of 1961, is 2,94,985 out of the total population of 6,96,440 i.e. 42 per cent, there is hardly any literature produced in Kutchi or any periodical, magazine or a newspaper published in Kutchi. It may be mentioned that almost all Kutchi speaking people understand and speak Gujarati.

(ii) In so far as Bhuj Station is concerned, out of 620 minutes folk Music in a month about 250 minutes of Kutchifolk music is being broadcast. Besides this, poetry recitation and short story reading in Kutchi are being broadcast for a duration of 15 minutes each per month. Bhuj Station also broadcasts a play in Kutchi for a duration of 15 minutes once in two months. In the programme for agriculturists a feature on matters concerning agriculture is being broadcast for a duration of 15 minutes per month and at least two or three interviews with farmers in Kutchi are broadcast in a quarter. A short play for a duration of 15 minutes is being arranged once a quarter in the programme for women.

(iii) Bhuj Station has no Kutchi knowing Programme Executive or Producer on its Staff, except that there are 4 or 5 Staff Artists and members of Class III Staff who speak Kutchi and whose services are being utilised in the Production of Kutchi programmes being put out at present.

(iv) It is felt that it would be rather too early to introduce a programme on any fixed frequency at the moment. Instead, it

would be good to build up the required talent gradually and the question of introducing a regular programme may be taken up at a later stage.

(v) The question of introduction of local news in Kutchi dialect for 5 minutes daily will be considered by All India Radio.

Programme in Sindhi Language.

In so far as Sindhi language is concerned, we are already broadcasting 3 programmes a week for a duration of 60 minutes and it is not possible to increase the frequency or duration at this stage.

[Comments of the Ministry of Transport & Shipping]

MINISTRY OF TRANSPORT & SHIPPING
(TRANSPORT WING)

SUBJECT:—*Petition No. 9 from Shri Bipinchandra J. Antani, Advocate and other citizens of Kutch district re: development of Kutch area.*

With reference to the Lok Sabha Secretariat U.O. No. F. 21/C. II/68, dated the 30th December, 1968, on the subject mentioned above a copy of the comments of the Kandla Port Trust on the petition so far as it concerns the port, is attached herewith. A statement @ is also attached showing the traffic handled by the Kandla Port since it was brought into operation. During the famine years, 1964, 1965, and 1966 the role played by Kandla Port was particularly significant as it handled substantial quantities of foodgrains and gave effective relief in this respect to the other Indian major ports. The pattern and volume of traffic cannot remain static and is bound to undergo changes with the changing economic activities and conditions of the country. As pointed out by the Port Trust the completion of the broad gauge link and the starting of the national highly linking Ahmedabad should give considerable encouragement to the development of the port. The distance between Kandla and Delhi will practically be the same as between Bombay and Delhi, by broad gauge.

Sd.- K. NARAYANAN,
Deputy Secretary to the Govt. of India.

Lok Sabha Sectt. (Committee branch—I)

*Min. of Transport & Shipping U.O. No. 2-P.G.(1) 69,
the 5th Feb., 1969.*

Enclosure 1 to Appendix II

Comments of the Kandla Port Trust on Petition No. 9 from Shri Bipinchandra J. Antani, Advocate and others of Kutch District presented to the Lok Sabha on the 20th December, 1968 by Shri George Fernandes, M.P.

It may be mentioned that there is ample supply of drinking water available at present in the Kandla-Ghandhidham-Adipur complex. It is understood that the State Government has taken steps to augment the supply of fresh water in this area by undertaking construction of Tapar dam. There are also other schemes under consideration of the State Government.

2. As regards the points brought out in para 3 of the petition, it may be mentioned that the cargo handled by Kandla Port achieved a figure of 26.61 laks tonnes in 1966-67. It was originally anticipated that Kandla Port will handle traffic in the region of 8 to 10 laks of tonnes. It is true that this figure is coming down due to decline in the import of foodgrains and fertilizers, will flow through this Port in the near future especially on the completion of the Board Gauge link and the starting of National Highway linking with Ahmedabad.

3. It is not known to what extent, the Railways have suffered losses on account of having to send empty wagons to Kandla to fetch imported foodgrains and fertilisers. It should, however, be stated that due to acute shortage of foodgrains in the country in the last few years, the import, handling and distribution of foodgrains had to be done on an emergency basis, and for that purpose about 250 wagons were loaded daily from this Port. As there were not sufficient export cargo a large number of empty wagons had to come to Kandla to load foodgrains.

4. It may be mentioned that the alongside berths available at Kandla Port have been fully occupied for the year 1965-66, 1966-67, 1967-68. With the decline of foodgrain traffic, a gap has been created in the traffic handled by the Port. The position may be rectified if other traffic moving from hinterland like cotton etc. fill up this gap.

5. The minor port of Tuna is on the Kandla Creek and falls within the port limits, and, as such, it is under the control of Kandla Port Trust. It functions as a separate port, and the charges laid down for

sailing vessels using this Port are comparable with those laid down by the Gujarat Government for their minor ports. However, to streamline the charges further, a Sub-Committee of the Board of Trustees is presently examining the different charges levied by the Port.

6. It should be mentioned that in early days when Kandla Port was not fully built and functioning, the trade of Tuna Port was naturally higher. With the development of Kandla Port and with the improved road system and the construction of metre guage, the traffic *via* Tuna Port through sailing vessels has reduced.

Enclosure 2 to Appendix II

Statement showing the traffic handled at Kandla Port during the year 1955-56 and onwards

(Figures in lakhs of tonnes)

Year	Kandla
1955-56	3.08
1956-57	4.74
1957-58	8.44
1958-59	10.70
1959-60	10.78
1960-61	15.73
1961-62	13.87
1962-63	17.43
1963-64	17.80
1964-65	23.10
1965-66	25.10
1966-67	26.61
1967-68	24.66

APPENDIX III

(See para 3.1 of the Report)

PETITION No. 12

[Presented to Lok Sabha by Shri S. A. Dange, M.P. on the
1st May, 1969]

To

LOK SABHA,
NEW DELHI.

The humble petition of Workers and Employees of all sectors of
Employment and Industry in India

SHEWETH

A Joint meeting of the national executives of All India Trade Union Congress, Hind Mazdoor Sabha, United Trades Union Congress, Hind Mazdoor Panchayat, Bharatiya Mazdoor Sangh, United Trade Union Congress (Dharmatalla St.), All-India Railwaymen's Federation, All-India Bank Employees Association, All-India Defence Employees Federation, All-India Federation of State Government Employees, the All-India Insurance Employees Association, All-India Newspaper Employees' Federation, Indian Federation of working Journalists and Police Karamachari Sangh representing millions of workers in all branches of employment and industry, in public and private sectors, was held in New Delhi on January 4 and 5, 1969.

2. The above said conference decided to present this Petition of Indian Workers to the Parliament, containing the most urgent of its demands, viz:

- (1) Repeal of Essential Services Maintenance Act, the Railways (Amendment) Act, Section 36 AD of the Banking Laws (Amendment) Act, Central Industrial Security Force Act;
- (2) (a) Compulsory recognition of unions in every industry, plant, and trade; in case of multiplicity of unions, recognition of unions by ballot;

- (b) Restoration of recognition of all unions whose recognition was withdrawn after the 19th September, 1968 strike in Central Government Services, or otherwise;
- (3) Withdrawal of court cases against all in connection with the September 1968 strike in Central Government Services and end to all victimisation of Central and State Government employees;
- (4) To end victimisation and retrenchment, anywhere and everywhere;
- (5) Grant of Need-based Minimum Wage on the basis of the norms unanimously agreed at the 15th Indian Labour Conference and full neutralisation in D.A.;

and accordingly your petitioners pray that the Parliament of India may be pleased to take action in this behalf in order to enforce the Fundamental Rights guaranteed under the Constitution, particularly in the matter of Freedom of Association and to implement the Directive Principles of Policy, with special reference to Article 39(A) which provides for the Right to an Adequate Means of Livelihood and 39(b) and (c) which enjoins upon the State to ensure "that the ownership and control of the material resources of the community are so distributed as best to subserve the common good"; and "that the operation of the economic system does not result in the concentration of wealth and means of production to the common detriment";

and your petitioners as in duty bound will ever pray.

Names of Petitioners (First two signatories)	Full Address	Signature
1. Shri Jagdish Oberoi	National Bank of Lahore, Karol Bagh New Delhi-5.	Sd/- Jagdish Oberoi
2. Shri A.S. Chauhan	Punjab National Bank Ltd., Khan Market, New Delhi.	Sd/- A.S. Chauhan
Countersigned by	S.A. Dange, M.P., Div. No. 437 S.M. Joshi, M.P., Div. No. 358 N. Sreekantan Nair, M.P., Div., No. 285 S.M. Banerjee, M.P., Div. No. 366 Nath Pai, M.P., Div. No. 354 M.L. Sondhi, M.P., Div. No. 461 Deven Sen, M.P., Div. No. 363 George Fernandes, M.P., Div. No. 378 Chittaranjan Ray, M.P., Div. No. 314 25-4-1969	

APPENDIX IV

(See paras 3.6, 3.17, 3.24, 3.28, 3.43 of the Report)

Written comments finished by the Ministries of Finance, Home and Labour, Employment and Rehabilitation on Petition No. 12

[Comments of the Ministry of Finance]

GOVERNMENT OF INDIA

MINISTRY OF FINANCE
(DEPARTMENT OF ECONOMIC AFFAIRS)
BANKING COMPANIES SECTION

This department is concerned only with Section 36AD of the Banking Regulation Act, 1949, mentioned in item (1) of the petition.

Section 36AD has been inserted in the Banking Regulation Act, 1949 by the Banking Laws (Amendment) Act, (58 of 1968). The Amending Act has been passed after prolonged deliberations and after the bill had been reported upon by the Select Committees of the two Houses. The factual position and Government's stand have been amply made clear during the course of the debates. A reference in particular is invited to D.P.M's speeches on 1st and 5th August, 1968 and also the main discussion in respect of the clause on the 6th August, 1968, *vide* pages 6389—92, 8145—47 and 8849—8913 of the cyclostyled (uncorrected) copies of the Lok Sabha debates.

Briefly, the new Section 36AD seeks to prohibit the obstruction of business at any office of a bank, or to hold within the office or the place of business of any banking company, any demonstration which is violent or which prevents, or is calculated to prevent the transaction of normal business, to ensure that no inconvenience is caused to the members of the public and no harm is done to the credit-worthiness of a banking company.

Banks are primarily service institutions and have to function as efficient and disciplined units. They have certain responsibilities to discharge towards the public and their constituents who are borrowers and depositors and have also certain obligations under the Negotiable Instruments Act to stay open and meet their commit-

ments under the Act. If there is any deliberate obstruction or intimidation within the premises of an office which affects its functioning, it has implications which are far more serious than adoption of similar practices an individual or commercial or business establishments, since in their case only the interests of the particular unit or of an industry might be affected, while in the case of banks or similar credit institutions the repercussions are far reaching and very great indeed. Since banks are delicate credit institutions, Government have a responsibility to ensure that they are able to function normally during the usual business hours.

It may be pointed out that provisions of this section cannot in any way be said to abridge any lawful trade union rights, including right to strike, in any orderly manner after due notice. This Section only prohibits acts which are clearly undesirable in the wider public interests.

[Comments of the Ministry of Home Affairs]

Para 2(1).—[Repeal of the Essential Services Maintenance Act, the Railways (Amendment) Act, Section 36 AD of the Banking Laws (Amendment) Act, Central Industrial Security Force Act.]

This Ministry is concerned only with the Essential Services Maintenance Act, 1968, which replaced the Essential Services Maintenance Ordinance, 1968. A copy of the Statement made by the Minister in the Ministry of Home Affairs in Parliament in October, 1968, explaining the circumstances which necessitated the promulgation of the Essential Services Maintenance Ordinance, 1968, is attached. The Essential Services Maintenance Act, 1968, was passed to replace the Essential Services Maintenance Ordinance, 1968. The Act is valid for a short duration, *viz.*, for a period of three years. As announced by the Minister in the Ministry of Home Affairs in the Lok Sabha/Rajya Sabha on 16-12-1968/23-12-1968 (extract of statement enclosed), it is proposed, as early as possible, to bring forth a comprehensive legislation to put J.C.M. Scheme on a statutory basis on the one hand and to ban strikes among Government servants on the other. The Essential Services Maintenance Act would be repealed by the proposed new law. For these reasons, the question of repealing the Act at this stage does not arise.

Para 2.2(a).—[Compulsory recognition of unions in every industry, plant, shop and trade; in case of multiplicity of unions, recognition of unions by ballot.]

This concerns the Department of Labour and Employment.

Para 2.2(b).—[Restoration of recognition of all unions whose recognition was withdrawn after the 19th September strike in Central Government Services, or otherwise.]

The unions/associations/federations, which had participated in the Scheme for Joint Consultative Machinery had subscribed to a Declaration of Joint Intent, clause 5 of which is reproduced below:

“5. The associations/unions:

- (a) agree to give a fair trial to the scheme of joint consultation and compulsory arbitration for a minimum period of 5 years.
- (b) agree that during this period of trial all disputes shall be resolved through the machinery of joint consultation and compulsory arbitration.”

However, contrary both to the letter and the spirit of this Declaration, many unions/associations/federations had persisted with their strike call despite the conciliatory attitude adopted by the Government and the promulgation of the Essential Services Maintenance Ordinance, declaring the strike illegal. The conduct of the unions in participating in an illegal strike rendered them liable for appropriate action regarding their de-recognition. There is, therefore, no ground for restoring the recognition of the unions which participated in the illegal strike.

Para 2(3).—[Withdrawal of Court cases against all in connection with the September 1968 strike in Central Government services and end to all victimisation of Central and State Government employees.]

Government's policy has always been to allow the law to take its own course and not interfere with the normal course of justice. Government have, however, requested the State Governments/Union Territories to have a careful scrutiny made of the pending prosecution cases with a view to taking steps for the termination of the legal proceedings according to law in cases in which there is not sufficient evidence. Government's policy with regard to the persons, who took part in the strike, has been made known from time to time through Press Notes dated 18-10-1968 and 7-1-1969 and through the Statements made by Minister in the Ministry of Home Affairs in Parliament on 13-3-1969 and 30-4-1969. According to this policy, all employees, irrespective of whether they are permanent, quasi-permanent or temporary would be taken back in service if there is no complaint of violence, intimidation or active instigation. This is ample proof that Government do not intend to be vindictive in

regard to their employees, who took part in the strike. Any cases of alleged victimisation are also being looked into whenever they are brought to the notice of Government.

Para 2(4).—[To end victimisation and retrenchment anywhere and everywhere.]

This Ministry has no comments except those contained in para 2(3) above.

Para 2(5).—[Grant of Need-based Minimum Wage on the basis of the norms unanimously agreed at the 15th Indian Labour Conference and full neutralisation in Dearness Allowance and full neutralisation of D.A.]

This is a matter which concerns the Ministries of Finance and Labour.

(Enclosure to comments furnished by the Ministry of Home Affairs)

Extracts from the proceedings in Lok Sabha on 16-12-1968.

The Minister in the Ministry of Home Affairs (Shri Vidya Charan Shukla): The proposal under consideration of Government briefly is to give a statutory basis to the machinery of joint consultation and compulsory arbitration for Central Government employees which at present is non-statutory. Reference to arbitration on matters which are arbitrable will be subject to the overriding authority of Parliament.

An outline of the proposed arrangements under consideration is given below:

- (1) The machinery will cover all Central Government employees except those in Class I or II (other than ministerial posts) or those belonging to any Police Force or working in any managerial, administrative or supervisory capacity and drawing emoluments above a certain level;
- (2) The functions of the Joint Council under the machinery would be:—
 - (a) to promote harmonious relations between the Central Government and its employees;
 - (b) to promote the welfare of the employees;
 - (c) to endeavour to settle any dispute or difference between the Central Government and its employees in respect

of matters relating to the conditions of service of employees;

- (d) to consider and recommend to the Central Government measures for improving the standard and efficiency of work in offices and establishments of the Central Government.

Disputes relating to the condition of service of employees as respects pay and allowances, weekly hours of work and leave affecting any well-defined section of employees sharing the same service conditions and having a common interest in relation to the subject matter of the dispute would be referred to the Board of Arbitration. In case a dispute is not referred to arbitration, the reasons for not doing so would be placed before the Parliament. Similarly, if it is...

Shri Nambiar: Why refer to it with this 'if' and all that?

Mr. Deputy-Speaker: Please listen patiently.

Shri Vidya Charan Shukla: ...considered necessary to modify the recommendations of the Board in any case, in the interest of public services or on grounds affecting national economy or social justice, the report of the Board along with the proposed modifications and the reasons therefor would be laid before the Parliament and the latter may make such modifications in the recommendations as it may deem fit.

It is because more comprehensive measures are under examination, that the present Bill to replace the Essential Services Maintenance Ordinance, 1968, is presented here as a temporary law.

* * * *

Extract from the proceedings in Rajya Sabha on 23-12-1968

SHRI V. C. SHUKLA, MINISTER IN THE MINISTRY OF HOME AFFAIRS

And that is why in the other House I had the pleasure to announce that we wanted to bring forth a Bill which will put this kind of negotiating machinery on a permanent basis. Madam, I would like to repeat what I had said so that this position is made quite clear to the honourable Members about the kind of machinery we want to bring. Madam, that machinery will cover all the Central Government's employees except those in Classes I and II and the ministerial

posts or those belonging to any police force or working in any managerial, administrative or supervisory capacity and drawing emoluments above a certain level. The functions of the joint council under the machinery would be (a) to promote harmonious relations between the Central Government and its employees; (b) to promote the welfare of the employee; (c) to endeavour to settle any dispute or difference between the Central Government and its employees in respect of matters relating to conditions of service of the employees; and (d) to consider and recommend to the Central Government measures for improving standards and efficiency of work in offices and establishments of the Central Government.

Madam, disputes relating to the conditions of service of the employees in respect of pay and allowances weekly hours of work... (interruptions)... would be referred to a Board of Arbitration.

In case a dispute is not referred to arbitration, the reasons for not doing so would be placed before the Parliament. Similarly if it is considered necessary to modify the recommendations of the Board in any case in the interest of the public service concerned affecting national economy or social justice, the report of the Board along with the proposed modifications and the reasons therefor would be laid before the Parliament and which may later make such modifications as may be deemed fit.

[Comments of the Ministry of Labour, Employment and Rehabilitation]

**MINISTRY OF LABOUR, EMPLOYMENT AND REHABILITATION
(DEPARTMENT OF LABOUR AND EMPLOYMENT)**

Item 2(a): Compulsory recognition of unions in every industry, plant, shop and trade; in case of multiplicity of unions, recognition of unions by ballot.

There is at present no Central law for recognition of unions. In some States like Gujarat, Maharashtra, Madhya Pradesh and Rajasthan the State enactments provide for recognition of unions. The Code of Discipline evolved by the Indian Labour Conference (May 1958) lays down certain criteria for voluntary recognition of unions in an establishment or industry. Further, recognition under the Code based on the verification of paid membership of a union for 3 months during a period of six months preceding the date of reckoning. There is no provision in the Code for holding ballot for the determination of the representative character of unions. The whole question of industrial relations including the conditions and procedures for recognition of unions is at present under the consideration of the National Commission on Labour. A change in the existing practice, 3095 (Aii) L.S.—6.

which is based on tripartite agreement, can be considered only after the Commission's recommendations have been received by Government and examined in consultation with the various interests concerned.

Item 4: To end victimisation and retrenchment, anywhere and everywhere.

The demand is vague. The Industrial Disputes Act, 1947 provides for the machinery for the investigation and settlement of industrial disputes. It is only where mutual negotiations fail that the machinery set up by Government under this Act is brought into play for settlement of disputes.

2. Chapter VA of the Industrial Disputes Act, 1947 lays down conditions precedent to retrenchment of workmen in any establishment. The benefits of retrenchment compensation are applicable to all workmen covered by the Act. No workmen employed in any industry who has been in continuous service for not less than one year can be retrenched until one month's notice (or wages in lieu thereof) is given to him in writing indicating the reasons for retrenchment. No such notice is necessary if the retrenchment is under an agreement which specifies a date for termination of service. An employer desiring to effect retrenchment must give notice in the prescribed manner to the appropriate Government. Retrenchment compensation is payable at the rate of 15 days' average pay for every completed year of service or any part thereof in excess of six months.

3. The Industrial Disputes Act also provides that the employers shall not introduce any change in respect of certain specified matters relating to conditions of employment without giving the workmen concerned 21 days' notice of his intention to do so.

4. Under the Act no employer shall change the conditions of service of workmen in any matter connected with the dispute or discharge or punish any workmen concerned with the dispute without the permission in writing of the authority before which any proceeding under the Act is pending. A limited number of representatives of the workers are also given protection in all matters whether connected with the dispute or otherwise. These workmen are known as protected workmen and this gives protection to office bearers of trade unions against victimisation.

5. The subject of additional measures for protection against victimisation and reference of cases of victimisation to Arbitration was last discussed at the 20th Session of the Standing Labour Committee held in October, 1962. It was decided that cases of alleged victimisation should be referred to arbitration to the utmost extent possible. Where there is no arbitration, such cases should ordinarily go for adjudication. Before however, adjudication is resorted to in such

cases, there should be more effective screening. When conciliation has failed, the Conciliation Officer and the Union concerned should discuss the matter again whether adjudication was necessary. In the event of disagreement between the Conciliation Officer and the Union, the case should be taken up for screening by a higher officer of the Central or State Industrial Relations machinery with the representative of the Central Workers' Organisation concerned. If the latter still insisted, the matter should be referred to adjudication.

6. The Industrial Disputes Act safeguards the interests of workmen in regard to retrenchment and victimisation.

Item 5: Need-based Minimum Wage on the basis of norms recommended by the 15th Session of Indian Labour Conference.

The Minimum Wages Act, 1948 was enacted to protect workers in unorganised and 'sweated' industries where they were weak and stood in need of protection against exploitation by employers. The Act, however, does not define the term 'minimum wage' or what precisely should be its content. The Advisory Committees set up under the Act have not been following any uniform set of principles in the fixation or revision of minimum wages.

2. The first attempt to quantify minimum wage was made by the 15th Session of the Indian Labour Conference held in 1957. The Conference laid down 'norms' for working out the need-based minimum wage. These are given in the Appendix. One of the norms was that minimum food requirements should be calculated on the basis of a net intake of calories as recommended by Dr. Aykroyd for an average Indian adult of moderate activities. The application of these norms in working out the need-based minimum wage for Central Government employees raised a controversy in the wake of the Report of the Second Pay Commission. The Pay Commission took note of the 'norms' recommended by the Conference but made some departures from these norms in arriving at the minimum remuneration recommendation made by it. The wages worked out by the Pay Commission fell short of the wages worked out on the basis of the norms laid down by the Indian Labour Conference because of the difference in the nutritive content of the 'model diet' applied by the Pay Commission and the 'balanced diet' of Dr. Aykroyd which formed the basis of the recommendations of the Indian Labour Conference. The Pay Commission observed in this connection that "A minimum wage pitched above the level of *per capita* income, and intended for very wide application is obviously one beyond savings and investment, such as wage gives no thought to the future; and wage that exceeds the highest level, and far exceeds the general level in the organized industries is obviously not one needed for protecting those whose living standards are sub-average".

3. The question subsequently came up before the Standing Labour Committee in April, 1960. It was agreed that the question of nutritional requirements of the worker and his family and the composition of the diet which was to provide the requisite nutrition needed further examination at a technical level.

4. The Third Five Year Plan also recommended that "on the basis of agreements between the parties, the Indian Labour Conference had indicated the content of the need-based minimum wage for guidance in the settlement of wage disputes. This has been reviewed and it has been agreed that the nutritional requirements of a working class family may be re-examined in the light of the most authoritative scientific data on the subject". In pursuance of this recommendation, the National Nutrition Advisory Committee set up a Sub-Committee in May, 1962 which submitted its report in 1964. The Sub-Committee recommended an intake of 2,750 calories for families of workers in factories and plantations but suggested special additional allowance for workers employed in mines and other comparatively heavier industrial occupations.

5. The Study Group on Wage Policy set up by the Labour Panel of the Planning Commission which examined the recommendations of the Sub-Committee concluded that the 'norms' set out by the Sub-Committee should be accepted as guide-lines by the wage fixing authorities.

6. There has been no decision of Government accepting the recommendations of the 15th Session of the Indian Labour Conference held in 1957. Government (Ministry of Finance, Department of Expenditure) has in fact examined the question of need-based minimum wage for its employees and its views are incorporated in that Department's Memorandum to the National Commission on Labour. Briefly, these views are given in the paragraphs below:

7. It has been the Government's objective to improve living conditions of all classes of people in the country and to bring about a fair distribution of income and wealth. The scope for economic development with a view to achieving this objective is, however, limited by resources and, therefore, there is a conflict between payment of higher wages to those already employed and creation of greater employment opportunities.

8. It may not be practicable to fix a single minimum wage throughout the country in the present stage of our economic development; minimum wage separately for each occupation or class of occupations may be more feasible. A number of Considerations would be relevant in fixing such minimum wage. Some of these considerations are the requirements of the worker, the cost and standard of living, the prevalent rates of wages, the general level of wages industry-

wise and area-wise, the financial capacity of the employer and the state of the national economy. 'Need' is only one of the considerations although a very important one; the capacity of country to pay, taking into account the claims of savings and investment, and the general level of wages and their trend over a period of time have necessarily to be taken into account.

9. As for the public sector undertakings and Central and State Government employees, the capacity of Government and of the country as a whole to pay, having regard to the claims of growth and fuller employment, are also relevant factors in addition to the need of the worker. It has to be borne in mind that a higher minimum wage at the centre would have repercussions in the wage structure of the State Governments and the local bodies as well. The overall resources position cannot, therefore, be ignored in determining the capacity of Government to pay wages in accordance with the 'needs' of the worker.

10. The National Commission on Labour is seized of the problem. Its terms of reference, *inter alia*, relate to "the levels of workers' earnings, the provisions relating to wages, the need for fixation of minimum wages including a national minimum wage.....". In the questionnaire issued by the Commission it has specifically referred to the norms recommended by the Indian Labour Conference and difficulties in implementing them and has invited opinions on whether they require reconsideration in any respect and whether in the alternative, it was possible to suggest a phased programme for implementing the need-based minimum as recommended by the Indian Labour Conference. The issue of need-based minimum wage is, therefore, before the National Commission on Labour which is expected to report soon. The Government would, no doubt, give due consideration to the recommendations of the Commission in laying down its policy on the subject.

11. As regards neutralisation, Government is in general agreement with the principle that adequate steps should be taken to protect the erosion of workers' real earnings as a result of rise in prices. In the organized sector, wage boards and awards of industrial tribunals have generally suggested linking of dearness allowance with the consumer price index recommending almost full neutralisation at the lowest level, the rate of neutralisation gradually declining for higher wage levels. Advisory Committees, set up under the Minimum Wages Act, have also generally been taking into account the changes in the price level while revising minimum wage rates. Considering the overall position of the economy, full neutralisation of the rise in the cost of living does not seem to be feasible at all levels of income.

**Enclosure to the Comments furnished by the Ministry of Labour,
Employment and Rehabilitation**

Norms laid down by the 15th Session of the Indian Labour Conference (1957) for working out need-based minimum wage

- (i) In calculating the minimum wage the standard working class family should be taken to comprise three consumption units for one earner, the earning of women, children and adolescents being disregarded.
- (ii) Minimum food requirements should be calculated on the basis of a net intake of calories as recommended by Dr. Aykroyd for an average Indian adult of moderate activity.
- (iii) Clothing requirements should be estimated on the basis of a *per capita* consumption of 18 years per annum, which would give for the average worker's family of four a total of 72 years.
- (iv) In respect of housing, the rent corresponding to the minimum area provided for under Government's Industrial Housing Scheme should be taken into consideration in fixing the Minimum wage.
- (v) Fuel, lighting and other miscellaneous item of expenditure should constitute 20 per cent of the total minimum wage.

APPENDIX V

(See para 3.62 of report)

Recommendations of the National Commission on Labour (1969) touching the various points raised in Petition No. 12.

1. It has been recommended by the National Commission on Labour that an effort should be made to fix a regional minimum wage in various States. (S. No. 104 Para 16.17)

2. The National Commission on Labour has suggested a phased and pragmatic programme for the introduction of need-based minimum wage and the wages at the higher levels of fair wage in the organised industry. (S. No. 105 para 16.31)

3. It has been recommended by the National Commission on Labour that there should be a periodic adjustments of wages taking into account changes in cost of living. (S. No. 106 para 16.36)

4. It has further been recommended by the National Commission on Labour that neutralisation at the rate of 95 per cent should be granted against the rise in cost of living to those drawing the minimum wage in non-scheduled employment. (S. No. 106 para 16.47)

5. It has been recommended by the National Commission on Labour that "there should be no ban on non-employees holding positions in the executive of the Unions". (S. No. 132 Para No. 20.50)

6. It has been observed in para 33.6 of their report by the National Commission on Labour that "there appears to be no valid ground for narrowing the scope of the definition of 'industry' under the Industrial Disputes Act, 1947 as it stand today". (S. No. 159).

7. The National Commission on Labour has observed that "collective bargaining cannot exist without the right to strike/lockout". (S. No. 165 para 23.37).

8. It has been recommended by the National Commission on Labour that recognition of Unions should be made compulsory under a Central Law. (S. No. 171 Para 23.50).

9. It has also been recommended by the National Commission on Labour that an Industrial Relations Commission should be set up to

settle the 'interest' disputes. It should be an authority independent of the executive. (S. No. 175 Para 23.61).

10. It has been recommended by the National Commission on Labour that "(a) the Government should, over a period, seek to ratify the I.L.O. Conventions which may have been held up because of technical and administrative difficulties, (b) some of the conventions dealing with fundamental human rights have not yet been ratified by our country. There should be a reassessment by the Government with a view to their formal ratification". (S. No. 299 Paras 32.22 & 32.25).

11. As regards Joint Consultative Machinery, the National Commission on Labour has recommended that its scope needs further widening. It has been further recommended that the present arrangement in the Joint Consultative Machinery under which Government is the final authority to decide whether an issue can or cannot go for arbitration requires to be modified. (S. No. 211 Para 26.29).

12. The National Commission on Labour has recommended that a Pay Commission to review the wages and other conditions of service of Industrial employees of Government should be appointed without delay. (S. No. 211 & S. No. 213 Para Nos. 26.32 & 26.33).

APPENDIX VI

(See para 4.1 of the Report)

PETITION NO. 15

[Presented to Lok Sabha by Shri D. N. Patodia, M.P. on the 31st July, 1969]

To

LOK SABHA,
NEW DELHI.

The humble petition of Shri P. L. Tandon, a Bank Depositor having Bank Account with the Central Bank of India Ltd., and residing in Delhi and 1919 other signatories respectively.

SHEWETH

that the proposed measure to nationalise the leading commercial banks of the country will adversely affect the interests of the depositors. The funds of the depositors will come under more direct political control and are likely to be diverted in greater measure for investment in losing projects like Hindustan Steel Ltd. and other Government enterprises. The profitability of the Banks may go down resulting in ultimate fall in the rate of interest payable to the depositors. The depositors apprehend that in the event of Banks being nationalised, their interests will not be safeguard

and accordingly your petitioners pray that

the Bill introduced in the Lok Sabha for nationalisation of the leading commercial banks be not proceeded with;

and your petitioners as in duty bound will ever pray.

Name of Petitioner	Address	Signature or thumb impression
P. L. Tandon and 1919 others.	70, Bhogal Road, Jung Pura, New Delhi.	Sd/-

Countersigned by :

1. Shri D. N. Patodia, M.P.
 2. Shri S. S. Kothari, M.P.
 3. Shri Pилоo Mody, M.P.
 4. Major Ranjeet Singh, M.P.
 5. Shri Yajna Datt Sharma, M.P.
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APPENDIX VII

(See para 5.1 of the Report)

PETITION NO. 16

[Presented to Lok Sabha by Shri J. H. Patel, M.P. on the 14th August, 1969]

To

LOK SABHA,
NEW DELHI.

The humble petition of (1) Shri R. R. Diwakar, President, Gandhi Smarak Nidhi and Gandhi peace foundation, Rajghat, New Delhi, (2) Shri Kaka Kalelkar, Rajghat, New Delhi, (3) Shri S. K. Dey, Ex-Minister and President, Panchayat Raj Parishad, (4) Shri Radhakrishana, Gandhi Peace Foundation, 223, Rouse Avenue, New Delhi. (5) Shri R. Parthasarathi, Executive Secretary, National Committee for Gandhi Centenary and (6) Smt. Padmadevi, Wife of Shri Shankaragoud Idapanur, Taluk Raichur, District Raichur, Mysore State, on behalf of the wives and children of the prisoners in all the Central Jails of India.

SHEWETH

1. That it is a cry from the depth of the hearts of hundreds and thousands of those unfortunate wives and children of the prisoners in all the Central Jails of India, on whose behalf we, the undersigned petitioners, are presenting this petition to your goodself, that there is no point in commuting the death sentences unless their subsequent life sentences are cut down to the minimum possible, so that they may be set free from their respective Jails to lead a loyal life with their families, provided they repent their past follies and are ready to part with at least 50 per cent of their own share of their

landed property for the aggrieved persons or for the movement of Bhoodan to the poorest needy persons of their respective villages.

2. It will be improper to request Lok Sabha to set all the prisoners free without any further punishment. In order to balance justice on the one hand and humanitarianism on the other, we pray on the eve of Gandhiji's Centenary Celebrations and 15th of August, 1969, on this auspices Independence Day when Members of Parliament have the honour to serve as the guardians of the nation, to set free at least those prisoners who have already spent five years in jail, irrespective of their death sentences or imprisonment terms and who agree to pledge themselves to lead a life of non-violence and truth in the society by repenting to abandon the past criminal motivated activities. It may sympathetically be considered if they are ready to part with at least 50 per cent of their personal property for Bhoodan to the needy persons as a gesture in lieu of their lives in Jail.

3. As human beings, especially the female members of our families, we all can understand the burning heart of parted young wives and children who are doomed to their worst destiny. What amount of goodwill and prayerful sympathies of the prisoners on this coming Gandhi Centenary and/or Independence Day on the 15th of August 1969, Parliament will gain if Parliament makes all such prisoners free, we are unable to express our feelings of gratitude, but to write with our faded flesh and boiling blood on the wall of nationalism and humanism of Mahatmaji and all such other great souls of the world.

4. We shall be the last to claim any special treatment for any set of persons in Jail but pray that all repented prisoners should be given a chance to show their worth in their future life in the society. It will be a great step towards Mahatmaji's principles of forgiveness if any common act of kindness is approved as a policy by the Union and the President of India in all other cases. Under the Constitution, Parliament is empowered to direct issue of orders to release the repented prisoners by awarding 'Capital' punishment of landed property.

And accordingly your petitioners pray to release forthwith all those prisoners who pledge to lead a loyal life on any condition imposed by the State before the 15th August, 1969 if possible, or at least on the day of Mahatma Gandhiji's Jayanti on the 2nd October 1969, the auspicious and most deserving day of nationalism and humanism of mankind at large.

and Your petitioners as in duty bound shall ever pray.

Name of Petitioner	Address	Signature or thumb impression
Shri R. R. Diwakar and 18 others.	President, Gandhi Smarak Nidhi Rajgah, and Gandhi Peace Foundation, New Delhi.	Sd/-

Countersigned by Shri J. H. Patel, M.P. Div. No. 377.

APPENDIX VIII

(See para 5.4 of the Report)

Statement showing the period of remission of sentences of prisoners granted by various State Governments on the eve of Gandhi Centenary.

S. No.	Name of State	Scale of Remission	
1	2	3	4
1.	Andhra Pradesh	(i) Release of all female convicts whose offences were not of a serious nature; and (ii) One month's remission for every year.	
2.	Assam	Scale not known.	
3.	Bihar	Same as for S. No. (1)	
4.	Gujarat	(i) Release of female convicts whose offences were not of a serious nature ; (ii) Prisoners sentenced from five years to 20 years—full remission of first years and three months for every whole year thereafter; (iii) Prisoners sentenced to one year and less than five years—full remission of first nine months and four months for every whole year thereafter ; (iv) Prisoners sentenced to more than six months but less than on year—full remission for the first six months and 50% of the remaining period; (v) Prisoners sentenced to six months and less—full remission.	full remission
5.	Haryana	(i) Prisoners undergoing imprisonment for more than 10 years— (ii) Prisoners undergoing imprisonment upto 10 years— (iii) Prisoners undergoing imprisonment upto five years— (iv) Prisoners undergoing imprisonment upto 2 years	6 months. 3 months. 2 months. 1 month.

1	2	3	4
6. Jammu & Kashmir	Not known.		
7. Kerala	. 60 days to all categories of prisoners.		
8. Madhya Pradesh	(i) Those sentenced to life imprisonment	2 years.	
	(ii) Female convicts—	3 years	
	(iii) Juvenile convicts—	1 year	
	(iv) Those sentenced to less than one year—	8 days for every month.	
	(v) Those sentenced to 1-3 years—	100 days.	
	(vi) More than 3 years—	1 month for every year.	
9. Maharashtra	Release on 15-8-69 of the following :—		
	(i) Prisoners sentenced to imprisonment for life (excluding sentence of fine, if any, who have undergone 5 years of actual imprisonment and who have attained the age of 60 years on or before the 15th August 1969.		
	(ii) Prisoners sentenced to imprisonment for life (excluding sentence of fine, if any) who have undergone 2 years of actual imprisonment and who have attained the age of 65 years on or before the 15th August 1969.		
	(iii) All blind prisoners whether they are sentenced to imprisonment for life or otherwise.		
	(iv) Female prisoners sentenced to imprisonment for life (excluding sentence of fine, if any) who have undergone 4 years of actual imprisonment.		
	(v) All lads detained under the Brosta: School Act due to be released from Brostal detention within three months from the 15th August 1969.		

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(B) Release on 2-10-69 of the following :—

- (i) Prisoners sentenced to imprisonment for life (excluding sentence of fine, if any) who have undergone 5 years of actual imprisonment and who are suffering from T.B. and leprosy.
- (ii) Prisoners sentenced to imprisonment for life suffering from diseases like cancer, epilepsy or any other incurable ailments certified by the Medical Board irrespective of the sentence undergone by them.

(C) Special remissions on the following scales :—

- (i) Those sentenced for 1 year and less— 1 month.
- (ii) Between 1 to 14 years— 45 days per year.
- (iii) Above 14 years in the aggregate and life imprisonment— 2 months per year.
- (iv) Adolescent prisoners— 2 months per year.
- (v) Adolescent prisoners who are sentenced for one year or less 45 days.

10. Mysore

- (i) Release of all female convicts except those convicted for murder or robbery or detained for reasons of security.
- (ii) Those sentenced for 1 year and less— 1 month
- (ii) Those sentenced for more than 1 year— 1 month for every year of fraction of an year.

11. Nagaland

Scale not known.

12. Orissa

(A) For prisoners who are not habitual offenders or convicted for corruption, robbery, murder, etc.—

- (i) Prisoners sentenced to terms of imprisonment

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for more than 10 years or imprisonment for life may be granted remission of one year.

- (ii) Prisoners sentenced to more than 5 years and upto 10 years of imprisonment may be granted remission of 6 months.
 - (iii) Prisoners sentenced to more than one year and upto 5 years of imprisonment may be granted remission of 3 months.
 - (iv) Prisoners sentenced to imprisonment for more than six months and upto one year may be granted remission of one month.
- (B) For prisoners who are habitual offenders or convicted for robbery, murder, etc.
- (i) Prisoners sentenced to more than 10 years of imprisonment or for imprisonment for life may be granted remission of 6 months.
 - (ii) Prisoners sentenced to imprisonment for more than 5 years or upto 10 years may be granted remission of 3 months.
 - (iii) Prisoners sentenced to imprisonment for more than one year or upto 5 years shall be granted remission of one and a half month.
 - (iv) Prisoners sentenced to imprisonment for more than six months and upto one year may be granted remission of 15 (fifteen) days.
13. Punjab
- (A) For prisoners who are not habitual offenders or convicted for corruption, robbery, murder, etc.
- (i) Prisoners sentenced to one year terms of imprisonment of more than ten years/

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or imprisonment for life—

- (ii) Prisoners sentenced to more than five years and upto ten years imprisonment. six months
- (iii) Prisoners sentenced to more than one year and upto five years imprisonment. Three months
- (iv) Prisoners sentenced to more than three months and upto one year. Two months.
- (v) Prisoners sentenced upto three months should be released if they have undergone half the sentence including remissions already earned; otherwise such prisoners shall be entitled to remission equal to one month.
- (iv) Prisoners sentenced to one month or less shall have the whole of the un-expired portion of their imprisonment remitted and they shall be released on 2nd Oct, 1969.
- (B) For prisoners who are habitual offenders, or convicted for corruption, robbery, murder, etc.
- (i) Prisoners sentenced to more than ten years imprisonment or imprisonment for life. Six months
- (ii) Prisoners sentenced to imprisonment for more than five years and upto ten years. Three months
- (iii) Prisoners sentenced to imprisonment for more than one year and upto five years. One and a half month.
- (iv) Prisoners sentenced to imprisonment for more than three months and upto one year. One month.

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(v) Prisoners sentenced upto three months should be released if they have undergone $\frac{3}{4}$ th of the sentence including remissions earned; otherwise such prisoners shall be entitled to remission equal to fifteen days.

(C) One month remission for every year of imprisonment for prisoners convicted by Courts Martial.

(D) Release of all female convicts who are sentenced to less than 2 years.

(E) Inmates in Borstal Schools—

Not more than two month to be adjusted to course of instruction.

Remission on 2-10-69

14. Rajasthan

(A) For prisoners who are not habitual offenders or convicted for corruption, robbery, murder, etc.

(i) Prisoners sentenced to terms of imprisonment of 10 (ten) years and more should be granted remission of 30% of the total sentence passed

(ii) Prisoners sentenced to terms of imprisonment of 7 years but less than 10 years shall be granted remission of 15% of the total sentence passed.

(iii) Prisoners sentenced to terms of imprisonment of less than 7(seven) years shall be granted remission of 10% of the total sentence passed.

(B) For Prisoners who are habitual offenders or convicted for corruption, robbery, murder, etc.

(i) Prisoners sentenced to more than 10 years imprisonment or for transportation for life shall be granted remission of 6 months.

(ii) Prisoners sentenced to imprisonment for more than 5 years or upto 10 years shall be granted remission of three months.

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		(iii) Prisoners sentenced to imprisonment for more than one year or upto 5 years shall be granted remission of one and a half months.	
		(iv) Prisoners sentenced to imprisonment up to one year should be released, <i>provided</i> they have served three-fourth of their sentence inclusive of remission previously earned ;and if they do not qualify for release, they should be granted remission of one month.	
		(C) Inmates of Borstal Schools	Not more than two months to be adjusted to course of instructions.
		<i>Additional remission on 30-1-69</i>	
		(i) Remission of 10% of substantive sentences to all prisoners except habitual offenders or those convicted for antinational activities, assault on a woman, etc.	
		(ii) Release of all female convicts whose offences are not serious.	
15	Tamil Nadu	(i) Prohibition prisoners —	$\frac{1}{2}$ of their sentence
		(ii) Those undergoing sentences upto 3 years—	10 months.
		(iii) Those undergoing sentence between 3-5 years	Three months
		(iv) Those undergoing sentence between 5-10 years	Six months.
		(v) Those undergoing sentence above 10 years	One year.
16.	Uttar Pradesh	The State Government have sanctioned special remissions in three instalments on 26-1-69, 16-6-69 and 2-10-69 on the following scale :—	
		(i) Those sentenced upto one year	15 days
		(ii) Those sentenced for more than one year	15 days per year of sentences upto maximum of 300 days.

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17. West Bengal	Release of prisoners sentenced to (i) One month or less ;		
	(ii) more than one month and upto one year provided they have served one half of their sentence.		
	(B) (i) Remission on the following date :—		
	(i) Prisoners sentenced to more than ten years		One year.
	(ii) Prisoners sentenced between 5-10 years		Six months.
	(iii) Prisoners sentenced between 1-5 years		Three months
	(iv) Prisoners sentenced to one year or less.		Two months if they do not qualify for release

APPENDIX IX

(See para 7.5 of the Report)

Statement showing cases of displaced persons pending finalisation for more than three years

Statement showing cases of displaced persons pending finalisation for more than 3 years on 1-1-1969, lying with the Asstt. Settlement Commissioner I/C. Bombay.

1	2	3	4	5	6
Name of displaced person whose case is pending finalisation	Date of receipt of application/representation	Nature of the representation	Present position	Brief reasons for the cases still pending	Remarks
1. Shri. Dilomal Kuniatmal Blk. A-73, Pimpri Colony, Poona.	30-9-69	For adjustment of Rs. 2,593.80 from PC No. 29426 of Shri Amulmal Tirathdas.	Adjustment Awaited.	No compensation was admissible. Statement of account though issued, the adjustment cannot be allowed. Order of the Authorized Chief Settlement Commissioner holding the claimant entitled to adjust for compensation against unsubstantial rural property claim is being got set aside from the Central Government under section 33 as claimant is allottee of more than 4 acres of rural agri. land in India.	
2. Shri Pritamadass Sitaldas Blk. No. 325 & 326, Pimpri Colony, Poona.	6-11-64	For adjustment of Rs. 6459.50 from PC No. 29426 of Shri Amulmal Tirathdas.	Adjustment Awaited.		

Statement showing cases of displaced persons pending finalisation for more than 3 years on 1-1-1969 lying pending with Asstt. Settlement Commissioner J(C., U.P. & Bihar)

1	Shri Saudagar Singh UP/ JHI/1	27-10-64	Refund of excess adjustment.	Still pending	For want of no refund certificate from the Estate Officer, Chandigarh.	Correspondence in these cases is going on. Latest reminder sent in each case.
2	Shri Chaudhari Ram UP/ AG/296/G	4-1-64	Do.	Do.	For want of refund certificate from the Dy. Commissioner, Gurgaon.	
3	Shri Autar Singh UP/NT/ 779	6-12-64	Do.	Do.	For want of refund certificate from the Dy. Commissioner, Amritsar.	

Statement showing the cases of displaced persons pending finalisation for more than three years lying pending with R.S.C. Jullundur.

1.	Shri Shadi Ram.	11-7-64	Refund of rent of P.No. B.I. 17 Ludhiana.	Pending for verification by Treasury Officer, Ludhiana.	The case is pending for certain information from the Treasury Officer, Ludhiana who inspite of repeated reminders has not intimated the weekly statement of account under which the credit of the amount was passed on to the Accountant General, Simla.
2.	Shri Durga Dutt.	10-8-64	Refund of rent of P.No. 316-318, Pathankot.	Pending for verification by the Treasury Officer, Gurdaspur.	Information regarding particulars of the weekly statement of account in which the credit was passed on by the Treasury Officer to A.G. Punjab, Simla, is awaited from the Treasury Officer, Gurdaspur who inspite of several reminders has not supplied the same.
3.	Shri Karmail Singh.	18-4-64	Refund of rent of Saw Mill at Moga.	Pending for want of verification by Treasury Officer Ferozepur.	The bill was sent to the Pay and Accounts Officer, on the basis of the certificate of credit furnished by the Treasury Officer, Ferozepur but has been returned unpassed by

Name of the displaced person whose case is pending finalisation	Date of receipt of the application/representation	Nature of representation	Present position	Brief reasons for the cases still pending	Remarks
1	2	3	4	5	6
4. Shri Labh Singh.	20-10-64	Refund of the excess adjustment.	The case is under correspondence with the Competent Officer, Punjab, at Delhi.	the Pay and Accounts Officer, who has asked for the weekly statement of account under which the credit was passed on to the A.G. Punjab, Simla. This information is still awaited from the Treasury Officer, Ferozepur.	In this case the claimant had associated for Rs. 2,225/- in the purchase price of composite agri. land but the adjustment of whole of the compensation available at the credit of the claimant was carried out resulting in excess adjustment. The claimant had represented for the refund of the excess adjustment desired to be adjusted in the other properties associated by him. The case could not be processed for want of no refund certificate from the Competent Officer, Punjab at New Delhi. The case is under correspondence with the Competent Officer but no final reply has been received so far.

Shri Hirde Ram

The present position of the 5 claims of S/Shri Hirde Ram & Sons shown as pending previously is indicated in the accompanying statement. It will be seen that out of these 5 cases, one case for Rs. 689 has been finalised by the Government of Pakistan. In this case, Verification Report was received from that Government which was sent to the Northern Railway for arranging payment to the claimant.

It is also added that there is one more claim of Rs. 1000 of M/s. Hirde Ram & Sons of the above noted claimant in which the EDR has been received from the Government of Pakistan but the same has not been handed over to the claimant as he has not sent the "No Demand Certificate" in spite of our repeated reminders. The claimant is again being expedited in the matter.

Statement showing the position of pending claims of M/s. Hirde Ram & Sons.

Name of the Claimant.	File No.	Amount;	Remarks
M/s. Hirde Ram and Sons	Ind/ 638/COO/Cont/IAA	Rs. 1000/-	This claim is on account of Security deposit & is still under correspondence with the Government of Pakistan. Last reminder has been sent to the Government of Pakistan on 17-8-1968.
-do-	Ind/1640/COO/Cont/IAA	Rs. 50/-	This claim is on account of Security deposit & is still under correspondence with Government of Pakistan. Last reminder has been sent to the Government of Pakistan on 17-8-1968.
-do-	Ind/1641/COO/Cont/IAA	Rs. 500/-	This claim is on account of Cash Security and is still pending with the Government of Pakistan, who have also moved their verifying authorities on 22-2-1968 and 26-8-68.
-do-	Ind/1642/COO/Cont/IAA	Rs. 500/-	This on account of Security deposit and is still pending with the Government of Pakistan on 17-8-1968.
-do-	Ind/1643/COO/Cont/IAA	Rs. 689/-	Verification report has been received from the Government of Pakistan and sent to the F.A. & C.A.O. Northern Railway on 28-6-68 for arranging payment to the claimant.
-do-	Ind/1639/COO/Cont/IAA.	Rs. 1000/-	The EDR received from the Government of Pakistan was forwarded to the F.A. & CAO, Northern Railway on 31-12-1963. That Railway has sent the F. D. R. back to this Organisation for arranging payment direct to the claimant as it relates to the contractor's claim and not that of the Railway Staff. The Claimant has not sent the "No Demand Certificate" despite repeated reminders. He has again been requested by a registered A.D. Communication to do the needful.

Statement showing the position of pending claims of M/s. Hirdley Ram & Sons.

1.	M s. Hirdley Ram & Sons.	Ind/1638/COO/Cont/IAA	Rs. 1000/-	This claim is on account of security deposited and is still under correspondence with the Government of Pakistan. Last reminder has been sent to the Government of Pakistan on 9-4-69.
2.	-do-	Ind/1640/COO/Cont/IAA	Rs. 50/-	This claim is on account of security deposit and is still under correspondence with the Government of Pakistan. Last reminder has been sent to that Government on 9-4-1969.
3.	-do-	Ind/1641/COO/Cont/IAA	Rs. 500/-	The claim is on account of cash security and is still pending with the Government of Pakistan who have recently expedited their verifying authority on 4-3-1969.
4.	-do-	Ind/1643/COO/Cont/IAA	Rs. 500/-	This claim is on account of security deposit and is pending with the Government of Pakistan. Last reminder has been sent to that Government on 9-4-1969.
5.	-do-	Ind/1639/COO/Cont/IAA	Rs. 1000/-	The EDR received from the Government of Pakistan was forwarded to the F.A. & CAO Northern Railway on 31-12-1963. That Railway has been sent the EDR back to this organisation for arranging payment direct to the claimant as it relates to the contractor's claim and not that of the Railway Staff. The claimant has not sent the "No Demand Certificate" despite repeated reminders. The claimant has again been requested by a registered A.D. communication which has been delivered to him on 24-1-1969 and no reply has so far been received from him.
6.	-do-	Ind/1655/COO/Cont/IAA	Rs. 1020/-	The claim for carrying out additions and alterations to goods platform was sent to the Government of Pakistan which was rejected by them. The rejection report was sent to the F.A. & CAO Northern Railway, New Delhi in 2/1965 who raised certain objections about the rejection report. The case has therefore been reopened and taken up again with the Government of Pakistan, for reconsideration, who have, in turn taken up the case with the concerned verifying authorities in Pakistan.

APPENDIX X

(See para 10.2 of the report)

Representations inadmissible as petitions—List of representations, on which the Committee's intervention has procured speedy, partial or complete relief or elicited replies meeting adequately the petitioners' points :—

PAR. I—Cases pertaining to the Ministry of Labour, Employment and Rehabilitation (Department of Rehabilitation).

Sl. No.	Name of petitioner	Brief Subject	Facts pursued by the Committee
1	2	3	4
THIRD LOK SABHA			
	Shri Choithram Bhimantas, Yeotmal.	Disposal of an appeal alleged to have been filed against the order dated 13-9-56 of the Regional Settlement Commissioner, Nagpur, re : Verification of claim for properties left in Sind.	It has been decided to re-open the case after treating the representation from the applicant as a revision against the order of the Regional Settlement Commissioner, Nagpur, as the original appeal is not traceable. This case has been referred to the authorised Chief Settlement Commissioner for disposal according to law.
2.	Shri Kotumal Anumal, Ahmedabad. (Fact further to those appended at item 2, page 36, Appendix III-Third Report of the Committee, Fourth Lok Sabha)	Issue of sale deed of property No. 724/1, Ambawadi, Sardarnagar, Ahmedabad.	The Regional Settlement Commissioner, Bombay, to whom the matter was referred has reported that out of the shortfall amount of Rs. 816.10 paise Shri Kotumal has deposited Rs. 528.50 Paise in cash by challan dated 4-12-68, leaving a balance of Rs. 287.50 Paise. His contention regarding rent arrears to be charged upto 31-10-53 has not been accepted because the claimant was the father of the applicant and not the allottee himself. The Asstt. Settlement Commissioner passed the order that rent arrears should be charged up to 30-9-55. The applicant is entitled to the refund of Rs. 105.75 paid by him in excess and not Rs. 393.25 P. as claimed by him. In the circumstances, the conveyance deed

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can be issued only after he makes good the shortfall of Rs. 287.50 P. to cover the full cost plus interest, otherwise property will be resumed and disposed off. The applicant is also being informed of the position accordingly.

3 Shri Ramchand Kewalram, President, Sindhi Panchayat, P.O. Vidisha, Gwalior (M.P.).

Cancellation of allotment of Nazul land.

Shri Ramchand Kewalram has since made a request to the Managing Officer, Agra, on 10-4-69, that the sale should not be cancelled and the sale deed may be issued in his favour for the property purchased by him. In the circumstances, question of cancellation of sale does not arise. Necessary instructions have been issued to the Assistant Settlement Commissioner In-charge, Lucknow, and the Managing Officer, Agra, to finalise the case accordingly.

4 Shri Gordhandas Sojhrmal, Nagpur.

Payment of Compensation for claim assessed for Rs. 7,200/-.

The representation was originally made by Shri Gordhandas, who subsequently expired and his son Shri Tikamdas was declared sole successor in interest in place of his deceased father. The final payment was, therefore, made to Shri Tikamdas Gordhandas in Feb. 69 and receipt obtained from him in token of having received the payment. Hence, the claimant in question has been paid the entire compensation against all the verified claims and the case may please be treated as finalised.

5 Shri Dulhadinomal Dharanddas, B-86, Kuber-nagar, Ahmedabad.

Issue of sale deed in respect of tenement No. B-86 Kuber-nagar Ahmedabad.

Regional Settlement Commissioner, Bombay to whom the matter was referred, has reported that the conveyance deed in respect of tenement No. B-86, Kuber-nagar, was issued to the allottee on 16-1-69. Hence the case may please be treated as finalised and deleted from the list of pending cases.

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FOURTH LOK SABHA

- 6 Smt. Lali Bai Lilumal, Nagpur. (Facts further to those appended at item 10—page 41, Appendix III—, Third Report of the Committee, Fourth Lok Sabha.
- Erroneous deduction of Rs. 1,115.50 instead of Rs. 676.00 from the Compensation Application Form.
- The case of Smt. Lalibai Lilumal of Nagpur has been examined in consultation with the Asstt. Settlement Commissioner I/C., Bombay. He has reported that the rent arrears amounting to Rs. 1,115.50 upto 30-9-1955, have been correctly charged. The record shows that the tenement for which rent has been charged, had been allotted to Shri Sadhumal (S/o Smt. Lalibai Lilumal). Shri Sadhumal was a "non-claimant" and had paid the initial 1/5th of the cost of the property on 17-6-1959 since the allottee purchased the tenement as the non-claimant and also paid 1/5th of the Cost. Before 31-10-1959 in accordance with the Rules, the rent arrears were recoverable upto 30-9-1955 and not upto 30-10-1953. Accordingly, a sum of Rs. 1,115.50 on account of rent arrears payable upto 30-9-1955 was adjusted from the C.A.F. of the applicant (mother of the allottee) from the compensation of Rs. 2,375/- payable to her, and the balance amount of Rs. 398.50 was adjusted towards small urban loan.
- 7 Shri B.B. Wadhvani on behalf of S/Shri Hundraj & Dayaldas, Chembur, Bombay.
- Settlement of claim bearing index No. S/HB-15/534
- Shri Lal Chand had filed a claim as *Karta* of the Joint Hindu Family, consisting of himself and his brothers/ S/Shri Hundraj and Dayaldas, claiming an area of 105 acres 31½ ghuntas. The case came up for verification before the Claims Officer, Shri Ramchand L. Mansukhani who issued notice to the claimant. In response to the same, the claimant had put in an appearance and deposed that originally his father held 12 annas share in survey numbers shown in the list claimed by him, and that his father sold 4 annas share in the year

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1940. According to him his father was not alive. He further stated that he relied on true copy of the registered sale deed of the year 1940, according to which the survey numbers in question actually stood in the name of the following persons in the record of rights :

1. Claimant's father.. 6 annas share.
2. Claimant's uncle Mangharan.. 2 annas share
3. Gobind Singh.. 8 annas shares

Shri Gobind Singh had sold his 8 annas share to one Shri Sant Singh and the Claims Officer examined the claim file bearing index number S/HB-4/319 of Shri Sant Singh and found that Shri Gobind Singh actually sold his 8 annas share in bulk of survey numbers *vide* registered sale deed of the year 1944.

The Claims officer *vide* order dated 7-1-53, held that the claimants were entitled to only 2 annas share, and therefore allowed them 26 acres 17-7/8 ghuntas.

Subsequently, on receipt of revenue record from Pakistan the case was taken up in *suo motu* revision by the Addl. Settlement Commissioner, Shri Bir Bal Malik, who *vide* his order dated 18-9-61 reduced the assessment to 4 1/2 ghuntas only. The order was passed after hearing the claimant who stated that he had no documentary evidence except the one produced before the Claims Officer. That document was not given preference to the revenue record received from Pakistan.

Being dissatisfied with the above order, the claimant filed a representation which came up for hearing before

the authorised Chief Settlement Commissioner Shri Gulab L. Ajwani, who *vide* order dated 19-12-63 rejected the same on the ground that the notice issued to the claimant was received back unserved and the petitioner was not keeping in touch with the Department.

When the claimant came to know of this order, he filed a review petition.

The case was taken up for review by the authorised Chief Settlement Commissioner, Shri N.P. Jaisinghani who issued notice to the claimant and in response to the same Shri Bhojraj Bulchand Wadhwani appeared on behalf of the petitioner and produced copy of the *parcha chhant* obtained officially from office, according to which Shri Lalchand, Hundraj & Dayaldas were shown owners of 2 annas share each in certain survey numbers. It was, therefore, urged by the attorney that since the revenue record supported the claimants to certain extent, they should be allowed at least that much area which was shown in their names and which was apparently more, than what has been allowed by the Claims Officer.

All the points raised by the attorney of the petitioners were considered by the authorised Chief Settlement Commissioner, who *vide* his order dated 20-7-65, held that some mistake was apparently committed in assessing this claim in as much as although Shri Lal Chand had filed the claim for self and on behalf of his brothers/S/Shri Hundrai and Dayaldas, yet the claim was assessed for 2 annas share of Shri Lalchand only, he, therefore, allowed $12\frac{3}{4}$ ghuntas instead of $4\frac{1}{4}$ ghuntas allowed by the Additional Settlement Commissioner, while he con-

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firmed the rest of the order. As regards the copy of the *parcha chikani* produced by the attorney of the petitioner, he concluded that all the survey numbers shown in the extract were not claimed by the petitioner and therefore, they could not be given credit for the same.

It is thus evident that the petitioner has already exhausted all the judicial remedies opened to him under the Law, and all the points raised were judicially considered by the authorised Chief Settlement Commissioner.

The order of the authorised Chief Settlement Commissioner is final and no representation lies against that order.

8. Shri Madhu Sudan Request of D.Ps. in
Sarkar and others, Theruveli Camp for
Theruveli. transfer to Dandka-
ranya Project for re-
settlement on land.

The Department has sanctioned schemes for small scale industries for the rehabilitation of displaced persons from East Pakistan living in Theruveli and other Camps in Orissa State. These schemes are being administered by the Orissa Agro and Small Scale Industries Corporation Ltd. Under the existing policy, these immigrants who have already been employed in industry cannot be considered for any other rehabilitation assistance.

The request of the petitioners is that they should be rehabilitated on land in Dandakaranya as their wages are very low. The matter is already under correspondence with the Govt. of Orissa. According to the information furnished by the State Govt., the number of such migrants at Theruveli is 39.

These families have been rehabilitated under the Small Scale Industrial Schemes sanctioned by the Deptt. of Rehabilitation. Under the existing policy, the displaced persons who have

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already been employed in industry cannot be considered for any other rehabilitation assistance. Their grievance is that as the wages paid to them are low, they may be sent to Dandakaranya Project for resettlement on land. The matter has been carefully considered and it has been decided that since they are getting to the prevalent rate in the area and have already been given rehabilitation opportunity, it will not be desirable to shift them at this stage either to any other occupation or other rehabilitation site.

In this connection, it may be stated that similar representation was received earlier also in 1967, through the Relief and Rehabilitation Minister, Govt. of West Bengal. It was then decided at Minister's level that it would not be in the interest of rehabilitation programme to send them to any other agricultural rehabilitation site.

9(a)	Shri Gerumal Relumal, Amravati.	Compensation case bearing Regd. No. CAF NO. M/A/A/81/XXI(L)	Adjusted towards loan due Dues————— Rs. 6,651.07 Balance payable————— Rs. 503.31
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The bill for issue of statement of accounts has been prepared and sent to Accounts Officer, Bombay.

9(b)	Shri Lekhumal, Amravati.	Compensation case bearing Regd. No. CAF No. M/A/A/82/XXI(L)	Adjusted towards loan dues. Rs. 6,810.89 Balance payable Rs. 343.31
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The notice for receiving the payment was issued to the claimant but the same was received back undelivered. Another notice was issued to appear on 5th May, 1969, but the claimant did not appear. Payment for this amount will be made to him as soon as he attends the office of ASC I/C, Bombay.

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10	Shri Dulahnamai Jangmal, H. No. 898, Rui Ki Mandi, Agra.	Settlement of claim for compensation.	The amount of Rs. 3124.61 has been adjusted from Compensation Application Form No. UP/MPH/104 and 601 of Shri Chetan Das, associate <i>vide</i> Bill No. A3082/4. The amount of Rs. 2,441/- has also been adjusted from Compensation Application Form No. UP/K/2241 of Shri Khem Chand, associate <i>vide</i> Bill No. 3695/3. The recovery schedules in respect of both these adjustments have been sent to the Managing Officer concerned.
11	Shri Naumal Ramchand C/o J.B. Mangharam & Co., (Cream Deptt.) P.O. Residency, Gwalior-5. (M.P.)	Finalisation of CAF No. MB/G:279 XXIL.	The case has been finalised by way of adjustment towards loan and the statement of account for the balance amount of Rs. 420.35. The applicant has been asked to collect the said statement of account.
12	Shri Madhusudan Sarkar and others Theruvelli. (Included as item 6 of List XIV).	Request of Des. in Theruvelli for transfer to Dandakaranya Project for resettlement on land.	<p>These families have been rehabilitated under the Small Scale Industrial Schemes sanctioned by the Department of Rehabilitation.</p> <p>Under the existing policy, the displaced persons who have already been employed in industry cannot be considered for any other rehabilitation assistance. Their grievance is that as the wages paid to them are low, they may be sent to Dandakaranya Project for resettlement on land. The matter has been carefully considered and it has been decided that since they are getting wages according to the prevalent rate in the area and have already been given rehabilitation opportunity, it will not be desirable to shift them at this stage either to any other occupation or other rehabilitation site.</p> <p>In this connection it may be stated that similar representation was received earlier also in 1967, through</p>

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13	Shri Kishan Chand Fateh Chand C/o Preetam Boot House,Opp.Dena Bank, Dadar, Bombay-28.	Failing of R.G. application by Shri Kishan Chand Fateh Chand on 30-6-58.	<p>the relief and Rehabilitation Minister, Government of West Bengal. It was then decided at Minister's level that it would not be in the interest of rehabilitation programme to send them to any other agricultural rehabilitation site.</p> <p>The position of the case is that the applicant had not filed any rehabilitation grant application under D.P. (C&R) Rules 1955, as alleged. However he had filed compensation application on 30-6-58 which was rejected as no claim stood verified in his favour.</p>

PART. II—Cases pertaining to Ministries/Departments other than the Department of Rehabilitation, Ministry of Labour, Employment and Rehabilitation

Sl. No.	Name of petitioner	Brief Subject	Facts perused by the Committee
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FOURTH LOKSABHA

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|---|---|---|---|
| 1 | Shri R.P. Ved, Bombay. | Suggestions for promotion and recruitment to posts in Textiles Committee, Bombay. | [Foreign Trade & Supply (Textile A Section)]
The matter was referred to the Textiles Committee, Bombay, for their parawise comments. Their comments have now been received here in this Ministry <i>vide</i> their letter No. 15/11/69-AD, dated the 26th April, 1969, a copy of which is attached herewith. (See annexure I). This letter is itself fully explanatory and contains factual information on the points raised in the representation. |
| 2 | Shri N.D. Malhotra Section Officer (Retired), CPWD, Kalkaji, New Delhi. | Delay in settlement of pension etc. | [H. & F.P. & W.H & U.D. (Works Dn)]
Shri N. D. Malhotra was appointed as Section Officer by the Chief Engineer (now Engineer-in-Chief) Central P.W.D., on 20th Nov., 1947 A.N. in a temporary capacity. He was subsequently confirmed in the grade of Section Officer with effect from 16-2-1957. Shri Malhotra attained the age of 55 years on 31-12-1962. His case for continued retention in Government service was reviewed in the light of Ministry of Home Affairs Office Memorandum No. 33/18/62-Estt (A) dated 30-11-62 and he was served with three months' notice by the Superintending Engineer, Bombay Central Circle, Central P.W.D., Bombay <i>vide</i> his Notice No. E-8(255)/499 dated 21-3-1963, requiring him to retire from Government service. That notice was challenged by Shri Malhotra in the court, and he filed a regular suit against the Government. On the advice of the Central Government Pleader in Bombay, a fresh notice dated 23-7-1963 was served |

on Shri Malhotra on 27-7-1963 over the signatures of the Chief Engineer (now Engineer-in-Chief), Central P.W.D. retiring him from Government service on the expiry of three months.

Shri Malhotra moved the City Court at Bombay against the second notice and secured an injunction restraining the Government from acting upon, executing or carrying out the notice of the Chief Engineer (now Engineer-in-Chief), Central P.W.D., and from denying Shri Malhotra his normal duties and functions of Section Officer of the Central P.W.D. and all other benefit as such. The said injunction was got vacated on 12-2-1964. While vacating the injunction the court made the following orders:

"Upon the defendant agreeing to allow the plaintiff to continue to occupy the Government quarters at present in his occupation pending the disposal of the suit, the hearing of which is expedited, provided the plaintiff pays rent rates, taxes and charges as may be assessed by the Estate Manager, Government of India Estate, Bombay, no order on the motion save and except that the costs of the plaintiff and of the defendants of the motion be costs in the cause. Order of interim injunction is vacated."

In compliance with the orders of the court Shri N.D. Malhotra was allowed to continue in occupation of the quarters allotted to him. Shri Malhotra, however, did not show any inclination to vacate the quarters even after attaining 58 years of age and as such the Superintending Engineer, Bombay Central Circle, moved the Court to lift the orders issued by it. As far as the question of accommodation was con-

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cerned, Shri Malhotra contested the application in the Court on the grounds that he was a Scientific Officer and was entitled to remain in Government service upto the age of 60 years. However, the notice of Motion taken out by the Department for relieving the Government of the agreement recorded in the order dated the 12th February, 1964, came up before the Honoured Judge, Shri Hat-tangadi on the 15th April, 1966. The Learned Judge was pleased to make the notice of motion absolute and vacated the orders dated the 12th February, 1964 *in toto*. Accordingly the Estate Manager ordered the eviction of Shri Malhotra after due process of Law. Shri Malhotra even then moved the Court of Law and obtained an interim injunction against the order of eviction. The Court case was contested and finally the Court ordered that Shri Malhotra should vacate the quarters.

The suit filed by Shri Malhotra against the Union of India has not yet been decided by the Court and as such the question in regard to the date of his retirement on expiry of three months' notice issued by the Engineer-in-Chief is sub-judice. Prior to joining the Central P.W.D., Shri Malhotra worked with the Corporation, City of Lahore from 1-7-1937 to 21-9-1947 under the undivided Government of Punjab and a lot of correspondence and representations were made by the Sectional Officer for counting that service towards the pension but he was informed that that service could not be reckoned as qualified. Shri Malhotra instituted legal proceedings in the City Court at Bombay claiming

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the benefits of past service for pensionary benefits. This suit too has not so far been decided by the Court.

The suit filed by Shri Malhotra having not been decided, it was felt that it was not possible to reckon the date of retirement and to proceed with the settlement of pensionary dues lest it should be deemed as contempt of Court. However, in August, 1967, the case was again referred to the Ministry of Law, who advised that the Department could calculate the dues of Shri Malhotra taking the date of retirement on the basis of the last notice provided there was not interim order passed by the Court which deters the Department to find out the amount of pension etc. They further added that in case the suit is decided otherwise, the dues could be recalculated. The Superintending Engineer, Bombay Central Circle Central P. W. D. Bombay was accordingly requested in April, 1968 to finalise the pension case of Shri Malhotra. In reply, the Superintending Engineer stated that Shri Malhotra worked as Section Officer in his Office upto the date of vacation of the injunctive *viz.* 12-2-1964 and as such, it was doubtful if the benefit of service upto the date could be denied to Shri Malhotra. The Superintending Engineer felt that the date of Shri Malhotra's retirement should be reckoned as 13-2-1964 fore-noon. On the advice of the Junior Counsel, Central P.W.D., the Superintending Engineer, Bombay Central Circle, Central P.W.D., Bombay was asked in January,

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1969 to proceed with the case of Shri Malhotra, taking the date of retirement as the date on which the 3 months' Notice served on him last expired, i.e., 27-10-1963 forenoon.

A disciplinary case is also pending against Shri Malhotra and therefore, final pension cannot be sanctioned to him. The Superintending Engineer, Bombay Central Circle, Central P.W.D., Bombay, was, therefore, requested to sanction provisional pension under article 351-B of C.S.R. The Superintending Engineer has now intimated that provisional pension of Rs. 53/- per mensem has since been sanctioned to Shri Malhotra. The position has also been explained to Shri Malhotra by the Engineer-in-Chief, Central P.W.D. in his letter dated the 11th march, 1969.

Efforts are made to finalise the pension cases of Government servants as expeditiously as possible according to the instructions on the subject. But in the case of Shri Malhotra, as the court case is still undecided and a disciplinary case is also pending against him the pension case cannot be finalised.

Note: As the matter is *sub-judice*, the matter may be treated as closed and petitioner advised to correspond direct with the authority concerned.

3. Illegible

Exemption of dry farming, wheat, rice and staple foods from Wealth-tax.

[Finance (T.P.L. Section)] It is stated in the petition that agricultural income is uncertain because of drought, floods, etc. and that farmers are illiterate and do not maintain accounts. According to the petitioner, a cess could be levied on water used for farming and tax charged on sugar-cane, orange, grapes and groundnuts cultivations. The

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Petitioner has, therefore, urged that dry farming, wheat, rice, arhar, staple foods sown should be exempted from wealth-tax on agricultural lands.

So far as taxes on agricultural income are concerned, under Entry 46 of the State List (List II of the Seventh Schedule to the Constitution), these can be levied only by State legislatures. Agricultural income is wholly exempt from Central Income-tax.

In regard to Wealth-tax chargeable under the Wealth-tax Act, agricultural property has so far been exempt from that tax. However, under the amendments made to the Wealth-tax Act by the Finance Act, 1969, the levy of wealth tax is being extended, with effect from the assessment year 1970-71 to agricultural land owned by individuals and Hindu undivided families. The value of growing crops including fruits on trees, grass on agricultural land and also the value of agricultural tools and implements, e.g. tractors, have been specifically exempted from wealth-tax. The value of a residential house situated in a place with a population of not more than 10,000 persons is already exempt from wealth-tax. An urban residential house (situated in a place with a population exceeding 10,000 persons) is exempt from wealth-tax upto Rs. 1 lakh in value.

Further, a separate exemption upto an amount of Rs. 1,50,000 (less the exemption availed of in respect of an urban residential house) has been provided in respect of the value of agricultural land. This exemption is in addition

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to the general exemption of the first Rs. 1 lakh of the net wealth in the case of individuals and Rs. 2 lakhs in the case of Hindu undivided families. Thus, a farmer owning agricultural land worth Rs. 2½ lakhs and having no urban residential house will not be liable to pay wealth-tax. Where the agricultural wealth in such a case exceeds 2½ lakhs, the excess upto Rs. 4 lakhs will bear wealth-tax at 0.5% only. Thus, even in the case of rich farmers, the incidence of wealth-tax will be moderate.

From the forging, it will be seen that genuine agriculturists of moderate means will not be liable to wealth-tax.

4. Mrs. A. Chellammal, Madras. Grant of National Loan Scholarship sponsored by Government of India to Shri D. Mathivanan

Mrs. A. Chellammal had applied for a National Loan Scholarship for her son Mr. Mathivanan on the basis of S.S.L.C. Examination 1968-69 to the State Government of Tamilnadu. He secured 339/600 marks. Under the rules and regulations of the National Loan Scholarships Scheme, the administration of which is done by the respective State/Union Territory Administration, any student is eligible to apply for an interest free loan provided he has secured 50% or more marks in the examination for which the allocation of awards is made. The selections are made strictly on the basis of the marks obtained by the students who have applied for a scholarship. The quota of awards is allocated to all the States/Union Territories on the basis of their population. Within States it is further distributed on the basis of number of students appeared in the year

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preceding to the year of award.

The Directorate of Education, Tamil Nadu who is administering this scheme in that State has intimated that the last student selected on the basis of the Merit of the applications received in their office for S.S.L.C. has secured 433/600 marks and that all persons below this mark have not been selected.

The whole position has been explained to the Minister of Education on 3-1-1969 in response to Mrs. A. Chellammal's representations to Hon'ble Minister of Education. She has been informed several times that her son cannot be considered in view of the above position. She has been requested several times to apply next year again and there is no possibility of relaxation or amendment in the existing rules for the present. But she in spite of repeated instructions continued to submit petitions after petitions. Now it appears she has started writing to the Speaker. As her son's case has been very sympathetically considered and rejected strictly according to the rules nothing can be done now.

5 Shri S.K. Sinha ; Assistant Engineers' office, Southern Eastern Railway District Chhindwara.

Settlement of claims registered with the Custodian of Enemy Property for India at the time of Indo-Pakistan conflict in September, 1965.

[Foreign Trade & Supply (D. of F. T.)]
The Custodian of Enemy Property, Bombay had invited claims from Indian Nationals who suffered loss of, or damage to, their properties as a result of Indo-Pakistan conflict in

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September, 1965. This information was sought for compiling records of such losses for preferring them with the Government of Pakistan as and when talks could be held with that Government for the settlement of such claims on either side. While inviting such claims, the Custodian had made it explicitly clear that the registration of claims with him would not constitute an acknowledgement of the right of any party to recover any compensation in this regard. The Government of India have been urging the Government of Pakistan to agree to a settlement of these claims in the spirit of Tashkent Agreement, but that Government have not so far reacted favourably to this offer. Till some decision is reached between the two Governments, it would not be possible to decide about the compensation to be given to Indian nationals who have suffered such losses. In spite of this, the matter of giving compensation in such cases is being considered separately in consultation with the Ministries of External Affairs, Finance and Deptt. of Rehabilitation.

- 6 Shri Jagdeo Jeswara, Calcutta-2. Loss of Calcutta G.P.O. Insured letter No. B-179 dated 6-10-66 for Rs. 100/-.
- [Directorate General of Posts and Telegraphs (Complaints Sec.)]
- A sum of Rs. 100/- being the compensation of the article in question was sanctioned by P.M.G. Calcutta and the amount paid to the sender of the article on 31-10-68.
- 7 Shri Sham Damji Chamsi & Co., Bombay. Claim for compensation—230 bags of Gulabi Gram booked ex. Bilaspur to Wadi Bunder.
- [Railway Board]
- Initially, the consignee preferred a claim for the value of Rs. 41,000 for total non-delivery of the consignment. Later when the goods were

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received and delivery on assessment of damages was granted by the railway, without prejudice to its rights, the claimant reduced the amount of compensation claimed to Rs. 4,705.48 p.

The Central Railway administration initially repudiated the claim.

On receipt of the complaint addressed to the Committee on Petitions, the case was reviewed by the Central Railway. It was found that the initial repudiation of the claim was not in order. Taking into account the loss likely to have been sustained by the owner of the goods, compensation amounting to Rs. 3,500 was sanctioned. The claimant however accepted payment under protest insisting that they would treat it as part payment, and applied for payment of the balance amount.

The case is now under review, in view of the further protest made by the claimant. As soon as the matter is finalised, a further communication will follow.

8 Shrimati Protima Sarkar, 4/2, Paramansha Deb Road, Calcutta-27.]

Derequisitioning of house taken over by the Defence authorities plot No. 235, Block 'J' New Alipore Scheme, Calcutta.

[Ministry of Defence]

An area of 41.52 acres pertaining to Shahpur Camp Calcutta was requisitioned during World War II from M/s Hindustan Cooperative Insurance Society, predecessors in title of the Life Insurance Corporation of India who are the present owners of the land. Out of the area of 41.52 acres, the Army is at present in possession of a little more than 18 acres while the remaining land is under encroachment. The area in the possession of the Army is utilised for defence purposes, while the remaining

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area is proposed to be de-requisitioned as soon as feasible. For this purpose, a decision has been taken to derequisition the plots encroached upon in respect where of the owners give an undertaking not to insist on vacant possession and claim compensation/ damages for restoring the properties to its original condition. after this is done, the matter regarding derequisitioning the remaining land under encroachments is proposed to be processed further.

The plot in question claimed by Smt. Sarkar forms a part of the above mentioned shahpur camp. The Life Insurance Corporation of India who are the present owners of the land under requisition have declined to accept the release of the land along with the encroachment. According to the information received by us, the plot in question falls within the area which is encroached upon. It is however, difficult to identify the plot at site and to say definitely that it is in the physical occupation of encroachers.

In view of the position stated above, we are advising Smt. Sarkar to approach the Life Insurance Corporation of India to give their consent that in case the Defence authorities derequisition the area pertaining to the plot, they would agree to accept such derequisition and convey the plot to her. The Life Insurance corporation of India will further be required to agree that on derequisitioning the area included in the plot, they are agreeable to give proportionate aban-

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tement of rentae compensation in respect of the requisitioned land. If there are any constructions put up by the Defence Ministry on the plot in question, the Life Insurance Corporation of India will also have to agree not to claim any terminal compensation under Section 8(2) (b)(iv) of the RUIP Act, 1952 in respect of the plot.

9. M/s. Kundanmal Mukkanmal, 384-B, Kalbadevi Road, Bombay-2.

Claim for compensation due to shortage on delivery of Kardi Seed Oil booked Ex. Aligarh to Wadi Bunder.

[Ministry of Railways, Railway Board]

This is a case where the complainant claimed compensation for partial shortage.

In a consignment of Hardi Oil booked from Aligarh to Wadi Bunder in March 1966. The oil was packed in barrels. There were in all 22 barrels and, at the time of delivery at destination, 10 barrels were in defective condition. The shortage from these 10 barrels was assessed and a certificate accorded to that effect, while granting delivery. The certificate also indicated that the barrels, as seen at the time of delivery were old, dented and rusty. Even at the time of booking the barrels were found to be old and dented and this position is on record on the receipt granted at the time of acceptance of this consignment for carriage. According to the packing condition applicable in this case the barrels in which oil is filled should not be to be ignored. It is the party's contention that since the RR did not contain any positive remarks to the effect that the barrels were leaky at the time of booking, the mention of dented barrels in the RR would not protect the railway from liability to pay com-

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compensation for the shortage. In other words it is his contention that though dented, the barrels were otherwise in sound condition and the leakage cannot be attributed to the defective condition of container as at the time of booking.

As mentioned above, the existence of appropriate remarks on the RR itself and the certificate as to the condition of the barrels as at the time of delivery are enough evidence to show that the barrels were in unsound condition even at the time of booking.

The transit particulars of the consignment have also been examined. The wagon carrying this consignment reached Tundla two days after the date of despatch from Aligarh. As the wagon was found with body cuts, the contents were transhipped at Tundla into another wagon. At that time no deficiency or leakage as such was noticed. The message sent by the Station Master, Tundla, clearly shows that the barrels were old and dented and leakage during further transit was possible. At the next junction *viz.* Itarsi where the consignment was dealt with, one of the barrels was found in leaky condition. By the time it reached Igatpuri seven barrels were noticed in leaky condition. It is significant to note that in all these cases the leakage was from burst joints of the barrels.

In the light of what is mentioned above, it is the considered opinion of this Ministry that the repudiation of the claim by the Central Railway administration was quite in order.

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10.	M/s. Ranchi Flour Mills, Ranchi.	Reduction of modification of power requirements by Bihar State Electricity Board.	<p data-bbox="656 244 939 288">[Department of Food (Flour Mills Section)]</p> <p data-bbox="656 305 939 487">The monthly wheat quota of M/s. Ranchi Flour Mills, Ranchi was fixed on a regular basis towards the 3rd week of December, 1964 and the allocations of wheat to this mill have been made since January, 1965.</p> <p data-bbox="656 505 939 1107">The size of allocation of wheat to each mill depends on over-all allocations to the States in which the mill is located and the relative importance of the needs of the flour mills within the State and the needs for distributions of wheat as such through fair price shops in that State. It varies from month to month. A statement showing allocations of wheat made to Ranchi Flour Mills, Ranchi since January, 1965 to February, 1969 month by month is placed below from which it will be observed that M/s. Ranchi Flour Mills Ranchi received allocations varying from 407 tonnes in November, 1965 to 1575 tonnes in August and September, 1968 which works to 17.3% and 66.6% respectively of their basic monthly wheat quota.</p> <p data-bbox="656 1124 939 1263">The Roller Flour Mills in the country are prohibited for making purchases of Wheat from the Market and have to depend from for supplies from the Central Stocks.</p> <p data-bbox="656 1272 874 1295">[Irrigation and Power]</p> <p data-bbox="656 1303 939 1498">Any reduction or modification of the contract demand for supply of electrical energy to a consumer is a matter which comes entirely within the competence of the State Electricity Board. However, the matter was</p>

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taken up with the Bihar State Electricity Board and a copy of the reply received from them is enclosed for information which is reproduced below :

From enquiries made it appears that there is no justification for reduction in contract demand of messers. Ranchi Flour Mills as the same was recorded as 301 KVA in the month of April, 1967 against a contract demand of 300KVA. As regards the relief under clause 13 of the H.T. Agreement, the matter is under active consideration of the Board and the decision taken in the matter will be communicated to them shortly.

- 11 Shri Harbans Singh Tyagi, 9-E, Rajpur Road, Delhi—6 Affairs of the Indian Iron & Steel Company Ltd. [Industrial Development, Internal Trade and Company Affairs—Company Affairs]
- The Indian Iron and Steel Company Limited submitted in August 1952, a scheme to the Government for increasing its output of steel; the scheme involved importation of heavy plant for which a large sum of foreign exchange was required. The Government made a recommendation to the International Bank for Reconstruction and Development for making available the requisite loan in foreign exchange. The International Bank informed the company through the Government, that the requisite loan would be made available provided certain conditions were fulfilled; one of the conditions was that the Steel Corporation of Bengal Ltd. should be merged with IISCO before the

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end of 1952 so as to bring about an integrated and a viable steel unit. In the context of the difficulties confronting the company in fulfilling the legal requirements with regard to the proposed merger within the time limit allowed by the Bank, the Government decided to lend a helping hand and issued the Indian Iron and Steel Companies Amalgamation Ordinance, 1952, on the 29th October, 1952, in terms of which SCOB was to be merged with IISCO as from the 1st January, 1953. The Ordinance, *inter alia*, fixed the ratio in which IISCO was to offer its shares to the shareholders of SCOB. The Ordinance was subsequently replaced by an Act of Parliament passed on the 29th December, 1952.

Since the incorporation of SCOB, IISCO was holding 11 lakhs ordinary shares of Rs. 10/- each of SCOB. The terms of the merger envisaged the replacement of the 11 lakh SCOB shares by IISCO shares in the proportion of 4 IISCO shares for every 5 SCOB shares. Since a company could not hold its own shares, the IISCO entered into an agreement with Dalhousie Holdings Ltd. on 6th December, 1952 for the sale of these shares to Dalhousie Holdings at an agreed price of Rs. 20 per shares. IISCO had, however, the option to call upon Dalhousie Holdings, before the delivery of the shares, not to re-sell the shares, by mutual agreement, for a period of five years; in such an event, the purchase price was to be the net proceeds of resale which would be payable within three days of the receipt of the resale

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price, less 1% commission to be retained by the purchaser. Further, in the event of IISCO exercising the option, all dividends declared from time to time would have to be paid over to or retained by IISCO until such time as the shares were resold, all taxation liability on such dividend being borne by IISCO. The dividend on SCOB shares upto 31st December, 1952 was in any case to be retained by IISCO.

On 23rd December, 1952,* a suit was filed in the Calcutta High Court in the name of IISCO by 6 shareholders of IISCO for themselves and as representing the other shareholders of IISCO against Dalhousie Holdings and 8 directors and shareholders of IISCO challenging the validity of the agreement and the transfer of 11 lakh shares of SCOB to Dalhousie and alleging that the transaction was not *bona fide*. On 4th February, 1963 Justice Bose delivered a judgment, upholding the validity of the agreement. An appeal was filed against this judgment. The appeal was heard by a Division Bench of the Calcutta High Court consisting of Shri Justice P. B. Mukherjee and Shri Justice Bachawat (now in the Supreme Court) the decision of the lower Court was upheld.

The Appellate Court held, *inter alia* that :

- (a) IISCO did not buy its own shares on 6-12-52 or on or after 1-1-53 ;
- (b) Even Dalhousie was not purchasing the shares of IISCO on or after 1-1-53. The word "purchase" in section 54A(1) of the Indian Companies Act, 1913,

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cannot be appropriately applied to the compulsory substitution of shares by the special Statute :

- (c) Dalhousie is not a nominee or a mere trustee of IISCO in respect of SCOB's shares and the acquisition by Dalhousie of IISCO shares in lieu thereof was not an acquisition by IISCO ;
- (d) Even if the compulsory substitution of SCOB shares by IISCO shares be regarded as purchase by IISCO of its own shares through the medium of Dalhousie, such purchase is lawful ; compulsory substitution or purchase is lawful though the consequence may be reduction of capital ; and
- (e) The Court did not find any proof to support the charge of *mala fide* on the plea that the sale transaction was a cloak to enable the directors to keep intact their voting rights on these shares.

As a consequence of the merger of the two companies as from 1st January, 1953, IISCO allotted 8,80,000 equity shares to Dalhousie in lieu of the 11 lakh equity shares of SCOB. On 12th March, 1957, IISCO issued rights shares at a premium of Rs. 3.50 per share in the proportion of one rights shares for each equity share held. As such, Dalhousie subscribed for 8,80,000 rights shares of IISCO. It is stated that Dalhousie had an over-draft arrangement with National Bank of India by pledging the original as well as the rights shares of IISCO, which enabled it to finance the purchase of the

rights. Dalhousie then came to hold 17,600,00s equity share of IISCO.

In terms of the agreement dated 6th December, 1952 the time limit for selling the shares of IISCO held by Dalhousie was to expire on 6th December 1957. Dalhousie allegedly found it difficult to unload these shares in small lots at reasonable intervals of time. By its letter dated 4th December, 1957, Dalhousie seems to have informed IISCO of its inability to resell the original shares in fulfilment of its obligations under the agreement. This led to the question of realisation of the sale proceeds of the original shares by IISCO. On 18th December, 1957, a Deed of Trust was executed by Dalhousie with the consent of IISCO, by which the legal ownership of both lots of shares (original and rights) was transferred to the Trustees.

The original trustees were S/s. J. S.F. Gibb, A.M.S. Fergie. A.H. Just and K.J. H. Hartley, all Chartered Accountants. The main provisions on the Trust Deed are :

- (a) The Trustees shall as from the date of the Deed stand possessed of the original shares UPON TRUST to sell the same and shall hold the proceeds thereof, after deducting therefrom the costs of and incidental to such sale (including brokerage where payable), any taxes payable arising out of such sale and a commission at 1% on the price at which they may be sold, in trust for the company (IISCO). The commission at 1% so deducted shall be held by the Trustees in trust for the Settler (Dalhousie);
- (b) Subject to the power of the Company and the Settlor to request the

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Trustees, in writing, to postpone the sale, the Trustees shall be at liberty to postpone such sale for such period (not being a period later than 18 years from the date of the Deed) and on such terms and conditions as they may in their absolute discretion think fit without being liable or answerable for any loss which may be occasioned thereby ;

(c) As from the date of the Deed, the Trustees shall stand possessed of the new shares UPON TRUST to sell the new shares (rights) or any of them and to hold the sale proceeds thereof after deducting therefrom costs of and incidental to such sale, including brokerage if any, and any taxes that may be payable and to repay the advances obtained by the Settlor (Dalhousie) from the Bank and any interest thereon outstanding on the date of its repayment ; subject to this, sale proceeds shall be held in trust for the company (IISCO) ;

(d) Subject to the provisions referred to in (c) above, the trustees shall be at liberty to postpone such sale for such period (not being a period later than 18 years from the date of the Deed) on such terms and conditions as the Trustees may in their discretion think fit without being liable or answerable for any loss which may be occasioned thereby. Notwithstanding this power to postpone the sale the Trustees shall sell the new shares if and when requested in writing so to do by the

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company (IISCO) and to the extent and in the manner so requested ;

- (e) Pending the sale of the new shares, the Trustees shall have to the overriding power to borrow such sums as may be required for the purposes of repaying the advances obtained from the Bank by the Settlor and any interest thereon outstanding on the security of a pledge or hypothecation of all or any of the Original and new shares ; the Trustees may repay the amounts so borrowed from out of the sale proceeds of any of the shares whether original shares or new shares ;
- (f) Until the sale of the original and new shares, the Trustees shall collect all dividends which may from time to time be declared and subject to payment of all taxes, costs and expenses of and incidental to the trusts, the trustees shall hold such dividends in trust for the company (IISCO) ; the costs and expenses referred to above include remuneration of the trustees ;
- (g) The Company has indemnified both the Settlor and the Trustees against all taxes payable by both which arise from the presents in the Deed or from the transfer of the shares from the Settlor to the Trustees ;
- (h) The Trustees shall hold shares in the company that may be allotted to them after the date of the Deed by virtue of their being the holders of the original shares or the new shares ; and

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(i) The Trustees shall be entitled to a sum at the rate of Rs. 10,000 per annum as remuneration, for their services as such Trustees ; the remuneration shall be divided between them in such a manner as they decide or, failing agreement, equally.

In November 1958, the Trustees sold 1,89,800 rights shares and reduced the over drafts of Settlor with the Bank to that extent. After the sale, the Trustees held 6,90,500 rights and 8,80,000 original shares. On 28th January 1959, IISCO issued bonus shares in the proportion of 1 : 5 as a result of which IISCO allotted 3,14,100 bonus shares to the Trustees. In May, 1959, the Trustees sold a further lot of 2 lakh shares and paid off the Bank overdraft. Assuming that the 2 lakh shares were from the rights, the Trustees held in August 1959 the following shares : 8,80,000 original shares ; 4,90,500 rights shares and 3,14,100 bonus shares making a total of 16,84,600 shares.

The company has stated that in August 1959, when the Banks' overdrafts were cleared, a scheme for requesting the Trustees to offer the entire lot of 16,84,600 shares to the then existing shareholders of IISCO, was considered. The scheme could not be put through due to doubt as to whether the terms of the Trust Deed could cover such a scheme. Another question which allegedly arose was in regard to the necessity for issuing a prospectus for the purpose. The representatives of the company discussed the matter with the Ministry of Finance which viewed that

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such an offer could be made only if the issue price of the shares conformed to the market price. But the company felt that the adoption of the market rate would make the issue unacceptable to the shareholders. As such, the company had to abandon both the scheme and a draft supplemental Trust Deed which it had prepared for the purpose.

A Supplemental Trust Deed was made on 25th June, 1963 by which IISCO was granted additional power to direct not only the time of resale of shares but also to determine the price and the parties to whom the shares could be sold. This Supplemental Trust Deed, *inter alia* provided :—

- (a) Upon the sale of the remaining shares or any part thereof, the Trustees shall apply the sale proceeds and also all monies in their hands in respect of dividends on original and new shares to (i) repayment of advance obtained by them from the Bank; (ii) payment of costs and expenses of such sale; (iii) payment of commission payable to the Settlor in terms of the Principal Deed; (iv) payment of all taxes which may be levied on the Settlor or the Trustees under the Income Tax Act or Gift Tax Act or Wealth Tax Act or under any other law relating to or arising from the transfer by the company to the Settlor or from the Settlor to the Trustees of both the original and new shares or the execution of the trusts, costs etc; and (v) payment of all other liabilities in connection with the execution of

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the trusts. The Trustees shall hold the balance of the sale proceeds in trust for the company;

- (b) The trustees shall retain in their hands such sum as they may consider sufficient to discharge the liabilities referred to above and shall thereafter pay the balance of the sale proceeds forthwith to the company. If the sum so retained shall prove insufficient to meet the liabilities, the company shall make good the difference between the ascertained amount of the liabilities and the amount so retained by the Trustees;
- (c) The Trustees shall deposit all moneys received by them in connection with the sale of the remaining shares in one or more scheduled banks in Calcutta or elsewhere;
- (d) The Trustees may authorise any person or persons to sell the remaining part of the shares subject to the presents in the original and Supplemental Trust Deeds and may, in particular, delegate to such persons the power to operate any banking accounts to be opened by the Trustees pursuant to (c) above.

IISCO issued bonus shares again in 1967 in the proportion of 1:1. The Trustees are thus at present holding 33,69,200 ordinary shares of IISCO.

Shri R. N. Goenka, who is reported to have acquired a sizable number of shares of IISCO, made certain allegations against the management of IISCO

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challenging the validity of the above mentioned transactions. His main allegations were :-

- (a) that the transactions purporting to sell the shares to the Trustees are illegal ;
- (b) that by these transactions the company has been put to considerable loss in several ways ;
- (c) the transactions have resulted in a great loss to the shareholders ; and;
- (d) the managing agents have been benefited by the transactions.

In support of his allegations, Shri Goenka had made available the opinions given by two eminent counsel S/Shri C. K. Daphtary and M. C. Setalvad.

The Company which was asked to give its comments on the allegations made by Shri Goenka and the points made by the two counsel, has sent a lengthy reply denying all the allegations. In doing so, the company has relied on the opinion obtained by it from two other eminent Counsel, namely, Shri M. C. Chagla and Shri Palkiwala.

The allegations against the management of IISCO challenging the validity of the above mentioned transactions made by Shri R. N. Goenka, who is reported to have acquired a sizeable number of shares of IISCO, the opinions given by two eminent Counsel in support thereof made available by Shri Goenka and the replies given by the company IISCO based on the opinion given by two other eminent counsel, are under examination in consultation with the Ministry of Law.

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12. Shri C. B. Lal Saxena,
174, Betashan Street,
Chawri Bazar, Delhi.

Alleged non-payment
of premia etc. for LIC
policy taken with LIC
Branch Chandigarh.

[Finance—Department of Re-
venue and Insurance]
(Enclosed a copy of letter No.
Int. Camp. P. 6150 dated
26th June, 1969 received
from LIC, Bombay, is
reproduced below).

The above policy is under our table 14 for a term 25 years. The sum assured is Rs. 5,000/-. The date of commencement of policy is 20th April 64. The mode of payment of premium is yearly. From the records, it is found that the policy stands lapsed since 20th April 67 for non-payment of yearly premiums due from that date. On the file a copy of letter dated 20th June 68 addressed to the party by the PHS Deptt. of Delhi D.O. is found and from this letter, it appears that the party had written to our Chandigarh B. Office for revival of the policy and the Br. Office had replied to the party on 6th June, 68. Chandigarh Br. Appears to have asked the Delhi D. O., to supply the names of medical examiners before whom the party should appear for medical examination for consideration of revival of the policy and by their letter dt. 20th June 68 Delhi D. O. has written to the party giving the names of the doctors. After this letter there has been no correspondence from the policy-holder and the letter dt. 12th April 69 from the party forwarded to us by the Zonal Office has been replied by us on 7-5-69. A copy of this letter has been received by our Chandigarh B. O. and they have replied to the party on 17th April, 69 as per copy enclosed. In this letter the party has stated that he has sent a cheque for Rs. 216/- on 25th Sept. 68. From our records we find that no such amount has been

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received by us. The party has also referred to policy No. 24067514 for Rs. 20,000/- taken from the Delhi D.O. It is possible that the party has sent this amount to them.

From the above facts it appears that the party is complaining without any cause of complaint from our side. Even if he had sent a cheque for Rs. 216/- on 25-9-68 in response to our Br. office letter dt. 6-6-68, the consideration amount should have been two yearly premiums at the rate of Rs. 211.85p. each with overdue interest. Further the party has not informed us that the revival of the policy should be considered on the basis of medical report submitted in connection with his policy No. 24067514 taken from Delhi Divisional Office.

13. Shri R.L. Kharti, Chairman, Joint Sub-Committee of widow homes NIT Faridabad.

Allotment of Widow (Department of Social Welfare) Home quarters at Faridabad.

A large majority of the occupants of the Home at Faridabad are no longer regular inmates of the Home but ex-inmates dispersed from the Home according to the rules for management of such Homes. They are ordinarily liable to be evicted from the Home. But keeping in view the law and order problems which might arise after steps were taken to launch eviction proceedings and also due to the fact that eviction would create certain human problems from the social welfare point of view, it was decided at a meeting held on 17-8-68 that the enements be permanently allotted to the present occupants at prices fixed by the Department of Rehabilitation.

As stated above the decision to allot the tenements to the existing inmates was taken at a meeting on 17-8-69. Thereafter some clarifications were needed from the Department of Rehabilitation about the crediting of the sale proceeds of the tenements, the price of each tenement and the land under appurtenant to it as also the basis on which the prices have been fixed. That Department had also been requested to suggest the details of procedure to be adopted for disposing the tenements on hire purchase basis in the light of their past experience in such matter. Some information which has been recently received from Rehabilitation Department in this connection is under examination.

As regards locking up of some quarters by the Home Authorities when the inmates are away from the station, this is a matter to be looked into by the State Government which is managing the Home on behalf of the Government of India. It has, however, been reported by the State Government that some such locked rooms were opened in the presence of S.D.O. (Civil), Palwal, as this required these rooms to accommodate inmates and staff of the Home.

As regards improvement of water supply, street lighting, sanitation etc. the quantum of grant which is given to the State Government for running the Home has been fixed after taking into account the expenditure on water supply, street lighting and sanitation etc. It is, therefore, expected that the State Government should provide such amenities to the Home population. As, however, the majority of the existing

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occupants of the tenements of the Home are not on the regular strength of the Home, it may not be possible for the State Government to provide such amenities to the dispersed home population, since the Government of India do not give any grants on account of the dispersed population of homes. They should directly approach the State Government and the Municipal authorities for essential extra amenities.

The decision to allot the tenements to the existing occupants of the home was taken only in August, 1968 and some time is required in settling the details of procedure for actual allotment of the tenements to the eligible persons. Efforts are, however, being made to expedite the case.

14 Shri Rang Nath Singh,
M. I. T. Muzaffarpur

Relaxation of age upto 28 years for engineering graduates to compete at the I. A. S. etc. examination.

(Home Affairs)

Under the rules of the I. A. S. etc. examination the age-limit at present, prescribed is 21-24 years to compete for I. A. S./I. F. S./Central Services and 20-24 years for the Indian Police Service. The age is reckoned as on the 1st August of the year in which the candidate competes at the examination. In 1956, the Public Services (Qualifications for Recruitment) Committee in their Report had recommended the age level for top grade posts as 21-23. The upper age-limit for I.A.S. etc. examination was, however, retained at 24 mainly because the students belonging to rural areas, or the poorer sections of the community, who usually start education late, may not be put to any disadvantage and get a fair chance to make two attempts at the examination.

As the Combined Competitive examination is now open to all degree holders, raising of age limit in favour of engineering graduates only will give rise to smimilar representations from other graduates *e.g.* Medical graduates etc. Moreover, fixing of different age limits for different categories of graduates for competing at the same examination may tantamount to discrimination and give rise to legal and constitutional objections. Further, notwithstanding that the I. A. S. etc. examination is open to all degree holders, the scheme of the examination, at present in force, is such as to ensure that persons who have developed a desirable level of critical thought judgement and outlook based on the study of subjects of broad cultural value *viz.* those relating to basic Arts, Sciences, Law, Language and Civilisation are drafted to the All India and higher Central Services. It was in pursuance of this scheme that certain specialised subjects like Prime Movers, Advanced Accountancy and Auditing, which were previously included in the syllabus, have now been deleted. Viewed in this context, the raising of age limit for engineering graduates would be inconsistent with the broad objectives of the scheme of Combined Competitive Examination which is so designed as to select, as far as possible, the candidates having a general awareness of all important fields with which they are likely to deal and *NOT* specialised knowledge in any particular field.

The Administrative Reforms Commission have in their Report recommended

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that the upper age limit for the non-technical higher services competitive examination may be raised to 26. The decision on this recommendation has yet to be taken.

[Railways (Railway Board)]

- 15 Shri M. Chatterjee, 16, B. C. Chatterjee St., Belghoria, Calcutta-56. Claim for payment of 10% of provident Fund money and arrears of upgradation.

Shri M. Chatterjee, Travelling Ticket Examiner, Eastern Railway had retired from service on 20-6-52. He was paid the following amounts towards his settlement dues soon his retirement :

- (i) 90% of the Provident Fund holdings amounting to Rs. 5305.
- (ii) Special Contribution to Provident Fund amounting to Rs. 2625.

These amounts were credited to his account in the East Indian Railway Employees' Cooperative Credit Society Ltd., in July, 1952 and September, 1953 respectively ; and these payments are duly acknowledged by Shri Chatterjee.

With regard to the claims now preferred by Shri Chatterjee, the position is as under :—

1. 10% of his Provident Fund dues amounting to Rs. 909.44. This was paid to Shri Chatterjee on 9-9-52 under his clear signature. The paid voucher is retained in the safe custody of the Divisional Accounts Officer, Howrah, for verification.
2. Arrears of upgradation—Shri Chatterjee had represented to the Railway in August, 1963 that he had not received the payment of arrears due, consequent to the refixation of his pay, due to the upgradation of his

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post for the period from 9-10-50 to 19-6-52, in pursuance of the orders issued subsequent to his retirement. In view of this claim having been preferred by Shri Chatterjee 11 years after his retirement, the Railway Administration was not in a position to admit his claim earlier, as the relevant records were not readily available to permit of the claim being verified at such a distant date. On a further investigation, however, a supplementary bill for Rs. 1370. 11 p. was passed for payment and Rs. 1241. 55 being the net amount of the bill (after a deduction of Rs. 126.56 towards compulsory subscriptions to Provident Fund) has been credited to his account in the Employees' Co-operative Credit Society, E. I. Railway, Calcutta. on 19-7-68 as per his instructions.

The sum of Rs. 126.56 recovered from the bill of arrears towards the compulsory subscriptions to the Provident Fund, together with an equivalent amount towards the Government Contribution to the Provident Fund (bonus) aggregating to Rs.257. 12p. was also credited to the account of Shri Chatterjee in the Employees' Co-operative Credit Society, East Indian Railways, Calcutta on 19-7-68.

Shri M. Chatterjee is not eligible for any further payments towards the refixation of his pay, consequent on the upgradation of the post held by him.

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The aforesaid position has already been advised to Shri Chatterjee by the Railway Administration in response to his previous representations in this regard.

(P & T Board)

16. Shri K. Ananda Nambiar, Alleged disciplinary action against employees.
M.P.

In the note attached to the letter from Shri K. Ananda Nambiar, M.P. enclosed to their above U.O resentment has been expressed against the reported action taken against the six P&T employees for approaching the Members of Parliament and a claim has been made that this involves interference with the privilege of Members of parliament and their right to represent the grievances and demands of the citizens.

In this connection it may be pointed out that the Minister of Parliamentary Affairs had, in his letter No. 21(L)/62-PA, dated 25-8-62 addressed to M.Ps. made the position clear that Govt. servants are strictly debarred from making any attempt to bring any political or outside influence to bear upon any superior authority to further their interest and any Govt. servant approaching a Member of Parliament for furthering his individual case runs the risk of disciplinary action. The Members of Parliament were also advised to warn a Govt. servant in the event of his approaching them to further his individual interest of the likely consequences of his having overstepped the bounds of Govt. servants' Conduct Rules. These instructions were reiterated by the Mi-

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			<p>nister of Parliamentary Affairs <i>vide</i> para 6 of his D.O. No. 21(L)/67-PA, dated 23-3-67 addressed to the Members of Parliament with copies to all Ministers & Dy. Ministers for their information and guidance.</p> <p>It may also be stated in this connection that there is a specific provision in Rule 20 of the Central Civil Services (Conduct) Rules, 1964 that no Govt. servant shall bring or attempt to bring any political or other influence to bear upon superior authority to further his interest in respect of matters pertaining to his service under the Govt. Any breach of this rule by a Govt. servant naturally renders him liable for suitable action being taken against him. The P & T Board have only recently again drawn the attention of the employees to this provision under the Conduct Rules.</p> <p>In the above circumstances, it will be appreciated that there is nothing unusual in notice being taken against the 6 employees of the Department mentioned in the note for approaching the Members of Parliament to sponsor their case. It cannot, also be said that there is any interference with the privileges of Members of Parliament by action being taken against the employees for violating the CCS (Conduct) Rules, 1964 by which they are governed. However, it may be added for the information of the Lok Sabha Secretariat that disciplinary proceedings against the six employees, mentioned in the note have since been dropped.</p> <p>(Planning Commission)</p> <p>A similar telegram was received in the Planning Commission also. The reply</p>
17	Secretary, Bhartiya Janasangh, Kalahandi, Bhawandpatna (Orissa)	Alleged neglect of Development of Kalahandi.	

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given to the Secretary, Bhartiya Jansangh, Kalahandi is reproduced below :

The list of new irrigation schemes to be included in the Fourth Plan of Orissa is yet to be finalised. Upper Indravati Project has been included by the Government of Orissa in their proposals for the Fourth Five Year Plan.

The proposal in respect of the scheme is, however, under scrutiny in the Central Water and Power Commission in consultation with the State Government. It is too early to decide its inclusion in the Fourth Plan by the Planning Commission when its technical scrutiny is still to be completed.

(Department of Works, Housing and Urban Development.)

- 18 President, Siri Guru Singh Sabha, West Patel Nagar, New Delhi-8. Allotment of a plot to Siri Guru Singh Sabha (Regd.), West Patel Nagar, New Delhi, for construction of Gurdwara.
- In fact the Sabha approached the Chief Commissioner, Delhi in June, 1966 for a plot of land on the hillock between East Patel Nagar and West Patel Nagar. On enquiries, it was observed that no site on the hillock area was available and that another site outside the hillock towards East Patel Nagar in front of Block No. 15-A had already been allotted by the erstwhile Ministry of Rehabilitation for a Gurdwara. This position was explained to the Sabha.
- The site desired by the Sabha for a Gurdwara was inspected in July, 1967, and Major Pratap Singh was present. It was found that the entire area was earmarked 'green' in the Master Plan except for a plot of land which was reserved for a C.G.H.S. Dispensary. Ultimately, at the instance of the Sabha, a plot of land in Block No. 18 was considered for allotment, but this was

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found to be earmarked in the draft zonal plan for other purposes. The sabha was informed of the position on the 19th July, 1968.

In December, 1968, the Sabha suggested four other sites and requested for any one of them for the proposed Gurdwara. According to Master Plan, none of these plots is intended for religious purpose and the Sabha was informed of the position on the 5th June, 1969.

In April, 67, the Sabha sought for an interview with the Lt. Governor. The Lt. Governor examined the case and informed the Sabha on the 16th November, 68 to convince the D.D.A. and suggested that they might contact the Vice Chairman, D.D.A.

In May, 1969, the Prime Minister's Secretariat forwarded the application made by the Sabha to this Department, suggesting that a suitable reply be sent to the Sabha and copy endorsed to Prime Minister's Secretariat for record. Copy of the reply given to the Sabha on the 5th June, 1969, was endorsed to the P.M.'s Secretariat.)

This Department has no knowledge if any such application was addressed to the Minister for Home Affairs.

In April, 1967 the Sabha was granted an interview by the then Deputy Minister of W.H. & S. Interview was also granted by the Minister at Bombay on the 24th May, 1969, and directed office to add papers to the relevant file and to deal with.

This Department has no knowledge, if any such

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application has been addressed by the Sabha to the President, A.I.C.C.

It is true that various religious buildings have been constructed unauthorisedly on Government land in different colonies. This matter was discussed at a meeting held on 16-7-68, and it was decided to transfer all such lands to the D.D.A. temporarily for the removal of unauthorised encroachments on Govt. lands and to utilise them no temporarily for parking or for some other such use that Government might take back lands whenever necessary for use as prescribed under the Master plan. West Patel Nagar is a built up colony and the question of finding a suitable plot for the proposed Gurdwara is receiving attention of this Department. Government is to ensure that land-use in the colony should be in conformity with the Master Plan.

19 Shri M. L. Schroff's Professor of Pharmacy (Retd.) 78, Dr. Sunderi Mohan Avenue, Calcutta-14.

Termination of the Chairmanship of the Pharmaceutical Education Committee.

[Health, Family Planning, W. H. & U. D. (Department of Health)]

The Pharmacy Council of India is a statutory Council constituted by the Central Government under Section 3 of the Pharmacy Act, 1948. Shri M. L. Schroff is a member of the said Council. The Council had framed regulations under Section 18 of the said Act with the approval of the Central Government. Under Regulations 47 and 48, the Pharmacy Council of India is competent to appoint Committees (other than Executive Committee for which provisions exist in the Act) and the Chairman to such Committees for consideration of any business.

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The Pharmacy Council of India considered the letter dated the 17th August, 1966 from Shri M. L. Schroff addressed to the Secretary of the Council at its 23rd meeting held on 26-10-1966 at Cochin. In the interest of the functioning of the Education Regulations Committee, the council elected a new Chairman for the said Committee in which Shri M. L. Schroff continues to be a member. Relevant extracts from the minutes of the Council's meeting is enclosed herewith.

It may be relevant to point out that Shri Schroff has also addressed letters to the Prime Minister of India and others on this subject. A copy of the reply sent to him on 23rd June, 1969 is enclosed.

20 Shri C. P. Aggarwal,
Kaimganj, U.P.

Operation of Section
479 A of the Code of
Criminal Procedure,
1898.

(Home Affairs).

There is no statistical data to prove that the bar put by Section 479A(6) Cr. P.C. has created difficulties and no State Government has reported any difficulty resulting from the application of that Section. The Law Commission are already engaged in the revision of the Code of Criminal Procedure, 1898. As piecemeal amendment of the Code is not desirable, a copy of Shri Aggarwal's petition has been forwarded to that Commission for their consideration.

21 Shri C. P. Aggarwal,
Kaimganj, U.P.

Weight condition of
Tobacco.

[Railways (Railway Board)].

The Ministry of Railways (Railway Board) have had underconsideration the issue of reduction in the minimum weight condition for Tobacco-Country, unmanufactured and have tentatively decided to reduce the Minimum weight condition for this com.

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modity when packed with straw grass etc. and hessian covering, from W/90 quintals—M.G. to W/60 quintals—M.G. in local bookings on North Eastern Railway.

The question whether a general revision of the weight condition for this commodity is called for is being separately examined.

22 Shri S. S. Gupta, Asstt. Engineer, C.P.W.D., Ministry of Health, Family Planning, Works Housing and Urban Development.

Prayer for benefit of full pay and allowances for period of suspension from service and connected matters.

Shri S. S. Gupta, who had been suspended from service pending a Departmental inquiry against him on a charge of accepting illegal gratification had petitioned the Committee in a number of representations to review his case and to allow him the full benefit of pay and allowances for the suspension period, from 16-12-1961 to 16-8-1965, which he had been denied by an order of the Disciplinary Authority under Fundamental Rule 54. His contention was that he had been "fully exonerated" by the Inquiry Officer as well as by the Disciplinary Authority of the charges framed against him, and, therefore, the order of exoneration of the charges against him should be interpreted under F.R. 54(2), & (4) instead of F.R. 54(3).

The Ministry of Health, Family Planning, Works, Housing and Urban Development (Department of Works, Housing and Urban Development), with whom the matter was taken up, stated that Shri Gupta had not been "fully exonerated" and nor was his suspension "wholly unjustified". According to the Ministry, the case was governed by the provisions of F.R. 54(3) & (5) and the order regulating his pay and allow-

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ances, as issued by the Disciplinary Authority was in order.

Shri Gupta's appeal against the Chief Engineer's order restricting his pay and allowances to the subsistence allowance drawn by him was also rejected by the President of India on the ground that "the suspension of Shri Gupta cannot be held as wholly unjustified".

The Committee examined the matter and called for the Report of the Commissioner for Departmental Inquiries, Central Vigilance Commission, in Shri Gupta's case for their perusal. The Committee are satisfied that Shri Gupta's case has been duly considered by the authorities concerned under the normal Service Rules and they do not feel that any interference on their part is called for in the matter.

Annexure I to Appendix X

(See Part II item 1)

Copy of the Textiles Committee letter No. 15|11|69-AD., dated the 26th April, 1969, to the Ministry of Foreign Trade and Supply

SUBJECT: *Mal-practices and Irregularities in the Textile Committee.*

Please refer to your letter No. 18(5)-Tex(A)/69, dated 1st/3rd February, 1969 on the above subject.

Parawise comments on the enclosure to the above letter are given below:—

Para 1: Minimum educational qualification:

At the tenth meeting of the Textiles Committee held on 2nd September, 1968 the Committee approved the Textiles Committee Employees (Recruitment) Regulations, 1968. In this Regulation the method of recruitment for the post of Lower Division Clerk was indicated as follows:

“Director Recruitment (ordinarily). Daftaries with 10 years’ service (including Peon’s service) may also be considered for promotion.”

The object of providing a promotion channel to the post of Lower Division Clerk was to provide an outlet to the Class 4 staff of the Committee who would otherwise be permanently limited to Class 4 posts. As in the case of other promotions no educational qualification was prescribed but the qualification was based on length of service and suitability. Such promotions are given in some other departments also e.g. Audit Department. Following the approval of the Committee to the Regulations two of the Daftaries working in the Committee and having more than 10 years’ service in the Committee were approved by the Departmental promotion Committee for promotion as Lower Division Clerks. As the promotions appeared entirely justifiable and as no objection was anticipated from the Ministry, the promotions were made in anticipation of formal approval of the Ministry to the recruitment regulations. There were two other Peons in the Committee who had joined the Committee two or three years ago as Peons and who after joining the Committee had passed

the Matriculation examination in March, 1968. They were not however considered for promotion as their length of service in the Committee was far below the minimum of 10 years prescribed in the regulation. Subsequently another batch of Lower Division Clerks was selected by direct recruitment from among candidates sponsored by the Employment Exchange. The above two Peons who had passed the Matriculation were also allowed to compete with the outside candidates in this direct recruitment and as they were also found suitable they were selected as direct recruits. They have since been appointed as Lower Division Clerks.

Para 2:

The total working strength of the Textiles Committee as on 31st March, 1969 was 307. Out of this 279 were regular employees of the Committee and 28 were deputationists. Most of the deputations were from the Office of the Textile Commissioner and had been brought to the Committee from time to time over the past years mainly because of their experience in the application of Government rules and regulations in administrative and accounts matters.

Para 2(a):

The total amount paid as overtime allowance to the staff of the Textiles Committee during the financial year 1968-69 was Rs. 2706.30P. Out of this the amount paid to deputationists was Rs. 1199.20P. and that to the regular employees of the Committee Rs. 1507.20. Overtime work had to be undertaken mainly in connection with preparation of papers for the meetings of the Committee in regard to which there is always a deadline and a 1st minute pressure. Much of the overtime work had to be done in the Administration and Accounts Sections where there was a general shortage of staff and heavy pressure of work.

Para 2(b):

As stated already men were brought on deputation to the Committee from other offices mainly because of their previous familiarity and experience with Government rules and regulations in Administrative and Accounts matters. Consequently a number of them were posted in the Administration and Accounts Sections. The total working strength of the Administration Section of the Committee on 31-3-1969 was 22 of whom 8 were deputationists and others were regular employees of the Committee.

Shri Kshirsagar, a draftsman in the Office of the Textile Commissioner was entrusted with two items of work during 1968-69 for

which he was paid a total sum of Rs. 309.65. The first piece of work was numbering of office furniture. Quotations had been called for numbering of office furniture in the usual manner by a letter addressed to seven different parties. Four of them gave their quotations as follows:

15 p., 8 p., 6.25 p. and 10 p. per letter.

Meanwhile Shri Kshirsagar came forward informally to do the work at 5 p. per letter. As he was quite competent to do the work and as his quotation was well below the lowest quotation already received the work was entrusted to him and he was paid Rs. 169.65 for the work. The second piece of work given to Shri Kshirsagar during 1968-69 was the drawing of 12 graphs in connection with a market research study. He agreed to do this work at the rate of Rs. 12 per graph. No quotations were called but it was understood that the usual rate for such a type of work was Rs. 15 to Rs. 20 per graph. Since the total amount involved was quite small and since the work had to be done urgently, it was assigned to Shri Kshirsagar for which he was paid Rs. 140.

Para 2(c):

During the annual stock taking for 1968—it was noticed that certain books were missing from the Market Research Division of the Committee. Altogether 30 books were missing of which 17 had been purchased by the Committee on payment and 13 had been received as complimentary copies. The original purchase cost of 17 books mentioned above was Rs. 462.13 p. Attempts to trace the missing books are continuing. No amount has been written off nor any list of books in the office library manipulated. When the investigation into the loss of books is completed, suitable action will be taken.

It has not been possible to trace the identity of Shri R. P. Ved who is supposed to have written the letter enclosed with the Ministry's letter under reference. The third floor of the 79—Dr. Annie Besant Road, Worli, Bombay-18 is entirely occupied by the Textiles Committee. There is none by the name of Ved in the staff of the Textiles Committee. The letter is therefore pseudonymous.

Note: The Committee appreciated the facts and have decided not to pursue this matter as the representation is pseudonymous.

Annexure II to Appendix X

(See Part II item 19)

(Extracts from the minutes of the 23rd meeting of the Pharmacy Council of India)

XXIII Meeting of the Council

ADDITIONAL AGENDA

27. Any other item with the approval of the Chairman.

27 (ix) Consideration of Prof. M. L. Schroff's No. LII|345|66 dated the 17th August, 1966 regarding his functioning as Chairman of the Education Regulations Committee.

Council No. 27 (ix) (Executive Committee No. 33)

The Executive Committee has recommended that since Prof. M. L. Schroff has expressed his inability to function as Chairman of the Education Regulation Committee, and the work of that Committee has been affected since March, 1966, a new Chairman of the Education Regulation Committee be elected by the Council.

Note on the confirmation of the minutes of the 23rd meeting of the Council held on 26th October, 1966 at Cochin

The minutes of the 23rd meeting of the Council held on 26th October, 1966 in Cochin, as approved by the members of the Executive Committee and the President were circulated to all members of the Council on 22nd December, 1966. No comments as to the correctness of the minutes were received from the members by stipulated date i.e. 21st January, 1967. The minutes are, therefore, placed below for confirmation.

48. The Council agreed with the recommendation of the Executive Committee that since Prof. M. L. Schroff has expressed his inability to function as the Chairman of the Education Regula-

tions Committee and the work of that Committee has been affected since March, 1966, a new Chairman of that Committee be appointed.

49. Shri K. C. Chatterjee (proposed by Shri N. R. Sharma and seconded by Shri M. K. Rnagnekar) was unanimously elected as the Chairman of the Education Regulations Committee in place of Prof. M. L. Schroff.

50. A question was raised whether the vacancy thus created by Prof. M. L. Schroff be filled up. The Chairman informed that since Prof. Schroff continued to a member of that Committee, the question did not arise.

Action taken on the Minutes of the 23rd meeting of the Council held on 26th October, 1966 at Cochin

Item 27 (ix) Chairmanship of Education Regulations Committee

The decision was informed to Prof. M. L. Schroff *vide* Council's office letter No. 18-16|66-PCI|7788 dated 26-12-1966.

A copy of reply sent to Shri M. L. Schroff by the Ministry of Health, F. P. and W.H. and U.D.

No. F. 6-45/68-MPT

dated June 20/23, 1969.

Dear Shri Schroff,

Kindly refer to your letter dated the 18th May, 1969 addressed to the Prime Minister of India, regarding your Chairmanship of the Pharmaceutical Education Committee of the Pharmacy Council of India. As explained to you in my earlier letter dated the 10th March, 1969, the proper course could have been to point the irregularities, if any, in subsequent meeting of the Council of the Committee, as the case might be when the minutes were put up for confirmation. Unfortunately, you took up the matter in 1968 whereas the question of election of a new Chairman of the Education Regulation Committee related to 1966. Probably the reason was, as you wrote in your letter dated the 7th October, 1968, that 'Since I am not interested in the Chairmanship at the cost of my academic work, I did not seek the opinion of the Law Ministry until now'. This is also borne out by your letter dated the 22nd September, 1968 in which you wrote you were not attending the meeting of the Council for the last three sessions.

However, since a new Chairman has been elected in the interest of work entrusted to the Education Regulation Committee, and since you are still a member of that Committee, it is hoped that you would
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extend your cooperation to the Council and its Committees and take objection to irregularities if any done in the meeting itself.

Yours faithfully,

Sd/- B. B. SINGH,
Deputy Secretary.

Dr. M. L. Schroff,
Professor of Pharmacy (Retd.)
78, Dr. Sundari Mohan Avenue,
Calcutta-14.