

# THE LEGISLATIVE ASSEMBLY DEBATES

## Official Report

Volume VII, 1946

( 28th October to 11th November, 1946 )

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### SECOND SESSION OF THE SIXTH LEGISLATIVE ASSEMBLY, 1946



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*CORRIGENDA*

**In the Legislative Assembly Debates, Autumn Session, 1946—  
In Volume VII—**

1. No. 1, dated the 26th October, 1946—
  - (i) Page 71, In the footnote, for "Excluding" read "Including".
  - (ii) Page 118, line 15, for "joint" read "join".
2. No. 2, dated the 29th October, 1946—
  - (i) Page 174, line 3, for "the" read "they".
  - (ii) Page 186, line 3, from bottom for "an soul" read "our souls".
  - (iii) Page 187, line 4, for "preceed" read "proceed".
  - (iv) Page 198, line 24, for "18:48 crores" read "18.48 crores". ✕
3. No. 3, dated the 30th October, 1946—
  - (i) Page 271, line 8, for "chose" read "choose".
4. No. 7, dated the 6th November, 1946—
  - (i) Page 577, last line, for "appreciable" read "appreciate".
  - (ii) Page 601, line 15, for "infstation" read "infestation".
5. No. 8, dated the 7th November, 1946—
  - (i) Page 655, line 23, for "shatrus" read "shastras".
6. No. 10, dated the 11th November, 1946—
  - (i) Page 754, second line, heading to starred question No. 870, for "CASE", read "CASTE".
  - (ii) Page 818, insert the top heading "STATEMENT OF BUSINESS" between lines 2 and 3.

**In Volume VIII—**

7. No. 1, dated the 12th November, 1946—
  - (i) Page 884, line 14 from bottom for "iability" read "liability".
  - (ii) Page 886, line 29, for "evatars" read "avatars".
8. No. 2, dated the 18th November, 1946—
  - (i) Page 926, the first line of part (c) to Starred Question No. 486 should read "(c) Are Government aware of the fact that earlier in 1939-40, Government".
  - (ii) Page 986, line 15 from bottom for "took" read "look".
9. No. 3, dated the 14th November, 1946—
  - (i) Page 1015, in the table under "Pre-war" for "General Wagons Service" read "General Service Wagons".
  - (ii) Page 1027, line 28, for "supar" read "sugar".
  - (iii) Page 1067, line 6, for "person" read "persons".
  - (iv) Page 1048, in heading to Starred Question No. 568, for "se" read "re".
  - 7/ (v) Page 1012, line 10 from bottom delete the asterisk. ✕

(vi) Page 1077, for the last 6 lines *substitute* the following lines—

“Regarding the powers of the industrial tribunals, the Government has put in in clause 15, that they will accept the decision of the tribunal wholly or in part. If you appoint high eminent judges to decide the disputes, I cannot understand why the Government desires that they may ask the industry to implement the decision wholly or in part. I feel that it is possible that the Government may also find itself in difficulties. Government owns so many industries. They”

10. No. 4, dated the 15th November, 1946—

(i) Page 1100, line 15, for “preter” read “prefer”.

(ii) Page 1116, for the existing heading to Starred Question No. 616, read “HOUSING OF INDUSTRIAL WORKERS”.

11. No. 5, dated the 16th November, 1946—

Page 1211, in the last but one line of the quotation in small type for “all” read “small”.

12. No. 6, dated the 18th November, 1946—

(i) Page 1237, under the heading “INSURANCE (SECOND AMENDMENT) BILL”, delete the fifth line.

(ii) Page 1265, line 27, for “countdy” read “country”.

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# LEGISLATIVE ASSEMBLY

Monday, 11th November, 1946

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

## MEMBER SWORN:

Mr. Mangalore Purushotham Pai, I.C.S., M.L.A. (Government of India: Nominated Official):

## STARRED QUESTIONS AND ANSWERS

### (a) ORAL ANSWERS

#### RESTRICTIONS ON EXPORT OF INDIAN CATTLE AFTER LAPSE OF DEFENCE OF INDIA RULES.

†353. \*Pandit Sri Krishna Dutt Paliwal: Will the Secretary of the Agriculture Department be pleased to state the steps Government have taken and propose to take to restrict the export of Indian Cattle after the lapse of the Defence of India Rules?

Sir Pheroze Kharegat: Restrictions imposed under Rule 84 of the Defence of India Rules on the export of cattle have been temporarily extended by the Emergency Provisions (Continuance) Ordinance, 1946 (Ordinance No. XX of 1946). It is further proposed to undertake legislation during the current session of the Central Legislature to continue these powers, so that restrictions on the export of cattle may be continued under the new Law when the Emergency Provisions (Continuance) Ordinance expires.

#### FREE POSTAGE FOR NEWSPAPERS WEIGHING UPTO FOUR TOLAS.

†354. \*Pandit Sri Krishna Dutt Paliwal: Will the Secretary of the Communications Department be pleased to state if Government intend to introduce pie postage for newspapers weighing four tolas or less with effect from the next financial year?

Sir Harold Shobert: The Honourable Member may please await the budget statement of the Honourable the Finance Member

#### INCREASE OF WHEAT RATION IN WHEAT EATING PROVINCES.

†355. \*Pandit Sri Krishna Dutt Paliwal: Will the Secretary of the Food Department be pleased to state if Government intend to increase the ration of wheat in wheat eating Provinces? If so, when, and to what extent?

Mr. B. E. Sen: Wheat is allowed to be drawn to the maximum of the basic cereal ration of 12 oz. per adult per day in all wheat eating areas except the U. P. and N.-W. F. P. These provinces have been constrained to limit the quantum of wheat that can be drawn under the cereal group ration because of insufficient supplies of wheat. The Government of India are making every effort to import more wheat

Dr. Zia Uddin Ahmad: Sir, I have got the authority of Shri Sri Prakasa to ask his questions.

Mr. President: Apart from the question of validity of that authority, they will be taken after the first round is over.†

Sri M. Ananthasayanam Ayyangar: On a point of order, Sir, may I know if priority is not lost, merely because a gentleman is absent and he has authorised another member to ask on his behalf? It may or may not be reached.

Mr. President: It has been the practice of this House, and if a member remains absent and gives authority, all that he can claim is that he should have a chance; but he should not have the liberty of remaining absent and yet have his questions answered in preference to other members who are present. There are a large number of questions and we never reach the list to the end. If therefore a member remains absent, he should have the chance of having them put only after other members who are present are given a chance.

† Answer to this question laid on the table, the questioner being absent.

‡ Could not, however, be reached during question hour.

**Haji Abdus Sattar Haji Ishaq Seth:** But, Sir, the practice has not been that. It may be that you rule like that and we accept your ruling; but the practice is that when a member's authority is produced, his name is called.

**Mr. President:** During the last session this practice was followed. This question was then discussed a good deal, and it was the unanimous wish of the House also that the members present should have the first chance. So I am not calling the questions of Shri Sri Prakasa.

MONOPOLY OF CERTAIN FIRMS FOR IMPORTING BRASS SHEETS.

†356. **\*Shri Sri Prakasa:** Will the Honourable Member for Industries and Supplies be pleased to state:

(a) the number of persons or firms who have sole licences for import of all brass sheets in India;

(b) the approximate income of each of these from commissions received from the monopoly of importing these brass sheets; and

(c) if he is considering the desirability of abolishing this monopoly?

**The Honourable Dr. John Matthai:** (a) I presume the Honourable Member is referring to the selected importers who as regular importers of brass sheets were granted special quotas for the importation of brass sheets during 1945 and 1946. The number of such importers in 1945 was eleven and in 1946 is twelve. I may add, however, that during the current year licences have also been issued to 42 other importers who were able to secure firm offers within the ceiling prices fixed by the Government. Licenses will be issued to any person securing such an offer.

(b) A statement showing the approximate commission payable to each of the selected importers on the entire quantities allocated to them during 1945 and 1946 is laid on the table.

(c) As I have indicated in reply to part (a) of the question, licences are at present being granted to any importer who is able to secure a firm offer from abroad within the ceiling prices fixed by Government. There is, therefore, no monopoly in this business.

*Statement showing Commission Payable to the Selected Importers*

[c.f. part (b) of the question]

Serial No.	Name of the firm	Commission payable on 1945 quota of brass sheets	Commission payable on 1946 quota of brass sheets
		Rs.	Rs.
1	M/s. Greaves Cotton Co., Bombay . . .	72,135	96,285
2	,, Volkart Brothers, Bombay . . .	41,076	53,655
3	,, Grahams Trading Co., Bombay . . .	13,041	17,395
4	,, Francois Klein & Co., Bombay . . .	16,317	21,735
5	,, Bombay Co., Bombay . . .	51,660	68,180
6	,, E. Suren Co., Calcutta . . .	18,742	24,990
7	,, Iron-siders, Calcutta . . .	25,294	33,705
8	,, Binny & Co., Madras . . .	10,993	14,630

Answer to this question laid on the table. the questioner being absent.

Serial No.	Name of the firm	Commission payable on 1945 quota of brass sheets	Commission payable on 1946 quota of brass sheets
9	M/S Gordon Woodroffe, Madras	11,560	15,365
10	„ Dasamal Rajaram, Karachi	7,875	9,415
11	„ Forbes Campbell & Co., Karachi	2,992	3,640
12	„ Ghanshamdas Brother, Karachi	.	3,255

[Not:—The above commission is meant both for importers and their principals in the U. K. and covers overhead charges.]

#### LICENCES FOR SALE OF CLOTH, OILSEEDS AND IRON.

†357. \*Shri Sri Prakasa : Will the Honourable Member for Industries and Supplies be pleased to state :

- if it is a fact that licences have still to be taken for the sale of cloth, oilseeds and iron, both wholesale and retail ;
- if it is a fact that monopolies have been created whereby only a few persons get the whole trade in their hands ;
- if it is a fact that small traders and pedlars have all been wiped out ; and
- how long he expects this system to continue, and if he is thinking of bringing relief to those who have been ousted from the trade or are unable to get into it because of the present system of control and licensing ?

**The Honourable Dr. John Matthai:** (a) The answer is in the affirmative as regards cotton cloth and oilseeds. Licences in respect of cloth and oilseeds are issued by the Provincial Governments concerned. As regards iron and steel, selling needs no licence. But supplies from producers reach the various consuming areas only through stockholders registered by the Iron and Steel Controller. Provincial Governments may either issue permits to consumers to purchase from stockholders or make any other retailing arrangements they think necessary.

(b) No, Sir. The general principle which the Government of India have adopted in their commodity controls is that, where licensing is necessary, licences should be given to all dealers who were in the business in normal times. There is thus no question of a few persons getting a monopoly. But I admit that this system does prevent, as long as it lasts, the entry of new people into the commodity trade in question.

(c) No, Sir.

(d) It will be necessary for Government to continue this system as long as supplies of the commodities in question are considerably less than the demand.

#### LICENCES FOR SALE OF GRAINS.

†358. \*Shri Sri Prakasa : Will the Secretary of the Food Department be pleased to state :

- if it is a fact that licences have still to be taken for the sale of grains ;
- if it is a fact that monopolies have been created whereby only a few persons get the whole trade in their hands ;
- if it is a fact that small traders and pedlars have all been wiped out ; and
- how long he expects this system to continue, and if he is thinking of bringing relief to those who have been ousted from the trade or are unable to get into it because of the present system of control and licensing ?

† Answer to this question laid on the table, the questioner being absent.



**Mr. B. B. Sen:** (a) Licences are required to be taken for the sale of food-grains in wholesale quantities under either the Central Foodgrains Control Order or the Provincial Foodgrains Control Orders in areas in which they are in force. Retailers are also licensed in rationed areas for the sale of rationed foodgrains.

(b) and (c). The number of licencees has got to be restricted if a system of controlled distribution is to work smoothly and efficiently.

(d) The system of controlled distribution will last as long as shortage of supplies makes it necessary. I have no information to suggest that the problem is such as to call for intervention by the Provincial Governments to provide relief, but I will make enquiries.

#### TELEPHONES DISCONNECTED FOR POLITICAL REASONS

†359. **\*Shri Sri Prakasa :** Will the Secretary of the Communications Department be pleased to state :

(a) the number of telephones that remained disconnected for political reasons at the end of the financial year 1945-46 ;

(b) if all restrictions passed on political considerations have now been removed and if not, whether Government propose to consider their removal ; and

(c) if subscribers are still finding it difficult to obtain new connections or to get their old ones restored ; and if so, why ?

**Sir Harold Shoobert:** (a) None.

(b) Government are unaware of any restrictions of the nature indicated by the Honourable Member.

(c) Yes, in several places, due to shortage of stores, exchange equipment and the existing overloads on exchanges.

#### SELECT COMMITTEES ON INSURANCE AND OTHER BILLS

†360. **\*Shri Sri Prakasa :** Will the Honourable the Law Member be pleased to state :

(a) if any Select Committees on Bills, elected at the last session of the Assembly were able to meet between that session and the current one and if so, which ;

(b) the stage which the amending Bill on Insurance Act has reached ; and

(c) when he expects to bring the Bill before the Legislature ?

**The Honourable Mr. Jogendra Nath Mandal:** (a) Three Bills—the Banking Companies Bill, the Insurance (Second Amendment) Bill and the Motor Vehicles (Amendment) Bill—were under reference to Select Committees when the Budget session terminated. None of the three Committees met during the recess.

(b) The next stage will be for the Select Committee to meet and report.

(c) I understand that my Honourable colleague the Commerce Member proposes to arrange for the Committee to meet in the interval between the termination of the current session and the commencement of the Budget session and to move for the consideration and passing of the Bill as reported by the Select Committee in the course of the Budget session.

#### PRODUCTION OF CLOTH AND YARN

†361. **\*Mr. Vadilal Lalubhai :** (a) Will the Honourable Member for Industries and Supplies be pleased to lay on the table of the House a statement giving figures for the production of cloth in yardage and of yarn in pounds, month by month, from the 1st January, 1945 to the 30th September, 1946 ?

(b) Has the system of working for eight-hours a day affected the cloth and yarn production ? If so, to what extent ?

**The Honourable Dr. John Matthai:** (a) A statement showing the production of mill-made cloth and yarn from 1st January, 1945 to 30th September, 1946 has been placed on the table of the House.

†Answer to this question laid on the table, the questioner being absent.

(b) Yes, Sir. According to the Industry's Committee of the Textile Control Board the extent of the loss is about 700 million yards per annum.

*Statement showing figures of monthly production of Yarn and Cloth by Indian Mills from 1st January 1945 to 30th September, 1946*

(Figures in Millions)

Month	Year	Cloth in yards	Yarn in Lbs.
January	1945	407	139
February	"	317	119
March	"	399	144
April	"	352	129
May	"	388	138
June	"	403	135
July	"	382	138
August	"	391	130
September	"	450	138
October	"	452	144
November	"	342	120
December	"	400	139
January	1946	412	131
February	"	323	120
March	"	347	126
April	"	369	123
May	"	340	119
June	"	361	114
July	"	291	111
August	"	327	109
September	"	298	103

(Last figure excludes production of 21 mills who have not yet furnished their returns.)

(Last figure excludes production of 21 mills who have not yet furnished their returns.)

#### RAIL ROAD COMPANIES IN UNITED PROVINCES.

†362. \*Mr. Hafiz M. Ghazanfarulla : (a) Will the Honourable Member for Transport kindly state how many Rail Road Companies were formed in the United Provinces ?

(b) Who were the promoters of those companies ?

(c) How many motor buses were provided for each company ?

(d) What is the total cost of these motor buses of each company ?

†Answer to this question laid on the table, the questioner being absent.

(e) When were these motor buses allotted and received by these companies ?

(f) Under whose charge are these motors and vehicles now in each company ?

(g) What is the condition of these vehicles now ?

(h) Has any decision been reached to start these companies ?

(i) What action are Government taking to make a start of these companies at the earliest ?

(j) Why has the matter been left undecided for such a long period ?

(k) What expenditure have the promoters incurred in each of these companies ? When are Government going to decide finally about starting the operation of these companies ?

**The Honourable Mr. M. Asaf Ali:** An attempt has been made to obtain the full information required from the Government of the United Provinces by telegram but as no reply has been received only such material as is available in the Transport and Railway Departments can be given. It is regretted that in some cases this is incomplete.

(a) to (f). A statement is laid on the table. The Railways were unable to invest capital in those companies, as the grant was not passed by this House in the last budget session.

(g) The 235 vehicles in the custody of the East Indian Railway and the 50 held by the G. N. I. T. Co. on behalf of the G. V. T. Co., are in excellent condition but the condition of those being looked after by the promoters of the S. E., U. P. Transport Co., Ltd., the Rohilkhand Transport Co., Ltd., and the Gogra Transport Co., Ltd., is believed to be less satisfactory since many of the vehicles have had to be kept in the open.

(h) The Government of the United Provinces are reported to be inclined to organising a tripartite company or companies.

(i) and (j). There are two factors to be considered, the framing of policy by the Government of the United Provinces in regard to the continuance of the original companies or the formation of new companies and the voting down of the grant referred to in the answer to clauses (a) to (f). These are the reasons why the matter was left undecided.

(k) Detailed information regarding expenditure by the original promoters is not available. The second part is answered in the reply to clause (i) and (j).

## Statement showing certain Particulars of the Companies originally Formed in the United Provinces under the Rail-road Scheme

Serial No.	Name of Company	Name of Promoters	Number of vehicles bought by the Rlys., for subsequent allotment to the companies	Total cost of vehicles	Date of allotment and receipt	In whose custody vehicles are kept
1	2	3	4	5	6	7
1	S. E., U. P. Transport Co., Ltd.	Khan Bahadur Gazanfar-Ullah Khan	75	Rs. 6,44,446	Not known	Company mentioned in Column 2.
2	Rohilkhand Transport Co., Ltd.	Mr. Nariman Balwant Singh.	62	6,03,734	Do.	Do.
3	Gogra Transport Co., Ltd.	Mr. R. B. Mararka	89	7,63,648	Do.	Do.
4	Hind Roadways, Ltd.	Mr. Nirenjan Lal Ram Chandra.	84	8,79,064	Do.	East Indian Railway.
5	B andhelkhand Roadways, Ltd.	Rai Bahadur Prithivinath Bhargava.	66	6,90,700	Do.	Do.
6	Oudh Roadways, Ltd.	Mr. Abdul Wahid Khan	85	6,26,212	Do.	Do.
7	G. V. T. Co., Limited].	Mr. A. S. de Mello	50	4,79,861	Do.	G. N. I. T. Company.
		Total	511	46,93,665		

## TELEPRINTER NEWS SERVICE FACILITIES FOR CENTRAL PROVINCES AND BERAR

**363. \*Seth Govind Das :** Will the Secretary of the Communications Department please state :

(a) the steps that have been taken to give teleprinter news service to the Central Provinces and Berar, particularly at Nagpur and Jubbulpore ;

(b) whether it is a fact that due to the absence of the teleprinter news service facilities, the newspapers in these provinces cannot supply the news as quickly as the papers from other places like Bombay, Calcutta, Allahabad, etc., can supply and thus their circulation is affected adversely ; and

(c) whether Government propose to take early steps to give teleprinters news service to the Central Provinces and Berar ?

**Sir Harold Shoobert :** (a) I would refer the Honourable Member to the reply given to his Question No. 126 which was asked in the Assembly on the 8th February, 1946. Applications have been received from a news agency for teleprinter circuits between Nagpur and Bombay and for similar facilities at Jubbulpore, but it is not possible to provide these circuits at present.

(b) The fact is presumably as stated by the Honourable Member.

(c) The matter is under the consideration of Government.

**Seth Govind Das :** Since February last about six months have passed and there has been sufficient demobilisation of the military. May I know when it will be possible for Government to give these lines to the Central Provinces ?

**Sir Harold Shoobert :** It is not very easy for me to make a promise on behalf of the Government ; but my information from the Posts and Telegraphs Department and from other departments concerned is that we ought to be in a position to know what demands, among those made, can be met by February or March next year.

**Sri M. Ananthasayanam Ayyangar :** May I know how many teleprinters are available in this circle ?

**Sir Harold Shoobert :** I must have notice of that question.

## RELEASE OF MILITARY TELEPRINTER LINES BETWEEN ALLAHABAD AND JUBBULPORE FOR CIVILIAN USE

**364. \*Seth Govind Das :** Will the Secretary of the Communications Department please state :

(a) whether he is aware of the fact that there are six teleprinter lines between Allahabad and Jubbulpore and out of which one is reserved for the Posts and Telegraphs Department and the remainder are with the Military ;

(b) whether it is a fact that some of these military lines are to be given up by the military and thereafter to be dismantled ; and

(c) whether Government are prepared to direct such lines as are released by the military to civilian's use by handing these over to news agencies which at present have teleprinter lines at other places ?

**Sir Harold Shoobert :** (a) Three telegraph circuits between Allahabad and Jubbulpore are now available for the use of the P. and T. Department and others will be transferred to that Department when released by the Defence Department.

(b) The answer to the first part is in the affirmative. The circuits will not be dismantled but will be converted to civil use.

(c) The policy in regard to renting teleprinter circuits to news agencies and other authorities interested is receiving the active consideration of Government.

**Seth Govind Das :** Is the Government aware that when I last asked this question there was only one line available to the Postal Department and now as the Honourable Member says there are three lines available, will he consider whether these two other lines which have been released after that time, would be given to news agencies and to other applicants immediately ?

**Sir Harold Shoobert:** I think the Honourable Member is aware of the very great congestion in telegraph traffic which still prevails. The matter of giving these lines out on lease is one upon which there has to be a general and consistent policy. We have applications for various important lines not only from various Departments of Government but also from quite numerous news agencies, and Government has felt that it is best that we should decide this question as to how they should be allocated and to whom they should be allocated, when it becomes possible to co-ordinate all these applications by getting out a really definite general policy.

**Seth Govind Das:** Is the Honourable Member aware that at present there is a monopoly of this line given to the Associated Press and the contract is coming to an end very shortly and is the Government thinking of removing this monopoly and giving these lines to other news agencies as well?

**Sir Harold Shoobert:** The question raised by the Honourable Member is one of policy with which Communications Department is not the only one concerned. The Communications Department is the agent in this matter. But I believe the intention is to give lines as liberally as possible. The monopoly to which the Honourable Member has referred was merely due to the fact that the news agency which holds these circuits was first in the field long before the last war, and during the war it was not possible to give out further circuits. It was not a monopoly created with any particular object.

**Seth Govind Das:** Will Government now consider the question of removing this monopoly because so many news agencies have sprung up after the war, especially the United Press, which is considered to be one of the best news agencies?

**Sir Harold Shoobert:** As I have already told you, Sir, the whole matter is under consideration, and it is hoped that there will be quite a number of lines available, and I think I am in order in assuring the Honourable Member that there is no question of retaining a monopoly.

**Sri M. Ananthasayanam Ayyangar:** May I know if any priority list has been prepared and who has prepared it?

**Sir Harold Shoobert:** No priority list has been prepared.

**Sri M. Ananthasayanam Ayyangar:** Is it open to the Government to give away to the American Newspaper agencies in preference to Indian agencies?

**Sir Harold Shoobert:** The Government has the whole matter under consideration, but I think I can say it is not the intention of Government to give any agency preference just because it happens to belong to any particular person.

**Sri M. Ananthasayanam Ayyangar:** On what principle is the Government going to allocate these teleprinters to various agencies that may apply?

**Sir Harold Shoobert:** The principle has not yet been decided.

**Mr. Sasanka Sekhar Sanyal:** Is the Honourable Member aware that the previous member made a recommendation in respect of an Indian agency, the United Press, and how does the matter stand now?

**Sir Harold Shoobert:** I am afraid that that was a matter that had not come to my own notice but as I have said the matter is under consideration and under discussion between the Information and Broadcasting Department and the Communications Department. Perhaps it would be better if I made it clear to the Honourable Members of the House that the matter of policy is one for the Information and Broadcasting Department and not for my department.

**Seth Govind Das:** May I ask . . . . .

**Mr. President:** Next question.

**Seth Govind Das:** Sir, this is a very important subject . . . . .

**Mr. President:** Order, order. Seven minutes have been already taken over this one question.

**365. \*Seth Govind Das :** Will the Secretary of the Food Department please State :

(a) whether prices of the agricultural produce are fixed by the Government of India ;

(b) whether prices of only a few produces like wheat, paddy, cotton, etc., have been fixed while those of others like ground-nut, teora, etc., have not been fixed ;

(c) whether it is more profitable for the agriculturists to grow teora, etc. ;

(d) whether the produces of which the prices have been fixed have become unprofitable of cultivation and the prices of bullocks, fertilizers, manure, wages and iron and wood for implements have become very high ; and

(e) whether Government propose to revise the prices fixed, particularly of wheat and paddy, so that it becomes economic for the agriculturists to grow these ?

**Mr. B. R. Sen:** (a) Prices of all major foodgrains and some of the cash crops are fixed by the Provincial Governments in consultation with the Government of India.

(b) Prices have been fixed for wheat, paddy, jowar, bajra, maize, cotton and ground-nuts, but not for teora.

(c) It should not be profitable for agriculturists to grow teora as the demand for it for human consumption is limited.

(d) The answer to the first part of the question is in the negative. Prices of bullocks, etc., have undoubtedly risen.

(e) No, Sir. Government do not consider the present level of wheat and paddy prices uneconomic.

**Seth Govind Das :** Does the Honourable Member know that certain articles are priced differently in different provinces. For instance the price of ground-nut differs in C. P. and Bombay? Will the Honourable Member see that the prices fixed for the same article are the same in different provinces and there is some co-ordination of prices?

**Mr. B. R. Sen:** The prices of no articles are the same in all provinces. There are certain considerations which have to be taken into account in fixing the prices for different provinces.

**Dr. Zia Uddin Ahmad :** Is the Honourable Member aware of the fact that the price index of wheat is higher than the price index of any other commodities mentioned in this question?

**Mr. B. R. Sen:** Yes, Sir.

**Dr. Zia Uddin Ahmad :** Will the Honourable Member consider the interests not only of the producers but also of the consumers?

**Mr. B. R. Sen:** In fixing prices, we take into account the interests of both.

**Sri M. Ananthasayanam Ayyangar :** May I know if any steps are being taken by the Government of India to increase the price of paddy and rice in accordance with the wishes and recommendations of the Government of Madras?

**Mr. B. R. Sen:** The whole question was gone into during the food debate and an answer was given by the Honourable the Food Member.

**Sri M. Ananthasayanam Ayyangar :** May I know if it is not a fact that after the food debate was over the recommendations of the Government of Madras were communicated to the Food Department?

**Mr. B. R. Sen:** The prices of kharif crops were brought under examination only recently and the decision was taken that the prices should remain as they are for the next crop year.

**Sri M. Ananthasayanam Ayyangar :** May I know whether it is not after the food debate that the representations have been made by the Government of Madras that the price of paddy should be increased by half a rupee per maund and of rice by one rupee per maund.

**Mr. B. E. Sen:** That is not correct.

**Sri M. Ananthasayanam Ayyangar:** Is it before then?

**Mr. B. E. Sen:** Yes, Sir.

**PRODUCTION OF SUGAR AND TEXTILES IN INDIA AND QUANTITY AVAILABLE OF KEROSENE OIL**

**366. \*Seth Govind Das:** Will the Honourable Member for Industries and Supplies please lay on the table of the House a statement stating:

(a) the total production of sugar and textiles in India and the quantity of white and yellow kerosene oil available for civilian population;

(b) the basis on which these commodities are allotted and distributed to different provinces and their *per capita* quota for each province; and

(c) whether Government propose to make the allotments in future to all the Provinces on their population strength basis after calculating their availability at flat rate *per capita* basis for the whole of India?

**The Honourable Dr. John Matthai:** So far as the question relates to cotton textiles, a statement containing the required information is placed on the table. With regard to sugar and kerosene oil the Honourable Member may kindly address his enquiries to the Departments of Food and of Works, Mines and Power respectively.

*Statement*

(a) In 1945 the total production of textiles in India, including handloom production of 1,500 million yards was about 6,200 million yards. Of this 600 million yards were exported and 575 million yards were allotted to Defence requirements. The balance of 5025 million yards was available for the civil population in India. The total production so far this year, up to the end of September, has been 3,068 million yards. Production of yarn for Handlooms has also fallen, and against 1,500 million yards of handloom cloth estimated to have been produced in 1945, the production in 1946 may only be 1,300 million yards. In the calendar year 1946 about 400 million yards will go for export and about 80 million yards for Defence requirements. A balance of about 4,900 million yards should therefore be available for the civil population in India in the calendar year 1946, if the present rate of production continues.

(b) The quantity available for the civil population is distributed to Provinces and States on the basis of the following *per capita* quotas:—

Madras	12 yards per head
Bombay	18 " " "
Bengal	12 " " "
U. P.	13½ " " "
Punjab	18 " " "
Bihar	12 " " "
C. P.	12 " " "
Assam	11 " " "
N. W. F. P.	18 " " "
Sind	18 " " "
Orissa	11 " " "

(c) The Government of India propose to call an inter-Provincial conference to consider whether the present Provincial *per capita* quotas should be modified.

**COMMUNAL CONSIDERATIONS IN ALLOTMENT OF CONTRACTS FOR EUROPEAN STYLE TEA ROOMS AT TANDO ADAM STATION ON N. W. RAILWAY**

**†367. \*Seth Yusuf Abcoola Haroon:** (a) Will the Honourable the Railway Member be pleased to state whether it is a fact that communal aspect is being considered in allotment of contracts for European Style Tea Rooms in the North Western Railway?

†Answer to this question laid on the table, the questioner being absent.



(b) Is it a fact that at Tando Adam Station in the Karachi Division of the North Western Railway such a contract was at first given to a Muslim contractor who was already a contractor for European Style Tea Rooms in the Division, but later his contract was cancelled in favour of a Hindu vendor on the plea that the town had a majority of Hindus?

(c) Are Government aware that the General Manager, North Western Railway Lahore, admitted at a meeting held on the 1st August, 1946, of the North Western Railway Advisory Committee, that injustice has been done to the Muslim contractor? If so, what action has been taken by the Railways to reinstate the former contractor?

**The Honourable Mr. M. Asaf Ali:** (a) No.

(b) The contract for working the European Style tea-room at Tando Adam was first granted to Mr. Mohammad Nazir Khan, vending and catering contractor at that station, but before this contractor actually started work, the matter was discussed by the Karachi Railway Local Advisory Committee when it was stated that as the passengers using the station consisted mainly of Hindus the tea-room should cater mainly for Hindus. The contract was subsequently transferred to Messrs. Wadhu Mal Fateh Chand & Bros.

It appears that the change was made as a result of the views expressed at a meeting of the Local Advisory Committee, but further information as to the reasons which led to the change of contractor is being called for on receipt of which the case will be reviewed and a statement will be laid on the table of the House in due course.

(c) The relevant extract from the precis of the 92nd meeting of the N. W. R. Local Advisory Committee, Karachi, is as follows:

"The history of the case was explained and the Chairman stated that, while he could not consider cancelling the existing arrangements at this stage, he did agree that the communal considerations should not enter into such matters and this policy would be kept in view in future."

With regard to the second part of the question, the Honourable Member is referred to part (b) of my reply to his question.

#### RUNNING OF A FAST TRAIN BETWEEN DELHI AND MADRAS

**368. \*Sri E. Venkatasubba Reddiar:** Will the Honourable the Railway Member please state:

(a) whether in the last meeting of the Central Advisory Council for Railways a promise was made by the Administration to run a fast train between Madras and Delhi twice or thrice a week, from the 1st October, 1946;

(b) whether any such train has been introduced; and, if not, why not;

(c) if the train has not yet been introduced, when it is proposed to do so; and

(d) whether any steps are being taken to revert to pre-war timings in respect of the principal through trains on the various Railway systems; and, if so, when it is proposed to effect such reversion?

**The Honourable Mr. M. Asaf Ali:** (a), (b) and (c). At the meeting of the Central Advisory Council on the 13th April, 1946, a hope was expressed by the Government spokesman that it might be possible to inaugurate a fast bi-weekly mail service between Delhi and Madras by October 1946, but no promise was given. The intention was to start this service when adequate and suitable stock became available. Unfortunately the expectation that such stock would be available by October 1946 has not been realised. Moreover, the Railway Administrations consider,—and Government agree,—that their primary obligation, as more stock becomes available, is to restore services which were curtailed during the war and for which the public demand is urgent, rather than to introduce new services which were not in existence before the war. Further consideration of the proposal has accordingly been deferred for the time being and the Railways concerned have been instructed to review the position sometime towards the end of this year with a view to seeing whether the service

can be started from next April. In the meantime, it is not possible to give a definite date by which the Service will be introduced. Much will depend on the availability of suitable stock and the ability of the Railways to restore pre-war train services.

(d) There are a number of factors which militate against a complete reversion to pre-war time-tables on the various Railway systems, among them being, heavy loads of trains, poor quality of coal and heavily taxed engines.

Improvements in speeds will be made as rehabilitation progresses but Government considers that under conditions as they are at present and which are likely to continue for some time, it would be unwise to lay down ambitious schedules which experience shows cannot be maintained.

**Sri M. Ananthasayanam Ayyangar:** May I know if all these considerations were not before the Honourable Member's predecessor when the suggestion or promise was made that the new service would start on the 1st October 1946?

**The Honourable Mr. M. Asaf Ali:** All these considerations were before him but no promise was made.

**Sri M. Ananthasayanam Ayyangar:** If not a bi-weekly service, will the Honourable Member start at least one fast service per week immediately?

**The Honourable Mr. M. Asaf Ali:** It is very difficult for me to make a promise on the floor of the House today. I have stated at length what the difficulties are but we shall try and meet the wishes of the House in this matter.

**Sri M. Ananthasayanam Ayyangar:** How far has the Honourable Member succeeded in trying to speed up the existing service from Madras to Delhi?

**The Honourable Mr. M. Asaf Ali:** We have made some improvement in that direction already.

**Sri M. Ananthasayanam Ayyangar:** Any considerable reduction in the number of hours?

**The Honourable Mr. M. Asaf Ali:** Quite a considerable number of hours. I think the contemplated service will be somewhere in the neighbourhood of 36 hours.

#### CRY OF 'HINDU PANI' AND 'ISLAMI CHAI' AT RAILWAY STATIONS.

369. \***Mr. Manu Subedar:** (a) Has the Honourable the Railway Member authorised or permitted the cry of "Hindu Pani" and "Islami Chai" at Railway stations, or has it been spontaneous?

(b) Have Government considered whether such distinction is necessary and should be permitted?

(c) Has it been brought to the notice of Government that no such distinction is made with regard to "Paan", biscuits, fruits, Mithai, toys, books, magazines and newspapers and other items sold to passengers?

(d) Have Government ascertained the sense of the Central Advisory Council for Railways and the Standing Finance Committee on this topic? If not, will they do so at an early date?

**The Honourable Mr. M. Asaf Ali:** (a) Government have not authorised the use of these cries which have been spontaneous.

(b) Government do not consider such distinctions necessary or desirable. They have already issued instructions to Government Railways that the current practice on railways of watermen and vendors of tea, sweetmeats, etc., attaching to the oral announcement of their wares a communal adjective such as "Hindu" and "Mussalman" should cease forthwith.

(c) Government are aware that similar communal adjectives are not used by other vendors on railway premises.

(d) In view of the action already taken there is no necessity to refer the matter to either body.

**Mr. Manu Subedar:** Is it not a fact that the people who shout 'Hindu Pani' are servants of the Railway Administration and is it not, therefore, possible that the late Government of which this Government is the successor deliberately designed these distinctions to be shouted like this?

**The Honourable Mr. M. Asaf Ali:** I shou'd not like to go into a post-mortem examination.

**Seth Govind Das:** Sir, there is one more distinction prevailing on these railway lines and that is European and non-European food. On many lines there are more restaurant rooms which serve European food than Indian food. Will the Honourable Member consider the question that when there are more travellers who take food of Indian style, the food of European style should either be abolished or the food of Indian style should also be provided at various trains as well as stations?

**The Honourable Mr. M. Asaf Ali:** I think my Honourable friend has made quite a little speech on the subject. The whole matter is going to be considered by the Central Advisory Committee quite shortly.

**Mr. Manu Subedar:** Now that the Government has sent out these peremptory instructions for these sort of cries to cease, will the Honourable Member undertake and assure this House that he will send for a periodical report, say, at the end of every four weeks, to see that, in spite of Government's instructions, this thing does not go on?

**The Honourable Mr. M. Asaf Ali:** I accept the suggestion of the Honourable Member.

**Lt.-Col. Dr. J. C. Chatterjee:** Is it not a fact that it is a question of supply and demand and that these cries arise because people demand "Hindu Pani" and "Muslim Chai"?

**Mr. President:** Next question.

#### ELIMINATION FROM DOCUMENTS BY HIGH COURTS OF A PARTY'S CASTE, SUB-CASTE AND RELIGION.

**370. \*Mr. Manu Subedar:** (a) Does the Honourable the Law Member propose to issue a circular to High Courts or take such other steps as he thinks proper for the elimination out of every document describing a party his sub-caste, caste or religion?

(b) Are Government aware that no such practice exists anywhere in the world and that other means of identification of the parties described are found than the mention of caste or religion?

(c) Have Government asked for or received expressions of public opinion on this subject as to whether this is necessary?

(d) Have Government considered the problem? If so, what is their conclusion?

(e) Do Government propose to invite the views of Provincial Governments as to whether it is necessary in communications from or to Government, or any representation or notification that the caste or religion of a party mentioned should be indicated?

**The Honourable Mr. Jogendra Nath Mandal:** (a) No. I would invite the Honourable Member's attention to the fact that in all documents emanating from a court the description of a person referred to therein is supplied by the party at whose instance the document is issued and is not susceptible of variation by the court.

(b) Government have no information on the subject.

(c) No.

(d) Nothing describable as a problem appears to me to arise.

(e) Government do not consider that a reference to Provincial Governments on this subject would serve any useful purpose; and I would point out that there is nothing whatever to compel a person addressing a letter or representation to Government to specify his caste or religion.

**Mr. Manu Subedar:** With regard to (b), since this Government is not aware of the practice in other countries, will they make an attempt to find out that on applications, on court documents and on transfer of property and other documents in other countries a man's religion or caste is not mentioned, whereas in India it appears to be the general practice that the description that a man is a Hindu inhabitant of such and such a street or he is a Muslim inhabitant of such and such a city is always mentioned? Will Government make this inquiry and consider the problem which does exist?

**The Honourable Mr. Jogendra Nath Mandal:** No inquiry is necessary for the simple reason that the Civil Procedure Code does not provide for the mention of caste or religion or anything of the sort. What the Civil Procedure Code does require is a description of a person. It is due to custom or usage that a person's caste or religion is described. It is not required under any law of the land. Therefore, I feel that no useful purpose will be served by making an inquiry as to whether in other countries the description of a person requires the mention of his caste, sub-caste or religion.

**Mr. Manu Subedar:** Will the Honourable Member assure this House that this is not required under the rules of the High Court and under the rules of the District Courts and that when a person goes to affirm his signature before the Registrar of the High Court he is not called upon specifically to state his caste or religion?

**The Honourable Mr. Jogendra Nath Mandal:** Yes, Sir, in certain provinces there are some courts in which a person is required to mention his caste and religion, but I do not find it from the Civil Procedure Code that it is at all necessary.

**Mr. Manu Subedar:** In view of the fact that in the United States of America and also in the United Kingdom . . . . .

**Mr. President:** I think there has been sufficient discourse on this subject.

**Haji Abdus Sattar Haji Ishaq Seth:** May I ask a supplementary question, Sir? Arising out of part (a), is the Honourable Member aware that the omission of the mention of religion by a party to a document may later on lead to complications with regard to inheritance law and therefore it is necessary that religion should be mentioned?

**Mr. President:** That is a matter for argument. Next question.

#### HEAVY PROFITS TO TEXTILE FACTORIES ON SALE OF CLOTH.

**371. \*Mr. Manu Subedar:** (a) Will the Honourable Member for Industries and Supplies please state by what process prices of cloth were fixed in India?

(b) Are Government aware that textile factories were permitted to make very heavy profits per loom, as much as ten times the pre-war profit and that even now the profit per loom is very high?

(c) What steps are Government taking to have an automatic adjustment of this question, instead of infrequent revisions of prices?

(d) What has been the total production of cloth in India during the last five years and how much has been taken by Government?

(e) How is that Government's offtake after the war for certain kinds of cloth still continuing?

(f) How much is now being taken and for what purposes?

(g) Have Government examined carefully that the purposes for which cloth is still being taken, are not for the production of articles some of which are being disposed of by Government?

**The Honourable Dr. John Matthai:** (a) The basis for fixing prices of cloth and yarn is a schedule of realisation multipliers for certain key counts. These realisation multipliers cover all the various charges involved, such as cost of cotton, all manufacturing charges from the mixing of the cotton and the spinning up to and including weaving, cost of finishing and packing, overhead

expenses of mills and profit margin. This schedule of realisation multipliers is subjected to percentage changes from time to time by negotiations between the Government of India and the industry.

(b) The schedule as it stands at present is believed to allow larger profits on cloth and yarn of fine counts than on cloth and yarn of medium and coarse counts, on which the profits are at present relatively small. In fact, there is reason to believe that margins of profit are very small on coarse cloth, and that this is one reason for the fall in production of coarse cloth. Profit margins of course vary in proportion to the efficiency of the management and condition of machinery of each individual mill. The whole question of cloth costs is complicated and is at present actively under consideration.

(c) Automatic adjustment of prices would be extremely difficult for the following reasons:

(i) Conditions of work vary from mill to mill.

(ii) Costs of manufacture (consisting of the cost of raw cotton, wages, stores, fuel, overhead costs, etc.) vary not only from region to region but also from mill to mill.

(iii) These elements in costs are not constant for any predictable length of time; they depend on local conditions, transport charges, etc., and also on the actual number of looms and spindles worked in any month, which varies according to absenteeism, which is of course un-controllable and unpredictable.

(d) The total production of cloth (inclusive of handloom production) during the five years 1941-45 was in the aggregate about 30,000 million yards, out of which about 3,000 million yards were purchased by Government for the Defence Services and about 1,300 million yards in connection with the Standard Cloth Scheme.

(e) Government's offtake of cloth now is for the requirements of the peacetime establishment of the Defence Services.

(f) Government's offtake during the current year, which is for the aforesaid Defence Service requirements, will probably be about 80 million yards.

(g) Yes, Sir.

**Mr. Manu Subedar:** In view of the fact that when Government fixed the price on the basis of cost plus, the millowners produced certain kinds of cloth more because it paid them a little better and there was a glut of such things as curtain cloths which were sent to villages, will Government not only control the price of cloth but the qualities which any particular manufacturer should manufacture?

**The Honourable Dr. John Matthai:** That problem has already arisen in regard to certain varieties of cloth and the whole problem is under active examination.

**Mr. President:** Next question.

**Sri M. Ananthasayanam Ayyangar:** May I ask a supplementary question? Is it not a fact that the prices of handloom cloth have soared high because the coarse cloth is not available?

**Mr. President:** That is a different problem altogether.

**Sri M. Ananthasayanam Ayyangar:** It is with respect to price control, Sir.

**Mr. President:** Next question has been called.

#### MILITARY TRAFFIC ON RAILWAYS.

**372. \*Mr. Manu Subedar:** (a) Will the Honourable the Railway Member please state how much military traffic on the Railways is still there in terms of (i) special trains per day, (ii) the number of tank wagons for the use of the military; and (iii) the number of ordinary wagons for the use of the military traffic?

(b) Is any priority being given to military transport? If so, of which class and why?

(c) Is there any traffic that can be called demobilisation traffic, and is it in connection with the Indian forces or non-Indian forces?

(d) What is the total number of non-Indian troops in India now, and how many of them are to be sent away in the course of the current official year?

**The Honourable Mr. M. Asaf Ali:** (a) (i) The latest figures available are for the month of September, 1946. These figures show that an average of 20 Military trains per day were run. These include three Military Personnel trains, 14 Military Mail trains, one Stores train, one Vehicle train and one Ambulance train.

(ii) Five tank wagons (one broad gauge and four metre gauge) are allotted to the Military for their exclusive use. In addition to these, during the three months August, September and October, 1946, a total of 704 broad and metre gauge tank wagons were loaded with military traffic.

(iii) Ordinary wagons are not allotted for the exclusive use of the Military. Military demands for ordinary wagons are met from wagons available on railways.

No record is maintained of the number of such wagons loaded daily for the Military.

(b) Yes. Military traffic carried by goods train is ordinarily accorded the following priorities:—

(1) Movements of military foodstuffs—Class II(a).—This is the same as the priority accorded to movements of Civil foodstuffs sponsored by Provincial Governments.

(2) Movements of military stores, other than foodstuffs, and movements of military stores from Military Depots.—Class III.

(3) Movements of military stores from Military Depots carried out with the object of clearing and closing down such Depots.—Class IV.

In addition, movements for which operational urgency is claimed, which are now very few, are accorded Class I priority on specific application.

Priority schedules issued by the Transport Department cover all goods movements in wagon loads and military goods traffic must necessarily find a place in such schedules. Priorities accorded to Military and Civil movements are in keeping with their relative importance and general urgency.

(c) Yes Sir. An appreciable amount of traffic is devoted every month to the moves of Indian and non-Indian troops in connection with demobilization. The number of Indian troops moved in connection with demobilization in September was approximately 30,000 and the number of special trains arranged for these moves was 28. For non-Indian troops, the approximate number was 4,000 and no special trains were arranged.

(d) The Railway Department are not in possession of the figures asked for in this part of the question.

**Mr. Manu Subedar:** In view of the fact that during the last session the Honourable Member's predecessor assured this House that only 27 trains were being run daily as military specials, now my Honourable friend says, they are 20 trains . . . . .

**The Honourable Mr. M. Asaf Ali:** The number varies.

**Mr. Manu Subedar:** May I know whether it is a fact that some of these trains go partly empty and that civilians are not admitted in them?

**The Honourable Mr. M. Asaf Ali:** No, Sir, that is not the information of the Government. I can assure my Honourable friend that we are pressing it upon the attention of the Defence Department, that if ever any accommodation is available even on these trains, it should be made available for civilian travelling public.

**Mr. Manu Subedar:** In view of the fact that civilian population was treated like dirt during the war period, is it not high time that Government considered whether priorities to military traffic should be discontinued? In fact the Honourable Member's predecessor assured the House that these priorities will not now be given.

**The Honourable Mr. M. Asaf Ali:** I am not quite sure whether any assurance was given by my predecessor. All I can say is that these priorities operate

absolutely normally and I do not find any difficulty in the way of civilian population on account of these priorities.

**Mr. Manu Subedar:** Will the Honourable Member enquire whether Disposals Directorate are not taking too much of these priorities to the prejudice of the movement of coal and other essential articles for the civilian population?

**The Honourable Mr. M. Asaf Ali:** No, Sir.

**Shri Mohan Lal Saksena:** Is the Honourable Member aware that apart from special trains, even in ordinary trains where compartments are reserved for the military, ordinary civilians are not allowed?

**The Honourable Mr. M. Asaf Ali:** It is quite possible. If any such instance is brought to my notice, I shall institute an enquiry.

**Sri M. Ananthasayanam Ayyangar:** Will the Honourable Member at least see to it that while these military personnel get into particular compartments or carriages reserved for them, they do not encroach upon those that are reserved for ordinary civilians?

**The Honourable Mr. M. Asaf Ali:** Well, Sir, I shall note that point and bring it to the notice of the administrations concerned.

#### SUPERSESSION OF COMPETENT ASSISTANTS IN RAILWAY BOARD BY OUTSIDERS AND JUNIORS.

373. **\*Mr. Tamizuddin Khan:** (a) Will the Honourable the Railway Member please state whether Government are aware of the fact that senior and competent Assistants in the Railway Board's office are dissatisfied on account of their supersession by outsiders and juniors?

(b) Is it a fact that the genuineness of this grievance was recognised by the Directors of the Board and that it was decided by them that the recent promotions to supervisory posts should be reviewed?

(c) Is it a fact that this decision of the Directors was turned down, without any valid reasons, by two members of the Board, and that no reference was made to other members of the Board or the Chief Commissioner of Railways?

(d) Is it a fact that the Financial Commissioner is never consulted in such matters and that the Directors and Secretary of the Board are the final authority on all questions relating to the staff of the Railway Board office? If so, why was a departure made in this instance?

(e) What steps are proposed to be taken to remove the legitimate grievances of the staff in this matter?

**The Honourable Mr. M. Asaf Ali:** (a) Certain representations from senior Assistants have been received in connection with promotions. Promotion to all posts in the Board's office, particularly to supervisory posts, is, however, made by selection and not by seniority; it is also permissible to draw upon outside sources for filling posts of Superintendents and Assistants-in-Charge, as well as Assistants.

(b) A meeting of the Directors recommended by a majority that certain promotions should be reviewed; but this did not imply recognition of the claims of senior men.

(c) Two Members of the Board considered the recommendation of the Directors. It has been decided that promotions should be made on the recommendations of a small committee consisting of three Directors and the Secretary, Railway Board. It was not necessary for the other Members of the Board to have seen the papers, but the Chief Commissioner has subsequently seen them.

(d) The Financial Commissioner is consulted where necessary; the Secretary, Railway Board and not the Directors is the authority in charge of the staff of the Board's office and he exercises the necessary control under the supervision of the Board. The last part does not arise.

(e) It is not admitted that the staff have any legitimate grievance. As I have already stated, a small committee has been set up who will make recommendations for promotion and if as a result any changes in the existing arrangements are indicated, the matter will be considered afresh.

**Sri M. Ananthasayanam Ayyangar:** May I know if these selection posts are being reviewed by the Honourable Member himself from time to time inasmuch as there is much scope for nepotism in this matter?

**The Honourable Mr. M. Asaf Ali:** All the higher categories come up to me but I cannot possibly undertake to review all the selection posts that are being considered by the various administrations because their number is large.

**Sri M. Ananthasayanam Ayyangar:** May I know if the posts of General Managers are selection posts?

**The Honourable Mr. M. Asaf Ali:** Yes, they are. These higher posts come to me straight.

**Sri M. Ananthasayanam Ayyangar:** Is it a fact that some posts of General Managers will soon fall vacant? In view of the fact that there are very few Indian General Managers at present, will the Honourable Member investigate into this matter and see that in filling up the vacancies that would arise shortly, Indians are not overlooked?

**The Honourable Mr. M. Asaf Ali:** I can assure my Honourable friend on that point. I shall see to it that no Indian is overlooked. I assure him that even now I am taking every conceivable step to see that no Indian is overlooked.

**Sri M. Ananthasayanam Ayyangar:** Will the Honourable Member give an assurance that in the case of persons who are serving already in railways which have been taken over from companies recently, the priorities that have been given under the companies' regime, whether they were right or wrong will not be continued?

**The Honourable Mr. M. Asaf Ali:** I am afraid I must ask for notice. But there is one little point on which I can say this much. It is rather a difficult question. Certain lists of seniorities were made out by the companies, when these administrations were taken over by the Government, naturally we had to adopt those lists. It is difficult for us now to re-open these lists and go into the question of seniority as it was determined by the companies before we took over these railways.

**Sri M. Ananthasayanam Ayyangar:** May I ask whether at least with respect to higher grades, he will review the question of seniority in all cases of railways which have been taken over by the Government from companies?

**The Honourable Mr. M. Asaf Ali:** As I have already said the principle is this, that wherever selection posts are concerned, seniority is overlooked, if necessary.

#### CORRUPTION IN THE DISPOSALS DEPARTMENT

**374. \*Seth Sukhdev:** (a) Will the Honourable Member for Industries and Supplies please state whether Government are aware that there is widespread corruption in the Disposal Department?

(b) If so, what steps are being taken to prevent corruption and the disposal of Government material at low prices?

**The Honourable Dr. John Matthai:** (a) Allegations to this effect, mostly anonymous, have been made from time to time, but none has so far been so specific or supported by such *prima facie* evidence as to justify formal enquiry.

(b) Government are fully alive to the necessity of eliminating corruption wherever it exist. In the case of the Disposals Organisation, in particular, an Enquiry Committee has recently been set up and its Terms of Reference include *inter alia*:

(1) to advise whether the methods of disposal in themselves are suited to producing results which are: (i) in the interests of the public, (ii) expeditious.



(2) to advise whether, in their view, there are definite indications of corruption.

The Government will take such action in the light of the Committee's recommendations as may be necessary both as regards revision and methods of disposal and organisational changes and in the further investigation of any particular cases brought to notice. Copy of a Resolution setting up the Disposals Enquiry Committee is placed on the table.

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GOVERNMENT OF INDIA

DEPARTMENT OF INDUSTRIES AND SUPPLIES

No.

*New Delhi, the 17th October 1946.*

RESOLUTION

In order to have the advantage of some outside study of the problems and difficulties so far encountered in the disposal of war surpluses, the Government of India have decided to appoint a small Committee which will operate on the terms of reference below :—

(i) To review the problems of the Department and to advise whether the organization, personnel, and class of officer and staff are adequate and suitable for handling these problems.

(ii) To advise whether the methods of disposal in themselves are suited to producing results which are :

(a) in the interests of the public.

(b) expeditious.

(iii) To advise whether, in their view, there are definite indications of corruption.

(iv) And in general to suggest methods of improving the performance and standards.

2. The Committee will be called the DISPOSALS ENQUIRY COMMITTEE and will consist of Sir Maurice Gwyer and Dewan Bahadur Sir T. Vijayaraghavacharya. Mr. S. Bhoothalingam, O.B.E., I.C.S., will act as Secretary to the Committee.

3. It is expected that the Committee should be able to report within one month.

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ORDER.—Ordered that this Resolution be communicated to all Provincial Governments and Chief Commissioner, Delhi, all Departments of the Government of India (including the Financial Adviser, Military Finance, and Political Department) and the Secretary, Cabinet Secretariat.

2. ORDERED also that the Resolution be published in the Gazette of India Extraordinary, dated the 14th October 1946.

M. W. M. YEATTS,

*Secretary to the Government of India.*

**Dr. Zia Uddin Ahmad:** Have Government fixed up the terms of reference and the constitution of this Committee?

**The Honourable Dr. John Matthai:** Yes, the terms of reference and the constitution have both been settled and I think have been announced.

**Sri M. Ananthasayanam Ayyangar:** May I know if Government will be willing to set up influential non-official committees in each centre of disposal to be associated with the Government Department, to give them advice with respect to all major disposals beyond a particular value?

**The Honourable Dr. John Matthai:** I expect the report of this committee to be available to Government in a very short time, and the suggestion made by the Honourable Member and other suggestions of a similar kind will be taken into account when we examine the report.

**Seth Govind Das:** Are there any non-officials on this Committee?

**The Honourable Dr. John Matthai:** The Committee consists of only two persons, Sir Maurice Gwyer and Sir T. Vijayaraghavachari, both of whom are non-officials.

**Shri Mohan Lal Saksena:** May I know if the allegations about corruption were made in writing?

**The Honourable Dr. John Matthai:** Anonymous letters have been received.

**Shri Mohan Lal Saksena:** Did Government take any steps to make inquiries regarding the finances of these particular officers?

**The Honourable Dr. John Matthai:** Such consideration as these anonymous letters deserved was given to the matters raised in them.

**Mr. Leslie Gwilt:** Will the Committee be able to examine witnesses? If so, will the evidence of witnesses in such examination be taken in a privileged place?

**The Honourable Dr. John Matthai:** I understand the procedure of the Committee is going to be this. They have examined a large number of officials who hold responsible positions in this particular Directorate, and the further step they are going to take is to meet Chambers of Commerce, business associations of various kinds, and hear their views.

**Sri M. Ananthasayanam Ayyangar:** Is it a roving Committee?

**The Honourable Dr. John Matthai:** They mean to make an extensive tour.

#### EMPLOYMENT OF SUPERANNUATED OFFICERS IN INDUSTRIES AND SUPPLIES DEPARTMENT

**375. \*Seth Sukhdev:** (a) Will the Honourable Member for Industries and Supplies please state how many officers who have already reached the age of 55 are still being continued in service in the Departments under his control?

(b) How many pensioners were re-employed during the war and still being continued? How many of these superannuated men were specialists and technical men?

(c) When will the services of these men be dispensed with?

**The Honourable Dr. John Matthai:** (a) Fourteen.

(b) Thirteen. Out of these five are technical men.

(c) The services of superannuated officers will be terminated as soon as possible within a period of about a year.

All of them except two will be dispensed with by 30th May 1947 and the services of the remaining two will be dispensed with by December 1947.

#### EXPRESS TRAIN BETWEEN DELHI AND MADRAS.

**376. \*Mr. R. C. Morris:** (a) Will the Honourable the Railway Member please indicate when the promised new Express Train will run between Delhi and Madras?

(b) Will air-conditioned coaches be provided on the Express train?

**The Honourable Mr. M. Asaf Ali:** (a) The Honourable Member's attention is invited to the reply I have just given to parts (a), (b) and (c) of Sri R. Venkatasubba Reddiar's starred question No. 368.

(b) The current proposals do not contemplate the provision of air-conditioned accommodation. The matter will however be considered in connection with the general question of provision of air-conditioned coaches on the various routes.

**Sri M. Ananthasayanam Ayyangar:** As the first and second class coaches very often go empty will the Honourable Member consider the advisability of reducing the number of these carriages in this train and increasing the accommodation for third class passengers by increasing the number of coaches?

**The Honourable Mr. M. Asaf Ali:** The question will be examined according to the requirements of the travelling public.

**Shri Mohan Lal Saksena:** In view of increased facilities of travelling by air will Government consider the advisability of discontinuing air-conditioned first class coaches?

**The Honourable Mr. M. Asaf Ali:** That is a matter of larger policy which I do not think can be discussed by way of supplementary questions and answers.

**Sjt. N. V. Gadgil:** Is the Honourable Member aware that in the last railway budget debate this House expressed more than once the view that it was against increasing any facilities for upper class passengers, specially those who travel in air-conditioned coaches?

**The Honourable Mr. M. Asaf Ali:** I am not quite sure that this question was specifically dealt with during the budget debate. It is quite possible that a certain suggestion may have been made; but, as I have said before, it is a question of policy and there will be plenty of time for the House to discuss it at length in the budget session and give us a definite policy. If it is desired to abolish the upper classes I am quite prepared to abolish them.

**Sjt. N. V. Gadgil:** Meanwhile do not spend anything on them.

**Mr. President:** Order, order; next question.

#### PENALTY ON REFUND OF FARE ON UN-USED RAILWAY TICKETS

**377. \*Pandit Balkrishna Sharma:** Will the Honourable the Railway Member be pleased to state :

(a) whether it is a fact that in case a passenger is not able to travel by a particular train for which he has purchased a ticket, he is allowed to deliver back the ticket and get a refund on payment of only one anna as penalty, on the East Indian Railway;

(b) whether a deduction of 10 per cent. is made on the fare paid if a ticket had been purchased a few days earlier and the reservation of seat made, when the passenger is not able to utilise the ticket;

(c) the reasons for this difference of treatment between the two categories; and

(d) whether Government propose to take steps so that the latter class of tickets may also be accepted on payment of the penalty of only one anna?

**The Honourable Mr. M. Asaf Ali:** (a) If a passenger is unable to travel for want of room in a particular train, he can obtain at the station refund of the fare paid without any deduction, provided he gives up the ticket within three hours after the departure of the train. When for any other reason a passenger is unable to travel, he can, if he has not reserved accommodation, obtain refund of the fare paid less a clerkage charge of one anna, provided he gives up the ticket within two hours after the departure of the train.

(b) Yes.

(c) The distinction is made primarily with the object of preventing abuses such as speculative reservations.

(d) The present practice is intended to meet prevailing circumstances. When the pressure on reserved accommodation eases and the incentive for making spurious reservations has ceased to exist, Government intend to consider some relaxation of the rule under which a 10 per cent. deduction is levied in cases of refunds following cancellation of reserved accommodation. In the meantime to provide for genuine cases of hardship, Railway Administrations have discretion to waive the levy of the 10 per cent. deduction where circumstances warrant.

**Seth Govind Das:** Is the Honourable Member aware that if the application for refund is not made within the prescribed hours, as the Honourable Member said, it takes the Railway Department about six months to return the money?

**The Honourable Mr. M. Asaf Ali:** I think those who want a refund should be a little quicker than they generally are.

**Sri M. Ananthasayanam Ayyangar:** Has it come to the notice of the Honourable Member that the provision for the exemption of the deduction of 10 per cent. has been abused by the railway servants themselves by purchasing tickets for long distances and then returning them and getting exemption? If not, will he kindly make inquiries?

**The Honourable Mr. M. Asaf Ali:** Certainly, Sir. But I should like some specific instances to be brought to my notice.

VALUE OF GOODS LOST IN TRANSIT ON RAILWAYS.

**378. \*Pandit Balkrishna Sharma:** Will the Honourable Member for Railway be pleased to state :

(a) the approximate value of goods lost in transit on various Railways, the amount claimed and the amount refunded ; and

(b) the reasons for such losses ?

**The Honourable Mr. M. Asaf Ali:** (a) A statement showing the net amount of claims paid by all Class I Railways for loss, destruction or deterioration of goods for the last five years is placed on the table. Similar information in respect of claims repudiated is not available.

(b) The principal factors contributing towards these losses are:

(i) Heavy expansion of traffic, leading to congestion in goods and parcel offices and in yards, and to difficult operating conditions.

(ii) Inferior quality of packing used.

(iii) Low standard of marking and labelling of packages.

(iv) Increase in thefts due to general scarcity, rise in the level of prices, and bad lighting on account of "black-out" conditions.

(v) Indifferent calibre of some of the temporary staff recruited to handle the heavy war-time traffic.

Statement showing the net amount of claims paid by Class I Railways

Year	Net amount paid Rs.
1941-42 . . . . .	7,80,712
1942-43 . . . . .	14,45,989
1943-44 . . . . .	39,22,856
1944-45 . . . . .	1,13,60,910
1945-46 . . . . .	1,59,18,565

NOTE.—These figures refer to year ending 31st March.

**Mr. Manu Subedar:** In view of the fact that Government servants or ex-railway servants are alleged to be concerned in these thefts, will the Honourable Member set up a special machinery for investigation and allay the serious discontent which exists among the public?

**The Honourable Mr. M. Asaf Ali:** The Watch and Ward are as active as they should be, and I can assure the Honourable Member that we are trying to strengthen our Watch and Ward in order to catch out those to whom my Honourable friend referred.

**Mr. Manu Subedar:** In view of the fact that the Honourable Member is unable at this stage to give us the amount of claims made and rejected by railway administrations, may I know whether he has not received representations from the business community from time to time as to the unsatisfactory character of the responsibility of the railway administrations for losses of goods sent by railway?

**The Honourable Mr. M. Asaf Ali:** There is no doubt that complaints are received from time to time. But my Honourable friend ought to feel satisfied that the amount paid by the railways in 1941-42 was something like seven lakhs 80 thousand odd and now it has risen to one crore and 59 lakhs odd. Can we pay more?

**Sri M. Ananthasayanam Ayyangar:** May I know from the Honourable Member if any policy has been evolved to appoint Superintendents of Police from Government service? Take them on a tenure basis for Watch and Ward.

**Mr. President:** What is the question?

**Sri M. Ananthasayanam Ayyangar:** My Honourable friend said he is trying to improve the Watch and Ward system of the Railways so as to prevent the losses on Railways. . . .

**Mr. President:** The Honourable Member may ask for any information, but he is going to make suggestions.

**Sri M. Ananthasayanam Ayyangar:** If my language is suggesting suggestions I will try to make an amendment. May I ask the Honourable Member to inform the House if there is a proposal to have Superintendents of police serving in the Government transferred to the Railway Department for Watch and Ward once in every three years on a tenure basis?

**The Honourable Mr. M. Asaf Ali:** According to my information, on some Railways there are Superintendents of Police working in the Watch and Ward, and on others they are not.

**Mr. Abdur Rahman Siddiqi:** Will the Government consider the desirability of assessing these losses in accordance with the actual complaints made and justified, or the capacity of Government to pay? Whether it is 16 lakhs or 16 crores is immaterial. If I have lost money or goods, it should be paid. Will Government kindly reconsider its policy?

**The Honourable Mr. M. Asaf Ali:** The Government try to do justice in every case, and I assure the Honourable Member that the Government will continue to do justice to everybody.

**Mr. M. A. F. Hirtzel:** The Honourable Member informed the House that the Watch and Ward Department were working satisfactorily. Would he kindly arrange to make available to the House the number of cases instituted as a result of their activities and the number of successful convictions?

**The Honourable Mr. M. Asaf Ali:** I should like the Honourable Member to put down a question.

**Sri M. Ananthasayanam Ayyangar:** May I know from the Honourable Member if it has come to his notice that there are a number of bogus parcels and bogus complaints? Parcels are first sent without indicating what they contain and later on claim is made for some other article which was actually not sent. Will the Honourable Member kindly see to it that proper investigation is made to see what exactly the article is before parcels are accepted?

**The Honourable Mr. M. Asaf Ali:** No parcel is accepted by the Railways until the Railway officers have satisfied themselves that it contains what the declaration says it contains.

#### RESPONSIBILITY FOR GOODS ENTRUSTED TO ONE RAILWAY FOR DESPATCH TO A STATION ON ANOTHER RAILWAY.

**379. \*Pandit Balkrishna Sharma :** Will the Honourable Member for Railways be pleased to state :

(a) whether it is a fact that when goods are entrusted to one Railway for a station that happens to be on another Railway, the original Railway takes no responsibility for the goods if lost ;

(b) whether on complaint for loss of goods, the original Railway refers the sender to the Railway to whose station the goods were despatched and declines to take any further action in the matter ; and

(c) whether Government propose to instruct the Railways originally receiving goods for despatch, to hold themselves responsible for the tracing of the goods if they are lost, and ensuring the payment of costs to the sender ?

**The Honourable Mr. M. Asaf Ali:** (a) No. The Railway which books a consignment for a station on another railway remains responsible as the contracting

railway, although each railway over which the consignment passes is responsible for the safe transport of the consignment while in its custody.

(b) On receipt of a complaint for loss of goods, the forwarding railway refers the applicant to the railway on which the destination station is situated, which railway is responsible for accepting and dealing with the claim on behalf of all the railways concerned. Each railway, however, takes action to trace the passage of the consignment over its own length.

(c) Government do not propose to vary the present practice which they believe to be the most convenient to the trading public, since it is consignees who normally hold Railway Receipts and prefer claims and they can deal more conveniently with the destination Railway.

#### DISPOSAL OF JEEP MOTOR CARS.

**380. \*Pandit Balkrishna Sharma :** Will the Honourable Member for Industries and Supplies be pleased to state :

(a) the number of Jeep motor cars that were in the possession of Government at the close of the war ;

(b) the manner in which they were disposed of or are being disposed of ; and

(c) the prices at which they have been sold and the conditions, if any, that were attached as regards their further sale by firms that bought the cars from Government ?

**The Honourable Dr. John Matthai :** (a) 10,508.

(b) Surplus Jeeps declared to the Disposals organisation have been disposed of partly by sale to Provincial Governments and Indian States for security and Famine Relief purposes; partly by inclusion in bulk sales of quantities of various vehicles; and partly by advertised tender, auction, or negotiation of small quantities to different parties.

(c) The prices varied with the condition of Jeeps sold. Jeeps in good condition were generally sold for Rs. 4,000 each. Jeeps in fair condition fetched Rs. 2,250 to Rs. 3,000, and those in poor condition Rs. 1,000 to Rs. 2,000.

In the case of fair and poor vehicles, the wide range of conditions within the broad grouping has accounted for the considerable variation in prices.

No conditions governing resale were attached in any transaction.

#### POLICY *re* RETENTION OF ROYAL ENGINEERING OFFICERS EMPLOYED IN RAILWAYS

**381. \*Hajee Chowdhury Mohammad Ismail Khan :** (a) Will the Honourable Member for Railway please state if it is a fact that Royal Engineering Officers are employed in Transportation and Engineering branches of the Railway although they are essentially military Officers ?

(b) Will Government state their future policy as to retention of these Royal Engineering Officers in Railway Services and state whether their services will be returned to the military ?

**The Honourable Mr. M. Asaf Ali :** (a) Yes. The employment of a limited number of Royal Engineer Officers in civil employ, including the various branches of Railway service, is a part of the general set-up of the Army. The terms governing their employment on railways will be found in Appendix I to the State Railway Establishment Code, Volume I, a copy of which is in the Library of the House.

(b) Government have not so far considered the question of the future drafting of Military Officers into Railway employ. As regards such officers already in Railway employ, their return to military service has not been considered, while those whose services were replaced at the disposal of the Army during the war and are still with the Army, have been given an opportunity of returning to Railway employ provided they are considered suitable and they do so not later than 31st March 1947

## QUALITY OF MATCHES PRODUCED IN INDIA.

**382. \*Mr. Manu Subedar :** (a) What steps has the Honourable the Member for Industries and Supplies taken for the improvement of the quality of matches produced in India ?

(b) Is it a fact that matches are produced under controlled conditions at prices fixed by Government ?

(c) Is it a fact that these prices leave magnificent profits to the principal producing companies ?

(d) How do Government account for the fact that the quality of matches on the market is the same as the war quality ?

(e) What steps do Government propose to take in order to remedy this matter ?

**The Honourable Dr. John Matthai:** (a) and (e). The quality of matches depends upon the quality of wood and of potassium chlorate. Good quality potassium chlorate is produced in adequate quantities at present in India, but the match manufacturers have not been able to get the right type of wood in sufficient quantities. Before the War the Andaman Islands were an important source of supply for match-making wood for the Indian industry. After the Islands were taken over by the Japanese, the Indian match industry had to face the problem of arranging supplies of wood from indigenous sources. Some of these sources provided good substitutes, but due to excessive war time fellings in the Forests, supplies of the particular varieties required were considerably reduced and timbers of inferior quality had to be used. Government of India intend to ask the Provincial Governments to reserve exclusively for the manufacture of matches certain species of wood available in some parts of India. Steps are also being taken to improve supplies of timber from the Andamans.

(b) and (c). Matches are not produced under controlled conditions at prices fixed by Government. Until 30th September 1946 the prices of match boxes were fixed in relation to the cost of production and handling charges; manufacturers were allowed a reasonable profit. However, with the expiry of the Defence of India Act, the Central Government have no longer the power to fix the retail price of matches.

(d) The quality of matches is improving with the improved supply of match chemicals and better quality of wood. It will be sometime before the pre-war quality is attained, as transport and other difficulties still hamper regular supply of raw materials to the factories.

**Mr. Manu Subedar:** In connection with the statement of the Honourable the Finance Member during the last Budget, was not an assurance given to this House that the price of matches will be fixed at half an anna—the retail price—and do I understand that Government will not make an attempt to see that the public is not overcharged by the producers who are a monopoly foreign company ?

**The Honourable Dr. John Matthai:** I believe an assurance was given by the Honourable the Finance Member in his last budget statement. But it has not been possible so far to implement the suggestion he made wholly.

**Sri M. Ananthasayanam Ayyangar:** Are any facilities being given for producing matches as a cottage industry ?

**The Honourable Dr. John Matthai:** That question was gone into in great detail when the Tariff Board Enquiry into the match industry took place. It is possible to do so, but whether it would stand up to competition against highly organized, large-scale concern, is a problem that admits of doubt.

**Sir Cowasjee Jehangir:** Isn't it a fact that the price of match boxes has been reduced according to the undertaking given by the Finance Member in the last budget session and that boxes now of 50 matches are supplied to the public at a lower rate and the undertaking has been carried out ?

**The Honourable Dr. John Matthai:** I should like notice of that.

**Mr. President:** Question hour is over.

## (b) WRITTEN ANSWERS

## FAST EXPRESS TRAIN BETWEEN DELHI AND MADRAS.

**383. \*Haji Abdus Sattar Haji Ishaq Seth :** Will the Honourable Member for Railways please state :

(a) what steps have been taken to speed up the Grand Trunk Express which was definitely promised in the last session of the Assembly ; and

(b) when the fast Express train between Delhi and Madras which was promised in the last session is going to be started ?

**The Honourable Mr. M. Asaf Ali :** (a) The Railways concerned have been instructed to take special measures to ensure more punctual running of this train and to subject it to periodical checks by Traffic and Locomotive Inspectors, so that prompt action can be taken to eradicate all avoidable delays. There are however a number of causes of unpunctuality which it is difficult to overcome, such as heavy loads, poor quality coal and engines which are no longer in first class condition.

A copy of the Honourable Member's question and my reply thereto will however be sent to the Railways concerned to ensure that they will redouble their efforts to secure a greater degree of punctuality.

(b) The Honourable Member's attention is invited to the reply just given to parts (a), (b) and (c) of Sri Venkatasubba Reddiar's starred question No. 368.

## EXTENSION OF SERVICE TO MEN IN LOWER AND HIGHER SPECIFIC GRADES IN SIND AND BALUCHISTAN CIRCLE OF POSTS AND TELEGRAPHS DEPARTMENT.

**384. \*Seth Sukhdev :** (a) Will the Secretary of the Communication Department please state the number of men separately in the Lower and Higher Selection Grades in the Sind and Baluchistan Circle of the Posts and Telegraphs Department who have been granted extension of service during the last two years ?

(b) What are the periods of extension granted in each case ?

(c) What are the reasons for granting such extensions ?

(d) What is the effect of such extensions on those immediately below them and on the general position of unemployment ?

(e) Do Government propose to grant such extensions also to those who have now been adversely affected by Government's present policy of granting extensions ? If not, why not ?

(f) What steps Government propose to take to safeguard the interests of those now adversely affected ? If none, why ?

(g) What is the policy of Government in granting extensions in future to the officers and staff of the Posts and Telegraphs Department in general and the Sind and Baluchistan Circle in particular ?

**Sir Harold Shoobert :** (a) None.

(b), (c), (d), (e) and (f). Do not arise.

(g) I would request the Honourable Member to refer the general question of policy regarding the grant of extensions of service to the Home Department. The present Fundamental Rules upon the subject are being followed in the Posts and Telegraphs Department.

## INDIAN RADIO AND CABLE COMMUNICATIONS COMPANY LIMITED.

**385. \*Mr. Siddiq Ali Khan :** (a) Will the Secretary of the Communications Department please state if the Government of India have completed arrangement to take over the Indian Radio and Cable Communications Company Limited on 1st of January 1947, in accordance with the notice served on the Company in the beginning of this year ?

(b) What is the total number of officers and the employees of the Company who are drawing a salary, including personal allowance :—(i) of Rs. 450 and over, (ii) between Rs. 250 and Rs. 450, and (iii) between Rs. 150 and Rs. 250 ? How many are Muslims in each category ?



(c) What is the scale of pay, as given in the Grading Schedule of the Company for the grades of—(i) Deputy General Manager, (ii) General Traffic Manager, (iii) Chief Engineer, (iv) Assistant Traffic Manager, and (v) Engineer-in-charge? How many officers have been promoted to these grades during last 3 years? What initial salary and special allowances, if any, have been granted in each case?

**Sir Harold Shoobert:** (a) The Government of India are making arrangements for taking over the service of the Indian Radio and Cable Communications Company, Limited, with effect from the 1st January, 1947.

(b) and (c). A statement is laid on the table of the House.

*Statement*

(b) The required information so far as it is available is given below :—

(i) Number of employees 40—Muslim, One.

(ii) Number of employees 157—Muslims—3.

(iii) Number of employees 75—Muslims—12.

(c) (i) Deputy General Manager—scale, Rs. 1,500—50—1,750.

(ii) General Traffic Manager—scale, Rs. 1,200—50—1,500.

(iii) Chief Engineer—scale, Rs. 1,200—50—1,500.

(iv) Assistant Traffic Manager—This grade has been abolished and replaced by Assistant Managers—scale, Rs. 625—35—800.

(v) Engineer-in-Charge—scale, Rs. 535—25—775.

The information regarding number of officers promoted to these grades during the last three years and the initial salary and special allowances granted in each case is given below :—

(i) Number of officers promoted to grade—One and initial salary granted Rs. 1,600.

(ii) Number of officers promoted to grade—One and initial salary granted Rs. 1,200.

(iii) Number of officers promoted to grade—One and initial salary granted Rs. 1,500.

(iv) Number of officers promoted to grade—Three and initial salary granted Rs. 700.

(v) Number of officers promoted to grade—Five initial salary granted Rs. 600, in four cases with free quarter at Kirkee or allowance of Rs. 75 at Bombay in lieu of free quarters, and initial salary granted in the fifth case Rs. 560 at Delhi with an allowance of Rs. 300.

METHOD OF FIXATION OF PRICES OF YARN AND CLOTH.

**386. \*Mr. P. B. Gole:** Will the Honourable Member for Industries and Supplies be pleased to state :

(a) the method by which the prices of yarn and cloth are fixed ;

(b) the relation that they bear to the controlled price of cotton ;

(c) whether Government are aware that the Textile Mills are making huge profits on account of the abnormally high prices of cloth fixed by the Textile Commissioner ; and

(d) Whether any representation has been made by the East India Cotton Association for raising the minimum prices of cotton if the prices of cloth and yarn are not reduced ?

**The Honourable Dr. John Matthai:** (a) The basis for fixing prices of cloth and yarn is a schedule of realisation multipliers for certain key counts. These realisation multipliers cover all the various charges involved such as cost of cotton, all manufacturing charges from the mixing of the cotton and the spinning up to and including weaving, cost of finishing and packing, overhead expenses of mills and profit margin. This schedule of realisation multipliers is subjected to percentage changes from time to time by negotiation between the Government of India and the industry.

(b) It is not possible to specify the exact relationship between the controlled prices of cloth and yarn and the controlled prices of cotton, because, as indicated in the reply to part (a) of the question, the schedule of realisation multipliers takes into account all the relevant cost factors. But changes in this schedule are so effected as to take into full account cotton prices.

(c) The schedule as it stands at present is believed to allow larger profits on cloth and yarn of fine counts than on cloth and yarn of medium and coarse cloth on which the profits are at present relatively small. In fact there is reason to believe that margins of profit are very small on coarse cloth, and that this is one cause for the fall in production of coarse cloth. Profit margins of course vary in proportion to the efficiency of the management, and condition of the machinery of each individual mill. Some make large profits while others on the margin even work at no profit. The whole question of cloth costs is complicated and is now actively under consideration.

(d) The East India Cotton Association did make a representation that the floor prices of cotton should be raised, but there was nothing in their representation relating to the reduction of the prices of cloth and yarn.

#### PRICES OF COTTON.

**387. \*Mr. Manu Subedar:** (a) Will the Honourable Member for Industries and Supplies please state how much cotton did Government of India purchase under the scheme to prevent cotton falling below a certain price?

(b) When were these prices fixed and what were the considerations for fixing the price of cotton as low as they were fixed?

(c) Have Government examined the position of cotton and gone into the reason why the price of Indian cotton should be lower than pre-war price, whereas the American cotton is two to three times the pre-war price?

(d) What steps are Government taking in order to see that the cotton cultivator gets the full value for his exertion?

**The Honourable Dr. John Matthai:** (a) During the 1943-44 season Government bought 277,854 bales. During the 1944-45 season Government bought 22,583 bales. There have been no purchases since then.

(b) The prices for the 1943-44 and 1944-45 seasons were fixed in October 1943 and August 1944 respectively. The considerations that weighed with the Government in fixing these prices were (i) to ensure that the cotton floors were less attractive than the food floors, so that the production of cotton surplus to requirements was discouraged and the production of food maximised, (ii) Government's anti-inflationary policy. The very fact that Government had to buy as many as 300,437 bales in order to sustain these floors shows that the prices fixed were not unduly low.

(c) Current cotton prices are not below the pre-war levels.

(d) Government have recently increased the floor prices of fine Jarilla 8/4" staple by Rs. 80 and the floor prices of other descriptions *pro rata*.

#### "FLOOR PRICES" OF COTTON.

**388. \*Prof. N. G. Ranga:** (a) Will the Honourable Member for Industries and Supplies be pleased to state what was the "floor price" for cotton in September, 1946, and new "floor price" fixed in October; what is the percentage of difference between them?

(b) Is it a fact that this increase in "floor price" does not effect the ultimate cost of cotton cloth?

(c) For how long have the cotton growers been complaining against the earlier "floor price" of cotton? Why was all the delay caused in setting right the position? What is the departmental machinery available to continually watch the trend of the respective prices of cotton, yarn and cloth and to see that the cotton growers are not exploited by the millowners?

**The Honourable Dr. John Matthai:** (a) The floor price for Fine Jarilla in September was Rs. 850 per candy, and the new floor price fixed in October is Rs. 430 per candy. The percentage difference is roughly 23 per cent. The floor prices of other cottons have been increased by roughly the same percentage.

(b) Government do not consider that this increase in the floor prices will affect the cost of cotton cloth. The market price which was round about

Rs. 440 per candy for Fine Jarilla previous to the change is round about Rs. 460 now.

(c) For some years representatives of cotton growers have been complaining that the floor prices were much too low. That they were in fact not unduly low is shown by the fact that market prices have touched the floor on only two occasions. The recent decision to increase the floors was taken because Government decided that it would serve the interests of the grower to narrow the margin between floors and ceilings and give less scope for speculators. They are of the view that this would tend to stabilise market prices at or about current levels, and give more confidence to the cotton trade, who it is expected by reason of their increased confidence will be likely to allow better prices to the cotton grower. There is a section of the Textile Commissioner's office concerned exclusively with cotton matters, which watches the trend of prices and whose duty it is to see that the prices fixed by Government give a fair return to the cotton grower. Government's Honorary Adviser on Cotton has many years experience of cotton matters in India and the Cotton Committee of the Textile Control Board comprises experienced businessmen actively interested in the cotton trade. Government believe that the guarantee of a floor, and the careful adjustment of supplies against internal needs and export markets, will stabilise the grower's price at a fair level.

#### BAN AGAINST PRODUCTION OF COTTON IN MADRAS.

**389. \*Prof. N. G. Ranga :** Will the Secretary of the Department of Agriculture be pleased to state whether in view of the new policy of the Congress Ministry of Madras to make that province self-sufficient in Khadi, yarn and cloth production and help peasants to raise as much cotton as possible in their own villages, Government propose to withdraw their "Ban orders" against the production of cotton in a number of Madras Districts ?

**Sir Pheroze Kharegat:** The ban on cotton cultivation in certain tracts has been imposed by the Provincial Government and not by the Centre. The question of the continuance of the ban is being examined by the Government of Madras in consultation with their officers.

#### ASSEMBLING OF AGRICULTURAL TRACTORS IN ORDNANCE FACTORIES.

**390. \*Sri V. C. Vellingiri Gounder :** Will the Secretary of the Department of Agriculture be pleased to state :

(a) the number and place where Government ordnance factories or other agencies have undertaken the manufacture or assembling of agricultural tractors and their ploughing sets and spare parts ;

(b) how many tractors have so far been secured or fitted as complete ploughing units and how many given to each province ;

(c) what are the countries from which these tractors and ploughs have been got so far and the number of plough and tractors expected to be delivered and when ;

(d) whether Government have arranged to secure experts from foreign countries to manage the factories engaged in the manufacture of tractors and ploughing implements ; and

(e) the number of agricultural implement factories in India, where are these situated and when started ; what help is given by the Government ?

**Sir Pheroze Kharegat:** (a) Government have set up a tractor reconditioning and repairing station at Delhi. A private firm is taking up the manufacture of tractor drawn implements at Bombay. The question of starting the manufacture or assembling of agricultural tractors is being looked into by the Automobile and Tractors Panel set up by the Planning and Development Department. It is however considered that such a plant will not be a commercial proposition until the demand is of the order of 4,000 tractors a year.

(b) A statement is laid on the table.

(c) The tractors and ploughs so far received have all been imported from the U. S. A. Against our outstanding indents we are still to receive 388 tractors

and 481 ploughs (all types) from North America and 80 tractors and 244 ploughs (all types) from U. K. These are expected to be delivered before December, 1947.

(d) Does not arise.

(e) The exact number of factories for the manufacture of animal and hand operated agricultural implements is not known but a list of the more important factories is laid on the table. There is only one factory for the manufacture of tractor drawn implements situated in Bombay and started in 1946. Help is given by Government to these factories for the procurement of iron, steel, coal, coke, etc.

*Statement I.*

[In reply to part (b)]

128 tractors and 25 Mould-board Ploughs have been received from the U.S.A., since 1944, and distributed as follows :—

Bombay . . . . .	52 Tractors and 20 Ploughs
Baluchistan . . . . .	6 Tractors and 3 Ploughs
Baroda . . . . .	6 Tractors and 2 Ploughs
Bihar . . . . .	5 Tractors
Bundi State . . . . .	1 Tractor
Central Schemes . . . . .	4 Tractors
Hyderabad State . . . . .	5 Tractors
I. A. R. I. . . . .	2 Tractors
Madras . . . . .	8 Tractors
Mysore State . . . . .	8 Tractors
Patiala State . . . . .	1 Tractor
Rampur State . . . . .	5 Tractors
Sind . . . . .	1 Tractor
Travancore State . . . . .	1 Tractor
U. P. . . . .	19 Tractors
In hand . . . . .	4 Tractors

In addition 315 used tractors and 8 Ploughs have been acquired from U. S. Army surpluses in India. Of these 12 tractors have been sent to Bombay, 41 tractors and 3 Ploughs to Madras and 15 tractors and 3 Ploughs to Mysore. The remaining machines will be repaired in a special workshop being set up for the purpose, before they can be put to any use.

*Statement II.*

*Lists of Firms referred to in reply to part (e) of the question*

1. The Allahabad Agricultural Institute, Allahabad.
2. M/s. Arthur Butler & Co. (Muzaffarpur), Ltd., Muzaffarpur.
3. M/s. Batala Engineering Co., Batala, Punjab.
4. M/s. Bhanamal Gulzarimal, Delhi.
5. M/s. Bhanamal Gulzarimal, Mithapur, Patna Jn.
6. M/s. Bhansingh Attarsingh, Mirpur Khas, Sind.
7. M/s. Hans Raj Gupta & Co., Delhi.
8. The Government Central Workshop, Roorkee, U. P.
9. M/s. Kartar Singh & Sons, Mirpur Khas, Sind.
10. M/s. Larsen & Toubro, P. O. Box 278, Bombay 1.
11. M/s. Malik Mohammad Din & Co., Lahore.
12. M/s. The Mysore Implements Co., P. O. Hassan (Mysore).

13. The Montgomery Dairy Farm, Montgomery, Punjab.
14. M/s. The Nahan Foundry, Nahan (Sirmur, State).
15. M/s. P. S. G. & Sons, Charity Industrial Institute, Peelamedu, (Coimbatore).
16. M/s. Renwick & Co., Ltd., Khustia, B. & A. Railway, Bengal.
17. M/s. Kirlokar Bros., Kirlokarwadi, Dist. Sitara (Bombay).
18. M/s. W. Leslie & Co. (Punjab), Ltd., Lahore.
19. M/s. Cooper Engineering Ltd., Satara (Bombay).
20. M/s. The Tata Iron & Steel Co., Ltd., Tatanagar.

#### TRANSPORT OF FISH BY ROAD AND RAIL

**391. \*Mr. R. C. Morris :** Will the Secretary of the Agriculture Department please state whether, with the expected increase of supplies of fish, improved freezing arrangements for transport by rail and road into the interior will be effected ?

**Sir Pheroze Kharegat:** Improved freezing arrangements for fish during transport by road and rail will be effected with due regard to the expected increased supplies of fish resulting from development of additional fishery resources, and the supply position of ice and of essential cold storage equipment, which may have to be imported from abroad.

#### CONTROL ON FUEL OIL IMPORTS

**392. \*Mr. Vadilal Lalubhai :** (a) Will the Honourable Member for Industries and Supplies be pleased to state if it is a fact that due to control on fuel oil imports and its prices foreign combines are charging very heavy prices which are out of proportion to the cost in the manufacturing countries ?

(b) Is it a fact that Government was being charged more prices for fuel oil than private consumers before the war ?

(c) Is it a fact that foreign combines show calculations at the high pre-war price on which they have based their present calculations ?

(d) Is it a fact that even the present price calculations shown to Government are also on the higher level ?

(e) Do Government propose to see that this charging of higher prices is put a stop to ?

(f) What are the reasons for continuing control on fuel oil ?

**The Honourable Dr. John Matthai:** (a) The existing control is over physical distribution of supplies of fuel oil to consumers, not on price.

The sale prices of petroleum products are fixed on the basis of prevailing f.o.b. Gulf of Mexico prices *plus* current freight and other charges from a Gulf port to a port in the country of consumption, irrespective of the source of supply. In the case of furnace oil however, the Government have secured prices fixed on the basis of f.o.b. Gulf of Mexico price *plus* the actual freight and other incidental charges from Abadan—the source of supply. As these charges are lower than the corresponding charges on supplies from the Gulf of Mexico, the Indian prices are in fact lower than what would have been ordinarily charged in accordance with the normal price policy of the oil companies. There are no reasons to believe that f.o.b. Gulf prices are not fixed in relation to the cost of production or that the Abadan costs are lower than the Gulf costs.

(b) An instance has been brought to notice where the oil interests, with the probable intention of inducing industries in India to convert their plant from coal-fired to oil-fired furnaces, and thereby establishing new and expanded regular business for oil, had sold furnace oil during the years 1938 and 1939 at prices below those charged to Government. This does not, however, indicate any flaw in the price basis accepted by Government.

(c), (d) and (e). In view of the replies to parts (a) and (b) above, these questions do not arise.

(f) Fuel oil is in world short supply and 90 per cent. of India's requirements are obtained from Abadan against quotas allotted by H. M. G. Continuance of control over the distribution of fuel oil is considered necessary in order to ensure equitable distribution to essential customers. Putting this item on the free list, as suggested by the Honourable Member, will enable non-essential consumers who command a large amount of cash, to buy up the major portion of the available fuel oil, thus depriving the more essential consumers, such as those employed in connection with Food production, of their due share.

#### CONTROL ON SALE OF MOTOR CARS

**393. \*Mr. Madandhari Singh :** Will the Honourable Member for Transport be pleased to state :

(a) whether it is a fact that the Bengal Government has lifted the control over the sale of motor cars ;

(b) if it is a fact that the Bihar Government is still having the control over the sale of motor cars ;

(c) whether it is possible for customers from Bihar to go to Calcutta to purchase cars without permits ; and

(d) if so, the reason for retaining the control over the sale of cars in Bihar ?

**The Honourable Mr. M. Asaf Ali:** (a) to (d). The question relates to a matter which is now the concern of Provincial Governments. It is understood that the Government of Bengal have not re-imposed control while the Government of Bihar who did re-impose control over distribution and prices of motor vehicles from 1st October, 1946 have abolished it with effect from 1st November, 1946.

#### PROTECTION OF RAILWAY PASSENGERS FROM LAWLESSNESS IN CALCUTTA

**394. \*Mr. Sasanka Sekhar Sanyal :** Will the Honourable the Railway Member be pleased to state :

(a) whether the attention of the Government has been drawn to the serious disturbances and dislocation in Railway transport due to the state of lawlessness in Calcutta and other parts of Bengal ;

(b) what steps have been taken or are being taken for ensuring safety and protection of Railway passengers on board the train (and steamer) and at stations of Railway employees and of Railway rolling stocks and of other kinds of property of the Railway and of the passengers and the public ; and

(c) what are the obligation of the Provincial Government with regard to the above, and the guarantee for the fulfilment of the said obligation ?

**The Honourable Mr. M. Asaf Ali:** (a) Yes.

(b) I would refer the Honourable Member to my replies to Mr. K. C. Neogy's starred questions Nos. 80 and 81 given on the 28th October, 1946. I may add that all action that could be taken by the railway administrations for the protection of railway property and personnel as well as railway passengers in the affected areas was taken by them. Government are also considering the provision of a Special Armed Force for the protection of railway property, staff and the passengers and are also examining the question of enhancing punishments for offences under certain sections of the Indian Railways Act of 1919.

(c) The provision of protection for railways is one of the functions of the Provincial Governments concerned. As, however, the normal strength of the Police under a Provincial Government cannot be expected to be sufficient to meet an emergency of such magnitude as now exists, Government are proposing the measures referred to in my reply to part (b) above.

## ALLOTMENT OF TEXTILE MILLS FOR THE COTTON PRODUCING PROVINCES

395. \*Captain Syed Abid Hussain : (a) Will the Honourable Member for Industries and Supplies please state whether it is a fact that while allotting 124 new textile mills to various Provinces of India, no consideration and preference was shown to the cotton producing Provinces ?

(b) Do Government propose to sanction a few more new textile mills exclusively for the cotton producing Provinces ?

The Honourable Dr. John Matthal: (a) It is not correct to say that no consideration was given to the factor of raw cotton availability in Provinces. If the Honourable Member will refer to paragraphs 19 and 20 of the Report of the Post-war Planning Committee (Textiles) he will see that, in arriving at their recommendations regarding allotments of spindles to Provinces, the Committee took into account availability of cotton along with other relevant factors.

(b) No, Sir. But Government will give due weight to the advantages of the availability of raw cotton, as has been done even now, when the next stage of expansion is reached.

## SHORTAGE OF THIRD CLASS TICKETS ON MALAKWAL-SHORKOT ROAD LINE ON N. W. RAILWAY

396. \*Captain Syed Abid Hussain : (a) Will the Honourable the Railway Member be pleased to state whether it is a fact that at many Railway Stations on the Malakwal-Shorkot Road line (North Western Railway) third class tickets are not available to passengers ?

(b) Is it a fact that the Railway Authorities issue Passes to passengers in batches which causes great inconvenience to the travelling public and specially to the lady passengers ?

(c) Is it also a fact that if the holder of a pass of a particular batch disappears on the destination then the other fellow passengers are liable to be charged against as ticketless travellers ?

(d) If the replies to parts (a) to (c) above be in the affirmative, then do Government propose to take immediate steps to remedy the inconvenience, and to take disciplinary action against the staff ?

The Honourable Mr. M. Asaf Ali: Information regarding the complaint of shortage of third class tickets on the Malakwal-Shorkot Road line is not available at the headquarters of the North Western Railway. This information is being obtained from Divisional headquarters and a detailed reply will be placed on the table of the House when the information becomes available.

## RIVAZ BRIDGE ON N. W. RAILWAY

397. \*Captain Syed Abid Hussain : (a) Will the Honourable the Railway Member be pleased to state whether it is a fact that the Rivaz Bridge between the Railway Stations Thutta Ma'a and Chund (North Western Railway) is used by the Railway and is also open to public traffic ?

(b) Is it a fact that the important Jhang-Shahpur Road also crosses the Chanab River through the above mentioned bridge ?

(c) Is it a fact that within a radius of thirty miles there is no other bridge open to public for crossing the river and that there are thousands of people and animals and lorry loads of commercial commodities crossing the bridge every day ?

(d) Is it also a fact that the Railway Authorities who are in charge of this bridge close it from sunset to sunrise as also from 11-30 A.M. to 1-30 P.M., thereby limiting the time of the public crossing only to a few hours of the day ?

(e) In view of the changed time and conditions and in view of the great difficulty with which the public is faced, do Government propose to open the bridge to the public traffic throughout day and night closing only half an hour before the train timings ?

The Honourable Mr. M. Asaf Ali: The information asked for is being obtained from the Railway Administration concerned and a reply will be laid on the table in due course.

## LIVESTOCK IMPROVEMENT BOARDS AND FODDER AND GRAZING COMMITTEES

**398. \*Sri V. C. Vellingiri Gounder:** (a) Will the Secretary of the Department of Agriculture be pleased to state in which provinces Livestock Improvement Boards and Fodder and Grazing Committees are working, and since how long?

(b) Do Government know that there have been frequent cattle fodder famines in several parts of the country where best breeds of cattle are reared, thereby causing difficulties of timely agricultural operations in those areas? What steps have so far been taken by Government to tide over and solve the fodder problems?

(c) Has the Imperial Council of Agricultural Research suggested any scheme and advice and made grants towards schemes to solve these fodder famines? If so, what are they?

(d) What are the post-war schemes suggested under the Forest Department to improve the fodder and grazing facilities in the forest?

**Sir Pheroze Kharegat:** (a) Committees or Boards were set up in Assam, Bengal, Bihar, the C. P., Madras, Orissa, the Punjab and the U. P. in 1938 or thereabouts.

(b) Government are aware of the fact that fodder famines occur from time to time in different areas. In the current year arrangements were made for the supply of baled hay to the deficit areas but were only availed of by a few areas. A certain amount of cattle feed has also been imported. Rotational grazing has been introduced in certain areas to make more fodder available. Forest areas are thrown open to grazing in times of fodder scarcity. Research has also been carried out for using articles like Munj, Kans, Mango Seed Kernel, etc., as fodder after suitable treatment.

(c) A statement is laid on the table.

(d) The post-war plans aim at establishing rotational grazing schemes on scientific lines and at developing waste, desert and derelict land for the production of grass, tree leaf-fodders and pods.

## Statement

Two schemes were sanctioned in 1941 in Bombay and the U. P. for the improvement of grass lands by rotational grazing but these could not be started because of non-availability of fencing material. A scheme for the improvement of pasture land in Baroda financed by the Council is still under operation. Two schemes for the improvement of pastures by rotational grazing and reseeded in the Punjab and Bengal have recently been sanctioned. A similar scheme has been received from Assam and is under the consideration of the Council. A Desert Farming scheme is in operation in Sind since 1942 for the introduction of various drought resistant cereals and fodder crops, new grasses and xerophytic trees for shade and emergency fodder.

## PAY OF EMPLOYEES OF POSTS AND TELEGRAPHS DEPARTMENT FOR STRIKE PERIOD

**399. \*Sjt. Seth Damodar Swroop:** (a) Will the Secretary of the Communications Department please state if Government are aware of the fact that the pay of the employees of the Posts and Telegraphs Department for the strike period was withheld by the Caretaker Government. If so, do Government propose to consider the question afresh and allow the employees of the Posts and Telegraphs Department their pay for the strike period in some form or other, as the poor employees are already hard hit by the economic distress?

(b) Are Government aware of the fact that in the last Bengal Nagpur Railway Strike the employees were allowed their pay for the strike period and this fact furnishes a precedent?

**Sir Harold Shoobert:** (a) The Honourable Member is referred to the reply given to Question No. 22, asked by Miss Maniben Kara on the 28th of October 1946.

(b) It is a fact that when employees of the Bengal Nagpur Railway at Kharagpur went on strike in 1927, pay was allowed for the strike period, but this cannot be regarded as a precedent since there were special circumstances to justify the concession. I may add—the Railway at that time was not a State concern.



## SUGAR, GUR, SALT AND DAL QUOTA IN ASSAM.

**400. \*Sreejut Rohini Kumar Chaudhuri:** (a) Will the Secretary of the Food Department please state if Government are aware that owing to damages done by a series of devastating floods from July to October this year in Nowgong, Sylhet, and some other Districts of the province of Assam, there is an inadequate quantity of imported foodstuff, such as Sugar, Salt, Gur (molasses) and Dal? If so, have Government either sanctioned increased quota of these commodities for Assam or have taken other steps necessary to provide for the increased supply?

(b) How many Biscuit Factories are there in the different towns of Assam?

(c) Is it a fact that most of them are lying idle for want of adequate quantity of sugar and flour?

(d) Is it a fact that roughly speaking a monthly supply of one hundred maunds of each of these commodities would enable these Factories to work? If so, do Government propose to sanction the additional quota for the Province?

**Mr. B. E. Sen:** (a) No complaint has been received from the Assam Government regarding shortage of salt, sugar and Gur in Nowgong and Sylhet as a result of floods. Assam's Gur quota was recently increased by 1,500 tons. There is a shortage of pulses in Assam, 3,500 tons of Moong and Masur were allotted to Assam in September and October and more will be allotted as further supplies become available.

(b), (c) and (d). An enquiry has been made from the Government of Assam about Biscuit factories and the question of allocation of additional quantities of flour and sugar required by these factories will be considered on receipt of their reply.

## LOW CONTROL PRICES OF PADDY AND RICE IN ASSAM

**401. \*Sreejut Rohini Kumar Chaudhuri:** (a) Will the Secretary of the Food Department please state whether Government of India have fixed control prices of paddy and rice in Bengal and Assam. If so, what are these prices?

(b) Is it a fact that the Government of Assam had requested the Government of India to permit them to increase the control prices of paddy and rice? If so what was the decision of the Government of India?

(c) Are Government aware that on account of comparative low prices fixed for paddy and rice, the producers have been hard hit and that they are not in a position to purchase adequate quantities of necessaries of life as also the husbandry implements?

**Mr. B. E. Sen:** (a) The prices of paddy and rice in Bengal and Assam have been fixed by the Provincial Governments in consultation with the Government of India. Statements showing these prices are laid on the table of the House.

(b) Yes, Sir. The Government of India have decided that there should be no change in the existing prices of paddy and rice.

(c) The Government of India do not consider that the prices of paddy and rice are too low.

*Statement showing the procurement prices of rice and paddy in Bengal and Assam*

## I. BENGAL.

Districts	A M A N			A U S		
	Medium paddy	Milled medium rice	Milled coarse rice	Districts	Paddy	Rice
Dinajpur . . . . .	} 5 12 0	10 8 0	10 0 0	For all districts	5 2 0	9 11 0
Jalpaiguri . . . . .						
Rangpur . . . . .						

Districts	A M A N			A U S		
	Medium paddy	Milled medium rice	Milled coarse rice	Districts	Paddy	Rice
Malda, Bogra . . . . . Rajshahi . . . . . Darjeeling (Silguri sub-dn.)	5 14 0	10 11 0	10 8 0			
Bakergaj . . . . .	6 4 0	10 12 0	10 4 0			
Khulna . . . . . Mymensingh . . . . .	6 4 0	10 14 3	10 6 0			
Jessore . . . . . Nadia . . . . . Murshidabad . . . . . Pabna . . . . .	6 4 0	11 0 0	10 8 0			
Faridpur (Gupalgunj sub-dn.)	6 4 0		...			
Faridpur (Sadar, Goalundo and Madaripur sub-dn.)	6 8 0		...			
Dacca . . . . .	6 8 0	11 2 0	10 10 0			
Chittagong . . . . .	6 12 0	11 8 0	11 0 0			
Midnapur . . . . . Burdwan . . . . . Birbhum . . . . . Bankura . . . . .	6 8 0	11 4 0	10 12 0			
Hooghly . . . . . Howrah . . . . . 24-Parganas . . . . .	6 14 0	11 12 0	11 4 0			

NOTE.—Prices for delivery at godowns at railheads.

II. ASSAM

(1) Aman variety	Rice	Paddy	} Prices for delivery at agents' godowns, at railway or steamer heads.
Surplus districts . . . . .	11 1 0	6 2 0	
Self-sufficient districts . . . . .	11 4 0	6 8 0	
Deficit districts . . . . .	11 12 0	6 15 3	} Fixed procurement price payable to cultivators at the nearest grain market
(2) Aus & Boro.	8 8 0	4 8 0	

ALLOTMENT TO ASSAM OF QUOTA OF DIRECT SUPPLY OF BRASS SHEETS, CYCLES, CLOTH AND CORRUGATED IRON SHEETS

402. \*Sreejot Rohini Kumar Chaudhuri: (a) Will the Honourable Member for Industries and Supplies be pleased to state what quota of direct supply of the following materials, if any, has been allotted to the Province of Assam: (i) Brass sheets, (ii) cycles, their parts and accessories, (iii) cloth and other materials necessary for the manufacture of umbrellas; and (iv) corrugated iron sheets?

(b) Are Government aware that the quantity of each commodity allotted is quite inadequate and that the Government of Assam had asked for its increase without any success?

(c) Are Government aware that the method of distribution adopted in Assam is unsatisfactory?

**The Honourable Dr. John Matthai:** (a) (i) Assam has been allotted a quota of 10 per cent. of the brass sheets landed at the port of Calcutta which represent about 30 per cent. of the total imports into India.

(ii) and (iii). As the Consumer Goods (Control of Distribution) Order, 1944 expired on the 1st October, 1946, there is no Central Control now over the distribution of cycles, their accessories and parts and umbrella ribs.

As regards umbrella cloth, one lakh yards was allocated to Assam for the 1946 season, the quantity actually supplied being in excess of that allocation by 5,000 yards. The allocation for 1947 has not yet been made.

(iv) Hitherto there was no separate quota of corrugated iron sheets allotted to Assam. Assam together with Bihar and Orissa and neighbouring Indian States was provided for under the allotment to the Bengal Circle.

(b) Government are fully aware of the inadequacy of supplies as compared with the demand. This is true not only of Assam but of all Provinces.

(c) The method of distribution is as follows:

(i) *Brass sheets.*—The manufacturers in Assam draw their supplies through the East India Metal Merchant's Association, Calcutta, which also serves Bengal, parts of U. P. and C. P., Bihar, Orissa and Cooch Bihar State. No representation has been made to Government that this method is unsatisfactory.

(ii) and (iii). *Cycles, their parts and accessories and cloth and other materials for the manufacture of umbrellas.*—The question does not arise in respect of cycles, their parts and accessories and umbrella ribs, in view of the reply I have given to part (a) of the question.

As regards umbrella cloth, the supplies are placed at the disposal of the Provincial Government. The Government of India are not aware of the detailed method of distribution which the Provincial Government has adopted.

(iv) *Corrugated iron sheets.*—There was no control of distribution to small consumers from the 1st April to 31st July 1946. As far as Government are aware most of the dissatisfaction arises from the shortage of steel rather than the method of distribution. In any case, control of distribution has now been re-established and powers have been given to Provincial Governments to distribute steel within their respective Provinces. It is hoped that this will remove dissatisfaction regarding methods.

#### EXTENSION OF BENGAL ASSAM RAILWAY LINE FROM RANGAPARA TO TEZPUR TOWN

**403. \*Sreejut Rohini Kumar Chaudhuri:** (a) Will the Honourable, the Railway Member be pleased to state if Bengal and Assam Railway Line will be extended from Rangapara North to Tezpur Town in the near future? If so, when?

(b) Are Government aware that the service rendered between the aforesaid stations by the T. B. Railway is most unsatisfactory and the passengers availing themselves run a great personal risk of loss of life or property or both?

(c) Has any step been taken to construct a bridge on Brahmaputra between Jogighopa and Pancharatna near Goalpara town in Assam? If so, by what time does the Railway Administration expect to complete the construction?

(d) Are Government aware that in the Assam Zone of the Bengal and Assam Railway roofs of most of the compartments leak from the roof and that all of them are not provided with lights even on the main lines? If so, do Government propose to have the Railway compartments running in the abovementioned area repaired and to issue instructions to fit them with lights?

**The Honourable Mr. M. Asaf Ali:** (a) The conversion of Rangapara-Tezpur Tramway line to metre gauge and its amalgamation with the Bengal Assam Railway is a long-term project, which will be considered when the contract with the Tezpur-Balipara Steam Tramway Co., Ltd., who are at present working the line, expires in 1952. According to the terms of the agreement with the said Tramway Company, Government could terminate the contract 15 years after the opening of the line and every seven years thereafter. The next option occurs in 1952.

(b) Government are not aware of the position and are having the matter investigated.

(c) A rail-road bridge across the Brahmaputra has been sited at Jogigopa in connection with the projected line between Goalpara and Bongaigaon, but a preliminary report shows that the line will not be commercially remunerative. The matter is under correspondence with the Defence Department with a view to ascertaining whether they would agree to its construction as a strategic line. If and when the construction is decided, the bridge might take about four years to complete from the time the work is taken in hand.

(d) Due to the shortage of supplies during the war, some carriages on the railways had to be re-roofed with painted canvas. Supplies of standard materials are now being received and carriages are being re-roofed. It is expected that before the beginning of the next monsoon, all carriages will have been re-roofed with standard material.

There have been frequent thefts of bulbs in the Assam zone of the Bengal Assam Railway, making it difficult for the Administration to provide adequate lights in trains. Orders have already been issued to fit wire cages to the roof lights to prevent pilferage and to provide at least 50 per cent. of the pre-war number of bulbs in each compartment. Each lavatory is treated as a compartment for this purpose. As and when the supply position improves, it will be possible to provide the full complement of bulbs.

#### INCREASED PRODUCTION OF MILK AS RECOMMENDED BY BHORE COMMITTEE

404. \*Mr. P. K. Salve : (a) Will the Secretary of the Agriculture Department please state if Government are aware that the Bhore Committee Report has pointed out that one of the reasons for the poor health of the people of India is want of milk ?

(b) Do Government propose to lay on the table of the House a statement giving the number of milk dairies in India both Government and non-Government and also the number of milch cows and milk buffaloes in them ?

(c) What is the number of persons who are able to obtain milk from Government dairies ?

(d) Are Government aware that the Bhore Committee has definitely stated that production of milk must be increased 110 times the present quantity ? If so, what steps are Government taking to solve this problem ?

(e) Have the Government of India got any scheme for the supply of a large quantity of milk to the inhabitants of this country for improving their health ? If none, do they propose to prepare a scheme now ?

(f) Will Government be pleased to take drastic measures to stop the sale of adulterated milk ?

**Sir Pheroze Kharegat:** (a) Yes, Sir.

(b) There are 89 military dairies with 6,400 cows and 34,800 buffaloes. The number of civil government and private dairies and the number of animals in them are not known, but an enquiry conducted in 1939 showed that there were then 33 government or state dairies and 220 organised private dairies. The latter include many firms which do not maintain animals but only collect milk from villages while gwalas and other cattle owners who are unorganised are not included in the figure.

(c) This number is not known but it is comparatively negligible.

(d) and (e). The Bhore Committee have recommended that the target should be an increase in milk production to the extent of at least 110 per cent. The steps that are being taken to increase milk production are stated in my reply to part (g) of question No. 146. asked by Mr. Manu Subedar on the 11th February, 1946.

(f) It is for Provincial Governments to adopt suitable measures for stopping the adulterations of milk and their attention has been invited to the matter.

## GRANT FOR IMPROVEMENT AND PRODUCTION OF BETEL-NUTS

405. \*Sri A. K. Menon : (a) Will the Secretary of the Agriculture Department be pleased to state what grant was allotted for the purpose of financing measures designed to improve the production and marketing of betel-nuts for 1946-47? And what is the amount spent so far for the purpose?

(b) Were any applications for help received from duly constituted Co-operative Societies or other recognised bodies of betel-nut growers of the Malabar District received by Government? Was any help given to them?

(c) Do Government propose to call for a report from the Madras Government on the working of the above Society or Societies, and if the reports are favourable, to render them aid before the betel-nut season is over?

Sir Pheroze, Kharegat: (a) A grant of Rs. 5 lakhs is proposed to be made for this purpose subject to the vote of the Assembly. An intensive survey of the growing and marketing conditions of betelnuts in India has been conducted with a view to framing a scheme for the improvement of production and the organisation of betelnut marketing. About Rs. 22,300 have so far been spent on this survey.

(b) One application for assistance was received from the Malabar Arecanut Growers' Association. No help was given in response to this request as it was considered that any piece-meal action was inadvisable and the whole position with regard to the marketing of arecanut was the subject of special investigation.

(c) An enquiry will be made from the Madras Government as suggested and the question of giving aid will again be looked into.

## PURCHASE OF COTTON BY U. K. GOVERNMENT

406. \*Mr. Manu Subedar : (a) Will the Honourable Member for Industries and Supplies please state how much cotton has the Government of the United Kingdom purchased from India?

(b) Have Government any information as to the price at which such cotton has been purchased?

(c) Has permission been given for the export of such cotton to the United Kingdom?

(d) For what quantity has permission been given for the export of cotton to

(i) China, (ii) Japan, and (iii) other countries?

(e) Have Government helped U. K. Government with finance in rupees for his purpose?

The Honourable Dr. John Matthai: (a) During the current cotton year, *viz.*, 1st September, 1946 to 31st August, 1947, 67,540 bales of short staple cotton have so far been purchased by the U. K. Government.

(b) No, Sir. The purchases have been made through the normal commercial channels.

(c) Yes, Sir.

(d) The following quotas have been fixed for export of cotton stapling 11/16" and less to various destinations for the period September—December 1946.

United Kingdom . . . . .	50,000 bales
Australia . . . . .	1,000 ..
European countries other than the U. K. and Germany	50,000 ..
U. S. A. . . . .	15,000 ..
China . . . . .	65,000 ..
Other countries . . . . .	13,700 ..

A quota of three lakh bales of raw cotton has also been fixed for export to Japan during the period September—December 1946.

(e) No, Sir.

## UNSTARRED QUESTIONS AND ANSWERS

### IMPROVEMENT OF OLD BENARES ROAD BETWEEN CHANDITALA AND SHEAKHALA

**44. Mr. Nagendranath Mukhopadhyay :** (a) With reference to the reply given on the 27th February, 1946, to my unstarred question No. 48, will the Honourable Member for Transport be pleased to state the result of the discussion with the Government of Bengal in connection with re-starting of suspended work for metalling and improvement of the Old Benares Road between Chanditala and Sheakhala ?

(b) Are Government aware that the Bengal Chamber of Commerce, Calcutta and the Indian Jute Mills Association, Calcutta through the European Group Corporation, Calcutta in their letter in June, 1946, the Bengal National Chamber of Commerce, Calcutta in their letter in April, 1946, the Marwari Chamber of Commerce Calcutta in their letter in July, 1946 and the Moslem Chamber of Commerce, Calcutta in their letter in July, 1946, have written to the Bengal Government urging the immediate necessity of metalling and improving the road in question which has been the life-line of trade and communication for merchants, jute growers and jute suppliers ? If not, do Government propose to take the views of the said commercial bodies from the Bengal Government and state what action was taken on them ?

(c) Will Government be pleased to state how much money has been spent from the Central Road Fund for manufacturing brick ballasts, for making Cement concrete (D shape size) Culverts and for acquisition of surplus lands for the improvement of the said road and for construction of cement concrete road of 1/8th of a mile at Kristorampore and 1/8th of a mile at Sheakhala ?

(d) Will Government please state when the suspended work will be re-started by the Bengal Government and when it will be completed as the matter is pending since 1935 ?

**The Honourable Mr. M. Asaf Ali:** (a) and (d). The Government of Bengal have abandoned the idea of improving the old Benares road between Chanditala and Sheakhala as it passes through a very heavily built up area to acquire which would involve Government in considerable expenditure. They are now considering a new alignment which would form a common route for several systems of roadways and would also be less expensive to build. Pending finalisation of the scheme the Provincial Government are taking steps to maintain the existing road in a state of repair.

(b) The Government of India have no information and in view of the reply to parts (a) and (d) they do not think it necessary to call for this information.

(c) Against an expenditure of Rs. 1,78,000 reported by the Government of Bengal, the Accountant General, Bengal, has accounted for Rs. 71,507 from the Central Road Fund to the end of March 1946. Full details of expenditure under different items mentioned by the Honourable Member are not available.

### COAL FOR RAILWAYS

**45. Mr. Nagendranath Mukhopadhyay :** (a) Will the Honourable the Railway Member please state whether it is a fact that Railway Board have advised the Coal Commissioner to stop taking Grade IIIA, IIIB coals for Railways altogether ? Did the Railway Board consult the Honourable Member in charge ? If not, why not ?

(b) Do Government propose to direct the Railway Board to use at least 40 per cent of their consumption in Grades II, IIIA, IIIB coals, which are all owned by Indians and also to stop using the Coking coal once for all for the future benefit of India, Growing Industries ?

(c) Are the Government aware of any blackmarket prevailing in the country with regard to distribution of Softcoke (domestic fuel) ? If so, what steps do Government propose to take to stop it at once ?

**The Honourable Mr. M. Asaf Ali:** (a) No Sir. It is not a fact that the Railway Board advised the Coal Commissioner to stop taking Grades IIIA and IIIB of coal for Railways. Grades IIIA and IIIB are being supplied to Railways up to five per cent. of their monthly orders.

(b) Government do not propose to direct the Railway Board to use at least 40 per cent. of their consumption in Grades II, IIIA. and Grade IIIB. The Railway Board have agreed to take 30 per cent. of their requirements in these grades. While the design of some existing engines does permit of the burning of low grade coal, the design of the majority of engines does not allow a higher percentage of such coals to be consumed without loss of efficiency, due to their high ash content.

Regarding the use of coking coal, it is the considered opinion of Government that all possible measures should be taken for the conservation of high grade coal. The Railway Department, being one of the major consumers of coal, have, therefore, been called upon to consider the possibility of using, to the maximum extent possible, coal other than that which can be used for metallurgical purposes, and where possible, some types of low grade coal. This policy is being implemented by the Railway Department and future designs of engines will be such as to make possible the use of the maximum quantity of other than metallurgical coal.

(c) No, Sir. The Central Government allot quotas to the Provinces and the Provincial Governments are responsible for the actual distribution amongst consumers.

#### GRAIN SHOP FOR EMPLOYEES OF EAST INDIAN RAILWAY.

**46. Mr. Nagendranath Mukhopadhyay :** (a) Is the Honourable Member for Railways aware of the fact that the East Indian Railway is giving the benefit of cheap ration to its employees which is 50 per cent. less than the rate of prices of civil ration?

(b) Are Government aware of the fact that in the East Indian Railway in six divisions there are six Controllers of Grain shops in each division drawing the salary of a senior scale officer of that railway? If it is so, do Government propose to abolish the grain shops of that railway by paying the amount of cheap ration to the staff and order the staff to take ration from civil ration shops?

(c) Are Government aware of the fact that in the said railway about three lakhs of rupees are spent for the maintenance of the huge establishment for grain shops every month? If so, do Government propose to make an economy of about one lakh per month from that railway by abolition of the grain shops in the said railway paying the amount of ration to the staff?

**The Honourable Mr. M. Asaf Ali :** (a) Indian Government Railways, including the East Indian Railway, are authorised to sell rationed cereals at a rate which is 30 per cent. less than the market prices prevailing in February, 1943. The rates thus fixed are admittedly below those charged by the civil ration shops, but the difference, in no case, exceeds 40 per cent.

(b) and (c). The details regarding the number and grade of the Controllers of Grainshops on the E. I. Railway are not as stated in the question. In addition to one officer in the junior administrative grade, there are two senior scale officers and eleven lower gazetted service officers in the Grainshop organization of that Railway. The cost of all categories of staff of the Grainshop organization, including gazetted officers, is, on the average, 2½ lakhs of rupees a month. The question of the abolition of the Grainshop organization and substituting the relief afforded through grain shops by a cash allowance is under consideration of Government.

#### CASUALTIES AMONG RAILWAY STAFF DURING COMMUNAL DISTURBANCES IN BENGAL

**47. Mr. K. C. Neogy :** Will the Honourable the Railway Member be pleased to refer to his answer to starred question No. 29 of the 28th October, 1946, giving the number of persons amongst the Railway staff that were killed, or are missing, or whose belongings had been destroyed or looted during the communal disturbances in Bengal, and state how many of the persons of the different categories mentioned are (i) Hindus, (ii) Muslims, and (iii) those belonging to other religious communities?

**The Honourable Mr. M. Asaf Ali:** The available information so far as the Bengal Nagpur and the East Indian Railways are concerned, is given below:

Particulars	Bengal Nagpur Railway			East Indian Railway		
	Hindus	Muslims	Other religious communities	Hindus	Muslims	Other religious communities
Railway staff killed .		...			1	
„ „ missing .		2	1	...	1	
„ „ whose belonging destroyed or looted.				14	4	

Information in regard to the Bengal Assam Railway as well as the details of property, belonging to staff of the Bengal-Nagpur Railway, destroyed or looted, is being collected and will be laid on the table of the House in due course.

#### EFFECT OF COMMUNAL DISTURBANCES IN BENGAL ON THE WORKING OF RAILWAYS

**48. Mr. K. C. Neogy :** (a) Will the Honourable the Railway Member be pleased to refer to his reply to starred question No. 29 of the 28th October, 1946, relating to the effect of the communal disturbances in Bengal upon Railway working etc. and lay on the table a further statement on the different points covered thereby bringing the information up-to-date as far as possible ?

(b) Will the Honourable Member particularly deal in this connection with the working of the Section of the Bengal Assam Railway serving the districts of Noakhali and Tipperah in so far as it was affected by the communal disturbances that broke out since the 10th October last ?

**The Honourable Mr. M. Asaf Ali:** (a) On the East Indian Railway 1 Up and 1 Down workmen's trains between Dobson Road and Lilloah Shops were cancelled for three days from the 26th October, 1946. On the 27th out of eleven Calcutta Chord Railway trains, seven were cancelled. Nos. 13 Up and 14 Down Express trains originated from and terminated at Howrah instead of Sealdah. On the 28th, nearly all trains had late starts *ex* Howrah due to Guards failing to turn up for duty. On the 29th, three morning locals and one evening local were cancelled *ex* Howrah. 203 Up workmen's train *ex* Belur to Burdwan was cancelled till 2nd November, 1946. Nos. 13 Up and 15 Up were cancelled from Howrah. No. 23 Up was terminated at Sahibganj. No. 13 Up and 15 Up were re-introduced from 3rd November, 1946, but No. 23 Up and 24 Down continue to run to and from Sahibganj. On the 5th November, 53 Up and 54 Down, 55 Up and 56 Down originated from and terminated at Jamalpur.

On the Bengal Nagpur Railway reception of trains at Chitpur was stopped from 27th October. On the 28th, booking of all goods traffic, including coal and military traffic, was restricted. Dock loads for Kidderpore Docks were forwarded by the Shalimar Garden Reach Ferry and not over the Willingdon Bridge. On the 30th October, all goods traffic to Shalimar, except in Class 1 and 2, was restricted.

Up-to-date information regarding the Bengal Assam Railway has not yet been received but will be laid on the table of the House in due course.

Beyond what was stated in my reply to part (b) of the Honourable Member's starred question No. 29 asked on the 28th October, 1946, there has been no further loss of life or damage to railway property on the East Indian and Bengal Nagpur Railways, resulting from the communal disturbances in Bengal. Information from the Bengal Assam Railway has not yet been received but will be laid on the table of the House in due course.



(b) Information required by the Honourable Member with regard to the Districts of Noakhali and Tipperah has been called for and will be laid on the table of the House in due course.

PARTICULARS OF PUBLIC KILLED OR INJURED WHILE TRAVELLING ON RAILWAYS DURING COMMUNAL RIOTS IN BENGAL.

**49. Mr. K. C. Neogy :** (a) With reference to the statement made by the Honourable the Railway Member in reply to starred question No. 29 of the 28th October, 1946, to the effect that particulars of the public killed or injured during communal troubles, while travelling in trains or while within Railway premises, are not available, is there any rule or instruction issued by the Railway authorities prohibiting the ascertainment of any particulars of this character? Will the Honourable Member make an effort to obtain the relevant figures from the Railway Police concerned and lay them on the table of the House?

(b) Is there no information available in relation for instance, to the case in which the wife of a Ticket Collector of the Bengal Assam Railway was brutally murdered after being dragged down from the Surma Mail train on the 29th August last between Talshar and Ashugunge Stations? Is it a fact that in this case the husband, who is a Railway employe, and other members of his family, were also injured besides being robbed of their belongings? Will the Honourable Member be pleased to lay on the table a full statement giving particulars of this case, if available, together with an indication as to the action taken to bring the miscreants to book?

(c) Will the Honourable Member lay on the table a statement showing in how many cases members of the Railway staff in the different Sections of the Bengal Assam Railway made appeals for help and protection either to the superior Railway officers of the Police during the prevalence of communal troubles since August 16, 1946? On which dates were appeals received, and with what result?

(d) What special steps, if any, are the Railway authorities taking to ensure a vigorous investigation in all cases where Railway property, or property in the custody of Railways on behalf of customers, was looted or destroyed, or where Railway Officers or members of their families were either killed or injured, in the course of the communal disturbances in Bengal?

**The Honourable Mr. M. Asaf Ali:** (a) The reply to the first part is in the negative. Authentic information is always obtained by the Railways through the Railway Police who submit their final report after they have completed their enquiries. Final reports have not so far been received from the Bengal Assam Railway Police, and every effort is being made to obtain full information as expeditiously as possible. I may, however, mention that owing to disturbed conditions in Calcutta it is very difficult to obtain detailed particulars regarding all incidents, particularly from Districts lying at some distance from the headquarters of the Railway. On receipt of fuller information I shall lay a statement on the table of the House.

(b) The Railway Police have not yet completed their investigations and submitted their report in regard to the case mentioned by the Honourable Member, but full particulars are being collected by the Bengal Assam Railway Administration and a statement will be laid on the table of the House in due course.

(c) Members of the railway staff on the different sections of the Bengal Assam Railway made a number of appeals to the Police, the Magistrates and the Railway. Full details of these appeals showing when actually help came from the military or other authorities are being collected and will be laid on the table of the House in due course. Government, however, understand that some of the appeals made were based on rumours.

(d) The responsibility for investigation rests with the Police and there is no reason to believe that this investigation is not being vigorously pursued. Government will, however, draw the attention of the Provincial Governments to the need for a thorough and speedy investigation in such cases.

## PROTECTION OF RAILWAY STAFF IN NOAKHALI AND TIPPERAH DISTRICTS.

**50. Mr. K. C. Neogy :** (a) Will the Honourable the Railway Member be pleased to refer to his answer to starred question No. 30 of the 28th October, 1946 relating to Police precautions on the Railways affected by communal disturbances in Bengal, and lay on the table a further statement on the different points covered thereby, bringing the information up-to-date as far as possible ?

(b) Will the Honourable Member particularly refer to the communal disturbances that broke out in the districts of Noakhali and Tipperah since 10th of October last, and indicate the steps taken for the protection of the Railway staff and property and passengers throughout the Section of the Railway affected thereby ?

(c) Were any warnings given or complaints made, by any member of the Railway staff regarding the situation either to the District or Police authorities or to superior Railway Officials, at any time ? If so, on which dates, in which areas, and to what effect ? Will the Honourable Member please lay on the table copies of all such written warnings or complaints that may have been given or made by Railway Staff, and indicate the action taken in each such case ?

**The Honourable Mr. M. Asaf Ali :** (a) and (b). On the Bengal Assam Railway, in addition to the Armed Guards which travelled on each train of the Dacca Section, patrol trains were introduced on the Noakhali Section. Further details are being collected and will be laid on the table of the House in due course.

On the Bengal Nagpur Railway, for the protection of railway staff and their dependents in the Calcutta area, additional Gurkha Watch and Ward staff and Armed Police Guards have been posted at Shalimar, Santragachi and Tikiapara. Watch and Ward Gurkha escorts are travelling in the brake-vans of goods trains working through the Kidderpore Docks and Chitpur. Emergency Bus Services with Watch and Ward Gurkha escorts have also been arranged to convey staff posted at the Railway's headquarters at Garden Reach to and from work.

So far as the East Indian Railway is concerned, the police arrangements mentioned in the reply to part (a) of starred question No. 30 continue to remain in force and Police was available to be deployed at short notice as required to deal with any situation which may arise.

(c) I would refer the Honourable Member to my reply to part (c) of the preceding question in which I have undertaken to collect the necessary information and to lay it on the table of the House in due course.

## INSTALLATION OF TELEPHONE LINES IN ALL TOWNS WHERE ELECTRIC SUPPLY IS AVAILABLE.

**51. Mr. Sasanka Sekhar Sanyal :** (a) Will the Secretary of the Department of Communications be pleased to state whether Government are contemplating installation of telephone line and service in all towns where electric supply is already in existence ?

(b) How far have things proceeded in this matter in respect of the towns of Berhampur, Krishnagar, Kusthea, Rajshahi in Bengal ?

**Sir Harold Shoobert :** (a) No.

(b) In the post-war plan of the P. & T. Department provision exists in the form of proposals to instal telephone exchanges at Berhampore, Krishnagar and Rajshahi but not at Kushtia.

## TRANSFERS OF TEACHERS IN RAILWAY SCHOOLS FROM ONE PROVINCE TO ANOTHER

**52. Pandit Sri Krishna Dutt Paliwal :** Will the Honourable the Railway Member please state :

(a) whether the teaching staff employed in schools maintained by the East Indian Railway Administration are governed by the rules applicable to the teaching staff of the particular Province in which the school is situated ;

(b) whether the teachers serving in the East Indian Railway schools cannot be transferred from one Province to another ; and

(c) if it is a fact that in contravention of the above decision of the Railway Board the East Indian Railway authorities are contemplating the transfer of a few teachers including a Head Master from one Province to another in the near future ?

**The Honourable Mr. M. Asaf Ali:** The information (asked for in Questions Nos. 52 to 56) has been called for and will be laid on the table of the House in due course.

**SELECTION BOARD FOR THE POST OF HEADMASTER, MOGULSERAI SCHOOL OF E. I RAILWAY.**

†53. **Pandit Sri Krishna Dutt Paliwal:** (a) Will the Honourable the Railway Member please state whether the procedure adopted by the East Indian Railway Administration for filling the post of the Head Master of the newly raised High School of Moghalsarai was in conformity with the practice followed either by the Education Department of the United Provinces or by the East Indian Railway for filling posts of similar categories ?

(b) Is it a fact that as early as February 1945, the General Manager of the East Indian Railway formed a Selection Board consisting of the Divisional Superintendents of Dinapur, Moradabad and Asansol ?

(c) Was a Selection Board of this quality and composition ever held ? If not, why not ?

**SELECTION BOARD FOR THE POST OF HEADMASTER, MOGULSERAI SCHOOL OF E. I RAILWAY.**

†54. **Pandit Sri Krishna Dutt Paliwal:** (a) Will the Honourable the Railway Member please state why instead of a Selection Board of the usual composition, a Selection Board consisting of officers far junior to the Divisional Superintendents, was formed ?

(b) Is it a fact that this Selection Board too was held one year after the Moghalsarai Railway School had been raised to High School status ?

(c) Is it also a fact that the Divisional Superintendent Dinapur, was opposed to the idea of holding a Selection Board ?

**APPOINTMENT OF JUNIOR OFFICERS ON SELECTION BOARD FOR SELECTION OF HEAD-MASTERS.**

†55. **Pandit Sri Krishna Dutt Paliwal:** (a) Is the Honourable the Railway Member aware of the fact that it is high officers such as the Director Public Information and Secretary, Education Department, United Provinces, that form the Selection Board for the selection of Head Masters for the Provincial Schools ? Why was a junior officer viz. the Inspector of schools, Benares included in the Selection Board appointed by the Railway authorities ?

(b) Is it a fact that a representation in protest of the inclusion of the Inspector of Schools was sent to the General Manager ? Was the representation considered by the General Manager ?

**POST OF HEADMASTER IN PROVINCIAL SCHOOLS.**

†56. **Pandit Sri Krishna Dutt Paliwal:** (a) Will the Honourable the Railway Member please state whether the post of the Head Master in a Provincial School is a Gazetted Post ? If so, was the selection of candidates for such posts ever made in Divisional Offices by officers junior in rank to the Chiefs or Deputy Chiefs of the Head Office ?

(b) What steps do Government intend to take to remedy the grievances ?

**PERMITS TO BOMBAY BROKERS TO IMPORT GLASS BANGLES FROM CZECHOSLOVAKIA.**

**57. Pandit Sri Krishna Dutt Paliwal:** Will the Honourable Member for Industries and Supplies please state :

(a) whether it is a fact that some Bombay brokers have been granted permits to import glass bangles from Czechoslovakia ;

(b) whether Government propose to cancel these permits in the interest of the Indian Glass Bangles Industry at Ferozabad and other places ;

(c) the steps Government have taken to prevent the selling of the imported bangles in the black market by the permit holders ; and

(d) whether Government propose to take the imported bangles under Government custody and distributing them to the dealers to be sold at control rates ?

**The Honourable Dr. John Matthai:** (a) Government have no information whether any of the parties to whom licences to import Glass Bangles from Czechoslovakia have been granted are Bombay brokers. Licences are granted on the basis of actual imports of parties concerned during the basic period.

(b) No, Sir. A small proportion of the imports of Glass Bangles in pre-war years is now permitted and Government do not consider that this small quantity of imports will be detrimental to the indigenous industry.

(c) and (d). The Hoarding and Profiteering (Prevention) Ordinance, 1943 and the Consumer Goods (Control of Distribution) Order, 1944 lapsed on the 1st of October, 1946. The Government of India have, therefore, no power to fix prices or margins of profit or to issue instructions with regard to the distribution of imported Bangles. It is, however, open to Provincial Governments under their own powers of legislation to introduce laws to control prices and distribution as are required by local conditions.

**ACTION OF GOODS INSPECTOR, BELANGUNJ STATION, AGRA IN THE MATTER OF SHORT SUPPLY OF FUEL AND COAL.**

**58. Pandit Sri Krishna Dutt Paliwal:** Will the Honourable the Railway Member please state whether Government are aware :

(a) that the Goods Inspector of the Belangunj Station, Agra, frequently prevents the arrival of fuel and coal at that Station by wiring to the District Traffic Manager, Jhansi that there is no space for unloading these things at the Station ;

(b) that the lack of space is due to about hundred wagon goods of Timber Merchants lying there at the Station ; and

(c) do Government propose to remove this disability in respect of the delivery of fuel and coal at the Belangunj Station so as to help the general public in getting the needed supply of these basic necessities ?

**The Honourable Mr. M. Asaf Ali:** The G. I. P. Railway Administration have been asked to conduct an enquiry into this matter, the result of which is awaited. A detailed reply will be placed on the table of the House as soon as information is available.

**HARIANA EXPRESS TRAIN BETWEEN DELHI AND HISSAR.**

**59. Pundit Thakur Das Bhargava:** Will the Honourable the Railway Member please state if Government are aware that till about four years ago a train called the Haryana Express used to run between Delhi and Hissar *via* Rewari (metre gauge) which was most convenient to the travelling public and least expensive to them in time and money ?

**The Honourable Mr. M. Asaf Ali:** Yes, the service was discontinued in 1941 in pursuance of the general policy of curtailing all but the most essential passenger services during the war.

**DIRECT TRAINS BETWEEN DELHI AND BHATINDA VIA REWARI.**

**60. Pundit Thakur Das Bhargava:** Will the Honourable the Railway Member please state if Government are aware that previously direct trains ran between Delhi and Bhatinda *via* Rewari, whereas there are no such trains now and that the absence of such trains causes much inconvenience to the travelling public ?

**The Honourable Mr. M. Asaf Ali:** Yes, one train a day each way was run on the metre gauge line between Delhi and Fazilka via Rewari, Hissar and Bhatinda. This service was discontinued in April 1941. It is realised that the curtailment of this service causes inconvenience to certain sections of the public but the curtailment of any service must necessarily result in inconvenience.

### THIRD CLASS TICKETS FROM DELHI TO BHATINDA BY THE AHMEDABAD EXPRESS-

**61. Pundit Thakur Das Bhargava:** Will the Honourable the Railway Member please state if Government are aware that no tickets are issued to travellers from Delhi towards Bhatinda side by the Ahmedabad Express though direct bogies (third class) are attached for Bhatinda?

**The Honourable Mr. M. Asaf Ali:** This is not now the case as with effect from 1st September 1946 through tickets have been issued to passengers from Delhi to Bhatinda and other stations in that direction by the Ahmedabad Express, to which through third class bogies are attached for Bhatinda.

### COMPOSITE CARRIAGE IN NIGHT TRAIN BETWEEN HISSAR AND DELHI.

**62. Pundit Thakur Das Bhargava:** Will the Honourable the Railway Member please state if Government are aware that previously a composite of first and second class and a third class carriage used to be attached to night train between Hissar and Delhi and that at present no such arrangements is in existence?

**The Honourable Mr. M. Asaf Ali:** Yes, a bogie composite 1st, 2nd and 3rd class carriage was formerly attached to each of the following trains between Delhi and Hissar:

From Delhi . . . . .	Dep. 22.35 hours
From Rewari . . . . .	Dep. 1.55 „
From Hissar . . . . .	Dep. 20.12 „
From Rewari . . . . .	Dep. 3.48 „

This arrangement was cancelled due to the shortage of coaching stock.

### EXPENSES OF JOURNEY BETWEEN HISSAR AND DELHI.

**63. Pundit Thakur Das Bhargava:** (a) Will the Honourable the Railway Member please state if it is a fact that previously a person travelling by the Haryana Express from Hissar to Delhi and back used to spend Rs. 2/4 and about five hours in time, whereas at present double the money and time are spent to perform the said journey?

(b) Do Government propose to affording again the conveniences extended by the Haryana Express Service to the travelling public between Hissar and Delhi?

**The Honourable Mr. M. Asaf Ali:** (a) Yes, the single fare between Delhi and Hissar by the Haryana Express, which carried only third class passengers, was Rs. 1-2-0, and the return fare Rs. 2-4-0. The scheduled time, however, from Delhi to Hissar was 6 hours and 10 minutes and from Hissar to Delhi 6 hours and 1 minute. The present third class single fare is Rs. 2-11-0. The current scheduled timings from Delhi to Hissar are 8 hours and 25 minutes by one train, 9 hours and 22 minutes by another, and 8 hours and 35 minutes by a third. In the reverse direction, the timings are 8 hours and 16 minutes, 9 hours and 22 minutes, and 10 hours and 5 minutes respectively.

(b) This will not be possible in the near future. At a recent meeting of the Ajmer Branch Local Advisory Committee, the Administration's proposals regarding the order in which pre-war services should be restored on the metre gauge as stock becomes available, were considered and the Committee agreed that the restoration of the Haryana Express should be given a relatively low priority since war-time cancellations had been more seriously felt on other sections of the railway.

DIRECT TRAIN BETWEEN DELHI AND BHATINDA *via* REWARI.

**64. Pundit Thakur Das Bhargava :** Will the Honourable the Railway Member please state if Government propose to take steps to arrange that at least one direct train runs between Delhi and Bhatinda *via* Rewari and that a boggy, and composite of second and first class are attached to night trains between Delhi and Hissar as before ?

**The Honourable Mr. M. Asaf Ali :** The Railway Administration have stated that these matters will be investigated.

## FACILITIES FOR IMPORT INTO GUJRAT OF BUILDING STONE FROM STATIONS ON THE NIZAM STATE RAILWAY, THE G. I. P. AND THE M. &amp; S. M. RAILWAYS.

**65. Mr. Mohammad M. Killedar :** Will the Honourable Member for Transport be pleased to state :

(a) whether a large quantity of stones from Tandur, Navgi and other Stations on the Nizam State Railway Wadi and Shahbad on the G. I. P. Railway and Aragutla on the M. S. Railway was imported into Gujrat for building purposes ;

(b) whether the traffic was closed during the war time ;

(c) whether the Honourable Member is aware that there is a great demand of these stones in Gujrat, and that merchants are not granted facilities for import ;

(d) the reasons for not allowing the stones to be imported into Gujrat ; and

(e) whether there is any special reason for not opening the traffic though the war is over for more than a year ?

**The Honourable Mr. M. Asaf Ali :** (a) Assuming that the stations meant are Tandur and Navandgi on H. E. H. the Nizam's State Railway ; Wadi and Shahabad on the Great Indian Peninsula Railway and Yerraguntla on the Madras and Southern Mahratta Railway, then it is confirmed that these are stone producing centres whence stone is despatched to many parts of India. The normal sources of supply for Gujerat, however, are the Kotah and Dhaura areas which are conveniently placed and movements from further south were never heavy.

(b) Yes, Sir, in the sense that preference was given to short-distance movements in the interests of conserving transport.

(c), (d) and (e). The position is that movements of stone ordinarily carry Class V(b) priority. Movements on account of Government, however, as also programmed movements shown to be urgent and essential are accorded Class III priority. Class III priority is accorded on application to the Regional Controllers of Railway Priorities concerned. There is no embargo on movements of stone to Gujerat from the stations mentioned in (a) and it is free to move in Class V(b), but it is a fact that movements in Class V(b) into the Gujerat area have been difficult for some time, partly as a result of civil disturbances. Until a few days ago the Transport Department had received no application for the traffic to be accorded any higher priority. Certain applications have just now been received, however, and these are under consideration.

## SHORTAGE OF MATCHES IN BENGAL.

**66. Mr. Sasanka Sekhar Sanyal :** Will the Honourable Member for Industries and Supplies be pleased to state :

(a) whether Government are aware of the acute shortage of matches in Bengal

(b) the reasons for such shortage ; and

(c) what steps are being taken for relieving the situation ?

**The Honourable Dr. John Matthai :** (a), (b) and (c). With your permission, Sir, I would reply to parts (a), (b) and (c) of the question together. Government have ascertained that the shortage of matches in Bengal is not really acute. The difficulties that have been experienced in obtaining matches recently are probably due to the disturbances in Calcutta and the mofussil rendering it difficult for retailers to obtain their stocks and also inducing purchasers to obtain supplies in excess of their needs for hoarding. There was some fall in output due to labour trouble at the Wimco Works and shortage of coal. The labour troubles are now over and the production centres have resumed or will soon resume normal production. Messrs. Wimco are also taking steps to obtain an extra allocation of coal.

## SHORT NOTICE QUESTION AND ANSWER

POLICE RUNNING GUARDS ON TRAIN SERVICES ON E. I. AND O. T. RAILWAYS  
BENGAL AND BIHAR. \*

**Dr. Zia Uddin Ahmad:** (a) Will the Honourable the Railway Member please state whether Government propose to issue a statement about the dislocation of train service and difficulties of booking goods on the East Indian and 12 Noon. Oudh and Tirhut Railways in Bengal and Bihar areas?

(b) Have the Railway authorities increased the Police Running Guards in train services for safeguarding the lives of the passengers? If not, why not?

**The Honourable Mr. M. Asaf Ali:** (a) There has been very serious dislocation of both Passenger and Goods services on the East Indian Railway as a result of the disturbances in Bengal and Bihar.

As the Honourable Member is aware, the disturbances in Bengal started in the middle of August and continued during September. There was a recurrence of the disturbances in Calcutta in the last week of October and at the same time serious disturbances started in Bihar causing considerable dislocation of Passenger and Goods services on the Dinapore Division. From the 17th to the 19th August a number of Calcutta Local trains and trains on the Calcutta Chord Railway were cancelled and the Workmen's train for Lillooah Workshops was also cancelled on the 17th August.

During the period 16th August to the 9th September, the Up and Down Delhi Express trains started from and terminated at Howrah instead of Sealdah. From the 20th to 25th August, there was also a heavy exodus of up-country inhabitants from Calcutta and the East Indian Railway was called upon to run 16 special trains to cope with this traffic.

There was considerable loss of merchandise due to non-delivery of consignments valued at about Rs. 50,000 and 100 consignments of perishables and luggage valued at about Rs. 12,000 were stolen.

Throughout the disturbances, there was also a very high percentage of absenteeism amongst the staff.

From the 26th October to the 9th November 1946, a large number of trains were cancelled on the Calcutta Chord Railway and a number of trains from Howrah were either cancelled, diverted or suffered very heavy detentions.

As regards the dislocation of train services in Bihar during the recent disturbances, from the 1st of November to the 9th November, nine Express and Passenger trains were stabled for the night at various stations on the Dinapore Division and five trains were diverted from the Main Line to via the Grand Chord. A number of Passenger and Goods trains also had to be cancelled.

Between the 30th of October and the 4th November, three trains were attacked by riotous mobs resulting in deaths of several railway employees. The worst instance of this was when the workmen's train from Sultanganj was attacked between Jamalpur and Bariarpur on the 4th November and ten women and one child were killed.

As a result of the cancellations and delays to Goods trains, a complete restriction has been imposed on booking of Goods on the Main Line between Jamalpur and Moghalsera, on the Grand Chord between Gaya and Moghalsera and on the Patna-Gaya and other Branches in Bihar. Booking has also been stopped to Bhagalpur, Jamalpur and Monghyr stations and stations between Jamalpur and Kiul. These restrictions do not, however, apply to food grains and piece goods.

Traffic between the East Indian Railway and O.T. Railway has also been seriously affected by the disturbances.

The O.T. Railway has also been affected by the disturbances in Bihar but the difficulties experienced have been caused by acute nervousness on the part of the staff, particularly the running staff, rather than to actual incidents. There has been some dislocation of Goods services by the cancellation of night-running of Goods trains on the Main Line for a short period, but there has been no dislocation of Passenger train services.

The main centres of tension have been at the important Junction Stations of Chupra, Barauni and Mokamehghat. The riots in the Chupra area started on the 25th October and caused considerable nervousness among the running staff serving that station, resulting in serious detentions to and cancellations of Goods trains between the 26th and the 31st October.

At Mokamehghat which is the main transshipment point between the East Indian Railway and O.T. Railway, on the South Bank of the Ganges, there has been great difficulty in getting the staff to report for duty and the transshipment work has suffered and is still suffering in consequence.

Barauni Junction, an important station on the O.T. Railway which deals with traffic via Mokamehghat on the north side of the river, was also affected, and the staff was nervous due to communal tension.

Apart from detentions and cancellations of Goods trains on the Main Line between Barauni and Savan, it has not been found necessary to restrict Goods booking and Passenger services have been more or less normal.

(b) All action that could be taken by the Railway Administrations for the protection of train services in the affected areas, was taken by them. Additional police has been obtained where available for protecting passenger trains.

On the East Indian Railway, Armed Police Guards have been provided as required on platforms of certain stations in the affected areas in Bengal. These Guards were provided after the first few incidents had taken place. Armed Police Guards are escorting all passenger trains in the affected areas in Bihar. On the outbreak of disturbances in Bihar and when train services were interfered with, the Bihar Government were approached for additional protection for trains. As soon as the necessary force could be deployed such protection was given, and trains are now running with armed escorts.

On the O.T. Railway, Police protection has been provided on all goods trains, but it is not considered necessary to provide such protection for passenger trains. Sheds and other key points in the affected areas have also been protected. Owing to the difficulty of working of Ferry service at Mokamehghat due to high percentage of absentees, Police and Military authorities concerned have been asked to provide an Armed Guard of 25 men in order to strengthen confidence amongst the staff.

I may also mention that Government are actively considering the provision of Special Armed Forces for the protection of railway property, staff, and the travelling public, and are also examining the question of enhancing punishments for certain offences against the safety of Railways.

**Dr. Zia Uddin Ahmad:** Did the Honourable Member receive any information that the railways staff at Mogalserai gave notice to the authorities that they would not travel unless better provision was made for safeguarding their lives?

**The Honourable Mr. M. Asaf Ali:** I have already covered that point very fully.

**Mr. Tamizuddin Khan:** Is the Honourable Member aware that on the Bengal Assam Railway on the 27th October at a place only a furlong off from the Dacca railway station, a passenger train was stopped by pulling the chain and a large number of persons armed with deadly weapons attacked passengers belonging to a particular community and killed 40 of them and injured a large number of others and also kidnapped and abducted away a large number of women and children?

**The Honourable Mr. M. Asaf Ali:** Sir, I should like to have notice of that question for the simple reason that the information asked for rather concerns the Provincial Government. I said that I could not tell the House the number of times the alarm chain was pulled to stop trains. As to what happened afterwards is entirely beyond my province. It is for the Provincial Government to find out and give the information.



**Mr. Sasanka Sekhar Sanyal:** May I know whether the Railway Department has in its possession up to date information and estimate regarding the losses that have taken place in the different railways in respect of human lives, in respect of property and in respect of railway employees?

**The Honourable Mr. M. Asaf Ali:** I have fully dealt with that point in my reply to a question by Mr. Neogy. Probably it was in my answer to question No. 30 or 31. I would refer my Honourable friend to my reply to that question.

**Lala Deshbandhu Gupta:** May I know if the Honourable Member's attention has been drawn to the press report that an attack was made at Dasna the other day on a train carrying pilgrims from Garhmukteshwar? If so, what has been the death roll and the number of injured and whether any relief measures were taken by the Railway Administration in that connection? May I also know what is being done about the property of those persons which was left behind?

**The Honourable Mr. M. Asaf Ali:** My Honourable friend has already sent a short notice question on the subject which I shall answer either tomorrow or the day after.

**Mr. Abdur Rahman Siddiqi:** May I enquire, Sir, and seek your guidance on a point? You were good enough to tell us in connection with a notice of an adjournment motion that these matters related to the Provinces. Is the Honourable Member right in answering these questions with all these details?

**Mr. President:** There are two questions. Some are matters relating to Delhi Province and some refer to incidents outside the Delhi Province. So far as Delhi province is concerned the Government of India would be responsible; but so far as other matters relating to provinces are concerned, the other day I made a distinction between the responsibility of the Railways so far as any accidents or loss of life or property on account of anything inherently defective in the Railway Administration and the preservation of peace or matters relating to police, which will be matters within the jurisdiction of the Provincial Governments. That distinction has been kept up even today by the Honourable Member while replying, when he said that so far as other incidents such as pulling of chains are concerned, they will be a provincial matter.

**Mr. Abdur Rahman Siddiqi:** Stealing goods from station yards and so on would come under the police administration of the provinces.

**Mr. President:** I do not propose to enter into a discussion over this matter. The questions are hypothetical and problematical. If such questions do arise, I will then consider as to how far they are admissible or otherwise.

**Maharajkumar Dr. Sir Vijaya Ananda:** Dasna station is in the U.P. and not in Delhi Province.

**Mr. President:** If that is so, it further strengthens my case. I suppose Ghaziabad is also in the U.P. Then of course it is more clear. I was told that it was in Delhi Province. But I was not referring to any particular station: I was making a general statement, *viz.* whenever a question comes within the province of Delhi, the Central Government will be responsible.

#### ELECTION OF A MEMBER TO THE PUBLIC ACCOUNTS COMMITTEE.

**The Honourable Mr. Liaquat Ali Khan** (Finance Member): Sir, I move:

"That the non-official members of the Assembly do proceed to elect, in the manner required by rule 51 of the Indian Legislative Rules, one member to be a member of the Committee on Public Accounts in place of the mover whose elected seat on the Committee has become vacant."

**Mr. President:** The question is:

"That the non-official members of the Assembly do proceed to elect, in the manner required by rule 51 of the Indian Legislative Rules, one member to be a member of the Committee on Public Accounts in place of the mover whose elected seat on the Committee has become vacant."

The motion was adopted.

**Mr. President:** I have to inform Honourable Members that for the purposes of election of one Member to the Committee on Public Accounts, the Notice Office will be open to receive nominations upto 12 Noon on Wednesday, the 13th November and that the election, if necessary, will be held on Friday, the 13th November. The election, which will be conducted in accordance with the Regulations for the holding of elections by means of the single transferable vote, will be held in the Assistant Secretary's room in the Council House, between the hours of 10-30 A.M. and 1 P.M.

#### INDIAN TEA CONTROL (AMENDMENT) BILL

**The Honourable Mr. I. I. Chundrigar** (Commerce Member): Sir, I beg to move for leave to introduce a Bill further to amend the Indian Tea Control Act, 1938.

**Mr. President:** The question is:

"That leave be granted to introduce a Bill further to amend the Indian Tea Control Act, 1938."

The motion was adopted.

**The Honourable Mr. I. I. Chundrigar:** Sir, I introduce the Bill.

#### PANTH PIPLODA LAWS (AMENDMENT) BILL

**Sir Pheroze Kharegat** (Secretary, Agriculture Department): Sir, I beg to move for leave to introduce a Bill further to amend the Panth Piploda Laws Regulation, 1929.

**Mr. President:** The question is:

"That leave be granted to introduce a Bill further to amend the Panth Piploda Laws Regulation, 1929."

The motion was adopted.

**Sir Pheroze Kharegat:** Sir, I introduce the Bill.

#### INDIAN NAVY DISCIPLINE (AMENDMENT) BILL

**Mr. G. S. Bhalja** (Secretary, Defence Department): Sir, I beg to move for leave to introduce a Bill further to amend the Indian Navy (Discipline) Act, 1934.

**Mr. President:** The question is:

"That leave be granted to introduce a Bill further to amend the Indian Navy (Discipline) Act, 1934."

The motion was adopted.

**Mr. G. S. Bhalja:** Sir, I introduce the Bill.

#### RESERVE BANK OF INDIA (AMENDMENT) BILL.

**The Honourable Mr. Liaquat Ali Khan** (Finance Member): Sir, I beg to move:

"That the Bill further to amend the Reserve Bank of India Act, 1934, be taken into consideration."

Sir, with regard to this motion there is not very much that I have to place before Honourable Members. The case for passing such a legislation has been clearly stated in the Objects and Reasons of the Bill.

Section 31 of the Reserve Bank of India Act provides that no bills of exchange payable to bearer on demand will be issued by any bank or any other private association. It was noticed at the beginning of this year that a certain bank had issued what it called negotiable saving certificates which was for a certain period after which it became, like a promissory note, payable on demand. It was felt that the Government should prohibit the issue of such promissory notes, and consequently an Ordinance was promulgated on the 18th May 1946. This Ordinance expires on the 18th of November this year, and it has been

[Mr. Liaquat Ali Khan]

considered necessary to make permanent provision against the issue of such certificates or promissory notes. It is undesirable that such notes should be allowed to be issued by banks or other firms which may ultimately become like the government currency of the country. Apart from that, it would help those who want to practise fraudulent methods and in this way they would be able to evade taxation because they could go to the bank, hand over a certain amount of money and get these promissory notes payable to bearer, which really becomes payable on demand after the period stated therein has expired and therefore it would be difficult to get hold of such people. Apart from that, the issue of such notes would be an encouragement to black marketeers because this would be the easiest way of doing away with the money and hiding it from being accounted for. Therefore in the interests of the country it has been considered necessary that a provision should be made in the Act itself as a permanent measure prohibiting banks or other institutions from issuing such promissory notes. I hope that the House will agree with me that it is necessary that such a provision should exist; and as I stated before there is not very much for me to say in support of this proposition which I have placed before the House.

**Mr. President:** Motion moved:

"That the Bill further to amend the Reserve Bank of India Act, 1934, be taken into consideration."

**Mr. Mann Subedar** (Indian Merchants' Chamber and Bureau: Indian Commerce): Sir, I rise to support the motion . . . . .

**Mr. President:** Before the Honourable Member rises, may I know whether honourable members who have tabled amendments are going to move them? Mr. Jaffer is absent. Mr. Sanyal.

**Mr. Sasanka Sekhar Sanyal** (Presidency Division: Non-Muhammadan Rural): No, Sir.

**Mr. Mann Subedar:** Sir, I rise to support the motion which has been moved by the Honourable Finance Member. I think the grounds which he has stated for taking such measures are there. It is not only tax-dodgers who do not wish to disclose to government their full assets and the black-marketeers who want to lock up their funds in something of value as when the thousand-rupee notes were withdrawn. There is a third aspect to it which I would just mention in passing; and that is, that the public itself must be protected against the issue of anything which savours of promissory notes payable on demand; because if these notes are in circulation in large numbers, through the ignorance of the public and that particular institution issuing these notes gets weaker and weaker, as it has happened in other countries, the public who hold and the final holders of these notes are also prejudiced; and therefore I consider this particular provision is absolutely essential; and I trust that this House will pass this motion without sending it to Select Committee or for circulation.

There is only one other aspect of it which I would like to bring to the notice of the government: that there are other documents which could be put to the same use, to which the documents referred to in this Bill could be put. These are bearer bonds and bearer securities on the one hand, and there are fixed deposit receipts which ought not to be transferable but which in many cases, by the usage of the banking business in this country, are made transferable to specific names or to blank names, so that any name can be put in on the last date and the party can secure, after the due date when the deposit receipts mature, payment thereof: any party whose name might appear can get payment; but if the name is blank any third party could put his name and cash the thing and it would serve the same purpose. I would request government to let the Reserve Bank examine thoroughly the position of documents which are either transferable in themselves as bearer documents are or of fixed deposit receipts which become transferable by the inscription at the back "Pay to blank", as soon as the holder of the fixed deposit receipt signs that way. In fact, the House may know that at present the fixed deposit money is collected by my bank—if I have a fixed deposit receipt with a bank A, I tell blank B

"Please collect this money." I merely endorse "Please pay to such and such bank", and bank A has got to pay to my bank. That is a legitimate use of the facility of transfer. But there is an illegitimate use of the facility of transfer in the direction in which the Finance Member referred; and I commend to government that suggestion. I trust the House will pass this Bill without delay.

**Mr. Tamizuddin Khan** (Dacca *cum* Mymensingh: Muhammadan Rural): Sir, while supporting the passage of this Bill like my predecessor, I would like to draw the attention of the Honourable Finance Member to one thing which I do not clearly understand. I refer to clause 2(2) which reads:

"Notwithstanding anything contained in the Negotiable Instruments Act, 1881, no person in British India other than the Bank or, as expressly authorised by this Act, the Central Government shall make or issue any promissory note expressed to be payable to the bearer of the instrument."

I refer to the expression "as expressly authorised by this Act." Why are these words necessary here? If those words are omitted, I think the meaning will be the same. Unless explained, this phrase seems to me to be awkwardly redundant. If this phrase is omitted then I think the meaning is quite clear. I would like to have an explanation of this.

**Sri M. Ananthasayanam Ayyangar** (Madras Ceded Districts and Chittoor: Non-Muhammadan Rural): Sir, there is nothing novel in the words "as expressly authorised by this Act." Under the Reserve Bank Act, the Reserve Bank has been given powers to issue bearer promissory notes; all the currency notes we have are bearer promissory notes payable on demand. When the Central Government is advised or is authorised to issue notes, it must be expressly authorised in a particular manner. It is not as if the Central Government can issue bearer promissory notes payable on demand with all the latitude as the Reserve Bank has been given in this particular matter. That is why it is suggested there "as expressly authorised by this Act."

There is another point as to why we ought to support this Bill. You will remember that during the end of the last Assembly session, the budget session, the previous Finance Member introduced a Bill to levy duties on estates as death duties. This is a device—bearer bonds payable to the bearer on demand—to get over it and to avoid death duties. That device was sought to be prevented by the provisions of section 31 in the Reserve Bank Act already, if it is payable on demand; but there a further device was invented by making payable on demand pronotes after a particular period; and this Bill is seeking to avoid such payments on demand even after particular periods. Therefore there ought to be no objection to the passage of this Bill.

**The Honourable Mr. Liaquat Ali Khan:** There is nothing much I have to say except that the wording that is here with regard to section 2 is exactly the same as it is in the Reserve Bank of India Act, clause 31. It also struck me in the same way as it struck my Honourable friend over there but when I examined it, it was all right and did not require any change.

**Mr. President:** The question is:

"That the Bill further to amend the Reserve Bank of India Act, 1934, be taken into consideration."

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

**The Honourable Mr. Liaquat Ali Khan:** I move:

"That the Bill be passed."

**Mr. President:** The question is:

"That the Bill be passed."

The motion was adopted.

## ESSENTIAL SUPPLIES (TEMPORARY POWERS) BILL.

**The Honourable Dr. John Matthai** (Member for Industries and Supplies):  
Sir, I beg to move:

"That the Bill to provide for the continuance during a limited period of powers to control the production, supply and distribution of, and trade and commerce in, certain commodities be taken into consideration."

Briefly what this Bill tries to do is to put in the form of an Act of the Legislature the provisions which are already contained in an Ordinance which deals with the same matter. There is only one point regarding which the Bill proposes to vary the provisions of the Ordinance. That provision is in regard to control being exercised over actual undertakings. At present as the Ordinance stands, that control relates only to the subject of coal but in the Bill the control if and when the necessity for it arises might be extended also to the other articles covered by the Bill. Personally I do not think that the occasion would necessarily arise in respect of the great majority of those commodities but in order to make the control effective and comprehensive it is desirable that this provision should be put into the Bill.

Now, Sir, the House has, more than once, when questions relating to control arose, expressed its concern regarding the whole subject, that is to say whether in principle control should be continued now that the emergency of war ceased and whether its administration has been on the whole to the benefit of the community. I propose therefore to deal with the general subject of control in the few remarks which I wish to place before the House. The thing to remember with regard to control is that the whole case for it rests on the fact that the problem of inflation is still with us. We see no indications that it is going to be less acute in the very near future. The indications are that it is going to remain with us for a longer period of time than many of us had anticipated. What inflation amounts to is briefly this, that when you have a large amount of money in circulation and therefore a high degree of purchasing power concentrated in the hands of a relatively small number of people and over against it you have an acute shortage of goods, then the inevitable result is that unless the community steps in and exercises control those whose resources are limited are likely to be left out in the scramble. That, I think, is a situation which the Government cannot possibly tolerate and that in a nutshell is the whole case for control. Now, last year many of us had hoped that with the cessation of war expenditure it will be possible for us to have in this country on the whole a downward trend of prices and the problems connected with inflation would not be so severe as they still are. That anticipation for various reasons has not materialised. We see no indication that the general level of prices in the country has fallen or is falling. On the other hand the shortage of goods still continues to be acute. Our productive capacity has not been increased and what capacity there is has not been wholly in operation. Although the import position is slightly better, the conditions prevailing in other countries are such that in regard to essential commodities the surplus available in a country like ours are likely to be limited and therefore we are up against the same problem as that which faced us last year and the years before and that is the reason why this control should continue. The provision of Parliamentary legislation, in pursuance of which it is possible to pass this Bill prescribes a certain limited period for measures passed under it. The period is briefly this—this will continue for a period of 12 months from the official declaration of cessation of hostilities unless the Governor General by public notification extends it for a further 12 months. If thereafter it becomes necessary to continue it there should be a Resolution by both Houses of Parliament. The period could be extended by a Resolution of Parliament but then the whole period will be subject to a limit of five years altogether from the cessation of hostilities. Sir, I submit that the conditions in India are such today that in regard to commodities which are essential in the sense that they enter into general consumption or they are commodities which are essential to the production of such commodities it is necessary in view of the fact that the capacity for

purchasing these things is relatively concentrated in the hands of a small number of people, that the State should continue to be armed with powers for rectifying the serious inequalities which otherwise might result. Now, as far as I can understand the position, the objection to the system of control has not so much been to the principle of it. It has been very much more to the way in which the control has been administered. It has often been said when you introduce control you are providing room for black marketing. If you did not have a system of control, there would be no incentive for people to drive goods underground and to pass them into the black market. Therefore, if you want to eliminate black marketing, you ought to eliminate control. I have heard this argument used over and over again. May I say with great respect that that argument does not really touch the essence of the matter. That argument is generally used by people who, if I may say so, do not see far enough. The real point is this. Whenever you have a law, there is bound to be breaches of that law. Crime in a sense is a corollary to law and in the same way black marketing is a corollary to control. If because of black marketing you want to eliminate control, you must just as well argue that because of crime you must eliminate law altogether. Personally, I do not think the argument goes deep enough.

But the real objection which practical people have raised is, that in the way in which control has been administered, it has been administered unfairly to certain groups or sections of the community. It has probably been administered not merely unfairly, but it has been administered ineffectively.

I quite recognise from what examination I have made of the subject of control that it is possible to maintain that in certain respects our administration of control has been ineffective and that it has caused unfairness to certain interests in the country. My reply to that is that whatever unfairness and whatever ineffectiveness there has been in regard to the administration of control, these inconveniences, this unsettlement and dislocation, are things which the Legislature and the country have got to put up with in the larger interests of the country. In all countries control has been difficult to administer satisfactorily. It is particularly difficult in a country like ours, and I will tell you why. In our country we have got to put into operation systems of control through an administrative system which has grown up through the years upon a tradition which has been largely negative in character. That is to say, we have at present an administrative organisation built up over a period of years whose main business has been to prevent things being done that is to maintain law and order. It is a police government on the foundation of which you have got to erect a system of regulation rather than prevention. It is going to be a difficult business. But if because of that you are going to surrender the whole principle and system of control, then it seems to me you are choosing a bigger evil in preference to a lesser one.

It is not merely that our administrative system has essentially a negative outlook and is incapable of handling the more positive side of administration with the success which the difficult conditions of today call for. There is another difficulty. After all is said and done, to people who have studied the systems of public administration in different parts of the world one of the most striking things about Indian administration is that the quantum of Indian administration is much smaller than the problems of the country require. The trouble in our country is not so much that we are badly administered as that we are under-administered. It is possible to remedy the under-administration of the country by the institution of an effective system of local self government. Local committees of various kinds with the necessary public spirit and organisation could do a good deal to supplement the deficiencies of administration. There is no doubt about that. In a country like England, I suppose, what makes up for the relative small quantum of administration is the successful local self-governing system they have there. In regard to controls of this kind, it will be a very great help if we could muster sufficient local help to assist the

[Dr. John Matthai].

bureaucracy to administer them. But the fact remains that at present we are short of that kind of thing. But, as I said at the beginning, we have got to put up with it, for some time to come and all that I can say in reply to these criticisms is this. We are trying in the matter of controls a process of very experimentation. We have not tried this thing before. The fact is that we are proceeding in this matter by trial and error. If Honourable Members have read the note which I circulated along with the Bill, they will find that in many cases we are still groping in the dark.

In regard to the scope of these controls, in some cases it is possible for us with reference to the circumstances of the commodity in questions to institute control right from the point of origin to the point of ultimate consumption. In regard to other commodities, we are not in a position to do that and therefore control has got to stop at some intermediate point. It is unsatisfactory to that extent, but the difficulties of the situation have got to be reckoned with. Similarly, if you take the methods of control, they also vary from commodity to commodity. In regard to the very important matter, for example, of the method of pricing, you adopt one method of pricing regarding cloth and you adopt another method of pricing regarding steel and a third in regard to other commodities. The thing cannot be helped. It seems to me that in a matter of this kind, the wisest thing to do is to proceed empirically; that is to say, to proceed by experience. It is only on a basis of actual experience in this very difficult field of organisation that we shall be able ultimately to have a system of control which will be really effective.

Since this Bill, if passed into law, is not likely to last for more than a very limited period, I hope the House will accept my assurance that while we are engaged in this process of experimentation if any complaints and criticisms come from Honourable Members of the House, so long as I am in charge of the Department I will make every effort to see that the complaints and criticisms are adequately met. Every suggestion which Members may make in this matter will be welcomed by Government.

May I conclude on this note? I see that there is an amendment on the paper suggesting that the matter might be referred to a Select Committee. I would beg my Honourable friend not to press his amendment. Considering the terrific inequality that prevails in the country, particularly at present, in the matter of income and purchasing power, and the difficulties and hardships to which the poorer sections of the community might be put unless the Government as the organised expression of community was armed with necessary powers, I feel that when matters of this kind come up before the House, the House, is really on its trial. I think by its attitude to measures of this kind the House will be judged as regards its truly representative character. If I may say so in conclusion, if the attitude of the House is going to be that this Bill, so limited in scope and in its duration, is to be rejected or impeded or delayed, I venture to say very respectfully that it would not merely stultify but condemn itself.

**Mr. President:** Motion moved:

"That the Bill to provide for the continuance during a limited period of powers to control the production, supply and distribution of, and trade and commerce in, certain commodities be taken into consideration."

May I have the position made clear about the amendments? There are two alternative amendments in the name of Mr. Jaffer.

**Mr. Ahmed E. H. Jaffer** (Bombay Southern Divisions: Muhammadan Rural): In view of the assurance given by the Honourable Member, I do not wish to move my amendments.

**Mr. Leslie Gwilt** (Bombay: European): Sir, on behalf of the European Group, I support the Motion before the House. I do so with certain reservations to which I shall make reference later, though, I admit that the Honourable Mover in his very lucid speech has dealt with some of the difficulties

which I foresaw, but that will not deter me from making further reference to them. I support the Bill because whilst my Group consider that in times where supply and demand are more or less equal factors, the economic life of the country should be unfettered by official interference, nevertheless when there is disparity between these factors of supply and demand, when, because of a short fall in supply, encouragement is given to the individual to exploit his neighbour, then we agree that controls are not only desirable but absolutely essential. If, Sir, there is any Member of the House who would condemn the provisions of this Bill out of hand, I would draw his attention to what happened when the control of steel was removed as early as, I think, April this year, what happened to the supplies that were previously available when that control was removed. But, Sir, as necessary as controls are under the circumstances, I have described, they can only achieve their purpose and bring credit to the administration operating them if such administration is efficient and has clean hands. Is Government confident that its administrative machinery in this respect is efficient and incorruptible? If not then, Sir, I suggest that the whole machinery is overhauled and the sooner it is the better it will be for the good of the country and for the prestige of the Government. While at this juncture, I do not propose to deal with any provisions of the Bill, there are one or two matters to which I would like to draw attention. The tenor of the Bill is, as is described in Clause 1(3), and as the Honourable Mover has asserted, the tenor will be as is provided in section 4 of the India (Central Government and Legislature) Act, 1946. Now, Sir, I think that that may have confused some Honourable Members of the House, and I must admit that until I saw this, I did not know that it was an Act of the Imperial Legislature. I think I am correct in saying that my Honourable friend Mr. Joshi was in the same ignorant category as myself. The Bill provides that certain things be done under a Notified Order and as clause 2(d) of the definition shows, 'notified order' means an order notified in the official Gazette. Now, Sir, the Bill provides for penalties for those who disobey these provisions, and many of the people affected by the Bill will not know what the official Gazette is nor are they likely to understand it if they were to see it, and as it is desirable that good relations should exist between the administration and the persons who will be affected by the provisions of the Bill, many of whom are illiterate, I suggest that directions be given to administrative officers and particularly to subordinate officers who will be in personal contact, particularly with cultivators and producers, that the provisions of the Bill when it is placed on the statute book should be administered intelligently and sympathetically. I make reference to this because many of us who live in Bombay will recollect what I think can justifiably be described as a very stupid action on the part of the Government of Bombay some two or three years ago in regard to returns of foodgrains from grain shops of industrial concerns. The firms that were concerned had, and at some considerable expense to themselves, started grain shops for the benefit of their employees and in a number of instances before official rationing was commenced. When the official rationing orders were passed, individual communications were sent to the firms, giving them various directions as to how the foodgrain returns were to be submitted to Government. Without any warning, the Government abandoned these individual communications and resorted to notified orders. These orders were, of course, issued in the Government Gazette. One of the orders related to the submission of returns weekly instead of monthly as had been the practice heretofore and because a number of firms were unaware of the altered provisions, although they were submitting their returns monthly and with complete accuracy, wholesale prosecutions against managers of foodgrain shops, many of them old and respected employees of the companies concerned, were launched, they were brought before the courts and fined. An appeal was subsequently lodged in the High Court and Government was ordered to refund the fines. If that could happen with intelligent people, people who can afford the expense of preferring an appeal, what is going to be the lot of illiterate people, producers and



[Mr. Leslie Gwilt]  
cultivators. I hope, Sir, that whilst Government will impose with utmost rigour the provisions of the Bill against those who deliberately offend its provisions, they will nevertheless issue orders that intelligence and sympathy is exercised in dealing with such persons as have the spirit to help, but have not got the education to appreciate.

In this connection, Sir, may I ask Government whether they will study the provisions of the Australian law which lays down minimum sentences or certain classes of offences and particularly for blackmarket offences. I feel, Sir, that frequently the judiciary impose far too light sentences in case of black-marketing, which after all is an anti-social crime of the most heinous order. Usually it is the small men who are prosecuted, but when the big operators are caught, the sentences they receive are frequently extremely light for very serious offences. As I have said, Sir, with these reservations, I support the Bill.

**Mr. Manu Subedar** (Indian Merchants' Chamber and Bureau: Indian Commerce): You will notice, Sir, that all of us have put a voluntary restraint on our usual loquacity with regard to Bills, otherwise a Bill of this magnitude would be debated in this House for about five or six days. I congratulate the Honourable Member on not only a very lucid and clear exposition of the problem of controls, but what is much more noticeable, on the very disarming speech from the point of view of Members of the Assembly who are jealous of the powers of this House and who are generally suspicious of wide powers being taken by Government. And, not only, Sir, is the personnel of this Government one which we fully trust, but the particular attitude taken by the Honourable Member on this occasion on this very debatable and big subject is one which as I said is completely disarming and reassuring. He did not, for instance, claim that Government's control measures were all successful. On the contrary he said that it was a matter of trial and error, that we must use the empirical method and we must keep on at it until we strike the right note, and that is the only method. The other alternative of abandoning these methods is one which by implication he deprecated and I join in the note. This country has

**L. P. M.** to make up its mind whether it wants the so-called economic freedom, that is to say, complete economic anarchy, leaving it free for anybody to do anything he likes to anybody else; whether we want economic freedom of this kind internally or whether we want a planned economy, whether we want a state of affairs in which it is for the Government with such assistance as they can get from informed opinion, to lay down which objectives come first, in what priority this country desires to achieve certain results, which is the class most ground down and therefore deserving of the utmost and immediate help. It is in a system of planned economy in which a plan and programme is made as to what must be done here and now in the matter of a few months and what must be done and must be achieved and looked for in a period of five years and ten years. If this country accepts the principle that we shall be dealt with on the basis of a planned economy, we must eschew the idea that economic freedom, freedom from interference by Government, is the best and proper method of building up the economic life of this country. I do not wish to emphasise the antagonism too much; I am sure planned economy does not mean that Government regulates at what time I shall drink a glass of water and what I shall do at 2 o'clock. Planned economy must imply interference with the people to the extent to which it is considered necessary in the community's interest. And therefore I take it that while Government may arrogate to themselves the powers which they are taking from this, they will not interfere where they are not definitely convinced that it is necessary. On the other hand they must interfere and it is their duty to interfere where they think that but for such interference there will be confusion or there will be exploitation of one particular section or there will be the creation of high prices, which is also a factor that they must keep in mind.

Now, Sir, in the past—and this is an accusation which I have made in this House several times—controls were put very largely in the interests of the allied

Governments and of the United Kingdom Government who wanted to buy enormous quantities of goods in this country and in order to see that those goods did not cost them too high. That was—I allege again—the principal objective of the past Government when they put some of these controls. The consumer and the producer came in incidentally. The poor producer did not get anywhere in some cases and the consumer came in incidentally. I will illustrate my point. The producers of tea got 5½ to 8 annas per pound when the world price was 6 to 8 rupees; the producer of rubber missed the world market and his goods were taken away at 12 annas when the world price was Rs. 10; today again rubber has fallen to 14 annas. In other words, the controls were there, as I said, in the interests not only of the bulk purchases by our Government which would be justifiable, but also in the bulk purchases by foreign Governments not only for army purposes but for their civil populations. Now, therefore, I would urge on this Government to use these controls with discrimination and see whether it is necessary to use them in the interests of the producer and in the interests of the consumer, and lastly—the most dominant consideration—to see whether they must be used in the interests of the community as a whole.

Now, Sir, the Honourable Member for Industries and Supplies has not claimed a very marked success for these control measures in the past, and we only trust that the measures taken hereafter in peace time, with less distraction from military urgencies and so on, will function better. In particular I would emphasise the same point that my Honourable friend Mr. Gwilt emphasised that the human machinery should be overhauled. I have always advocated, and I have found it as a mistake of the past administration, that when important and delicate points like these controls came, they did not use their trusted and tried old employees but recruited new staff for this purpose, which was a stupid mistake. They should have put their old employees who were in Government service or ten or twenty years and had a good record. They should have put these old and tried and trusted servants in charge of these delicate matters; instead of which what they did was to recruit *ad hoc* for this purpose. Whoever came was taken in; he was given wide powers and there was a continuous racket. I may point out a racket which has happened in this connection. The Inspectors of this department are going round the market finding out cases where there is a small technical breach of the kind that my Honourable friend Mr. Gwilt referred to. In that particular case I suppose the inspector did not get something from the firms which did not put in weekly returns instead of monthly returns; and in other cases it has become an absolute racket and a vested interest with these inspectors to go round and say, "Look here, I have found you doing this and I am going to put you up." But I will come day after tomorrow, you think it over and let me know." In the meanwhile the party thinks it over and says it is worth while giving him a hundred rupees so that he may overlook this small and in many cases purely technical breach which has occurred. This is the human machinery which I am mentioning, and I again commend the suggestion which I have made, namely, that Government should have for this inspectorate staff not new persons whom they have picked up from the sort of men available in the general labour pool of the so-called educated population of this country. It is this particular set which has disgraced the education which they have received; and this has been so widespread throughout the country that we are bound to commend to the Honourable Member that while using the powers which he is asking the House to give him, he will look into this particular subject. Sir, I was told by a resident of Delhi, who is not at the moment in the gallery, that an inspector of *gur* in this place who is getting a salary of Rs. 100 per month has built three houses in three years. That is the human machinery they have got. I therefore say that for these places, please pick out the best of your civil servants—I do not mean the I. C. S.—the best of your other servants who had a good record in the past and who are proud of their pensionable service and who will not demean themselves to the extent these men are doing. These men are only squeezing out all advantages to themselves during the period for which they are inspectors, and they expect definitely to be dismissed in due course.

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In the meantime they want to make what they can. Now he is asking for the same powers—not excessive powers,—and he is asking them for a short time and as an experiment, in the sense that the whole system is one which is in constant process of adjustment. I would suggest another thing, namely, that the information as to the requirements of the public concerned may be spread through the Chambers of Commerce and also on the functioning of each control, and a report may be sent for, or some authority or body concerned with the department may go round the country and meet the Chambers of Commerce people and see whether they have got to say anything about the operation of a particular kind of control and if they have got any suggestions to make.

Then, Sir, in regard to the control in this country we have to see what is happening in other countries. We have this difficulty. As the Honourable Member said, we had a negative administration in the past. Previous Governments were more concerned with just the control of law and order and they did not mind what happens to the chickens in the chicken coop or what happens to sardines in the box. They did not mind what happened to any particular layer of society or population. That is not so with this Government. The greater the weakness of a particular set, the bigger is their obligation to help them.

The only other point on which I would like to detain this House for a minute more topsyturvy than the marked in attention of this Government to longer is with regard to the effect on prices. Sir, there is nothing the state of general level of prices in this country. Our general level of prices is 300 per cent or more than pre-war and in America and England the level is only 147 and 174. The House has heard that President Truman is removing all controls over prices and wages, and people are expecting two consequences—one is that certain prices will tumble down as soon as the controls are removed, and in other cases the expectation is that as soon as the controls are removed, certain prices will go up. I understand both these things can happen. I want our Government also to see to the course of prices of controlled articles. More particularly may I refer to the case of building materials. There is a pent up demand for the last four years and if there was no control over steel and cement or other articles, the prices will soar up very high. In such cases what is needed is consumers' priority so that there may be an orderly disposal of such quantities which are available and the guarantee that these quantities which are available do not fall into the hands of the middlemen because the direct consumer is there ready and willing to take it from you and to pay for it in advance. Therefore, Sir, it is necessary to fix priorities, to eliminate middlemen with regard to these commodities which are definitely declared to be short, and it is necessary to regulate the orderly disposal of such commodities as we have got. I would, Sir, ask the Honourable Member in charge of Industries and Supplies not merely to take the control issue in the departmental sense in which unfortunately all our affairs are,—the control issue does not concern him alone; it is the concern also of the Finance Member; it is the concern of the Minister of Food and Agriculture, and so on,—and to see the general trend of prices. Have this Government any deflationary measures already in mind? Have they declared any? Have they thought out what deflationary measures should be taken in order that the general level of prices may fall? If you do not take those deflationary measures, then, I submit, that this control proposition will be a permanent thing and it would be very harmful to this country. Therefore, I suggest that the matter should not be thought out compartmentally, but should be taken as a whole, and I suggest that the Honourable Member for Industries and Supplies should go into the issue, which he thoroughly well understands, I am sure, as to what deflationary measures should be taken generally which would affect all prices and which will also incidentally affect the prices of the articles controlled.

Sir, I support the motion.

The Assembly then adjourned for Lunch till 11.15 P.M. Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President (the Honourable Mr. G. V. Mavalankar) in the Chair.

**Mr. N. M. Joshi** (Nominated Non-Official): Mr. President, while supporting the motion that this Bill be taken into consideration I do not wish to speak much about the necessity of continuing the control. The Honourable Member in charge of the Department of Industries and Supplies has spoken so well on this subject that I do not think I shall be able to add much in support of his measure.

My justification in rising on this occasion is that in the first place I want to express my dissatisfaction that the Government of India removed prematurely many of the controls which were in my judgment still necessary and deprived themselves of powers which they should not have done.

Sir, if you watch the trend of prices in this country, you will easily find that the prices in this country are still rising. The Honourable Member in charge of Industries and Supplies admitted that there still exists inflation in this country. I watch very carefully the cost of living index for the working classes. The index has reached 270 points, more than 25 or even 30 points than what it was at the time of the end of the war. I therefore feel that the Government of India was not justified in removing the controls which they had removed. My special complaint is that they allowed to lapse the Hoarding and Profiteering Prevention Ordinance. That ordinance in my judgment, Mr. President, was absolutely necessary, even at this time, and Government has done a great deal of wrong to the people of this country, especially the poorer sections of the people of this country, by removing the powers which they possessed to deal with hoarding and profiteering. I also feel that the Government of India should have, before they removed these controls, and before they divested themselves of these powers, consulted the Legislature on this point. But they have failed to do their duty by the Legislature in not consulting it before removing these controls and divesting themselves of these powers.

I feel, Sir, that the Government of India has failed to do what they should have done. Now, Sir, I am glad that they are bringing forward this Bill and giving an opportunity to this Legislature to consider this question and taking advantage of this Bill, I would like to make some suggestions to the Government of India.

Sir, the controls are necessary and I am glad that the Honourable Member agreed that these controls are necessary. If these controls are to be useful, these controls must be effectively used and applied. The Honourable Member in charge of Industries and Supplies agreed with that also. I want also to suggest that these controls should be fairly used. The Honourable Member also agreed with that. I feel, Sir, although the Honourable Member has agreed with these principles, that these controls should be effectively applied and there should be no discrimination and unfairness I would like to draw the attention of the Honourable Member to the fact that as the controls at present exist, they are used ineffectively and there is also a great deal of discrimination.

As regards the effectiveness, we were told that there are difficulties in the way of effectively applying these measures. I would like the Honourable member to remember that although there are difficulties, it is for the Government to overcome those difficulties. You certainly require an honest staff and you require the co-operation of the public, as the Honourable Member has stated. But it is not beyond the power of the Government to employ good, efficient and honest staff. You may have to pay more and Government should not hesitate to pay the staff whatever is due to them. If you pay your staff well, I think it is possible for you to get good effective, efficient and honest staff.

In the matter of the controls being fairly used, it depends upon the Government of India themselves not to make any discrimination. I do not wish to go into the details of these controls, but one can easily see that the Government of India is afraid of the richer section of the population and they easily do

[Mr. N. M. Joshi]

injustice to the poorer people. They are willing to put restrictions on the poorer sections but they are prepared to let go the richer classes. Take sugar: sugar control is absolutely necessary. He agrees with it. Why then exempt the lump sugar? Is there the least justification for exempting lump sugar? The excuse given is that the lump sugar is a separate industry. You have to have one or two more machines in order to make lumps out of the sugar. That may be an excuse but it is not one which can really be accepted. The object was clear, *viz.*, that the richer sections of society should have sufficient sugar to eat while the poorer sections should not have. It is not a different kind of industry that required encouragement. The object was that the richer classes should have enough sugar by paying more. I understand that the cubes cost much more than ordinary sugar but they are uncontrolled. This is only a small instance of what I consider to be discrimination.

I may even give you another small instance of this kind of discrimination. Take newsprint, for example. I see that newspapers, especially the influential daily newspapers, publish every day large numbers of pages full of advertisements. I cannot understand why all these advertisements are necessary when newsprint is so very scarce. But if it is a question of some small paper, then the control applies and they will hesitate to give sanction for even a small increase in quota. I am not making a complaint which I have to make on the floor of this House but the instance comes to my mind very easily. I have a small paper called *The Trade Union Worker*, which is only 8 or 10 pages of a small size. The number of trade unions which are interested in this paper has increased and on account of the various kinds of legislation which are coming before the legislature I asked that a few more paper be added. It takes a long time for Government to give me sanction to increase those pages. It would utmost require a few more pounds of newsprint, not even a few maunds or tons of paper. I am not suggesting that the control is unnecessary. I have pleaded for controls and therefore I do not want to be exempt from these controls but I want fairness. If you can spare large amounts of paper, tons of paper, for these influential dailies, which contain a very large amount of advertisement, then certainly small papers which are useful to a very large number of people should be treated fairly at least. They should not be starved for want of paper.

As regards newsprint, compare India with England. The English newspapers are much smaller even today than the Indian papers. I do not wish to dwell on that point but this is also, another example of discrimination.

**Mr. Manu Subedar:** Are there any Diwali and Puja Numbers in England?

**Mr. N. M. Joshi:** There are many such things but I do not want to waste the time of the House. Those who have influence get more paper and those who have not, find it difficult to get the paper necessary.

The Government is also not fair in the application of these controls. They give, I think, too much freedom to the provinces. I shall give you instance of my province decontrolling things when there was absolutely no justification. In my own province *gur* has been decontrolled with the result that the poorer people in my province are paying today twice the price for *gur*, while sugar has become practically cheaper than *gur*. This is the way in which controls have been applied. I would like therefore that the Honourable Member should take very vigorous steps to see that the controls which he is applying are effectively used, fairly used and not too much latitude is given to provinces or to different interests. I am glad that the Honourable Member in theory at least agrees with me in all these matters but he will have to take more vigorous steps to see that the controls are properly used. I am not saying this to plead that if he cannot do this he should remove the controls. That is not my standpoint. I quite realise that in spite of his best efforts the Honourable Member may not succeed in removing all the complaints which we have regarding the controls. I would certainly have controls with some inefficiency and with some defects rather than have no controls at all. I know it is said that controls

lead to bribery and corruption among public servants. I would certainly like honest public servants to be in charge of these controls and in view of that I would like the Government of India to pay its servants much more, especially because they have to overcome very large temptations. Let the public servants be paid more and let Government see to it that they get honest service. What those who speak about corruption and bribery of public servants want is that they should profiteer. So I want to make it clear to the Honourable Member that I would like to have controls in spite of a little corruption and bribery which may exist, because I feel that if there is bribery and corruption the public servants may take away some money and it may not be good for the morale of the public services in this country . . . . .

**Sjt. N. V. Gadgil** (Bombay Central Division: Non-Muhammadan Rural): That is a redistribution of wealth!

**Mr. N. M. Joshi:** If there is control the public servants may take away some money but if there is no control then private merchants and private capitalists may take away ten times more. Therefore if I were to make a choice between allowing the merchants and capitalists to exploit the people and having some corrupt public servants, I would prefer corrupt public servants to allowing the capitalists to exploit the masses to a ten times greater extent.

One point which my Honourable friend Mr. Manu Subedar referred to is this and in that connection I would like to ask the Honourable Minister in charge of Industries and Supplies for some information. Mr. Manu Subedar stated that in view of the fact that we are going to have planned economy these controls are necessary and I have no doubt that the country as a whole wants planned economy. We do not want to leave the development of this country to chances and to the goodwill and efforts of private capitalists and private enterprise without any plan. But it is quite clear that if we are going to have planned economy we shall require controls. I want to know from the Honourable Member in charge of Industries and Supplies whether he is making any provision for applying controls where they are necessary on account of our introducing a planned system of economy. I learn from the newspapers that the Government of India have appointed a committee over which my Honourable and esteemed friend Mr. Neogy is to preside, to prepare a plan in two months time for a planned development of this country. If Mr. Neogy is preparing a report in two months time for a planned economy, certainly the Government must be prepared to impose the necessary controls within two months time. I want to know what are the plans of the Government of India in, not only for continuing these controls—because mere continuance will not be sufficient for a planned economy—I want to know what they are doing in taking those powers to exercise controls over the whole of the economy, if we are going to have a planned development. So far as I can understand this legislation, I am told that the Government of India have got power to continue these controls for a year: they may get power again to continue it for a year more; but the power will not exist beyond five years; and then, within this period, the Government of India can by notification remove these controls. I am anxious that the Government of India, if they have no power today, should take steps to secure those powers. If the powers are to be given to them by Parliament—if within a short time we do not get a really independent government and if unfortunately the powers are to be given by Parliament—I would like the Government of India to get from Parliament those powers to not only continue these controls but to apply new controls wherever the application of new controls is necessary. This Bill gives them the power to continue the controls; but they have already decontrolled many articles. I want to ask the Government of India what power they possess to reimpose those controls which they have removed; and if they have got no power to reimpose those controls which they have removed, I want to know what they are going to do to secure power to reimpose controls which they have in my judgment wrongly removed. I want the Government of India to consider this question very seriously and very urgently, because I feel that if we neglect this problem of control the whole economy of this country will

[Mr N. M. Joshi]

suffer, and in that suffering the suffering of the poor people will be greater. That is what concerns me more. Therefore, while approving and supporting the measure which is before this legislature, I would like the Government of India in the first place, not to commit the mistake which they have committed before, namely, removing these controls prematurely; secondly, removing these controls without consulting the legislature. If any controls which are to be continued by this Bill are to be removed, I would like the Honourable Member in charge of Industries and Supplies to promise us today and to give us an assurance that these controls will not be removed without the sanction of the legislature, without at least consulting the legislature. That assurance I want. I also want an assurance from the Government of India that they will exercise these controls thoroughly and vigorously, impartially, without any discrimination, and fairly.

Lastly I want the Government of India to assure me that in view of the fact that we are going to have a planned economy soon, what steps they are going to take to secure those powers of exercising control which are necessary for making a planned development successful. I support this Bill.

**Sjt. N. V. Gadgil:** Sir, in spite of the very bitter and bad experience of control regime during the course of the last seven years, I support the Bill that has been introduced and is now for consideration before this House. My main reason is that I see no other alternative before me. If the controls are removed I see nothing but black marketing infact all marketing gone and economic anarchy succeeding. In that case what will happen will be that things will go underground and consequently famine will be the order of the day; the rich will get everything and the poorer sections of the community will have to go without most of the things which they feel essential for the maintenance of their lives. Under a controlled system, however badly it may be worked, as I said just now to the Honourable Member in charge of the Bill privately, there is some hope for some people at some time to get something somewhere. On that hope I lay great stress.

Now, I want to tell the House that in certain matters at least, the Government should not decontrol anything by mere notification, unless as Mr. Joshi said they consult this House previously and they are also convinced that as a result of decontrol the poorer sections of the community will not suffer. The great Chinese philosopher Confucius was once asked by the Chinese king as to what were the tests of a good government, and the philosopher said that if there is sufficient food and sufficient clothing and a belief that justice will be done, then it is a good government. I am not today referring to the last, but I do want that this government will at least answer the first two tests and give sufficient food and sufficient clothing to every citizen in this country. As regards food, during the last three or four years there has been some sort of system; and although there is much to complain about, speaking for myself, if there had been no rationing in my city, at least I and my family would have been starved to death absolutely. For I remember in the year 1942 beginning, I just wanted to purchase a few seers of wheat; I visited three shops and they gave me three different quotations. I tried the experiment three times in the course of the day and none tallied with the other. But since the rationing system was established, it may not be a balanced diet as was enunciated by my friend Mr. Masani, but anyway I am getting at least half a pound of rice a week and a little more by way of wheat, jowari, bajra somehow or other, and most of us can keep our bodies and souls together.

As regards cloth, you will remember that during the discussion on the Finance Bill, when I and most of the members of our party complained against the abolition of the Excess Profits Tax and I asked a specific question of the Finance Member then, whether on the removal of the Excess Profits Tax, the prices of cloth would be reduced, and his answer was that the manufacturers or the millowners themselves in their own interests would do it. Our experience during the past six months has been very different and very bitter. You will be surprised to know that this textile industry has made profits beyond

expectations. If the rate of profit in 1928 is considered 100, the increase has been 761 per cent. during 1943-44. Who has suffered as a result of this? Even today, if we closely scrutinise the system under which cloth is distributed, it is the consumer who suffers. The millowners get all they want, and if the Honourable Member in charge were to scrutinise the cost schedule he would find that sometimes the same item is included three times. I am prepared to give him such information, because I am not in the habit of making any statement unless it is well documented. They have been successful in getting the ear of the Government always whenever it is a question of raising the prices. The poor consumer and every one of us is a consumer, although every one is not a producer or a trader; but the pity is that every one of us does not stand up to the situation and frankly speak out what we feel.

In the scheme of control there is practically no limit on profits. If food, if clothing is an article of necessity, without which nobody can live, I think I will be voicing the inmost feelings of most of us that the whole of the industry should be taken over by the Government here and now. It is the primary duty of the Government to feed its citizens and clothe them and if there is the slightest failure in that sphere I think it is a condemnation of the Government. It would have been otherwise if it was the same old government which functioned before a few months. Now that the Government is a popular government with the backing of the people's representatives, whatever may be the form; much is expected of it. I think they have had enough of what is called  
 3 P. M. in England the honeymoon period—enough of it. They can now come down to brass tacks and at least secure us two things which are absolutely essential for human life, namely, enough food and enough clothing.

Now, Sir, the history of control in so far as this poor country is concerned is one of sadness. It comes late. During the time it remains, it is operated I do not suggest to say deliberately, objectively to the detriment of poorer sections of the community. Then it goes all of a sudden with the result, as has been stated in the very fine note that has been kindly supplied to us by the Honourable Member, that things go out of the market. Cement has gone. In whatever articles we have followed this policy of sudden decontrolling the result has been not what you contemplated. In the budget session during the discussion on the Finance Bill, the Finance Member was good enough to tell us that if houses were built in the course of these two years, their income would not be taken into consideration for the purpose of income tax but where is the material to build. Iron sheets are not available. Iron bars you cannot get although in order to get it you have to spend stationery worth Rs. 20. Cement, you yourself agree, is not there. About non-ferrous metal, after the control is over, it is the same tale. I therefore respectfully submit that this Bill is an attempt, let there be no apology for that, to start some control. Some well thought out scheme of control. I would request the Honourable Member boldly to say that this is the first attempt to introduce what may be called a regulatory regime leading ultimately to planned economy. Let him not be apologetic. Let him say boldly, and he will have the verdict of the House in his favour, that the country as a whole stands for nationalisation of most of the industries, at any rate those which concern the necessities of life and this Bill will prepare the way.

Now, Sir, I want to say one thing more, because I do not want to take a long time of the House, for I believe that there must be control of one's speech also. One thing I want to bring to the notice of the Honourable Member. We all stand for democracy. I do not believe merely in association of the people's representatives during one stage, namely, the stage of the formulation of the policy. I want him to see that the negative aspect of the bureaucracy that he emphasized today disappears and it assumes a positive social service aspect. That is possible by means of a well thought out system of distribution in which the people's representatives even in the smallest village could be associated, so that much of the middlemen's profits and much of the possibility of black marketing would be removed. Just imagine for one



[Sjt. N. V. Gadgil]

minute as to how many middlemen there are between a mill and the actual consumer and one would find that at least half of them are absolutely unnecessary, except for the fact that at one stage of our country's history or in the history of that particular industry they were there. They are playing no useful function. In fact they are playing anti social role if, Mr. President, you will permit me to use that expression. You are well aware how things are happening in the city from which you are elected. Therefore if the controlled economy is to be successful, it can only be successful if there is co-operation of the people. It does not mean that everything is to be left to the permanent official. In fact the attempt so far has been to put new wine in old bottles. The consumers never counted in the past. He must pay whatever he is asked to pay. Who approaches the officers—the merchants and the middlemen who want to get some permits here and there and if there is any source of corruption of the worst type, it is the trader who is so anxious to get a permit and having got it is very much anxious to sell it to another. If corruption is to be removed, it can only be removed by the co-operation of the people and not otherwise. It is really most shameful for every one of us to refer every now and then to corruption among our officials, our merchants and so on. In fact, it virtually comes to this that the bulk of the community is corrupt. I only wish that this thing should be a matter of history. We are now entering a new order of things and let the services also understand that whatever may have been their outlook up till now they are servants of the people. I remember one of the greatest Englishmen said that the ideal of public service should be integrity, industry and anonymity. Nobody can put it higher than that. I only wish this. So far they have been extremely loyal, even going out of their way, to a Government which was foreign in personnel and in spirit. Now, they have a Government entirely Indian in personnel and in spirit. Would it be too much of them to say that they will rise up to the occasion, will be less bureaucratic, less given to red tape, more prompt to hear the grievances of the people and will show to the world that here in India they have a service which is absolutely incorruptible and claims the confidence and respect of the people? I therefore submit that the task that lies ahead for the Honourable Member is not merely to control but during the three or four or five years during which this order as it is embodied in this Bill stands he will evolve such a spirit in the services and such a spirit in the public that ultimately the inauguration of planned economy will be easier. With these words, I support the motion.

**Mr. Tamizuddin Khan** (Dacca cum Mymensingh Muhammadan Rural): Mr. President, I must congratulate the Honourable Member for Industries on the happy position that he enjoys today. His Bill, controversial as it is, is going to be passed without any opposition. That is certainly a happy position. But we, some elected Members, are not in such a happy position. Our position is rather unenviable because the people whom we represent are fed up with these controls. They want an immediate withdrawal of all controls. That is the opinion of the man in the street. If I may tell the House about a demand that was made of me by a section of the people who sent me here, it was that the controls must be abolished as early as possible.

**Sri M. Ananthasayanam Ayyangar** (Madras Ceded Districts and Chittoor Non-Muhammadan Rural): They are all wrong.

**Mr. Tamizuddin Khan:** I am not giving my views, but their views. We shall have to satisfy these people about the necessity of these controls. Our position is not, therefore, as happy as that of the Honourable Member in charge of the Bill. Again, our position has been made all the more difficult on account of two factors. One was the public pronouncement made by the predecessor of the Honourable Member, I mean Mr. Rajagopalachariar who in a speech that he delivered some time ago said that the day was not perhaps far off when there will be an end of these controls. The people about whom I have already spoken looked upon that pronouncement with a good deal of hope but they are going

be disappointed. Again, we see that in America, as a result of the last elections which have sent the Republicans in a majority in both the Chambers of the American Legislature, the controls are going to be abolished. The world has become so narrow nowadays that the happenings in America also will have their own repercussions in our own country. That is also another disquieting circumstance. But I admit that controls in our country cannot be given up at the present stage. The controls are a necessary evil. Abolish the control of foodstuffs today and there will be famine the next week. There is no doubt about that. The two classes of people whose interests are otherwise mutually antagonistic will co-operate to bring about a famine. They are the wealthy consumers and the profiteers. Wealthy consumers will be in a panic and there will be a scramble to purchase and the profiteers will have their day. These two will co-operate to make a famine sure, if the control of foodstuff is abolished. Therefore, controls will have to remain unfortunately. But I do not agree with my Honourable friend Mr. Joshi that there should be more control than there is at present and also that the controls that have been abolished should be re-imposed. Of course, there may be some reason which has guided him to make that statement, but I would submit that the controls being a necessary evil should be gradually abolished. If we are to swim back to the shore of normality, we shall have to go into the water. Therefore, in certain respects we shall have to take risks. But those risks must not be of a character fatal to the existence of the community. Gradually these controls will have to be abolished and they should be abolished last of all on foodstuffs, cloth and perhaps coal. Other controls may be abolished earlier. How that will be done is not an easy task. My Honourable friend Mr. Manu Subedar has said that it will be the duty of the Government to see that the present state of inflation is properly tackled, and that there should be deflation. Everyone agrees that there should be deflation, but how to bring that about is a very difficult question. As my Honourable friend Mr. Manu Subedar has raised this question, I would like to sound a note of warning.

There are people who think that in order to bring about deflation, foodgrains should be touched first of all. The prices of foodgrains they urge should be reduced, and, if that is done, all other prices will be reduced automatically and correspondingly. Whatever logic there may be in that, I think it will be too risky a business. You may bring about deflation, if you do that, but you may also bring about an end of our country, if you thoughtlessly tackle the prices of foodgrains in that way, because we are still short of foodstuffs, and it is the endeavour of the Government and also of everyone else to see that more foodstuffs are grown in the country. The one incentive to grow more foodstuffs is the incentive of good prices and it must be ensured that the cultivator gets proper prices for his products. If the prices of other things remain as they are and the prices of foodstuffs are reduced, the cultivator will find himself in a very difficult position. He will not have the incentive to grow more food; he will not even grow that much food that he normally does. He will only probably grow what he requires for his own needs and nothing more. That is a warning which I should like to give to the Government. But, as I have already said, it is a vicious circle and we have to begin somewhere. Where to begin and how to begin is a matter which will task the ingenuity of the present Government. There is no doubt about that.

Sir, I think that one way of tackling this problem was for the Government to take as much out of the floating money in the country as possible. But is the Government doing that? I think the late Government, instead of doing that, took rather a reverse step. I refer to the abolition of the excess profits tax. I do not think that that was the proper time to abolish that tax. Whether it will be possible to re-impose it or not, I do not know, because the people who were affected by that tax are so influential that I am afraid they will see that there is no re-imposition of a tax like that. But I am definitely of opinion that the abolition of that tax was a blunder. If the Government could accumulate as much money out of the floating money in the country in its own hands and then distribute it, that would have been one way of tackling the present inflation. Look at our low paid Government servants. How can they make both ends meet.

[Mr. Tamizuddin Khan]

No doubt you have given them dearness allowance, but having regard to the fact that prices have gone up by 300 per cent, have you given them enough in the shape of dearness allowance? Certainly not. If the proceeds of the excess profits tax could have been set apart for increasing the pay of the low paid Government officers, that would have been perhaps one way of tackling the problem. However, this is a thing which is too difficult for a lay man to deal with and we shall look at the efforts of the present Government with anxiety so far as this difficult matter is concerned.

There is only one other thing that I should like to refer to. Many of the provisions of the Bill affect the activities of the Provincial Governments. Before this Bill was introduced I do not know whether it has been possible for the Government of India to consult the Provincial Governments. It would have been far better if Government could consult them previously. However, if even after the Bill is passed the Government of India can consult the Provincial Governments concerned before they take decisions that will be desirable from all points of view. Sir, I support the motion.

**Shri D. P. Karmarkar** (Bombay Southern Division: Non-Muhammadan Rural): Sir, I do not wish to discuss the principle underlying the controls or the history of the operation of these controls during war time. Such a study would be extremely fascinating from the legal point of view, but the problem which confronts us is one which is very difficult of solution. If on the one hand Government try to move with the times and reduce the number of controls to the minimum it is naturally accused of neglecting the interests of the public by decontrolling articles which should not be decontrolled. If on the other hand they continue to exercise control it extends the period of suspense under which the country has naturally to suffer after the period of the war. Therefore it is, I think, that Government have restricted themselves to the minimum number of commodities to be controlled and that also as the Honourable Member in charge has made it clear, they want to have for a minimum period in the first instance, namely, one year after the end of hostilities, which means—if I am correct—till the 30th April.

Now Sir, when we are considering the question of controls, it is obvious that we have to consider it from the point of view of the effect of such controls on the country. There can be no difference of opinion that owing to conditions created by the war, controls are an absolute necessity. There is also another question to be taken into consideration, and that is the method of operation of these controls. To my mind one of the most important aspects of these controls is this,—what is the effect of these continued controls on the poor man and the man belonging to the lower classes? In so far as these two sections are concerned, I think the heaviest burden has fallen on their shoulders during the period of the war and during this period which has succeeded the war. Taxes have come without number, most of them falling on the poor and the lower middle classes. Then again owing to the abnormality of the war things have been scarce; food has been dearer, cloth also has been dearer and sometimes not available. The poor man and the lower middle class man as a result of conditions created during the war are today suffering an agony which is perhaps very easily conceivable. A man with a budget of less than Rs. 100 is today not yet free from the sufferings created by the war; if at all; as the rising price indices show, he is suffering more after the war than he did during the war. And when such a thing is there and when so many other complicated problems require solution, though perhaps they are not admissible of a very easy or immediate solution like the question of sterling balances and inflated currency and so many other financial factors, it is perhaps impossible for Government to contribute anything effectively towards a substantial reduction in the prices of all things including foodstuffs. It may be possible, and it may be very necessary, to find out a way by which, even in these abnormal conditions, relief can be given to the classes to whom the burden of the war has proved most irksome. And in that matter I will make one suggestion for consideration for whatever it is worth; and it is this. If we cannot reduce the prices of foodstuffs and the prices of

cloth—I put foodstuffs first because that is a daily and hourly necessity and cloth comes next—Government should find out some way or other by which to effect an artificial reduction. I call it artificial because naturally they cannot afford to sell a thing for less than what they have paid for it; but if they can by some measure effect a substantial reduction—say about 25 per cent—in the price of foodstuffs in the case of the poor and lower middle classes such relief would come very handy and would be a very great relief indeed. With the change from an irresponsible Government to a national Government the one thing that people are looking forward to and the one thing by which the ordinary man in the street will judge this Government is the price of foodstuffs in the country. And in that matter I venture to suggest as an experiment for a limited period—six months or a year—the grant of a certain kind of subsidy to the consumer by working out a scheme which I am told was practised in the U. P. under which certain things were available at a reduced price for people drawing a certain income below a particular margin. If that experiment were tried and the price of rice, wheat and *jowar* could be reduced by a certain percentage in the case of certain classes of the population and the deficit borne by Government as a general charge on the revenues, that surely would be a step which after all the turmoil and the agony suffered by the poorer classes of the population during the war would be very highly appreciated. The indices supplied to us are average indices, but in particular areas things are otherwise. For instance, in an important commercial place in my constituency in the Bombay province, gram which was selling at Rs. 1-13 per maund in the pre-war days was in 1944 selling at the rate of Rs. 12 a maund. Gram and pulses are some of the things which have almost disappeared from the market. If that is the condition the Government of India should be able to take steps to see that such of the commodities as are rare in a particular area are supplied in that area from another surplus area. Take coconuts for instance. Many of us may not feel or even know what a coconut costs in these days. But coconuts which used to cost anything between Rs. 15 and Rs. 20 per thousand today stand at the fabulous price of Rs. 180 per thousand. The poor or lower middle class man in whose diet coconut occupies a small but important place would find it absolutely impossible to go to the bazar and buy a coconut at six or eight annas each.

Then, Sir, according to the latest trade bulletin issued by a department of the Government of India we find that *gur* has become scarce. In fact when *gur* used to cost less in manufacture than sugar it was more popular than sugar with the poor and lower middle classes. Anomalous as it may appear, today in the constituency I represent *gur* is priced, if at all it is available, at four times the price of sugar; and with regard to *gur* there was a anomalous see-saw. The Bombay Government put a control on *gur* to see that it can be purchased at some normal price; but immediately the control was established *gur* disappeared from the market altogether to quarters which are known but cannot be traced. And then we find people clamouring and urging upon Government to remove the control because they wanted plenty of *gur* though at a higher price. Now in regard to *gur* which is a daily necessity with the poorer classes conditions should not arise which make it difficult to obtain it at all or obtain it at a reasonable price. With regard to all these matters I think the House and Government should see that the poor man's lot is made better than it is. Then, with regard to cloth, I am not a statistician but this much I have come to know from a layman's point of view that if the cloth that is manufactured in the mills were to be made fully available to the consumer things would not be as bad as they are today. And very likely one of the leakages occurs not inland but in the coast line. A merchant in my constituency was complaining that much of the cloth that goes to the southern Bombay area goes out by the minor ports to some foreign parts. And very recently a merchant offered to sell back cloth worth about Rs. 80,000 at Malwan, a negligible port, for a loss. He had bought it with the idea of sending it to East Africa but failed and he wanted to make it available to any other merchant who would purchase it, even at 10 per cent loss. Now, Sir, with regard to cloth, one method out of this vicious situation would be this.

[Shri D. P. Karmarkar]

I may be extreme in my suggestion. But I suppose big national issues require big decisions also. If the craze for finer qualities of cloth is made less by education or else by non-production, I think the quantity of cloth required for the poorer and middle class population would be more and more available. Connected with the question of cloth is the question of transport. Cloth that has been allotted to South Bombay presidency still lies in Bombay, because of some reason or other, cloth refuses to move out of Bombay. According to the rules framed, I speak subject to correction, after a certain period, the wholesale dealer in the Bombay City can make any sale whatever if the cloth that has been allotted to a particular area remains in Bombay city itself owing to reasons beyond his control. That leads to leakage.

The next commodity under control is paper. I really wonder whether there is any necessity for control of paper. Any control these days ought to be restricted to any commodity the absence of which would be a very great hardship to the consumer. Assuming, as we are told, that paper controls remain as they were before, any man in the end of India wishing to manufacture an exercise book would have to write to New Delhi or come up here. Any publisher who had the misfortune of being born in the publishing trade after 1942, the basic year, would have very little chance of getting any permission at all. Then, again with regard to newspaper, there is a recurring complaint on behalf of new venturesome would be newspaper publishers that the present control with regard to newsprint is virtually a monopoly in the interest of people who are already there in the field. With regard to all these matters, I would invite the attention of the Honourable Member in charge to see to it that he keeps control to a minimum, to see whether some rules could not be relaxed, for instance—keeping control with regard to publication of text books which certainly are a necessity for the whole population.—whether the rules relating to a publisher before 1942 could not be relaxed. A copy of a representation has been sent to me, obviously it was originally addressed to the Honourable Member for Industries and Civil Supplies sent from a responsible Association of Publishers of Dharwar. I find there are various suggestions in it which are very useful. I will not repeat those suggestions to the Honourable Member, as he has invited us to take up these matters with him. I will not deal with them *in extenso* on the floor of the House. Finally I think that even for the short period for which these controls are to be in existence, it would be better from the point of view of minimising any possible defect in the working of these controls to set up in the first instance a type of central non-official advisory committee and to have its replica in the provinces and in each of the districts just as we have got food supply advisory committees right through the provinces and in the districts also. It would serve a good purpose if such committees are set up with the definite object of bringing to the Government's notice any possible defects in the working of these things. One of the defects certainly in the working of the present controls especially during the war time was—it was a huge joke in which we were indulging in, if a big man broke the law, he would be acquitted on some legal flaw or in the last resort, under Rule 119 of the Defence of India Rules under which a certain notification had to be published. The result is that most of the major offenders could with impunity take wagon loads of corn from one district to another and would escape the clutches of the law, whereas the law is so vigilant as in the case which I know of, namely a lady taking two seers of *jowar* for Nagapanchami. She innocently brought two seers *jowar* to the market to prepare *jowar*-flour and she was hauled up for infringing the law. It would behove the Government to see that the law was not brought into such disrepute by indulging in such frivolous prosecutions. The law should descend very heavily on major offenders, but it should not drag small technical offenders like the lady I mentioned just now into court. That is all I have to say by way of suggestions. I have still a number of other suggestions which I shall take up with the Honourable Member and I have no doubt that in view of the assurance and in view of the approach he has made in regard to this

## STATEMENT OF BUSINESS

question, he will consider very sympathetically all suggestions put by us. Sir, I support the Bill.

~~STATEMENT OF BUSINESS~~  
**The Honourable Pandit Jawaharlal Nehru** (Leader of the House): Sir, we are anxious to dispose of as much as possible of the legislative business included in the current list in the course of the present session. We have also certain supplementary demands in respect of General and Railway Budgets to be placed before the House. In the circumstances, I request you, Sir, to direct the House to sit for the transaction of official business on Monday, the 18th November. We do not in any event propose to ask for further sittings after that date.

**Mr. President:** I take it that there is no objection to that from any side. The House will sit on Monday, the 18th instant.

**Sri M. Ananthasayanam Ayyangar** (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): Is it enough, Sir?

**Mr. President:** Perhaps that will depend upon the length of the speeches that Honourable Members will make. If they shorten the speeches it would be enough to sit on Monday only.

### ESSENTIAL SUPPLIES (TEMPORARY POWERS) BILL—*contd.*

**Pundit Thakur Das Bhargava** (Ambala Division: Non-Muhammadan): Sir, I listened with great attention to the speech of the Honourable Member for Industries and Supplies. I have no hesitation in saying that in so far as the question of controls of essential supplies are concerned there is no disagreement in the House. But all the same, I would have been happy if this Bill was referred to a Select Committee and the objectionable features of the Bill were removed. I sent in a number of amendments to this Bill, by post but unfortunately, it appears they have not been received in the office. I would request you, Sir, to kindly allow these amendments to come before the House. Sir, I, for one, am in agreement with most of the speakers who have preceded me in thinking that these controls are necessary in the interest of the poor people as well as in the interest of the big people. They are a necessary evil. What I feel is this, that in the working of these controls, there has been much harassment of the general public. So much so that the public in general are tired of these. We expected that with the cessation of the war, or at least six months after the cessation, controls would be removed. It appears that the condition of the country even now is such that some emergency controls are still necessary. I do not want to cite before the House many illustrations how these controls have worked harshly on the people. I happen to be a legal practitioner and I have done many cases under the Defence of India Act. I have found that in many cases innocent people have been sent to jail, and many guilty people have got away from the meshes of this law by hook or crook. There is so much corruption rampant in the country. In all my life I have never seen the public servant so dishonest and corrupt as he is today. The operation of the Defence of India Act has not contributed a little to this state of affairs. So far as the clauses in the Bill are concerned, I find that there is control not only over foodstuffs, but there is control over procedure of courts and of justice also. Those who practice law know how justice is throttled in various ways. I may cite certain examples. But before I do so, I wish to refer to section 15 of the Defence of India Act which was an appropriate safeguard in the Defence of India Act 1939. Section 15 lays down:

"Any authority or person acting in pursuance of this Act shall interfere with the ordinary avocations of life and the enjoyment of property as little as may be consonant with the purpose of ensuring the public safety and interest and the defence of British India."

Now, Sir, it so happens that under the guise of the provisions of these rules, many dishonest people have tried to further communal interests and taken away trade in cloth, foodstuffs etc., from those hands who were already in these trade and given it to other people. And this principle, of Section 15 which is a very salutary principle, has not so far been observed by those in authority, and I apprehend that in so far as this section is not even present in the present Bill it

[Pundit Thakur Das Bhargava]

is likely that the provisions of this section will not be kept in observance while this act operates. I would, therefore, like that the principles contained in this section 15, should be incorporated in the Act and should be before the eyes of every officer who has to administer this Act.

Having said this, I will just call your attention to certain legal aspects of the Bill, I would refer you first of all to Section 1(3). I understand according to law if there is any Act before the House which has to expire automatically and which has got a limited period of existence, it is not usual to find in such an Act any provision like the one which is contained in this Section. The words are:

"and section 6 of the General Clauses Act, 1897, shall apply upon the expiry of this Act as if it had then been repealed by a Central Act."

You will be pleased to see that even in the old Defence of India Act such a provision did not exist. It means that liabilities incurred during the period when this Act is in force shall continue even after this Act has expired, and any person who has incurred any liability shall, even after this Act has expired, be chargeable with the consequences.

I understand that under Section 4 of Act 9 and 10 George Chapter 39 which gives the powers to the Legislature to enact, it does not lie within our power to enact a provision like the one which is contained in section 1(3). I do not think that the Legislature will be within its right to provide, for the future after this Act has expired, that certain provisions of this Act shall continue to operate and even the liabilities which have been incurred shall continue as before.

A reference was made by the previous speaker to the case of innocent ladies who were taking *jowar* somewhere and to big persons who were even taking wagons with immunity. In this connection I would refer you to the definition of 'notified order'. Unless and until a person knows what the orders is how is that order to be complied with? According to the principles of Criminal Law, it is absolutely necessary that every person should know what the orders are and the accused in the dock should be proved to have knowledge of the order, contravened. If an order is published in the official Gazette, how will the general public know about it? You know, Sir, that in India people are illiterate, and therefore if orders are published in the official Gazette it will not be sufficient at all. Unless an order is promulgated and brought to the notice of everybody I would submit that mere notification in the official gazette should not be enough to prove knowledge.

Similarly as regard penalties, I submit that the punishment provided is three years for all offences. Now the offence may be trivial or very big, but there is one provision for all of them. I understand that this Act will expire after a year or so, or may be it may be extended for one year more or at the most for five years, but at any rate we understand from the speech of the Honourable Member for Industries and Supplies that the provisions of this Act will not last for more than a year. Therefore I submit that the punishment provided is too much and in any case the same punishment for all offences is against the principles of Criminal Law.

Under clause 9, you will be pleased to see that 'every director, manager, secretary or other officer or agent thereof shall, unless he proves that the contravention took place without his knowledge, be deemed to be guilty of such contravention'. This is against all known canons of criminal law. The burden of proof is never on the accused. I think that this provision is too wide. The offence may take place at a place other than where the officer is stationed, and yet he is to prove that the contravention took place without his knowledge or that he exercised all due diligence to prevent such contravention. This is topsyturvy. Supposing I am Director of a company and some order is contravened by some one connected with this company, am I to be held responsible for that? According to the meaning of this Section, I will be held guilty. The principles of criminal law should not be contravened in this matter.

If you refer to clause 11, you will be pleased to find that:

"No Court shall take cognizance of any offence punishable under this Act except on a report in writing of the facts constituting such offence made by a person who is a public servant. . . ."

A Police constable is a public servant and a *patwari* is a public servant as defined in section 21 of the Indian Penal Code. So all those subordinates who now make the operation of the present Act so harsh and tyrannical are the very persons who are competent to report. Now that the National Government is in office, I would suggest that no case should be allowed to go to a Court unless and until it is examined by a competent authority—a public prosecutor for instance. The accused should be given full liberty to defend himself. Each and every case should not be chafed and only selected cases should go before the courts. Justice demands that there should be some safeguard here.

I for one shudder to think of clause 12 which provides:

"Any magistrate or bench of magistrates empowered for the time being to try in a summary way the offences specified. . . . may, on application in this behalf being made by the prosecution, try in accordance with the provisions contained in. . . ."

Under Section 260, it is the Court which decides whether any particular case should be tried summarily or not. Generally speaking cases in which punishment of more than six months' imprisonment can be given are not tried summarily. Here a very strange procedure has been adopted, namely that it is for the prosecution to decide whether the case is to be tried summarily, or not. Who will be the accused under this law? They will be traders, factory-owners, Secretaries, managers and responsible people. Why should they be tried summarily? They should be tried under the ordinary provisions of the law. I do not plead mercy for these people, but I want justice to be done to them. We know how things are done in the mofussil. National Government is in power now, and we have full confidence in them. But all the same the *patwari* is the same, the sub-inspector is the same, and the C. S. O. is the same. Before the new spirit percolates among these people, this law which is being enacted shall have expired. The subordinate judiciary as well as the police being the same, we should take every possible precaution to see that the hard provisions of the Act are done away with. Similarly in Clause 15 the burden of proof has been laid upon the accused. I have submitted these points to indicate that while I am for seeing that these controls are kept up, and this Bill is passed into an Act, such provisions as are hard upon the accused and contravene fundamental principles should be done away with. As a matter of fact, the general circumstances which lead to these controls have been discussed in this House. I have submitted the case from the point of view of those who are to be controlled by this Bill and I would submit that now as there is no great emergency, and at the same time the circumstances of the country are not so bad as they were during the war—it is but fair that the harsh provisions of the Bill are done away with.

**Mr. Abdur Rahman Siddiqi** (Calcutta and Suburbs: Muhammadan Urban):

I had no intention to speak on this Bill, but the novel theory of corollaries the Honourable Member tried to establish led me to the view that I should place before the Government an aspect of the problem which might lead them to think twice before they rush pieces of legislation through this House of an Interim Government which may be purely for a limited period of time.

Sir, the first casualty of war was morality and here the Honourable Member in charge, led us to believe that controls created corruption and corruption-entailed controls. Sir, I should like to have some sort of control over the tendency of the new Government to bring these Bills, sometimes of one section and sometimes of two lines, galore, by the dozen and by the hundred. We are asked to put into the field of our national economy that which after all may be upset by decisions taken by the Constitution-making body.

I cannot understand the professorial point of view the Honourable Member in charge placed before us. If controls mean corruption, then why extend them? We used to live in a world before the war in which there were no controls. Let economic forces work and let us forget controls. If we have controls, then we shall have labour members talking of the rights of peasants and workers. The-



[Mr. Abdur Rahman Siddiqi]

merchants will begin to think of their rights. The Honourable Member who preceded me discussed the legal aspects of this Bill, an ill-advised and ill-considered Bill, before us. The fundamental rights of citizens in various grades and strata of society are being interfered with in a most callous manner. I am asked to prove things which the other fellow should. I had expected that the new Government had come with the idea of freeing us not only of these controls but of the bigger control against which we are trying to fight. Here I see imitation. I hear arguments which I used to hear from Members of the Government, with a different hue. I would respectfully urge upon the Members of the present Executive Council of the Governor-General to forget that they are a Government. They have to rise and remove the controls or terrors as I call them—or horrors, if you like, which existed before. Take us out of this terrible position, or wait until we are in a position to stand on our own feet and talk in our own way. Here we talk of an Indian Government but the law and the traditions left by its predecessor do not seem to have changed. I would, therefore, request the Honourable Member in charge to forget these controls. Let some Indians die of starvation, if necessary, and let some merchants go into bankruptcy, but give back the freedom to the Indian citizen in every strata of our society; because, Sir, you will agree with me that whenever a law restricting our liberties is passed, either as an Order in Council or under a different name, ultimately it has found its place in the Statute Book. Similarly here: these controls which created corruption as well as multi-millionaires have to be removed and not perpetuated or prolonged for one, two or five years. I cannot understand why economic forces are not allowed to take their normal course. Millionaires and multi-millionaires will see to their own interests. If this is a National Government and if we all talk of the nation; not controls but the moral influence of the Government, and the moral influence of our leaders which will make merchants, whether they are iron and steel merchants or textile merchants, of wool and cotton and not the jute merchants of Calcutta, forget their selfish interests. Let the public opinion of the country be mobilized to tell these gentlemen who make their millions to desist making them at the expense of the poorer sections among our people. The country needs millions for its own use. It is, as I said earlier, in this session the liaison between the merchant and the Government official that has to be broken. The paraphernalia which the Honourable Member will create to see his new Bill succeed, whether it is for one year or five years, it does not matter at all, and the whole army of officials he will create for the purpose will undo his good intentions if there are any in this Bill.

I would again, most earnestly request the Honourable Member and his colleagues to visualise, if possible, a period of misery for our countrymen if the controls are reimposed. Other countries are doing it. Where the influences are great, people will call them capitalistic; others will call them labour and communistic and so on and so forth. They will go on. That is the normal of human society today. But here, and I again used the word, let us forget imitation. Let us think out our problems in our own way. What London does need not suit us. What Washington does need not be copied. Let us create, if possible, a moral sense in those who are making money, in those who are trying to rob the poorer men.

I heard the Honourable Member telling us that Government should do this, Government should do that and Government should punish the poor man or alternatively the merchant. Can we, Sir, get out of that old mentality of asking the Government to do everything for us? Why should the nation not punish these money-making machines called merchants? Why should the present Government not give back to India the normal life it needs—the life of freedom. Sir, the Honourable Member for Labour from Bombay would perhaps want everything to be done by the Government, by way of “nationalization”. I do not wish to enter into the controversy of private enterprise *versus* nationalization

4 P.M. but I do insist that the merchant as well as the worker should be allowed to have a free existence and the busy bodies who will work on behalf of the Honourable Member under this Bill had better be eliminated for all time to

come. If decontrolling means the merchant trying to raise his prices, let us have *hartals* against them, let us have even riots as we have now but let the Indian citizen be free. In this session I have been worried a good deal. Are we going to be demoralized altogether by the huge majority that we have—the whole House as against nine or perhaps a few more members? Will the Honourable Member and his colleagues consider the question of manufacturing and Opposition to keep them on the right path? If this is delayed I am afraid this House will become something like the totalitarian parliaments we have heard so much of. I know the time left for us is about a week. We may add a day or two more to it but even in this limited period, if an Opposition could be created or manufactured, I would welcome it. They could safeguard their position in the Viceroy's Executive Council by compelling the Opposition, of which I should like to be a member, to see that in any no-confidence motion we shall stand behind them. Otherwise without criticism there would be a sort of permanent surrender of our rights. I now belong to the same group as the Government and therefore I must keep quiet and silent, and allow them to run away with my rights and my interests as a citizen. Under these conditions and in these circumstances, I hope that if the Honourable Member is not prepared to withdraw his Bill, he will, I plead, give us back some of the rights which he is so callously trying to take away from us. I do hope that he will punish the erring merchant, he will punish those who robbed us during the war years but I also hope that he will see that the fundamental principles of the criminal law of the country are not interfered with.

**Several Honourable Members:** The question be now put.

**Dr. Zia Uddin Ahmad** (United Provinces Southern Divisions: Muhammadan): Sir, it is a very important debate: we ought to speak.

**Mr. President:** I have no alternative but to put the question.

**Dr. Zia Uddin Ahmad:** It is in the discretion of the President to accept or not to accept the closure.

**Mr. President:** I think that the matter has been sufficiently debated. That is my own feeling in the matter. There has been a long debate covering many points and I found that practically there were repetitions of the same points, though the illustrations may be different.

The question is:

“That the question be now put.”

The motion was adopted.

**The Honourable Dr. John Matthai:** Sir, I would not take up the time of the House at this late hour. The discussion has ranged over a very wide field and what I propose to do is to take up a few of the more important criticisms which have been made on the Bill and make what reply I can to them. Before I do so, I should like to express my appreciation of the constructive and patriotic line that the House as a whole has taken with regard to this measure.

One of the things which apparently has worried practically every speaker who has spoken on this Bill is that now that the war emergency is over, why has a Bill with such drastic provisions put into law?

[At this stage Mr. President vacated the Chair, which was then occupied by Mr. Deputy President (Khan Mohammad Yamin Khan).]

My reply to it is this. The emergency of war is over now but the economic emergency created by the war still continues in exactly the same form, probably slightly worse, and unless something is done by Government to prevent the serious abuses which are possible under the conditions which prevail today, I do not think the Government would be discharging its responsibilities.

A great deal has been said about the severity of the provisions contained in this Bill. I am aware that in certain respects these provisions are severe. A great deal has been said also about corruption among public servants who have been handling the instruments of control. Now may I just say this: I do not think that enough has been said about the anti-social contract of a large number of people in this country who have been concerned!

[Dr. John Matthai]

with the production and distribution of goods. The emergency conditions created by the war have been used in directions which do not reflect credit upon large numbers of people in the country and I think if the National Government is at all true to its purpose it must not allow this kind of conditions to continue any longer.

Mr. Manu Subedar raised a very relevant point. This control measure is necessary because of the continuance of inflation but what exactly is Government doing in order to prevent the inflationary position getting worse and possibly to get the price level back to a more normal trend? Well, that question is very much under the consideration of the Government: it is a matter which is receiving anxious attention at our hands. As Mr. Manu Subedar realises, it is not a simple problem. It is a problem which has got to be attacked simultaneously upon a very large number of fronts. You have got to tackle it on the monetary front, you have got to tackle it on the front of goods and services and in between you have to tackle it on a basis of direct controls.

It has been suggested that if in America they have lifted all controls why should we not lift our controls also? There is a very vital difference between America and India in this respect and that indeed is the whole case for maintaining this control in India. If we were to be left entirely to the operation of economic forces, supposing the whole question of adjustment of supply and demand is to be brought out by the operation of the price factor, what would happen under present conditions in India is this. We cannot increase the supply of goods to anything like the extent we want. We have not got the productive equipment in this country; even now we have not got the machinery-making industry in this country and we are not in a position to increase our supply by imports because manufacturing countries have not got enough surpluses. Therefore, supposing you allow normal forces to operate, what would happen is that prices would go up; they would go up further and further. It would make no difference to the supply position; and therefore prices will continue to remain at that higher level. In America, with a productive capacity so large, which has been greatly enhanced during the war years, what might happen is this: that if controls are removed and prices go up, it is possible that the productive equipment of the country will meet the situation by increasing the supply of goods. We are not in that position today, and that, I submit, is the whole case for this Bill.

A good deal has been said about planned economy. I do not want to discuss that subject in connection with this particular measure, for a very obvious reason. I said in my opening remarks that the whole purpose of government in introducing this Bill is to meet an emergency situation which is likely to last for a limited period, and I would therefore confine my reply strictly to that aspect of the problem. I personally think that, within a period of eighteen months it may be, or two years, the forces which are relevant in this connection may operate in the direction of bringing down our prices to a level considerably lower than the present. Supposing within that period, we find that the inflationary position has lost its tension, its acuteness, then it will be time for government so far as this particular Bill is concerned, to consider a relaxation of its provisions.

As regards planned economy, the controls necessary for instituting a planned economy are of an entirely different character. Their purpose would be different; their method of operation would be different; and the whole objective would be different. So I do not want in this connection to raise the question of the control machinery that would be required for instituting and promoting a planned economic development; but I have not the slightest doubt that if this country is going to make any real progress in the matter of economic development, it would be necessary to adopt a fairly extensive system of controls, whether you organize your economic development on an all India basis or on a regional basis or on a provincial basis. It is no use getting away from that fact.

The first speaker referred to the importance of bringing the orders issued in connection with this measure to the notice of the authorities who work on these measures actually on the spot. It is a suggestion, which I would accept. I really think there is a great deal to be said for measures of this kind to be interpreted in an intelligent and sympathetic manner by those who are in charge of them; but may I say this, that in regard to most of these controls the ultimate operating authority is the provincial governments, and all that we at the centre could do would be to advise the authorities, the provincial governments, as regards the best way in which these controls can be administered. But I certainly would keep the suggestion made by the Honourable Member in mind and do whatever I can to bring this matter to the notice of the provincial governments concerned.

I think reference was made to the fact that in the important matter of house building, a question to which I think honourable members are entitled to attach very great importance, not enough progress has been made. I should like in that connection to say this: it is not merely in regard to house-building, but in regard to all plans of development which the government of this country have been considering, we have been held up not so much by financial considerations as by the fact that the necessary material resources have not been available. It is an unfortunate situation but it can be tackled only on the basis of increased production in the country and by a more suitable kind of distribution. One of the purposes of this Bill is to see that the distribution of these materials is arranged on lines which are in the best interests of the country.

Sir, I do not want to take up any more time.

**Mr. Deputy President:** The question is:

"That the Bill to provide for the continuance during a limited period of powers to control the production, supply and distribution of, and trade and commerce in, certain commodities, be taken into consideration."

The motion was adopted.

**Mr. Deputy President:** I have just received notice of some amendments by Pundit Thakur Das Bhargava. I do not know whether the Honourable Member has received them or not.

**The Honourable Dr. John Matthai:** I have just received them. I regret I am not in a position to accept them.

**Mr. Deputy President:** I am afraid it is rather too late in that case.

The question is:

"That clauses 2 to 16 stand part of the Bill."

The motion was adopted.

Clauses 2 to 16 were added to the Bill.

**Dr. Zia Uddin Ahmad:** Sir, we can speak on the motion and oppose it. We want to speak on certain clauses, even if there is no amendment.

**Mr. Deputy President:** Certainly the Honourable Member was entitled to speak: when I put the question that these clauses do form part of the Bill and asked those in favour to say 'Aye', the Honourable Member could have got up. Now, the question has been put and a decision given on it. Clause 17.

**Sir George Spence** (Secretary, Legislative Department): Sir, I move:

"That to clause 17 of the Bill the following sub-clause, be added, namely:

'(3) For the removal of doubts it is hereby declared—

(a) that for the purposes of the said Ordinance and this Act an order of the nature referred to in section 5 of the said Ordinance made before the commencement of the said Ordinance and not previously rescinded shall be deemed to be, and always to have been, an order in force immediately before such commencement, notwithstanding that such order, or parts of it, may not then have been in operation, either at all or in particular areas;

(b) that for the purposes of this Act an order made or deemed to be made under the said Ordinance and not rescinded prior to the commencement of this Act shall be deemed to be an order in force immediately before the commencement of this Act, notwithstanding that such order, or parts of it, may not then be in operation, either at all or in particular areas'."

[Sir George Spence]

Sir, section 5 of the Ordinance which clause 17 of the Bill proposes to repeal provided that an order made under the Defence of India Rules in respect of any matter specified in section 3 of the Ordinance, which was in force immediately before the commencement of the Ordinance shall continue in force and shall be deemed to be made under the Ordinance; and sub-clause (2) of clause 17 of the Bill further continues in force orders which were made or were deemed to be made under the Ordinance. This amendment has been tabled as a result of a query by the Punjab Government as to whether these provisions would have the effect of continuing in force certain orders of the nature referred to in section 5 of the Ordinance, which were made under the relevant Defence of India Rules, before the commencement of the Ordinance, but which contained a provision whereby they were not to come into operation in any district or other local area until brought into operation by notification, and which were not in fact brought into operation in any area until after the commencement of the Ordinance. The object of the amendment is to leave no room for doubt that orders made before the relevant date but not brought into operation till after that date have and always have had the status of orders in force immediately before the relevant date for the purposes of section 5 of the ordinance and sub-clause (2) of clause 17 of the Bill. I may mention that the provision sought to be made in this amendment closely follows the provision made in clause (1) of sub-section (1) of section 1 of the India and Burma Existing Laws Act, 1937, which enacted a like declaratory provision in relation to the reference in section 292 of the Constitution Act to the law in force in British India immediately before the commencement of Part III. Sir, I move.

**Mr. Deputy President:** The question is:

"That to clause 17 of the Bill the following sub-clause be added, namely:

'(3) For the removal of doubts it is hereby declared—

(a) that for the purposes of the said Ordinance and this Act an order of the nature referred to in section 5 of the said Ordinance made before the commencement of the said Ordinance and not previously rescinded shall be deemed to be, and always to have been, an order in force immediately before such commencement, notwithstanding that such order, or parts of it, may not then have been in operation, either at all or in particular areas;

(b) that for the purposes of this Act an order made or deemed to be made under the said Ordinance and not rescinded prior to the commencement of this Act shall be deemed to be an order in force immediately before the commencement of this Act, notwithstanding that such order, or parts of it, may not then be in operation, either at all or in particular areas'."

The motion was adopted.

**Mr. Deputy President:** The question is:

"That clause 17, as amended, stand part of the Bill."

The motion was adopted.

Clause 17, as amended, was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

**The Honourable Dr. John Matthai:** Sir, I move:

"That the Bill, as amended, be passed."

**Mr. Deputy President:** Motion moved:

"That the Bill, as amended, be passed."

**Dr. Zia Uddin Ahmad:** Sir, during the war, we lived in peace. In peace time we are at war. During the war we at least had the liberty of speeches in the Legislature. When the war is over, we are denied the liberty to speak. Our mouths are shut up by the motion that the question be now put by the Government. They think that we have no alternative but to accept this motion but at least they ought to have given us some opportunity to express our opinion on such big issues before us. I am rather surprised that this motion has come from one of the most eminent economists of India, Dr. John Matthai. He knows all the principles of trade. He said very clearly the other day that they would take steps to reduce the price level or increase the purchasing power

the rupee but may I ask this question—whether by this Act he is really lowering the price level or he is lowering the price level? Will the purchasing power of the rupee be increased or diminished. We know as much as anybody else that the very important thing by means of which the prices can be reduced is competition. Competition is one of the biggest factors in trade for the reduction of the prices and the biggest enemies of trade are monopoly, combines and hoarding. Here in this particular Bill, there is the monopoly of one individual, namely, the Government. There is no question of combine because there is only one power in the field. Trade like industries requires expert knowledge. Not every man in the world is an expert in trade. It is rather unfortunate that the Government of India thinks that the I.C.S. people who are running the government are also great experts in trade. The civilians think that they are all-knowing persons. Now, you are leaving the whole question of trade in their hands, a thing to which they are not accustomed. May I just remind the Honourable Member that the I.C.S. had once a great reputation in the world. Ever since Lord Macaulay made his famous speech in the House of Parliament right up to recent times the I.C.S. had a brilliant record. May I ask, is the Civil Service the same as it was some years ago, before the war? We have now made them tradesmen, commercial men and given them powers of monopoly. During the war with one third salary you put them in position of great temptation and protected them by rules under the Defence of India Act. Even after the war, I am surprised that the old state of affairs is sought to be perpetuated by this Act which is now before us. I would like to have made certain amendments. If you really want the thing to work smoothly and if you want the people to live comfortably and make them feel that they are living in a time of peace, then you must go back to the trade channels and they are the only people who will be able to restore the distribution of the available materials among the people. You cannot expect any administrative, civilian or official to understand the niceties of a tradesman which the tradesmen alone can understand. Now, the tradesman is very careful because if he makes a mistake, it will fall on his purse but if the official makes a mistake, it will fall not on his purse but on the taxpayers or the consumers; he can not exercise the same care as an ordinary tradesman would do. You are now putting one person in charge of the whole affair. Formerly his actions were protected by the Defence of India Rules and now they will be protected by an Act of the Legislature. During the war we had the satisfaction that this thing was done by Ordinances on account of war conditions but it is our misfortune that we are now made a party to it, we have to put our seal to this economic crime in the name of the representatives of the people. I am sure the Members of the Government who have been in opposition for a long time know the condition of the people of this country. They are well aware that there is corruption all round. They are well aware that the corruptions are of such an order that they never existed in the administration of this country ever since the British came here. I have no doubt they have also considered their causes. The first they ought to have done when they came into power was to eradicate all these causes of corruption and restore normal conditions so that there may be peace in the country. You may rest assured that however efficient and honest a Government servant may be, if you reduce the purchasing power of his salary to one quarter and give him this power and protect his actions by an Act of this kind, his efficiency will soon change into inefficiency. It is a great mistake to vest our administrators with such functions and such duties which tradesmen alone can perform. If mistakes are made by a tradesman, there is some authority to control him and there is also the law of the land. But what is the law of the land in the case of Government officials? You say no action can be taken against any District Magistrate who is discharging his duties as a controlling officer or any other officer. And these enormous powers you are giving at a time when the war is over and when we were expecting all the advantages of peace after having been through all sorts of privations for nearly six years during the war. Is this the fruit of our war efforts? I think it is not fair for the Honourable Member in charge of the Bill to shut

[Dr. Zia Uddin Ahmad]

the mouths of the Members of the Assembly by moving a motion for closure. We know that the closure which is moved by the Government will be accepted because there is no opposition. They have got our confidence and they are not afraid of any opposition. When the previous Government was in office and if two or three persons had stood up to speak, I am sure they would have dared to move for a closure. But now there is no fear. But you should allow us at least the freedom of speech. It is not fair that you should take away our conscience as well as the right to speak. I should say that I put those officials who will be using these enormous powers which the Honourable Member is putting in their hands, because you are placing them under temptations which very few human beings can afford to resist. Once an administrative officer is tempted to do these shaky things, then you may rest assured that his efficiency will disappear. He will be a very strong administrative officer who will not be tempted because he can do whatever he likes without any fear of being criticised by any outside person. Look into the clauses and you will see what powers of protection are being given to them. Under clause 12 the District Magistrate can try summarily; there is no appeal. Under clause 15 the burden of proof will lie on the accused. This is rather an innovation in the law and I am sorry that the Law Member has accepted it. Then, clause 16 also requires very careful consideration. I do not mind if all these powers were given by an Ordinance, but you are asking us to be a party to this legislation and you do not want to give us a chance to express our objections. This is very unfair and we did not expect this treatment from a National Government. When there is opposition, the Government is much more careful and at least consult the persons who are interested before the introduction of the bill. Let us now visualise how it will work.

In the case of cloth, it is quite possible that a number of people will come forward and there will be a competition for securing licences. He has got to get a licence and before he gets it he has to spend an enormous amount of money. How is he to recover that amount? He will not sell the cloth at the market price. He will probably avoid the sale to persons who are entitled to buy and he will probably sell it at the black market rates. This has been a source of trouble and fight all over the country. Our troubles in Aligarh began on this very reason. The man was in charge of cloth refused to sell it. He did not sell it because he knew all the time that the District authorities will support him. Now, the person who wanted to purchase happened to be a son of a police officer and he relied on the influence of his father. So, with these two persons on either side the fight began which developed enormously in March 1946. Therefore, you are now creating a bonfire of contention everywhere with the great advantage to the seller because he has got the whole weight of Government behind him.

Then, there is another thing also. In the case of textiles and also in the case of steel and iron you have created a certain number of stockists, but there is no guarantee that these stockists will sell these commodities to the consumers. Several cases, in fact, came to me and I brought them to the notice of Mr. Waugh, who was then in charge of this Department. These salesmen refused to sell their articles to the ordinary public in spite of their permits. In the case of iron and steel all the five persons who were appointed are non-Muslims. I approached Tatas, I approached the Government and represented that at least one of these five posts should go to a Muslim. They wanted cash security which was also offered, but in spite of all that, our request to appoint a Muslim was turned down. That is the atmosphere in the country. When all these feelings are rampant in the country, is there any chance for us to get iron and steel at the present moment under the rules which the Government of India have framed? I wanted to purchase iron and steel for charitable institutions, but in spite of the recommendation of the Education Department, I could not possibly get iron and steel because the conditions which were created by ordinance and which you try to perpetuate under this Bill will only help the black marketeers. Are we not, as citizens of this

country entitled to a share in the industry of this country? Under the law which you have framed, we have no share. That is the reason why I cannot possibly support this particular Bill that is now before the House. As I was saying these five persons whom you have appointed as salesmen will have the sole monopoly to sell iron and steel. They all belong to one particular class. It is really left to their whim whether they sell to anybody or not. Whenever any customer goes there even with a permit, the reply comes that the article is not in stock. Therefore what is the chance for us, who are not in that class? It will be extremely difficult for any Honourable Member to take the monopoly out of the hands of certain privileged class. I know this from personal knowledge. I am myself the sufferer in the case of one article. I have been waiting for the last 24 months for the construction of a hostel, but we could not possibly get iron and steel. We wanted some girders but on account of the monopoly in the hands of five individuals we were denied access to girders. They could not be released. I am sure even if my Honourable friend should issue special orders even then these materials will not reach our hands, because after all these monopolists have got such a great hold on the Government that instead of Government being masters over them, they are the masters of Government. They are really ruling the Government instead of being ruled by the Government. I have not come across a single official who has not been in the pockets of textile magnates. Not only the case of textiles but the case of iron and steel is equally bad. Some officials were showed special favour and after retirement they got high salaries from those Companies. Is it not a form of corruption? My Honourable friend knows the figures. He knows what is the price of iron and steel. What is the value of Tata shares? What is the dividend which the Tatas are declaring? They are declaring such fat dividends at the expense of the hard worked labourers. These are the people who control the Government. This is the difficulty which we are experiencing. It is difficult for common people to get this stuff. It is difficult to get permit, it is still more difficult to get the permit honoured. Most of the stuff will remain hidden and will be sold in black market.

Next I come to the question of control of textiles and the question of control of cotton. I gave notice of a Bill for abolition of all exchanges, cotton exchange, bullion exchange, general exchange—these are really gambling houses. Instead of abolishing these gambling dens, the Honourable Member is trying to perpetuate them. He makes the price of cotton soar high. The textile people under the excuse of high price of cotton raise the prices of textile to still higher figures. I think that after centuries of experience, the trade has learnt what particular class of people consume which variety of goods. The trade supplies these articles accordingly. Here the Government officials go on changing. One day, 'A' is in charge of Supplies, probably six months afterwards, 'B' takes charge. The control administration really lies in the hands of the traders who are able to influence the Superintendents and clerks in the office. It is these clerks and Superintendents who wield enormous powers, they enjoy enormous privileges and powers of patronage. From this point of view, this Bill requires careful consideration. I wish my Honourable friend tells us the effect of this bill on price level, whether it will rise or fall by the passing of this enactment. If he says, the price will be lowered, he must give us some cogent arguments in what way he contemplates the price to be lowered. I say the price will not be lowered because there is monopoly and no competition the whole time. There is corruption all round.

The next topic which is causing great trouble to the country is yarn. There is competition between handlooms and textiles about which my Honourable friend Mr. Ananthasayanam Ayyangar is perhaps a great expert. He has studied the problem. I can tell him this yarn problem is as acute in U.P. as it is in Madras. There is a great shortage of yarn. The necks of these handloom weavers is in the hands of the textile manufacturers. These textile manufacturers can make or mar the life of the handloom weavers. Textile manufacturers are the only persons who produce yarn and it is left to their



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sweet will to supply or not to supply yarn to the weavers, in right quality or in proper quantity. I suggest that in order to help the handloom weavers, the Government should establish government owned and managed spinning factories all over India. We are always insistent on this reform. I expected that the first measure that this Government would bring forward would be to nationalise the textile industry, at least in yarn. Nearly one crore of poor weavers are now at the mercy of the textile manufacturers who number only few lakhs. Five lakhs are supported by the textile industry while the handloom industry supports one crore of people. It should be duty of a National Government to look after the people. . . .

**Mr. Deputy President:** The Honourable Member should confine himself to the Bill and not discuss the policy which is outside the scope of the Bill.

**Dr. Zia Uddin Ahmad:** It is an important thing to nationalise the industry. I thought the Honourable Member would move a Bill to nationalise the textile industry, instead of which he has adopted the reverse process. He should start factories at Government expense all over India, owned and managed by Government and distribute yarn in fair quantities, so that our cottage industry may prosper. If they prosper the price of textiles will surely come down because there will be some kind of competition. At present there is no competition in textiles and so they can fix whatever prices they like. My friend may say he will fix prices for a particular type of cloth; but there are so many different varieties of cloth that it is impossible for one who is not in the trade itself to control the prices. If you fix prices for 30 articles the manufacturers will bring out 70 kinds of cloth which are outside the control; and further they will produce more of these 70 varieties and very little of the 30 controlled varieties. So your control does not affect the manufacturers but really helps them. My friend must know who the people are who advocate prohibition; it is the sellers of wine who get better prices during prohibition. The same is the case here and it is the manufacturers who will benefit out of this control. If you take the figures of textiles. . . .

**Mr. Deputy President:** The Honourable Member must know that he can only deal with control of production, supply and distribution of certain articles.

**Dr. Zia Uddin Ahmad:** I am dealing with the production of textiles without which there can be no control.

**Sir Cowasjee Jehangir (Nominated Non-official):** At what stage of the Bill are we now?

**Dr. Zia Uddin Ahmad:** We are now at the third reading.

**Sir Cowasjee Jehangir:** I thought you were giving it a fourth reading.

**Dr. Zia Uddin Ahmad:** Gladstone was asked by Queen Victoria why he travelled third class, and his reply was because there was no fourth class. My reply will be the same.

**Sri M. Ananthasayanam Ayyangar:** Sir, my Honourable friend has only dealt with two controls out of 27 mentioned in the Bill. May I know if he wants to speak on all the other 25?

**Dr. Zia Uddin Ahmad:** I will speak about those of which I have got personal knowledge.

Then about textiles, my Honourable friend knows the value of the shares, how much reserve the companies have got and that dividends are given. Knowing this he must know that they can dictate terms as they like. The only way to bring down competition will be to have competition among the millowners. If there is a combine among the millowners and Government the country must come forward and break it. But we find that one crore is the share capital, 18 crores are in the reserve fund and 25, 30 and even 40 per cent. are given in dividends. So you cannot expect prices to come down and these contemplated controls will only raise the prices higher.

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In his first speech I was glad to hear this session by my Honourable friend Mr. John Matthai that he will try to lower the price index. When I referred to the question in the case of the food debates they referred me to the report of the Price Control Board. I read that report very carefully but found that it contains only some economic platitudes but not one single practical suggestion. So I thought the Honourable Member would offer some practical suggestions about lowering the price-level. My friend knows that the have made enormous profits during the war and now after the end of the war they have devised various methods by which they may continue to have those profits. But it is now the turn of the poor people to derive some advantage after the sufferings during the war. But after the Bill I am sure the price level will go up further. My friend says 'No'; he perhaps thinks prices will go down. I should like to know from him in his reply how he thinks the prices will go down by his Bill. He has given a monopoly of distribution to individuals; he has opened the door to corruption and hoarding and intermediate knots have been created. Even after all that he thinks the prices will go down. I hope he will explain it fully.

Sir, I will now come. . . . .

**The Honourable Mr. Liaquat Ali Khan** (Finance Member): Sir, I will point out to my Honourable Member that there are a number of measures dealing with the economic life of the country and the House will always welcome a speech from him. He has entered his protest in a strong manner and he may be good enough to speak on other measures too. Unless my friend has really something which concerns this Bill particularly, we will be very grateful if he finished his speech now. If it was something that could be postponed for some other measure which may come before this House. . . .

**Dr. Zia Uddin Ahmad:** You mean the Finance Bill?

**The Honourable Mr. Liaquat Ali Khan:** Yes, certainly. I promise that my Honourable friend can have ten minutes more on the Finance Bill.

**Mr. Deputy President:** Has the Honourable Member finished his speech?

**The Honourable Mr. Liaquat Ali Khan:** He has.

**Dr. Zia Uddin Ahmad:** I have not finished my speech.

**Mr. Deputy President:** It is now 5 O'clock. The House stands adjourned.

The Assembly then adjourned till Eleven of the Clock on Tuesday the 12th November 1948.

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