

31st October 1946

THE LEGISLATIVE ASSEMBLY DEBATES

Official Report

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(28th October to 11th November, 1946)

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 28th 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. 370, for "CASE" read "CASTE".
 - (ii) Page 813, 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 936, 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 1037, line 6, for "person" read "persons".
 - (iv) Page 1043, 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

Thursday, 31st October, 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. Eric Ingoldby, C.I.E., M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

SURPLUS MILITARY STORES

106. *Sardar Mangal Singh: (a) Will the Honourable Member for Industries and Supplies please state what percentage of military stores has so far been declared surplus and how much more stores are likely to be declared surplus and when this process is likely to terminate?

(b) Are Government aware of the difficulties of the purchasers due to the uncertainties about the total quantities of goods available in the market?

(c) Is it a fact that certain quantities of certain goods have been destroyed by the orders of Government? If so, will Government please state what goods have been destroyed and how much?

The Honourable Dr. John Matthai: (a) It would be useful to distinguish between the surplus stores of the American Forces and others. The former have all been declared surplus. In the latter the actual declaration of material as surplus does not fall within the field of the Disposals organisation for which I am responsible, but the broad position is that about 60 per cent. of the anticipated surpluses have been declared. What remains would be about 600,000 tons. So far as vehicles are concerned, about one-third of a total estimated surplus of 150,000 motor vehicles of all kinds has been declared. That would indicate a residue of about 100,000. As I said the declaration of surpluses does not lie within my field and I am afraid I can give no positive prophecy as to when the declaration process will be finished. Such declarations are part of a complicated background of demobilisation, military equipment policy, etc.

(b) Yes, Sir. And these difficulties are frequently brought to our notice. On the other hand for reasons already given accurate forecasts of declarations are difficult. We do everything possible, however, to give wide information of what actually has been declared, for example, by publishing catalogues and inviting tenders.

(c) Stores to be destroyed are either warlike stores which it would not be in the interest of public order to make available to the public, such as fighter aeroplanes, arms, ammunition, explosives, etc., or certain items which have now deteriorated to such an extent as to be unfit for human consumption and in some cases dangerous. These include certain drugs, medicines and food-stuffs. Before such articles are destroyed, every possibility of putting them to a useful purpose is considered.

Mr. Manu Subedar: In view of the importance of distributing more consumer goods to the public and also as an anti-inflationary measure will the Honourable Member give an assurance to this House that a high-level joint board of his department and the military department would sit into it in order to expedite these declarations of the still existing surpluses with the Indian army?

The Honourable Dr. John Matthai: I have made some inquiries since I received the information which I put into this reply. I think the process of

declaration has really made greater progress than we have been officially informed; and I think the declaration process will be completed within a short time.

Mr. Manu Subedar: In view of the fact that there are vested interests at several military camps who do not desire that the particular camp which is taking care of surpluses should be disbanded, and that there are delays through departmental red-tape in the military department, would it not be advisable to have a joint high-level committee of the two departments together to go into this so as to expedite the matter?

The Honourable Dr. John Matthai: I expect the declarations will be completed soon; and if so, I do not know if it would be necessary to institute a committee of the kind suggested. In case the process of declaration is delayed further than I anticipate today I should be prepared to consider the Honourable Member's suggestion.

Maulana Zafar Ali Khan: With reference to part (c), what is the total amount of loss on account of the destruction of these goods?

The Honourable Dr. John Matthai: That is a matter about which I tried to get some information but I have been unable to. In regard to destroyed material it is difficult for us to get information as fully as we would like. There are certain inherent difficulties in compiling this information.

Shri Sri Prakasa: With reference to part (c), is it not a fact that masses of debris of broken and smashed aeroplanes are heaped up at the Bamrauli aerodrome near Allahabad? If so, why were the aeroplanes destroyed and to what use will all these debris be put?

The Honourable Dr. John Matthai: I have no direct information on that point I presume it is because the aeroplanes to which the Honourable Member referred fall within the particular category referred to in my reply.

Sri M. Ananthasayanam Ayyangar: May I know why fighter aeroplanes have been allowed to be destroyed?

The Honourable Dr. John Matthai: I expect they are dangerous things to let loose.

Sri M. Ananthasayanam Ayyangar: May I know if fighter aeroplanes have been destroyed in all countries all over the world, or is it a danger only so far as this country is concerned?

The Honourable Dr. John Matthai: I am unable to answer the question.

Sri M. Ananthasayanam Ayyangar: Will the Honourable Member make inquiries as to why an exception is made in this country alone?

The Honourable Dr. John Matthai: Yes, I will.

Sardar Mangal Singh: What is the reply to the latter part of (c), as to what goods have been destroyed and how much?

The Honourable Dr. John Matthai: That is a question which another Honourable Member raised to which I gave the answer that in the nature of things it would be difficult to collect information which would be reliable.

Shri Sri Prakasa: Will the Honourable Member make sure that these destroyed aeroplanes could not be used for civil aviation?

The Honourable Dr. John Matthai: I will look into that question.

Seth Govind Das: Does the Honourable Member know that much material is lying in the Arsenal Depot at Jubbulpore and is being spoiled on account of weather conditions?

The Honourable Dr. John Matthai: I have no information.

Seth Govind Das: Will he enquire about it?

The Honourable Dr. John Matthai: I will.

PROFITEERING BY GOVERNMENT IN THE DISPOSAL OF CERTAIN ARTICLES

107. *Sardar Mangal Singh : Will the Honourable Member for Industries and Supplies please state :

(a) whether it is a fact that Government have made more than hundred per cent profits over their book values in the disposal of certain articles ;

(b) whether Government are aware of the fact that the Supply Department is indulging in profiteering and thereby raising the prices in the market ; and

(c) whether Government are prepared to sell such articles at cost price through their own stores, as are largely used by the public such as footwear and ready-made clothes ?

The Honourable Dr. John Matthai: (a) No, Sir. There has been to my knowledge only one case in which the disposal price exceeded the recorded book value to this extent. Book values, based on original costs at different times, are in any case not necessarily a guide to the reasonableness of disposal prices.

(b) No, Sir. On the contrary, it is our view that a steady flow of surplus stores in the market will have a deflationary effect and check the tendency to blackmarketing.

(c) Government are prepared to sell such common user items through Government shops at reasonable prices. One showroom and retail shop has already been opened in Calcutta. Another retail shop has been recently opened in Cawnpore. A general scheme for opening more shops in these and other circles is under consideration.

Prof. N. G. Ranga: Will Government consider the advisability of selling these things also through co-operative stores ?

The Honourable Dr. John Matthai: I will have the matter looked into.

Mr. Manu Subedar: Will Government find out why the suggestions made in the Disposals Committee that greater publicity should be given to the quantities sold and the prices at which goods have been sold also to the parties to whom goods have been sold by press circulars and press notes. Will the Honourable Member look into it as to why this suggestion which was placed by me in the Disposals Advisory Committee in July has not been adopted and worked upon though it was accepted willingly by the whole committee including the Director of Disposals ?

The Honourable Dr. John Matthai: May I ask the Honourable Member about what time he made this suggestion ?

Mr. Manu Subedar: In July.

The Honourable Dr. John Matthai: I may inform the House, as probably the House knows, that many of the problems relating to disposals are now under discussion by a high-level committee and I would like to have decisions on these questions postponed until I am in a position to examine the conclusions arrived at by this committee. This committee is expected to report within a month.

Mr. Vadilal Lalubhai: Is the Honourable Member aware that big quantities of military surplus cloth and clothings etc., have been given away to merchants at very cheap prices, while the same could have been given to various provinces under the quota system ?

Sjt. N. V. Gadgil: In order to avoid further blackmarketing.

The Honourable Dr. John Matthai: The question I take it is why these things have been disposed of at very low prices. As the House realizes the question I have been asked by the Honourable Sardar Mangal Singh is why these things are being sold at unnecessarily high prices. So between the two I think we are somewhere about right.

Sardar Mangal Singh: May I know whether the Honourable Member will make enquiries that some of the articles disposed of by the Government have not found their way to the blackmarket ?

The Honourable Dr. John Matthai: The process of tracing articles that have found their way into the blackmarket is an extremely difficult process.

Sardar Mangal Singh: Will the Honourable Member also make enquiries that certain articles have been sold by the Government above the control price?

The Honourable Dr. John Matthai: I may perhaps give this general reply to that question. Since I saw this particular question, I looked up the papers dealing with this subject in my office. The general position is as far as disposals up-to-date are concerned, our realizations are considerably lower than the book values of the articles in question.

Dr. Zia Uddin Ahmad: Is the Honourable Member aware of the fact that his department turned down the suggestions that I made that these articles should be sold not to one person but to different persons in different provinces so that one man should not have the monopoly and he may not pass the articles on to the blackmarket. Why was this suggestion turned down by his department?

The Honourable Dr. John Matthai: It depends very largely on the type of article in question. I quite recognize the validity of the suggestion which my Honourable friend has made, but it is not possible to adopt a common method with regard to all these articles. They differ so widely that in each case you would have to determine the method to be adopted on the merits.

SINKING OF WELLS AND TUBE-WELLS AS A RESULT OF "GROW MORE FOOD"
CAMPAIGN.

108. ***Sardar Mangal Singh:** (a) Will the Secretary of the Department of Agriculture please state province-wise how many wells and tube-wells have been sunk and how much more land has been brought under cultivation as a result of 'Grow More Food Campaign'?

(b) Is it a fact that the Government of India offered to raise the subsidy to 50 per cent. of the cost of sinking wells, but several Provincial Governments failed to avail of this offer?

(c) Is it a fact that the Punjab Government did not avail of this offer, If so, what reason they gave for their inability to accept this offer?

Sir Pherose Kharegat: (a) A statement is placed on the table.

(b) The Central Government have undertaken since September 1944 to bear half the cost of the subsidy given by Provincial Governments to cultivators for the sinking of wells provided that such subsidy does not exceed 50 per cent. of the cost. In April 1946 the terms of the offer were extended to cover private tube-wells. Some provinces have not applied to the Centre for financial assistance for well sinking schemes, presumably because local conditions are unfavourable for the construction of such wells. Some Provinces have decided to give subsidies of less than 50 per cent. of the cost.

(c) The Punjab had originally decided to give a subsidy of 20 per cent. of the cost for constructing 5,000 surface well and a grant of Rs. 7 lakhs was sanctioned from the Centre. The Punjab have now submitted a revised scheme for the construction of 15,000 surface wells, giving a subsidy of 50 per cent. of the cost of the wells. This is under examination.

Statement showing Province wise the number of open wells and Tube Wells sunk up-to-date since the inauguration of Grow More Food Campaign and the additional area brought under irrigation as a result thereof

| Province | Open or Masonry wells | | Tube Wells | Additional area brought under irrigation (acres) | Remarks |
|----------------------------|-----------------------|----------------------|------------|--|--|
| | Sunk | Repaired or deepened | | | |
| 1. Ajmer-Merwara | 24 | 4 | | 168 | A Scheme for the construction of 360 New Wells and deepening and improving 150 Old Wells has recently been sanctioned. It is hoped these new wells when constructed would be able to irrigate about 3,360 acres. |
| 2. Assam | .. | | | | Due to unfavourable local conditions construction of wells and Tube Wells was not undertaken. But 65,738 acres of additional land were brought under cultivation by construction of canals from natural Waterways, Bunds, sluice gates etc. |
| 3. Baluchistan | 20 | | | 100 | |
| 4. Bengal | .. | | | | Wells have not yet been found suitable for irrigation in Bengal. The Provincial Government have started experiments for envolving out a standard cheap percolation well. Results not so far encouraging. Tube well irrigation may prove successful and the Provincial Government have formulated a Scheme for sinking Tubewells. |
| 5. Bihar | Information | not | received | .. | |

| Province | Open or Masonry wells | | Tube Wells | Additional area brought under irrigation (acres) | Remarks |
|---|-----------------------|----------------------|------------|--|--|
| | Sunk | Repaired or deepened | | | |
| 6. Bombay | 923 | | | 5,538 | In addition, another 3,300 open wells are under construction which, when completed, will bring at least another 19,900 acres of land under irrigation. No Tube wells sunk as their success in the Province is rather doubtful. |
| 7. C. P. & Berar | 3,014 | .. | | 9,698 | In addition 3,037 wells were in the process of digging on 31st May 1946 out of which 655 wells have since been completed but the information about the area brought under irrigation by these wells has not yet been made available. |
| 8. Coorg | 1 | .. | | 5 | |
| 9. Delhi | 126 | 80 | | 2,500 | |
| 10. Madras | 25,372 | 14,256 | | Information not yet available | Construction of 280 more wells in progress which, it is hoped, will be completed within the next 3 months. These wells are estimated to bring another 4,000 acres under irrigation. |
| 11. North West Frontier Provinces | .. | .. | 4 | 1,600 | |
| 12. Orissa | 4,616 | | | 8,931 | One more Tubewell is under construction. |
| 13. Punjab | 3,000 | | | 36,000 | |
| 14. Sind | Information | not | received | .. | One thousand more wells are under construction. A Scheme for the sinking of tube wells is under consideration of the Provincial Government. |
| 15. United Provinces | 216 | | 516 | 42,730 | 390 more Masonry wells are under construction and would bring under irrigation 3,900 acres more. |

Sardar Mangal Singh: May I know whether the Government of India offered to give 50 per cent. subsidy for sinking wells, but the Punjab Government did not avail of it?

Sir Pheroze Kharegat: As I have explained, in the instructions that were issued in September 1944 it was made clear that the Central Government would be prepared to give half the subsidy given by the province up to a maximum of 50 per cent. of the cost of the wells. The Punjab Government however decided to limit their own subsidy to 20 per cent. of the cost.

Prof. N. G. Ranga: In view of the fact that in several parts of India it is extremely costly to sink a well because of the rocky nature of the soil, will Government consider the advisability of making an exception in such cases and raising the proportion of their own subsidy?

Sir Pheroze Kharegat: The point was raised by the Government of Bombay and they pointed out that in some parts of the province they can get wells constructed even by giving 10 or 20 per cent. of the cost and in other cases they might have to give as much as 80 per cent. of the cost to ensure construction of the wells. The Central Government have agreed that so long as the total subsidy for all the wells in all the areas in the Province does not exceed 50 per cent. of the cost the Central Government will share the subsidy on a 50:50 basis.

Sreejot Rohini Kumar Chaudhuri: May I know if the Government of Assam availed itself of the offer made with reference to paragraph 2 of the question?

Sir Pheroze Kharegat: So far as Assam is concerned, the position is that due to unfavourable local conditions, the construction of wells and tube-wells were not undertaken, but 65,738 acres of additional lands were brought under cultivation by the construction of canals from natural waterways, bunds, dams, etc.

Sri M. Ananthasayanam Ayyangar: Is the Government aware that for want of boring instruments, pumping sets and crowbars, a number of wells have had to be abandoned after digging in the province of Madras? If so, what steps has the Government of India taken to provide these sets and other implements on a large scale?

Sir Pheroze Kharegat: No such shortage has been brought to our notice but we are aware of the fact that special implements are needed for the construction of tubewells and an officer is on special duty in England at present to try and secure the new type of boring rigs which will enable wells to be constructed within a period of a fortnight each.

Dr. Zia Uddin Ahmad: Will the Honourable the Secretary tell me with reference to part (a), who is the authority who can deliver these tube-well materials? Is General Bradford or Sir William Stamp or the Government of India or the Disposal Directorate, because I write to one I am always shelved to the other.

Sir Pheroze Kharegat: It is usually a combination of all of them!

Dr. Zia Uddin Ahmad: Then the combination of all means zero!

President: Order, order. Next question.

VEGETABLE GHEE FACTORIES

109. ***Sardar Mangal Singh:** Will the Secretary of the Food Department please state:

(a) the number of factories, province-wise, for the manufacture of vegetable ghee which have been sanctioned;

(b) whether the vegetable ghee has come to stay, or whether efforts will still be made to replace it by pure ghee; and

(c) whether Government have examined its harmful effects on the general national health of the country where an overwhelming majority of the people are already vegetarian?

Mr. B. E. Sen: (a) Under their 'Immediate Plan' the Department of Food are assisting eighteen factories in British India of which eight are in Madras, five in Bengal, two in Bombay, and one each in Bihar, C.P. and Orissa.

(b) The Food Department, on the report of the Advisory Committee appointed by them, consider, there is no room for further expansion of the Vanaspati Industry, in the near future.

The Agriculture Department are encouraging the Agmark scheme for making pure ghee available.

(c) The nutritive value of Vanaspati is subject of research, which is yet incomplete and the result of which so far obtained cannot be said to be unequivocal.

Sardar Mangal Singh: What principles were kept in view when distributing these factories?

Mr. B. E. Sen: The fat deficiency in different provinces, the availability of ground-nuts and the accessibility of the markets.

Seth Govind Das: Is it a fact that an effort was made to colour this vegetable ghee to make a distinction between the ordinary ghee and vegetable ghee.

Mr. B. E. Sen: Yes, Sir. Experiments have been going on for some time. Originally the idea was to add a colour. It was found that the colour would not stay under certain temperatures. So the present proposal is to have a latent colour which will react to a simple chemical test and sesame oil is the substance to be added to Vanaspati in future.

Mr. Manu Subedar: Will Government take steps to prevent the use of the word ghee in connection with this vegetable product in all advertisements, in official correspondence and elsewhere, in order to safeguard the public interest in the natural product which alone is entitled to be called ghee?

Mr. B. E. Sen: We will consider that suggestion.

Sri M. Ananthasayanam Ayyangar: Will the Honourable Member in keeping with the allocation of these plants province-wise, say why it has not been adopted as a policy of the Central Government to restrict in the first instance the flow of capital to the persons in the province and allow persons from Northern India to open vegetable plants in Southern India, making the allocation futile to the province.

Mr. B. E. Sen: That is entirely a separate matter and the Provincial Governments have a good deal to say on it. If the Honourable Member is referring to a factory to be established in Madras, the matter has been discussed by us with the Madras Government and as far as I recollect, the Madras Government have agreed to the original proposal we made.

Sri M. Ananthasayanam Ayyangar: What is the original proposal that the Honourable Member has made? Is it that Birla and others should be allowed to start factories there?

Mr. B. E. Sen: Yes, Sir. That was the original proposal, but some of the capital for that factory will now come from the local capitalists.

Sri M. Ananthasayanam Ayyangar: Why not entrust it to local capital when it is plentifully available? On what basis have they shown preference to capitalists from Northern India? (After a pause) I want an answer.

Prof. N. G. Ranga: It is greater influence in Delhi!

President: Has the Honourable Member any answer to give?

Mr. B. E. Sen: No, Sir.

President: Next question.

CATERING AND VENDING ON STATE RAILWAYS.

110. *Sardar Mangal Singh : (a) Will the Honourable the Railway Member please state whether Government have considered the proposal that all the catering and vending on all the State Railways will be taken over by Government and worked departmentally ?

(b) If Government have decided to take over all catering and vending, when is the proposal likely to be carried out ?

The Honourable Mr. M. Asaf Ali : (a) Government have considered this matter in consultation with the Central Advisory Council for Railways who, at a meeting in April last, declared, by a small majority, in favour of the principle of departmental working of all forms of catering excluding Vendors. A Sub-committee which was appointed to examine the question of classification of refreshment rooms and retention or otherwise of dining car services, has since recommended against departmental catering because it is considered that, in existing circumstances, a change over to departmental catering would not prove beneficial. This and other recommendations of the Sub-Committee will shortly receive the consideration of the Central Advisory Council for Railways.

(b) Government will take the final decision after the Central Advisory Council have further considered the matter.

Mr. Muhammad Nauman : May I know, Sir, is Government aware that these contractors have been roaming about the premises of this House and going to all Members since the last two or three Sessions and trying to use all influence to their point of view ?

The Honourable Mr. M. Asaf Ali : The information is being imparted to the Government now.

Mr. N. M. Joshi : May I ask whether the Government of India will consult the Legislature before coming to a decision on this question ?

The Honourable Mr. M. Asaf Ali : If that is the wish of the House, they certainly will: but as far as I can judge, it will be quite sufficient if the Government of India come to their final decision after consulting the Central Advisory Council of Railways.

Mr. N. M. Joshi : The Legislature is very much interested in this.

The Honourable Mr. M. Asaf Ali : The Legislature will have to vote for it.

Sri M. Ananthasayanam Ayyangar : Is the Honourable Member aware that at the first meeting of the Advisory Council, the General policy was laid down that catering must be taken up departmentally, and a sub-committee was appointed to work out details? It, therefore, had no right to pass a remark that it ought not to be taken up by the State.

The Honourable Mr. M. Asaf Ali : That is a matter which should be raised at the meeting of the Central Advisory Council when the report of the sub-committee is submitted to it.

Sri M. Ananthasayanam Ayyangar : May I know if it is not the policy of this Government to take up all these matters departmentally when two administrations, the M. & S. M. and S. I. Railways have already been running all these refreshment rooms departmentally ?

The Honourable Mr. M. Asaf Ali : Government must consult every one concerned before they come to any conclusion, and as that is why the Central Advisory Council has been created. We must know the views of the Central Advisory Council on the subject before we come to any conclusions. We cannot possibly form a policy without any reference to the Central Advisory Committee on this point.

Shri Mohan Lal Saksena : May I know who are the members of this Committee ?

The Honourable Mr. M. Asaf Ali : Mr. Yamin Khan is the Chairman and the members who attended the meeting of the Sub-Committee were Messrs

Tirumal Rao, Jagan Nath Das, and S. N. Sinha, and A. Mohan represented the Railway Board.

Mr. Abdur Rahman Siddiqi: Would not the Government consider it very dangerous, in view of the fact that contractors have been roaming and prowling in the corridors and lobbies of this House, to allow this House to vote on a purely administrative matter like catering of *jalebi* and *kabab roti*?

Mr. President: It is a matter of opinion.

Sreejot Rohini Kumar Chaudhuri: On a point of order, Sir, can the Honourable Member put a question when he is not in his seat?

Mr. Muhammad Nauman: Is the Honourable Member aware of the fact that three years ago the Central Advisory Council for Railways laid down a definite policy that no contractor will be given more than two divisions but the Government of the day flouted the decision and did not act upon it? It meant only that Government acts upon such advice as is.....

Mr. President: What is the question?

Mr. Muhammad Nauman: The question is, is the Honourable Member aware of this fact, that this is what has happened?

The Honourable Mr. M. Asaf Ali: I want notice of that question. Unfortunately it does not arise out of the question which has been put to me today.

Mr. Abdur Rahman Siddiqi: I did not hear any answer to the question that I had asked.

Mr. President: He wants notice.

SUPPLY OF COPIES OF ORDERS TO ILLITERATE RAILWAY EMPLOYEES.

111. ***Seth Sukhdev :** Will the Honourable the Railway Member be pleased to state :

(a) whether copies of orders on personnel or other matters are supplied to Railway employees; if not, why not;

(b) whether it is a fact that all official letters on matters relating to employees are addressed to their superiors in charge, and that illiterate employees find it difficult to have copies; and

(c) whether it is proposed to issue instructions to Railway officers to issue two copies of an order, one of which to be supplied to the employees concerned; if not what other steps Government propose to take to see that employees, specially those who are illiterate, get copies of orders?

The Honourable Mr. M. Asaf Ali: (a) and (b). Every order imposing a penalty on a railway servant is communicated to him in writing. Orders regarding postings, transfers, promotions, etc., which are personal to individuals, are addressed to the official in charge who is required to obtain the initials of the person concerned, if literate, in token of having received the order. In the case of illiterate persons, the order is verbally communicated to the person concerned by the official in charge. Orders of general interest are invariably published in the Railway Gazette for the information of all concerned. Government have no information to show that illiterate employees generally have difficulty in obtaining on request copies of orders on matters personal to them.

(c) Government propose to examine the matter to see to what extent the proposal of the Honourable Member in the first part of the question is administratively practicable.

HOLIDAYS TO ADMINISTRATION CLERKS IN THE SIND AREA OF N.W. RAILWAY

112. ***Seth Sukhdev :** Will the Honourable the Railway Member be pleased to state :

(a) whether it is a fact that Administration Clerks in the Sind Area of the North Western Railway neither enjoy Sind Government holidays nor those given

by the North Western Railway Administration in the remaining Divisions of their system; if so, why;

(b) the sanctioned number of holidays during 1946 for—(i) the Karachi Division (Sind Area), (ii) the Sind Government, (iii) the Punjab Government, and (iv) the North Western Railway Administration for the rest of the Divisions of the Railway System; and

(c) if the difference between the holidays given in the Karachi Division and other Divisions is considerable, what steps Government propose to take to remove the anomaly?

The Honourable Mr. M. Asaf Ali: (a) and (c). Presumably the Honourable Member means that the clerks of the Divisional Offices in Karachi Division do not enjoy all the holidays given by the Sind Government or those enjoyed by the other Divisions of the Railway. If so the reply is in the affirmative. The staff of the offices at the headquarters of the various Divisions of the North Western Railway are normally granted the holidays notified by Provincial Governments under Section 25 of the Negotiable Instruments Act of 1881, except the holiday granted on account of the Bank's half-yearly closing. The grant of additional sectional and local holidays to staff of Divisional Offices is left to the discretion of the Divisional Superintendents. The cause of the difference between the holidays enjoyed by the staff of the Karachi Divisional Office and other Divisional Offices of the N. W. Railway is being enquired into and the information when received will be laid on the table of the House.

(b) The sanctioned number of holidays during 1946 is as follows:

| | |
|--|----|
| (i) Karachi Division | 23 |
| (ii) Sind Government | 32 |
| (iii) Punjab Government | 26 |
| (iv) Divisional Offices other than Karachi | 27 |

QUALIFICATIONS FOR THE POST OF CHIEF MEDICAL AND HEALTH OFFICER ON RAILWAYS

113. *Seth Sukhdev: Will the Honourable the Railway Member be pleased to state:

(a) whether it is a fact that the post of Chief Medical and Health Officer of a Railway is to be held by a person possessing the degree of D.P.H.;

(b) whether any rule exists to this effect; if so, whether Government propose to lay a copy thereof on the table of the House;

(c) whether it is a fact that the post of the Chief Medical and Health Officer, North Western Railway is being given to an officer who does not possess the degree of D. P.H.;

(d) whether it is a fact that this officer is a European and that the appointment was made by the Caretaker Government;

(e) whether Government are aware that the policy hitherto followed by the Railway Board is to give preference to Europeans on the plea of possessing British qualifications, but when Indians possess better qualifications, seniority is considered as the determining factor; and

(f) what steps Government propose to take to recognise qualification as a prerequisite for promotion to the post of the Chief Medical and Health Officer; if none, why?

The Honourable Mr. M. Asaf Ali: (a) and (b). In accordance with the provisions of Rule 127 of the State Railway Establishment Code, Vol. I, a copy of which is in the Library of the House, a District Medical Officer shall not ordinarily be considered eligible for promotion unless he possesses a Degree or Diploma in Public Health. The orders prescribing this condition were issued on the 8th January 1930, and, as stated in the reply to parts (b) and (c) of Pandit Thakurdas Bhargava's Starred Question No. 180, asked on the 5th April 1946, the condition has been relaxed in favour of those Medical Officers who joined service before the date of the orders.

(c) Yes, but the officer is covered by the relaxation mentioned in my reply to parts (a) and (b).

(d) The reply to the first portion is in the affirmative and to the latter portion in the negative.

(e) Government do not accept the implication of this question. The policy followed by the Railway Board in making appointments to higher posts, which are selection posts, is to select the most suitable officer for the post, taking into consideration his qualifications, experience and seniority.

(f) In view of my reply to part (e), this does not arise.

PROMOTION OF UNQUALIFIED ANGLO-INDIAN AND CHRISTIAN INSPECTORS OF ACCOUNTS TO THE POSTS OF ASSISTANT COMMERCIAL OFFICERS ON N.W. RAILWAY

114. *Seth Sukhdev : Will the Honourable the Railway Member be pleased to state :

(a) whether it is a fact that certain Anglo-Indian and Christian Inspectors of Accounts were taken up as Assistant Commercial Officers on the North Western Railway;

(b) whether it is a fact that, with a view to regularise this importation, these men were taken up as Commercial Inspectors to avoid their reversion from gazetted posts;

(c) whether the normal channel of promotion of the Accounts Inspectors is not in the Commercial Inspectors posts or Assistant Commercial Officers; if so, the reason for this importation;

(d) whether any Indian Inspectors of Accounts were considered for posts of Commercial Inspectors or Assistant Commercial Officers; if not, why not;

(e) whether it is a fact that these imported Accounts Inspectors have been placed senior to Transportation Inspectors in the selection list of Commercial Inspectors; if so, why;

(f) whether it is a fact that these imported Accounts Inspectors have passed no commercial qualifying examination from the Walton Training School; and

(g) the steps Government propose to take to ensure that no employee will be given undue preference owing to racial considerations; and what steps are proposed to be taken to revert accounts people to their own branch of service?

The Honourable Mr. M. Asaf Ali: (a) Yes. Two Anglo Indians who were formerly Inspectors of Accounts but who were, at the time, holding respectively the appointments of Personal Assistant to the Station Superintendent, Keamari, and Traffic Inspector, Commercial, were appointed as Assistant Commercial Officers.

(b) When a selection was held for the posts of Commercial Inspectors these two persons, who were already in the Traffic Department, were also considered along with others and were selected by a properly constituted Selection Board. Accordingly it is not correct to say that they were appointed as Commercial Inspectors to avoid their reversion from Gazetted posts.

(c) Appointment to Commercial Inspector or Assistant Commercial Officer is not in the normal channel of promotion of Accounts Inspectors. As regards the latter portion, these two men were absorbed on the Commercial side of the Traffic Department due to their extensive knowledge of the commercial conditions prevailing in the Karachi Port area and on the Karachi Division.

(d) No. Inspectors of Accounts are not considered, as a rule, for posts of Commercial Inspectors or Assistant Commercial Officers. As I have already explained, the two persons referred to in this question were actually in the Traffic Department, and not in the Accounts Department, when they were selected for Commercial Inspectors' posts.

(e) The reply is in the affirmative. These two men were placed on the selection list of Commercial Inspectors in the order of merit decided on by the Selection Board.

(f) The reply is in the affirmative.

(g) In view of my replies to the preceding parts of this question there is no ground for inferring that these two employees were given undue preference owing to racial considerations, and Government do not, therefore, consider that their reversion to the Accounts Branch is called for.

**SHORTAGE OF PASSENGER TRAINS ON NAGPUR-BHUSAWAL LINE OF
G.I.P. RAILWAY**

115. *Mr. P. B. Gole : (a) Will the Honourable the Railway Member be pleased to state how many Passenger, Mail and Express Trains were running daily between Nagpur and Bhusawal prior to the War ?

(b) Is it a fact that only one Passenger and one Mail train run between Nagpur and Bhusawal even now when it is more than one year after the cessation of hostilities ?

(c) Are Government aware that there has always been abnormal crowding of passenger traffic on the Nagpur-Bhusawal Line owing to the running of only two trains ?

(d) Are Government aware that the travelling public is highly inconvenienced owing to the shortage of passenger trains and that there were even deaths by suffocation owing to overcrowding ?

(e) Are Government aware that several representations have been made to the Great Indian Peninsula Railway by the travelling public and by public bodies for increase in the number of Passenger Trains on the Bhusawal-Nagpur Section and that the answer given by the Authorities of the said Railway is that passenger coaches are not available ?

(f) Is it a fact that the Bombay, Baroda and Central India Railway, the East Indian Railway, the North Western Railway and other Railways have already resumed pre-war passenger service and that the Great Indian Peninsula Railway has increased service on other lines ?

(g) Do Government propose to issue instructions to the Great Indian Peninsula Railway to re-introduce at least the Nagpur Express and one more Passenger Train in order to relieve heavy congestion of passenger traffic between Nagpur and Bhusawal ?

The Honourable Mr. M. Asaf Ali : (a) One mail, one express and three passenger trains were running between Nagpur and Bhusawal prior to the war.

(b) Yes, but I am informed that, in addition, two shuttle services have been introduced from the 1st October, 1946, one between Nagpur and Wardha, and the other between Wardha and Bhusawal, to cater for local traffic, which has somewhat eased the position.

(c) Overcrowding is, I am afraid, not confined to the Nagpur-Bhusawal line, but is unfortunately an unavoidable feature wherever passenger train services have had to be curtailed owing to conditions brought about by the war.

(d) Both the Government and the Railway Administration are fully conscious of the inconvenience caused to the public by the lack of adequate train services, but the Railway is doing its best to restore the curtailed services as soon as possible, within the limits of its available resources. No deaths from suffocation due to overcrowding have been brought to notice.

(e) Yes.

(f) A large number of train services have been restored on all railways including the G.I.P. Railway, though it would not be correct to say that the pre-war level was reached. The fact that the G.I.P. Railway have increased

services elsewhere does not mean that the interests of the public in the Nagpur-Bhusaval area have been over-looked. My Honourable friend will no doubt concede that it is the duty of the Railway Administration to take a comprehensive view of the needs of the public as a whole, and to utilise its resources as they become available in the order of priority of the public need.

(g) The question of re-introducing the Bombay-Nagpur Express trains is already engaging the attention of the Railway Administration, who intend to afford the required relief as early as possible. In the meanwhile I propose to send a copy of the question and my reply to the Railway Administration concerned to bring the matter prominently to their notice.

Mr. P. B. Gole: May I know from the Honourable Member when a decision will be reached regarding the restarting of the Nagpur Express?

The Honourable Mr. M. Asaf Ali: I am afraid I cannot set any time.

PROPOSAL FOR ABOLITION OF INTER CLASS AND REDUCTION OF RATES OF SECOND CLASS ON STATE RAILWAYS

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

(a) whether Government intend to abolish the Inter class and reduce the rates of the Second class on State Railways; if so, when; and

(b) whether Government have any scheme under contemplation?

The Honourable Mr. M. Asaf Ali: (a) Yes. The date on which this alteration is to be introduced is still under consideration.

(b) Government are considering the desirability and financial implications of providing, on main lines, four classes of travel, namely, air-conditioned, 1st Class, 2nd Class and 3rd Class. On small branch lines only two classes are proposed, namely, (1) Special, (2) General. Designs of the future layouts for the various classes are now in preparation. The financial implications are complicated and difficult to assess, and it is not expected that any such arrangement can be introduced without a general increase in the level of passenger fares.

Seth Govind Das: Will Government think it advisable to have only two classes—Upper and Lower—as is happening between Gondia and Jubbulpore and abolish first, second and inter class?

The Honourable Mr. M. Asaf Ali: It is a very interesting suggestion, Sir.

Seth Govind Das: But will the Government consider the suggestion?

Mr. Manu Subedar: Will Government examine the question of abolishing the first class altogether as has been suggested before in this House, particularly because air-conditioned compartments have now been introduced? Have Government considered the necessity of having both air-conditioned and first class compartments in every train?

The Honourable Mr. M. Asaf Ali: That will have to be examined before I can say Yes or No.

Sri M. Ananthasayanam Ayyangar: Is the Honourable Member aware that the Central Advisory Council for Railways advised that the first class may be abolished and that there should be only second, inter and third classes?

The Honourable Mr. M. Asaf Ali: I am afraid I am not in a position to answer that question at present.

Mr. Ahmed E. H. Jaffer: May I know whether the Honourable Member is going to travel second class like provincial ministers or is he going to travel in his saloon?

Mr. President: Order, order.

Seth Govind Das: Will Government consider the desirability of retaining the inter class and providing sitting accommodation there?

The Honourable Mr. M. Asaf Ali: According to this arrangement Inter class goes out and the second class will be as good as first class.

RESTORATION OF PRE-WAR RAILWAY CONCESSIONS TO PASSENGERS

117. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable the Railway Member please state if Government intend to restore the various pre-war Railway concessions to travelling public, such as Return Tickets, etc.? If so, when, and how many of them?

The Honourable Mr. M. Asaf Ali: It is the Government's intention that the various railway concessions enjoyed by the travelling public prior to the war shall be restored at the earliest possible moment, that is, as soon as train services and travel conditions improve sufficiently to permit of the encouragement of rail travel by the grant of concessions.

Shri Sri Prakasa: In view of the fact that there is a paucity of railway tickets these days, will not the Honourable Member introduce the system of return tickets charging full fare both ways, so that the difficulty of securing a ticket on the return journey may be avoided?

The Honourable Mr. M. Asaf Ali: That again is a very interesting suggestion which should be examined.

Shri Sri Prakasa: Not only interesting, it is useful also!

PROVISION OF FANS AND REMOVAL OF OTHER GRIEVANCES OF III CLASS PASSENGERS ON RAILWAYS

118. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable the Railway Member be pleased to state if Government intend to remove the long standing grievances of third class passengers, such as provision of fans in the compartments, adequate supply of drinking water and suitable food at stations? If so, when and in what directions?

The Honourable Mr. M. Asaf Ali: Government have already under consideration the question of provision of fans in III class carriages and a new method of meeting the additional electric load which would be involved is under close examination by the Railway Board, but no decision has yet been reached.

Instructions have been issued to railways that where possible, drinking water should be supplied on platforms by the provision of hydrants. Simultaneously "Gharras" mounted on wheeled barrows should be made available for supplying water to passengers sitting in their compartments. The North Western Railway also arrange, during summer season, for the supply of drinking water to passengers from a 3rd class compartment reserved for the purpose on most of their trains. There are also travelling watermen in these compartments who go and serve passengers with water in their own compartments. The extension of this arrangement to other railways will be shortly considered.

Every effort is being made to improve the quality of food served to passengers by arranging periodical medical inspections and by inviting one or two members of Railway Local Advisory Committees to make occasional tours on the railways and offer suggestions for improvement.

Mr. Ahmed E. H. Jaffer: Is the Honourable Member aware that even to this date bulbs in most of the compartments and bath-rooms are missing, and if so will he take early steps to remedy this state of affairs?

The Honourable Mr. M. Asaf Ali: I am perfectly aware of that fact. In fact it is one of my complaints, that no bulbs on the B. A. Railway can possibly last more than 24 hours and it is for members of the public to take note of that fact and restrain those who are smashing up those bulbs.

Sri M. Ananthasayanam Ayyangar: What about the M. S. M. Railway in respect of which we have got similar complaints?

(No answer was given.)

OVERCROWDING ON RAILWAYS

119. *Pandit Sri Krishna Dutt Paliwal : Will the Honourable the Railway Member be pleased to state the steps which Government intend to take to relieve overcrowding in Railways ?

The Honourable Mr. M. Asaf Ali: To relieve overcrowding, additional train services have been introduced and more will be put on as and when the resources of coaching stock and power permit. At the present moment, the Army Department are absorbing a considerable number of vehicles for their use, and as these are surrendered, more stock will be available for augmenting the present services. It is the intention to seek outside assistance in the manufacture of coaching stock to tide over the present shortage, as the railway workshops are fully employed in repairing the present stock and manufacturing new stock to the limit of their capacity.

Every possible effort is, in the meanwhile, being made to minimise discomfort to the travelling public by the adoption of measures such as :

- (a) Strengthening of passenger train services by attaching extra carriages as far as available within the permissible hauling capacity of the engines.
- (b) Intensive use of all available coaching stock.
- (c) Vigorous efforts to prevent ticketless travel.

PROVISION FOR PEDESTRIAN TRAFFIC BY THE SIDE OF ALL RAILWAY
CULVERTS AND BRIDGES

120. *Shri Sri Prakasa : Will the Honourable the Railway Member be pleased to state :

- (a) if it is a fact that Railways make no arrangement for pedestrians to go over their culverts and bridges at various places;
- (b) whether Government are aware that due to high embankment of Railways there is water-logging at various places and pedestrians have no other method of going across except over the Railway culverts and bridges ;
- (c) whether Government are aware that many accidents have occurred owing to this ; and
- (d) whether Government propose to issue instructions to Railway Administrations to make proper provisions for pedestrian traffic by the sides of all their culverts and bridges ?

The Honourable Mr. M. Asaf Ali: (a) Yes, this is so. Culverts and bridges are in general provided solely for the passage of railway traffic. In certain cases exceptions have been made and especially constructed footpaths have been added to existing structures. If, however, a new bridge is constructed or an old one regraded, Provincial Governments are consulted and they are afforded an opportunity in each case of offering to share in the cost should a combined structure be required.

(b) and (c). Government have no information. If there is any water-logging in any place due to a railway embankment, the Provincial Government concerned invariably approach the Railway Department for additional accommodation works.

(d) There is an inherent objection to attracting pedestrians and perhaps cattle and cycle traffic to railway embankments etc. Even so, the Railways are always prepared to consider the provision of such facilities for the public, provided the Provincial Government or the Local Authorities requiring these facilities pay the first cost and the maintenance charges.

QUESTION RE RUNNING OF E.I. RAILWAY *OVUM* (I.P. RAILWAY, BOMBAY-CALCUTTA
MAILS VIA BENARES CANTT. BETWEEN ALLAHABAD AND MOGHULSARAI

121. *Shri Sri Prakasa : Will the Honourable the Railway Member be pleased to state :

(a) the progress so far made in the consideration of the question of taking the East Indian Railway *cum* Great Indian Peninsula Railways' Up and Down Bombay-Calcutta Mails *via* Benares Cantonment between Allahabad and Moghalsarai; and

(b) if there is any intention of reopening the Chheoki Railway Station for these trains?

The Honourable Mr. M. Asaf Ali: (a) For the reasons stated at length in my predecessor's letter No. 3818-TT of the 29th June, 1946 to my Honourable friend, I am unable to report any tangible progress. As I understand the position, the proposal cannot be usefully considered till the reconstruction of the Dufferin Bridge has been completed.

(b) I am informed by the East Indian Railway Administration that there is no intention of re-opening the Chheoki Railway Station for these trains in the immediate future.

Shri Sri Prakasa: Can the Honourable Member inform us if there is any intention of strengthening the line between Phaphamau and Janghai to enable these mails to be diverted from the Mirzapore route to the Benares route?

The Honourable Mr. M. Asaf Ali: I am afraid I could not answer that question straight off.

Shri Sri Prakasa: May I take it that the only reason why this diversion is not taking place is that the Dufferin Bridge is in course of renovation or are there any other reasons? And if that is the sole reason, why was not any step taken before the renovation process began, because I have been at it for the last 23 years?

The Honourable Mr. M. Asaf Ali: I have not the slightest doubt about the fact that the Honourable Member has been at it for a long time. I have got a letter written to him by my predecessor; if he likes I can read it out to him; it gives all the reasons.

Shri Sri Prakasa: Could the Honourable Member in the meantime arrange for a through bogie to be run from Benares to Bombay by the Bombay Mails?

The Honourable Mr. M. Asaf Ali: The question will be examined.

Pandit Govind Malaviya: In any case, in view of the great facility which that arrangement will provide for the inhabitants of a very important town in the United Provinces, will the Honourable Member ignore the fact that nothing has been done about it during the last 23 years, and apply his new energy to it and see if anything can be done in that direction now?

The Honourable Mr. M. Asaf Ali: I will try my best.

ARRANGEMENTS FOR CONNECTING TRAINS AT JUNCTION STATIONS

122.* **Shri Sri Prakasa:** Will the Honourable the Railway Member be pleased to state:

(a) whether Government are aware that it is the policy of the Railway Administrations not to arrange for proper connecting trains at junction stations with a view to discourage travelling;

(b) if it is a fact that passengers are left for whole twenty-four hours at junction stations like Gaya, Moghalsarai, Bhusaval, Itarsi, etc., due to their missing Railway connections; and

(c) what steps, if any, Government are taking or propose to take to avoid such inconvenience?

The Honourable Mr. M. Asaf Ali: (a) No; both the policy and the practice are to make every effort to make sure of such connections.

(b) Cases do occur in which passengers sometimes have to wait for trains up to 24 hours at junction stations if they miss their connection due to late running of trains.

(c) The punctuality of trains is, I regret to say, still far from satisfactory. This is due to a number of causes such as heavy loads, heavy passenger and parcels traffic, bad quality coal, etc.

Railway Administrations are being constantly urged to improve the punctuality of trains and a close scrutiny is maintained by Transportation Officers on Guard's Train Journals and Train Control Charts with a view to taking prompt action in cases of avoidable delays.

I propose to send a copy of the Honourable Member's question to all principal Railways and to urge on them the necessity for redoubling their efforts to attain the maximum measure of punctuality, other factors permitting.

Shri Sri Prakasa: In view of what the Honourable Member has stated in reply to part (a) of the question, may I request him to examine the time table at Moghul Serai—I can lend him a copy if he likes—and see if proper connections are given for passengers from Benares to catch the 1 Up and the 11 Up and if he is satisfied with those arrangements and if they are in consonance with the principles which he has just enunciated?

The Honourable Mr. M. Asaf Ali: I am thankful for the suggestion: I shall have it examined.

Dr. Zia Uddin Ahmad: Is the Honourable Member aware of the fact that it is the vendors who manage that there shall be no connection in these important junctions?

(No answer was given.)

BREAK OF JOURNEY ON RAILWAYS

123.* Shri Sri Prakasa: Will the Honourable the Railway Member be pleased to state:

(a) if it is a fact that no break of journey is now permitted for passengers holding tickets for less than 250 miles, while formerly passengers with tickets for 100 miles or more were permitted to break journey;

(b) if it is a fact that passengers are now required to complete the minimum journey of 250 miles before they can break journey, while formerly they could break journey before travelling the minimum they held tickets for more than the requisite minimum number of miles;

(c) if Government propose and, if so, when, to bring back the old system; and

(d) whether pending the reduction of the number of miles to be travelled before break of journey is permitted Government propose at least to permit break of journey before the minimum of 250 miles is travelled by persons holding tickets for 250 miles and more?

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

(c) The Honourable Member is referred to the reply given to part (b) of question No. 1188 asked by him in the Legislative Assembly on the 25th March 1946.

(d) No. The relaxation suggested would defeat the object of the revision of the Rule.

Shri Sri Prakasa: In view of the fact that much water has flown under the bridges since the date mentioned by the Honourable Member, will the Honourable Member consider the proposition afresh and could he inform us how the object of this rule is frustrated if passengers are allowed to break journey before the minimum number of miles is travelled and how it was not frustrated when this rule was not in operation?

The Honourable Mr. M. Asaf Ali: The whole of this question was very carefully considered and I can tell the Honourable Member some of the reasons against the relaxation he is asking for. The reasons were that a check on their fraudulent use was impossible; and the change of this rule assisted the Railways in reducing overcrowding in through trains in which short distance passengers were restricted and it was expected to bring slightly more revenue.

Shri Sri Prakasa: Is the last the main reason?

The Honourable Mr. M. Asaf Ali: No; certainly not.

LATE RUNNING OF RAILWAY TRAINS

124. *Shri Sri Prakasa: Will the Honourable the Railway Member be pleased to state:

(a) if there is a general complaint about the late running of trains, sometimes by as many as four to six hours;

(b) the causes of this; and

(c) the steps that are being taken to meet the difficulties and ensure trains running to schedule?

The Honourable Mr. M. Asaf Ali: (a) Complaints regarding the late running of trains are received from time to time but cases of trains running from four to six hours late are rare.

(b) The chief causes of late running are heavy loads of trains, poor quality coal and heavy passenger traffic involving detentions at stations *en route*.

(c) A careful check is maintained on punctuality by Railway Administrations. Guards' train journals and traffic control charts showing detentions *en route* are carefully scrutinised by Transportation Officers, avoidable detentions are taken up and suitable action is taken to avoid recurrence. A considerable increase in train services has already been effected and as further services are introduced they will relieve the pressure on trains generally, thus improving punctuality.

Shri Sri Prakasa: Is the Honourable Member aware that it is rarely that 88 Up and 84 Down on the E. I. R. run less than four to six hours late?

The Honourable Mr. M. Asaf Ali: I am not quite sure about that particular train. I know for a fact that recently the E. I. R. have tightened up their organisation and the E. I. R. trains are now running to time as far as possible.

Mr. Manu Subedar: Will the Honourable Member give an assurance to this House that amongst the measures taken in order to curtail the lateness of a train speeding up of the engine driver will not be one and that no unnecessary risks will be taken, due to undue speeding in order to make up time?

The Honourable Mr. M. Asaf Ali: I am prepared to give that assurance. In fact it is one of the most important points which are always kept in view by all Administrations.

Sri M. Ananthasayanam Ayyangar: May I know from the Honourable Member whether in the history of the Grant Trunk Express it ever came in time?

The Honourable Mr. M. Asaf Ali: I think my Honourable friend knows that much better than I do.

Sri M. Ananthasayanam Ayyangar: If the Grant Trunk Express is late by half an hour to begin with, it eventually arrives four hours late, because it is detained on the way to enable goods trains to pass. Will the Honourable Member take steps to see, because this is an Express train, that it gets priority over goods trains and other trains?

The Honourable Mr. M. Asaf Ali: The suggestion made by the Honourable Member will be sent to the appropriate authorities and the matter will be looked into.

Sri M. Ananthasayanam Ayyangar: Is the Honourable Member aware that the Grant Trunk Express, even when it starts from the Delhi station, is allowed to start from half an hour to an hour late?

The Honourable Mr. M. Asaf Ali: I am not aware of that fact.

Dr. Zia Uddin Ahmad: Is the Honourable Member aware of the fact that it has been established that the Grant Trunk Express is neither Grand, nor is it a Trunk nor is it an Express?

Pandit Govind Malaviya: May I draw the attention of the Honourable Member to the fact that, as was pointed out in relation to the Grand Trunk Express, once a train begins to get late, other trains get preference, with the result that it continues to become more and more late, with the result that it reaches its destination several hours late? Will he therefore consider whether a rule cannot be laid down that at least Mail and Express trains, even if they are late, should be given preference over other goods and other trains all over the system?

The Honourable Mr. M. Asaf Ali: I am afraid I cannot possibly go into all these administrative details at this stage and these points really do not arise out of this question.

BLACKMARKETING IN NEW MOTOR CARS SOLD AGAINST CHIEF COMMISSIONER'S PERMITS

125. *Mr. C. P. Lawson: Will the Honourable Member for Transport be pleased to state:

- (a) how many new motor cars have arrived in Delhi during 1946 for sale against permits issued under the auspices of the Chief Commissioner;
- (b) what steps, if any, are taken to ensure that cars purchased against these priority permits are not immediately resold at blackmarket prices; and
- (c) what authority adjudicates in the matter of priorities?

The Honourable Mr. M. Asaf Ali: (a) 255 new cars were allotted to Delhi Province during the period from January to the end of September, 1946, of which 221 actually arrived in Delhi before the end of September.

(b) During the period of control, permits to purchase cars were issued only to essential users. There was, however, no provision in the Civil Motor Cars Control Order—which expired on the 30th of September—to prohibit a person who had purchased a controlled car against a priority permit from selling it to another person. No case of reselling a car at a higher price was reported to the authorities in Delhi.

(c) The Provincial Motor Transport Controller adjudicated in the matter subject to the approval of the Chief Commissioner.

Mr. C. P. Lawson: May I ask the Honourable Member whether in his alternate capacity as member in charge of Railways he has noticed whether any of these cars have been shipped away from Delhi immediately after purchase?

The Honourable Mr. M. Asaf Ali: No such case has been brought to our notice so far but if the Honourable Member will give me definite information, I shall have the whole question examined.

Mr. Ahmed E. H. Jaffer: It is very difficult to buy a new car in Delhi today particularly because dealers expect Rs. 3 to 4 thousand extra beyond the control price. May I inquire from the Honourable Member whether Government will take steps to stop this blackmarketing on the part of the dealers?

The Honourable Mr. M. Asaf Ali: We have absolutely no control over cars now. As you know, the ordinance expired on the 30th September and dealers can do exactly as they like.

Mr. Ahmed E. H. Jaffer: May I take it that it is the policy to encourage blackmarketing on the part of the dealers?

Mr. President: That does not arise.

STEAM VESSELS PLYING IN INLAND WATERS

126. *Mr. K. C. Neogy: (a) Will the Honourable Member for Transport be pleased to refer to starred question No. 129 of the 8th February, 1946, on the subject of future Government policy regarding ownership and management of steam vessels plying in inland waters, and state what progress has been made in the consideration of the question?

(b) Will the Honourable Member particularly indicate the purport of the opinions expressed by the Provincial Governments concerned, and whether the matter has been considered by the Policy Committee on Transport?

The Honourable Mr. M. Asaf Ali: (a) and (b). As stated in the reply to question No. 129, answered on the 8th of February 1946, a memorandum setting out the major issues was sent to the Provincial Governments of Bengal, Bihar and Assam. The Section 93 Governments in Bengal and Bihar expressed tentative views on the question but rightly pointed out that this was a matter on which the views of a responsible Ministry should be asked for. A reply has been received from the Provincial Ministry Government of Assam. They are provisionally inclined to favour the idea of nationalising the river services. No reply has been received from the Ministry Governments of Bengal and Bihar and they have been asked to expedite consideration of the case. The matter was not placed before the Policy Committee on Transport because replies had not been received from the Ministry Governments of Bengal and Bihar and it is not now considered appropriate to place the case before the Policy Committee on Transport as previously constituted. A brief memorandum on the subject will be placed in the very near future before the Advisory Planning Board which has recently been set up and the Standing Committee of the legislature will also be consulted when replies have been received from the two Provinces mentioned. At a later date it may be necessary to summon an *ad hoc* conference to consider the matter on which the Provincial Governments concerned, the railway and river transport interests would probably be represented.

PROPOSAL BY THE COMMISSIONERS OF THE PORT OF CALCUTTA FOR A CANAL FROM KIDDERPORE TO DIAMOND HARBOUR

127. *Mr. Sasanka Sekhar Sanyal: Will the Honourable Member for Transport be pleased to state :

(a) whether Government are aware of the proposal of the Commissioners of the Port of Calcutta for excavating a ship canal from Kidderpore to Diamond Harbour, as an alternative navigation canal for ships regarding which a notification under Section 4 of the Land Acquisition Act was published in the *Calcutta Gazette* on the 28th March, 1946 ;

(b) the necessity for such a scheme ;

(c) (i) at whose instance such a scheme has been formulated and (ii) the authority which can give final approval to the scheme ;

(d) the area involved in the scheme and the project and the extent of crop growing lands (nature of the crops to be indicated) in the said area ;

(e) whether Government are aware of the protests made against the scheme and the project by the Corporation of Calcutta by other public bodies, by the public at meetings, by members of the Legislatures, and by the Newspapers pointing out the threatened enormous loss to several thousands of agriculturists families and to agriculture in respect of several hundred thousands of bighas of lands and liquidation of a large number of villages ; and

(f) whether Government have examined the implications of the whole matter and their policy ?

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

(b) The port of Calcutta is one of very difficult approach even to small ships and the ship canal scheme has been put forward to short-circuit the 42 miles of dangerous and difficult river navigation between Diamond Harbour and Calcutta and to provide sheltered deep water approach to the Port Commissioners' dock system.

(c) (i) The scheme which is entirely in an exploratory stage has been formulated by the Calcutta Port Commissioners.

(ii) The Central Government.

(d) It is not possible to give any definite information on this point as the scheme has not yet been worked out in detail. According to the notification published under the Land Acquisition Act, pieces of land altogether measuring about 18,210 acres are likely to be required in the district of 24 Parganas.

(e) Yes.

(f) Not yet. As already stated, the whole scheme is still in an exploratory stage. The possibility of achieving the same object by river works in the Hooghly will soon be under expert investigation. The views of the Bengal Government and the Commissioners for the Port of Calcutta on recommendation (4) of the Ports (Technical) Committee regarding the ship canal and river training works are awaited.

Mr. Sasanka Sekhar Sanyal: Will the Honourable Member be pleased to state whether the Government will be prepared to ask for the opinion of the other local self-governing institutions, namely, the district boards and municipalities concerned, before they come to a final decision in this matter?

The Honourable Mr. M. Asaf Ali: It is quite obvious that the whole scheme is in an embryonic stage. Let the Government come to some conclusion first, before they can consult anybody else. The question really does not arise at this stage.

Mr. President: The question hour is over.

(b) WRITTEN ANSWERS

COMPARATIVE PRICES OF LAC, WHEAT AND RICE IN THE CENTRAL PROVINCES

128. *Seth Govind Das: Will the Secretary of the Department of Food be pleased to state:

(a) whether it is a fact that Teora (lac) is selling at a higher price in the Central Provinces than wheat and rice, and that the price of Teora (lac) is not controlled by Government;

(b) whether it is a fact that the prices of wheat and rice are low due to the sole reason that these have been so fixed by Government;

(c) whether Government are aware that at the respective prices of Teora (lac) and wheat it is unprofitable for the cultivators to grow wheat, with the result that the acreage under Teora is steadily increasing at the cost of wheat; and

(d) whether Government propose to take immediate steps to either raise the controlled price of wheat and rice or control the price of Teora (lac) also?

Mr. B. R. Sen: An enquiry has been made from the Government of the C. P. and the information will be laid on the table of the House when received.

REFORM OF THE LAND REVENUE SYSTEM AND THE REMOVAL OF ZAMINDARS

129. *Seth Govind Das: Will the Secretary of the Department of Agriculture be pleased to state:

(a) whether he is aware of the fact that most of the Provincial Governments have expressed their desire to reform their land revenue systems by removing intermediaries between the cultivator and the State;

(b) whether payment of compensation to these intermediaries is necessary under Section 199 of the Government of India Act, 1935, if their rights are taken away; and

(c) whether the Government of India propose to move the British Parliament to so amend the Act that it becomes possible to acquire the rights without payment of any compensation?

Sir Pheroze Kharegat: (a) So far as I am aware the Governments of five of the eleven Governors' Provinces have expressed a relevant intention.

(b) The question whether a particular law attracts sub-section (2) of Section 299 is a question for the Courts, but *prima facie* the answer appears to be in the affirmative.

(c) No, Sir.

**FINANCING OF PROVINCES BY GOVERNMENT OF INDIA FOR COMPENSATING
ZAMINDARS**

130. *Seth Govind Das : Will the Secretary of the Department of Agriculture please state whether the Government of India propose to ask Provincial Governments to adopt a co-ordinated plan and accept a uniform policy for the purpose of reforming land revenue systems in Provinces by removing intermediaries between the cultivator and the State ?

(b) Do the Government of India propose to undertake to finance Provinces for compensating intermediaries whose rights are to be acquired ?

Sir Pherose Kharegat : (a) The systems of land tenures vary considerably from province to province and sometimes even in different parts of a province. It is not considered practicable to have a co-ordinated plan or a uniform policy for all provinces. The Government of India do not therefore propose to address the provinces to adopt the same. Several provinces are looking into the whole question themselves, land revenue being a provincial subject.

(b) If such proposals are included in the post-war development plans of a province they will be examined on their merits for deciding whether to approve them for inclusion in the schemes for which grants or loans are admissible from the Centre.

NATIONALIZATION OF AIR TRANSPORT IN INDIA

131. *Seth Govind Das : (a) Will the Honourable Member for Communications be pleased to state whether Government are aware that there has been and continues to be a rapid growth of air transport in India and that transport services are in private hands ?

(b) Do Government propose to take steps to nationalize the air transport and so plan it that the facility of carriage of passengers and posts by air comes within the reach of towns with a population of two lakhs and above ?

Sir Harold Shoobert : (a) Yes.

(b) The policy decided by the previous Government was in favour of regulated controlled private enterprise. The present Government has had no time to review the policy, but intends to do so soon. I may, however add that the House will have an opportunity to discuss this subject on Sardar Mangal Singh's resolution to be debated on 8th November. Probably by that time I may be in a position to indicate the Government policy.

SHORTAGE OF BOOKINGS OF TIMBER ON THE SATPURA DIVISION OF B. N. RAILWAY

132. *Seth Govind Das : Will the Honourable Member for Transport be pleased to state :

(a) whether Government are aware that the narrow gauge Satpura Division of the Bengal Nagpur Railway is the worst sufferer under the 'Regional Railway Priority Controls' as bookings are available to them only on a very limited scale and for a very short while ;

(b) whether Government are aware that allotment of wagons for transport of timber is made on the recommendations of the Timber Transport Advisory Committee, Central Provinces and Berar.

(c) whether Government propose to abolish the medium of the Timber Transport Advisory Committee and constitute a committee of its own for the purpose ; and

(d) whether Government propose to place on the table of the House information promised in reply to parts (b) and (c) of unstarred question No. 137 of the 14th March, 1946 ?

The Honourable Mr. M. Asaf Ali : (a) The "Satpura Division", or more properly, the Nainpur District of the B. N. Railway, is a narrow gauge district

with very limited rolling stock. The best possible use is made of such stock as is available. In June, 1946, it was necessary to concentrate on the transport of foodgrains and fire-wood to Nagpur and Jubbulpore at the earnest request of the Provincial Government in order to build up stocks against the possibility of a general railway strike. All other traffic suffered during this period. Except for this time of emergency, an equitable distribution of transport is the general practice, but it may be noted that the railway is particularly short of trucks suitable for the loading of long timber. Only some 15 trucks a day of such traffic can be cleared.

(b) Timber Transport Advisory Committees have operated in all timber despatching areas for some years. It is the practice for Regional Controllers of Railway Priorities to meet these committees monthly and allocate wagon quotas for timber in consultation with them. Thereafter the Forest Department representative allocates wagon units to the units provided by quotas and programmes all timber movements. These arrangements have worked with great success and Government are not aware of any public discontent in connection with the working of the Central Provinces and Berar Committee.

(c) Government see no valid reason for ordering the abolition of Timber Transport Advisory Committees.

(d) The information was placed on the table of the House in April 1946 and is printed at page 4266 of the Legislative Assembly Debates April 18th 1946, Vol. VI—No. 3.

POLICY OF GOVERNMENT INCREASE IN YIELD OF FOOD CROPS

133. *Mr. Madandhari Singh: Will the Secretary of the Department of Agriculture be pleased to state the future policy of Government in regard to increasing the yield of food crop and for making agriculture a paying business?

Sir Pheroze Kharegat: The policy of Government is stated in the Statement of Agriculture and Food Policy in India, copies of which are available in the Library.

APPOINTMENT OF MR. P. M. GLOVER AS ENTOMOLOGIST IN INDIAN LACRESEARCH INSTITUTE

134 *Babu Ram Narayan Singh: Will the Secretary of the Department of Agriculture be pleased to state:

(a) if it is a fact that at the time when Mr. (now Major) P. M. Glover was being appointed Entomologist in the Indian Lac Research Institute the post was advertised in England only notwithstanding the specific direction of the Committee of the Indian Lac Association to advertise it both in India and in England;

(b) whether the Chairman of the Committee was responsible for the action taken in contravention of this direction and for thus depriving Indians in this country of the opportunity of applying for the post;

(c) whether the Chairman in question was an Englishman; and

(d) if it is a fact that Mr. Glover had no previous knowledge of lac when he was appointed?

Sir Pheroze Kharegat: (a) to (d). Mr. Glover was appointed in 1929 i.e., 17 years ago. Information as regards the circumstances of the recruitment is not available and is being collected.

PAYMENTS TO MR. GLOVER BY INDIAN LAC CESS COMMITTEE WITHOUT CENTRAL GOVERNMENT'S SANCTION

135. *Babu Ram Narayan Singh: Will the Secretary of the Department of Agriculture be pleased to state:

(a) if it is a fact that during the currency of his last contract, Mr. P. M. Glover was called up for military service in connection with the recent war under the National Service Act;

(b) whether in disregard of section 6 of the Indian Lac Cess Act enjoining the the proceeds of the Lac Cess should be devoted only to promoting research on and sale of lac, the Indian Lac Cess Committee decided to pay Mr. Glover the

difference between his pay in the Indian Lac Research Institute and his pay in the Army ;

(c) whether the Committee asked for the sanction of the Central Government to the proposal ;

(d) whether subsequently the Committee authorised the payment to him of the difference between his Civil and Army pay in anticipation of Government sanction ; and

(e) whether any audit objection was raised against these payments ?

Sir Pheroze Kharegat: (a) Yes.

(b) The Committee did decide to pay Mr. Glover the difference between his pay under the Committee and his pay in the Army. Such payment was in accordance with the general practice adopted by Government and by private firms and is not in contravention of Section 6 of the Act.

(c) Yes.

(d) The sanction was applied for in September 1940 and reminders sent in October and December 1940 and in January 1941. No reply having been received, the Committee decided in February 1941 to authorise the payment in anticipation of Government sanction and informed Government of this decision. The orders of Government were not received till July 1942.

(e) No.

RECOVERY OF OVER-PAYMENTS MADE TO MR. GLOVER.

136. *Babu Ram Narayan Singh : Will the Secretary for Agriculture Department be pleased state :

(a) if it is a fact that payments of difference between the Civil and Army pay of Mr. Glover continued to be made by the Indian Lac Cess Committee to Mr. Glover until the Central Government's reply rejecting the proposal of the Committee was actually received by the Committee that the total amount thus paid to Mr. Glover was nearly Rs. 10,000 ;

(b) if it is a fact that before the first payment was made to Mr. Glover he was informed that he would have to refund the amounts drawn by him in anticipation of Government sanction, if this sanction was eventually refused ;

(c) whether the recovery was waived by the Central Government on the recommendation of the Committee even without an application from Mr. Glover ;

(d) whether Government will be pleased to consider the question of recovering the sums irregularly paid to Mr. Glover from him or from the President and members of the Committee and those officers of the Central Government responsible for allowing the payments to be made in anticipation of Government sanction and for waiving recovery even without an application from Mr. Glover ; and

(e) whether Government will also be pleased to consider the desirability of terminating the arrangement with the Auditors for their failure to raise any objections in audit ?

Sir Pheroze Kharegat: (a) Yes.

(b) Yes.

(c) The Committee recommended that the recovery might be waived or the amount of leave due might be reduced by nine months so that leave salary might not have to be paid for this period. The Government decided to waive recovery. It is not known if any formal request was made by Mr. Glover, but requests were made by him both orally and in Demi-official correspondence.

(d) and (e). Do not arise.

REPAYMENT OF LOAN TAKEN BY MR. GLOVER

137. *Babu Ram Narayan Singh : (a) Will the Secretary of the Department of Agriculture please state if it is a fact :

(i) that Mr. Glover who is still in the Army holds a lien on his appointment in the Indian Lac Research Institute, and that it is proposed to allow him to return and serve the Committee for the remaining period of his contract;

(ii) that sometime in 1942 he applied to the Committee for a loan of more than Rs. 2,000 on the plea that it was required to enable him to meet his various liabilities, and that he undertook in accordance with the Provident Fund Rules to repay the loan in regular monthly instalments;

(iii) that he has in the course of four years or more made only two or three payments of Rs. 100 each;

(iv) that he has paid little or no heed to the several reminders sent to him; and

(v) that it now transpires that he took the loan not to meet any liabilities, but to invest the amount in war bonds?

(b) Whether Government will be pleased to state the action if any taken against Mr. Glover?

Sir Pheroz Kharegat: (a) and (b). An enquiry has been made from the Committee whose reply has not yet been received. A reply will be given at a later date.

ENLARGEMENT OF POWERS AND JURISDICTION OF FEDERAL COURT

138. *Mr. Sasanka Sekhar Sanjal: Will the Honourable the Law Member be pleased to state:

(a) what steps are being taken for the immediate enlargement of the powers and jurisdiction of the Federal Court so as to vest the same with full and final authority of the Supreme Judiciary in the country; and

(b) whether it is proposed to have a discussion of the matter in the House in the course of the present session?

Sir George Spence: (a) and (b). No immediate action in this direction is contemplated. In view of the fact that the Constituent Assembly will be meeting soon to draft a constitution for India and must consider the question of a Supreme Court for India, it is not considered necessary to promote a discussion of this subject in the current Session.

ERASING OF NAMES OF RAILWAY STATIONS WRITTEN IN URDU SCRIPT IN THE PURNEA DISTRICT ON B.A. RAILWAY

139 *Choudhury Md. Abid Hussain: (a) Is the Honourable the Railway Member aware that the names of Railway Stations written in Urdu script on all the Stations of the Bengal Assam Railway in the District of Purnea (Bihar Province) have been recently erased to the great inconvenience of the Muslim passengers?

(b) Have the local authorities been instructed by the Central Government to do so?

(c) If not, why and with what motive are the local authorities putting the Muslim passengers in difficulty by erasing the name in the Urdu script?

(d) Do Government propose to issue instructions to the local authorities to re-write the names of the stations in the Urdu script also?

The Honourable Mr. M. Asaf Ali: (a), (b) and (c). As a security measure, during the war, the names of Railway Stations had been obliterated from Station buildings and name boards removed from station premises. Recently, while replacing the name boards at Stations in the Railway District of Katihar (Purnea District) the Urdu Script was used by mistake in addition to English and Bengali. This was a departure from the old standard practice and was rectified as soon as detected. It is understood from the *Imperial Gazetteer of India* that the population in the Purnea District is mainly Hindi speaking and to a smaller extent Bengali speaking.

(d) The Government intend to have the position reviewed by the B. A. Railway administration in consultation with the Provincial Government and the Local Advisory Committees.

UNLAWFUL STOPPING OF RAILWAY TRAINS BY NATIONAL CONGRESS VOLUNTEERS IN BIHAR.

140 *Choudhury Md. Abid Hussain : (a) Will the Honourable the Railway Member be pleased to state if Government are aware that in Bihar both on the East Indian Railway and the Oudh and Tirhut Railway National Congress Volunteers often pull chains and stop trains without any cause, putting *bona fide* passengers to great inconvenience ?

(b) Is it a fact that those volunteers travel without purchasing tickets for their train journey and that they break their journey whenever they like by stopping trains ?

(c) Have Government taken any steps to check this kind of stopping of trains ? If so, what ?

The Honourable Mr. M Asaf Ali: (a) Government are aware that in Bihar, both on the East Indian and Oudh Tirhut Railways, alarm chains are often needlessly pulled which result in inconvenience to *bona fide* passengers and railway working generally. Government have been advised that the main offenders are batches of young students.

(b) It is a fact that these offenders often travel without purchasing tickets and break journeys where they like by pulling alarm chains.

(c) Yes. Intensive checks are being carried out by squads of Travelling Ticket Examiners in collaboration with Government Railway Police. In some cases these squads are accompanied by Travelling Magistrates and prison vans. On the East Indian Railway a drive has also been made by Travelling Ticket Examiners in plain clothes with the object of detecting offenders.

UNSTARRED QUESTIONS AND ANSWERS

APPOINTMENT OF UN-TRAINED PERSONS AS COMMERCIAL AND TRANSPORTATION INSPECTORS ON N.W. RAILWAY

24. Seth Sukhdev : (a) Will the Honourable the Railway Member be pleased to state when the posts of Commercial Inspectors were created on the North Western Railway, and whether he will lay a copy of the Organisation Order on the table of the House ?

(b) Were the candidates required to go through a training course at the Walton Training School like Transportation Inspectors ?

(c) How many Commercial Inspectors who failed to pass the Walton Training School Course are still employed as Commercial Inspectors ?

(d) How many Transportation Inspectors, who failed to qualify for the training course at the Walton Training School, are employed as Transportation Inspectors ?

(e) If the reply to part (d) above be that no such unqualified or failed person is employed as a Transportation Inspector, why is different treatment given to Commercial Inspectors ?

(f) What steps do Government propose to take to remove the anomaly ?

The Honourable Mr. M. Asaf Ali: (a) The posts of Commercial Inspectors were created on the North Western Railway with effect from 2nd January, 1945. I lay on the table of the House a copy of the Organisation Order issued by the North Western Railway Administration in connection with the creation of these posts.

(b) Yes, but subsequent to their selection as Commercial Inspectors.

(c) Four.

(d) There are no such Transportation Inspectors.

(e) In view of the urgent necessity for the creation of a separate cadre of Commercial Inspectors, it was not possible to send the individuals who were selected as being fit to work as Commercial Inspectors by a Selection Board for a training course at the Walton Training School before their appointment as such. It will, however, be observed from para. 4 of the Organization Order mentioned in the reply to part (a) of this question that their confirmation will depend on their qualifying in the course.

(f) Government understand that for the future it has been prescribed that only those who have qualified in the Commercial Course at the Walton Training School and have been selected by a properly constituted Selection Board will be appointed as Commercial Inspectors.

NORTH WESTERN RAILWAY

ORGANIZATION ORDER No. 169, DATED 19TH DECEMBER, 1944

(Case No. 757-E/328)

Commercial Inspectors

It has been decided to separate the cadre of the Transportation Inspectors and Commercial Inspectors with effect from 2nd January, 1945.

2. The duty list of Commercial Inspectors is attached as Appendix 'A'. In order to avoid unnecessary overlapping the Commercial Inspectors will concentrate on the supervision of the Commercial work at large Commercial stations while Traffic Inspectors will continue to supervise and inspect Commercial work at small stations. A list of important Commercial Stations to be supervised and inspected by Commercial Inspectors is attached as Appendix 'B', but it is left to the discretion of the Divisional Superintendents to include any other stations if considered really necessary. The number of stations under each Commercial Inspector should, not, however, ordinarily exceed 12.

3. Recruitment.—The posts of Commercial Inspectors will be filled by Selection from amongst the following categories of staff:—

| | Rs. |
|---|------------|
| (i) Chief Booking Clerks, Chief Parcel Clerks and Chief Goods Clerks, Grade V. | 240—10—250 |
| (ii) Goods Supervisors | 250—10—300 |
| (iii) Senior Claims Inspectors | 200—10—270 |
| (iv) Rates Inspector | 200—10—270 |
| (v) Platform and Luggage Inspectors | 200—10—270 |
| (vi) Publicity Inspectors | 215—15—275 |
| (vii) Head Clerks Commercial Branches Grade V and above | 215—15—275 |
| (viii) Traffic Inspectors who have had extensive and continuous Commercial experience and training. | and above. |
| (ix) Road Inspectors | 200—10—270 |
| | <u>200</u> |
| (x) Reservation Supervisor grade | 200—10—270 |
| | <u>200</u> |

Provided they are properly qualified in Commercial duties.

4. Training.—Those selected as Commercial Inspectors will be required to undergo a course of training (P-15) in the Walton Training School where three courses will be held in 1945 commencing on 2nd January, 19th February and 9th April, 1945. Their confirmation will depend on their qualifying in this course and on the recommendation of the Divisional Superintendent concerned.

(Sd.)

for General Manager.

HEADQUARTERS OFFICE;

Dated 19th December, 1944.

APPENDIX 'A'.

Duty List of Commercial Inspectors.

1. To be responsible for Commercial working of the stations on his section, with particular reference to :—
 - (a) the correct preparation and despatch of returns and to see that correspondence is up-to-date and the M. G. Ra. are prepared as required;
 - (b) the correct upkeep of all Commercial books of references;
 - (c) the check on wagon loads to verify that good loads are obtained and report on the movement of non-essential and unnecessary long haul traffic;
 - (d) the scrutiny of priority registers and check of priority certificates, priority orders and class and group loading schemes;
 - (e) the check on marking labelling, rivetting and sealing of wagons and proper labelling and marking of parcels, luggage and goods. Education of the public in the labelling and marking of their own consignments with private marks; see that para. 490 and 494 of Commercial Manual are acted upto;
 - (f) the check on notices as to the time of opening of goods and parcel offices; also to see to the proper exhibition of time tables, fare lists, etc.;
 - (g) check up on the packing of consignments with the public and to bring to notice any cases of habitual bad packing of specific commodities by consignors;
 - (h) the correct declaration, weighment, and routing of consignments and correct loading of vans at transshipment sheds; and
 - (i) the correct execution of the forwarding and risk notes and see that no consignment is accepted for booking at railway risk unless it is properly and securely packed. In all these cases where specific packing conditions are attached consignments are not accepted for carriage by rail at railway risk unless these conditions are complied with.
2. To carry out the yearly Commercial inspections of his section at stations nominated.
3. To personally supervise Commercial work at stations nominated. To see that the Commercial staff employed on stations are fully conversant with all the rules and regulations and other local orders issued from time to time.
4. To conduct enquiries into complaints, irregularities and other matters referred to him by the Divisional Office.
5. To inspect Refreshment Rooms, Waiting Rooms, and vending and ice and aerated water arrangements at stations and in trains and report on any irregularities. Also to see to the cleanliness of these Rooms, stations platforms and surroundings.
6. To carry out frequent inspections and tests of weighing machines and fire appliances at stations on his section.
7. To supervise the arrangements for the supply of drinking water to passengers.
8. To scrutinise the register of restrictions and check up as to whether the restrictions notified are being properly observed. To see that all restrictions are properly entered on the notice board provided for this purpose and up-to-date list of commodities not accepted for booking as parcels is hung up at a conspicuous place, outside Parcel Offices.
9. To supervise Commercial arrangements at large fairs and melas.
10. To check up the preparation of duty lists of inferior Commercial staff and to deal with correspondence in connection with their transfer.
11. To take prompt action with regard to accidents requiring his presence and to see that action is taken *vide* rule S.R. 164/49 and 51 of the General and Subsidiary Rules.
12. To examine all stations records in connection with demand and supply of stock as well as to check up on the quick release of loaded inward wagons. Check cabinets were kept.
13. To deal with cases of excessive delays to stock, short supply of stock entailing heavy delays to consignments in booking, also any congestion due to delays in unloading wagons or from any other cause, and to take immediate action and put matters right.
14. To check up the booking and movement of "smalls".
To reduce the running of C. R. and T. R. vans to a minimum and to see that vans are given the fullest loads possible and that no light running takes place.
15. To arrange intensive checks on ticketless travel and to see that break of journey tickets are properly endorsed and that ordinary tickets are properly date-stamped and nipped both at the starting and destination stations.
16. To deal with important claims cases and to effect open deliveries as ordered by the Divisional Office.
17. To keep a check on 'B' class outstandings at stations and to take steps to clear them as expeditiously as possible bringing to notice any serious delays in their clearance.

18. To check on packages lying undelivered both in parcel and goods godowns and attempt to connect up those found in excess with stations requiring such packages. To see that orders regarding despatch to Lost Property Office of excess consignments whether booked or unbooked, are carried out. To see that stations regularly report to Headquarters Office all cases of excess packages lying unconnected.

19. To check up the sufficiency of labour and to see that loading and transhipment of goods, parcels and luggage is done properly to prevent damage to consignments *en-route* and that luggage and Cinema films parcels are always despatched in brake vans on trains without any delay whatsoever. To see that the D. D. Advice Register is properly maintained and intimation regarding loss, damage or deficiency of package or consignment and consignments and packages received in excess is duly given to the stations concerned.

20. To suggest ways and means to prevent claims occurring.

21. To inspect Out Agencies and City Booking Agencies and report any irregular booking.

22. To check leases of plots of railway land demised to outsiders and see that all terms and conditions are duly fulfilled by the Lessees.

APPENDIX " B "

List of important Commercial stations to be supervised and inspected by Commercial Inspectors

| | | | | |
|----------------------------|---|---------------------------------------|---|---|
| Rawalpindi (one C.M.I.) | Lala Musa Sargodha Malakwal | Jhelum Rawalpindi Mari Indus | Kohat Cant. Peshawar Cant. Peshawar City | Haranpur Mily. siding. Hastedpur Mily. siding Khewra |
| Lahore (Two C.M.Is.) | Lahore Lahore Cant. Moghalpura Harbanspura Gujranwala | Amritsar Sialkot Okara | Jullundur City Jullundur Cant. Ludhiana | Wazirabad Jammu (Tawi) Gujrat Pattoki |
| Delhi (Two C.M.Is.) | Delhi New Delhi Saharanpur | Khanalampura Ambala Cant. Kalka | Simla Bhatinda Meerut City | Ghaziabad Ambala City Muzaffarnagar Meerut Cant. |
| Ferozepore (One C.M.I.) | Ferozepore Cant. Ferozepore City Moga Tahsil | Kot Kapura Abohar Kasur | Bhagtanwala Mandi Burewali | Kasu Begu Arfwala Vihari |
| Multan (One C.M.I.) | Multan City Multan Cant. Samasata | Khanewal Mian Channun Lyallpur | Gojra Toba Tek Singh Muzaffargarh | Jaranwala Sangla Hill Tandianwala |
| Karachi (Two C.M.Is.) | Post Area Kotri Hyderabad (Sind) | Tando Adam Nawabshah | Sukkur Sukkur Bunder Sadikabad Drigh Road Malir Cant. | Larkana Jacobabad Shikarpur |
| Quetta (One C.M.I.) | Quetta Bostan Sibi | Chasman Dalbandin Nok Kundi | Zahidan | |

Note.—Other important Commercial stations may, at the discretion of Divisional Superintendents, be added to this list provided each Inspector has not ordinarily more than 12 stations under his control.

LIGHTING ARRANGEMENT ON PASSANGER COACHES ON B.A. RAILWAY, METER GAUGE SECTION.

25. Mr. K. C. Neogy : (a) Will the Honourable the Railway Member be pleased to refer to unstarred question No. 28 of the 8th February, 1946, on the subject of unlit passenger coaches on the Bengal Assam Railway, Meter Gauge Section, and

lay on the table of the House a statement showing the total number of passenger train services, excluding day trains, that were run month by month, since October, 1945, in the districts of Dacca and Mymensingh and which were not equipped with lighting arrangements in passenger coaches, and indicate the progress that has been made in the provision of lighting arrangements ?

(b) Are Government aware that due to the running of passenger trains at night without lighting arrangements in the coaches, thefts, looting, assaults on passenger and even abduction of women from trains were facilitated in certain parts of the above section of the Railway ?

The Honourable Mr. M. Asaf Ali: (a) I regret that it will not be possible to compile the statement asked for by the Honourable Member, since the necessary information regarding deficiencies in lighting arrangements in individual coaches from October, 1945, on the section of the Bengal Assam Railway referred to, is not available.

As regards the progress that has been made in the provision of lighting arrangements, the Bengal Assam Railway Administration are receiving supplies of electric bulbs to the extent of 2,000 per month. During 1945, they arranged for at least one bulb to be fitted in each compartment on the Dacca-Chittagong Division. Unfortunately, however, thefts of electric bulbs and fittings increased to such an extent that at present only 50 per cent. of the carriages are provided with lights. The administration expect, however, that provided the rate of theft does not increase, they will be in a position again to provide at least one bulb in each compartment within the next two or three months.

During the period from January, 1945, to December, 1945, 30,000 electric bulbs were stolen on the B. A. Railway and heavy thefts and damage to electric fittings still continue. In an effort to stop thefts, the railway administration have for some time been fitting strong wire cages around the electric bulbs in carriages, but it will necessarily take some time for this work to be completed.

(b) Government are of course aware that inadequate lighting in trains is a factor which facilitates crime at night, but the Honourable Member will, I think, concede that it is by no means the only factor which has facilitated the commission of the outrages which have unfortunately been perpetrated in certain parts of the section of the B. A. Railway referred to.

LICENCES AND FACILITIES FOR ESTABLISHMENT OF NEW COTTON MILLS IN INDIA.

26. Mr. K. C. Neogy : (a) Will the Honourable Member for Industries and Supplies be pleased to lay on the table of the House a statement showing the number of licences for the establishment of new cotton mills, or addition to the production capacity of the existing mills that have been granted in different provinces, and Indian States, respectively ?

(b) What are the prospects of necessary machinery and other equipment being available in the near future in connection with the above projects, and what facilities are Government providing for expediting the fruition of the above schemes ?

(c) What is the number of applications for licence for the establishment of new cotton textile mills that are now pending consideration in respect of each province, and what is the number of looms and spindles, respectively, that are involved in such applications ?

(d) When is Government decision expected to be taken on these applications for licence in each province and Indian State ?

(e) What facilities exist at present in India for the manufacture of cotton textile machinery, and what is the maximum capacity of the existing manufacturing concerns in this matter ? Is there any proposal for further expanding the capacity for the manufacture of cotton textile machinery in the country ; and what assistance, if any, are Government prepared to render in that behalf ?

The Honourable Dr. John Matthai: (a) The information desired by the Honourable Member is as follows:

| Province or State | New Mills | | Expansion of existing mills | |
|-----------------------------|--------------------|--------------------|-----------------------------|---------------------|
| | Number of licences | Number of spindles | Number of licences | Number of spindles. |
| Sind | 3 | 75,000 | Nil | Nil |
| Assam | 2 | 1,00,000 | Nil | Nil |
| Orissa | 4 | 1,19,000 | Nil | Nil |
| Bengal | 15 | 2,10,372 | 17 | 1,14,628 |
| Punjab | 11 | 2,29,000 | 5 | 35,492 |
| United Provinces | 3 | 75,000 | Nil | Nil |
| Bihar | 7 | 1,75,000 | Nil | Nil |
| Central Provinces | 6 | 1,26,000 | 3 | 20,760 |
| Madras | 23 | 2,67,200 | 9 | 67,300 |
| Bombay | Nil | Nil | 35 | 1,98,296 |
| Delhi | Nil | Nil | 1 | 12,000 |
| Indian States | 30 | 4,59,000 | 12 | 91,512 |

(b) I have nothing to add to the reply given by my predecessor to parts (b) and (c) of Question No. 677, asked by Sardar Mangal Singh on the 5th March 1946.

(c) The information is as follows:

| Province or State | Number of applications pending | Number of spindles | Number of looms |
|----------------------------|--------------------------------|--------------------|-----------------|
| Punjab | 58 | 15,29,800 | 34,000 |
| United Provinces | 35 | 7,11,500 | 13,000 |
| Bihar | 12 | 2,00,000 | 7,000 |

(d) On receipt of Provincial Governments' recommendations.

(e) Only powerlooms and spare parts of spinning and weaving machines are being manufactured by some firms in India. No reliable information is available regarding their capacity. Two firms have produced Ring frames on a small scale, but quality and performance are not known. To investigate the possibilities of setting up manufacture of textile machinery in India a Mission consisting of Mr. Krishnaraj, M. D. Thackersey, Mr. D. M. Khatau, Sir Frederick Stones and Mr. T. P. Barat and sponsored by Government has left for U. K., U. S. A. and Switzerland.

PRODUCTION AND SUPPLY OF COTTON TEXTILES AND COTTON YARN IN INDIA.

27. Mr. K. C. Neogy : (a) Will the Honourable Member for Industries and Supplies be pleased to lay on the table of the House a statement regarding the present position of the production and supply of cotton textiles and cotton yarn in the country, indicating in respect of the previous year, as also the current year,—

(i) the total estimated supply and its distribution by Provinces ;

(ii) the quantities of authorised export from India to different countries, respectively ;

(iii) the levels of controlled prices ; and

(iv) the prevalence of blackmarket practices if any, province by province ?

(b) Will the Honourable Member please state how the production programme of the cotton textile industry in each province suffered during the previous year, as well as the current year, respectively, on account of (i) strikes, (ii) short supplies of coal or other fuel, and (iii) any other cause ?

The Honourable Dr. John Matthai: (a) (i), (ii) and (iii). The information desired is contained in the following statements.

STATEMENT I

Production and distribution of cloth during 1945

| Zone | Per capita allowance in 1945 | Total requirements of zone based on per capita allowance and population in 1945 | Total production of mill made and handloom cloth in the zone in 1945 | Actual Supplies made during 1945 |
|------------------------------|------------------------------|---|--|----------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| Bombay surplus | 18 | 159,416 | 1,658,947 | 134,883 |
| Western India States surplus | 12 | 30,876 | 50,743 | 6,282 |
| Central India surplus | | .. | | |
| Rajputana deficit | 12 | 181,164 | 102,092 | 80,023 |
| Sind | 12 | 43,566 | 3,024 | 37,445 |
| Baluchistan | 24 | 13,728 | .. | 13,686 |
| Punjab | 18 | 507,057 | 146,978 | 356,265 |
| N. W. F. P. | 18 | 32,496 | 1,200 | 39,208 |
| United Provinces | 10 | 406,527 | 210,467 | 198,084 |
| Bihar | 10 | 254,382 | 28,248 | 327,849 |
| Bengal | 10 | 430,830 | 225,425 | 306,091 |
| Assam | 10 | 74,697 | 17,530 | 57,701 |
| Orissa | 10 | 111,426 | 31,878 | 78,608 |
| Central Provinces | 12 | 163,404 | 108,599 | 57,099 |
| South | 10 | 508,278 | 393,396 | 123,156 |
| Hyderabad | 10 | 59,907 | 35,144 | 21,137 |

Production and distribution of cloth during 1946

| Zone | Per capita allowance in 1946 | Total requirements of zone based on per capita allowance and population in 1946 for 11 months ending November, 1946 | Total production of mill made and handloom cloth in the zone in 1946 | Actual supplies made during 1946 |
|--|------------------------------|---|--|----------------------------------|
| 1 | 2 | 3 | 4 | 5 |
| Bombay surplus | 18 | 325,061 | 1,640,184 | 205,086 |
| Western India States surplus | 12 | 28,830 | 48,878 | 27,203 |
| Central India surplus | 12 | 77,798 | 135,457 | 71,810 |
| Rajputana deficit | 12 | 112,559 | 51,349 | 65,605 |
| Sind | 18 | 54,272 | 3,028 | 50,336 |
| Baluchistan | 24 | 12,925 | 82 | 12,524 |
| Punjab | 18 | 440,008 | 165,236 | 305,136 |
| N. W. F. P. | 18 | 60,720 | 2,408 | 57,946 |
| United Provinces | 13½ | 473,742 | 281,117 | 217,167 |
| Bihar | 12 | 271,599 | 44,399 | 212,820 |
| Bengal | 12 | 459,341 | 217,159 | 213,698 |
| Assam | 11 | 74,880 | 16,479 | 54,117 |
| Orissa | 11 | 111,718 | 39,516 | 64,011 |
| Central Provinces | 12 | 138,998 | 112,171 | 26,393 |
| South | 12 | 484,531 | 399,499 | 134,554 |
| Hyderabad | 12 | 122,096 | 76,001 | 45,021 |

NOTE I.—The Bombay, Western India States and Central India States zones are surplus zones. Production in these zones which is in excess of consumption allotments is distributed to deficit zones. The quantities so distributed from surplus zones to deficit zones are shown in column 5 of the above two statements.

NOTE II.—The figure entered in column 3 against the Bombay surplus zone shows the requirements of that zone for the 7 months June—December 1945.

NOTE III.—The *per capita* quotas were revised in October, 1945. The figures in column 3 of the above statement I, take into account the revised *per capita* quotas.

NOTE IV.—The Central India surplus zone was formed in February 1946; previously it had been part of the Rajputana and Central Provinces deficit zones. Hence the *nil* figure in statement I above.

NOTE V.—The above figures are in bales of 1,500 yards each.

STATEMENT III

Production and distribution of yarn during 1945 and 1946

(Figures in bales of 400 lbs.)

| Region (1) | Yarn deliveries during year September 1944— August 1945 (bales) (2) | Yarn deliveries during year September 1945— August 1946 (bales) (3) |
|---|--|--|
| Assam | 6,013 | 15,252 |
| Baroda | 13,856 | 10,378 |
| Bengal | 92,665 | 105,512 |
| Bihar | 24,517 | 57,705 |
| Bombay | 170,931 | 136,361 |
| Cambay | 290 | 649 |
| Ajmer Rajputana & Central India | 24,181 | 21,246 |
| C. P. & Berar | 55,769 | 58,153 |
| Cochin | 1,634 | 2,994 |
| Delhi | 10,009 | 13,720 |
| Gwalior | 10,721 | 7,531 |
| Hyderabad | 26,072 | 47,472 |
| Kolhapur and Deccan State | 4,996 | 7,103 |
| Madras | 286,210 | 244,637 |
| Mysore | 22,986 | 27,167 |
| Punjab | 28,266 | 52,427 |
| Sind | 3,326 | 4,728 |
| Travancore | 8,883 | 16,166 |
| United Provinces | 119,150 | 136,958 |
| Jammu and Kashmir | 1,594 | 3,718 |
| Orissa | 15,534 | 46,664 |
| N. W. F. P. | 1,359 | 4,968 |
| Baluchistan | 53 | 195 |
| Kathiwar | not collected | 3,085 |
| Pondicherry | not collected | 1,375 |
| Total | 929,015 | 1,026,164 |

LEGISLATIVE ASSEMBLY
STATEMENT IV
Exports in 1945

[31st Oct. 1945]

(Figures in ton)

| Countries | Cloth | Yarn |
|--|-------|-------|
| A Aden, including Yemen, Hadramaut | 2,512 | 135.6 |
| N. Somalia | 142 | .. |
| AA Saudi Arabia | 1,159 | — |
| AB Ethiopia | 1,615 | 1620 |
| AC Eritrea | 396 | 150 |
| AD French Somaliland | 36 | — |
| B Afghanistan | 3,200 | 160 |
| C Arab States in the Persian Gulf | 1,200 | 18 |
| D Australia | 3,600 | 705 |
| E Belgian Congo | 200 | — |
| F British East Africa. Nyasaland and Italian Somal land. | 7,000 | .. |
| G British West Africa including Nigeria . . | 3,600 | 120 |
| HA China | 200 | .. |
| I Ceylon | 3,900 | 224.6 |
| Maldive Island | 50 | 2.5 |
| J Cyprus | 64 | 129 |
| L Egypt | 294 | .. |
| N. E. Indies | 48 | .. |
| M French Equatorial Africa including Cameroons and Gabon. | 160 | .. |
| Fr. West and North Africa | 600 | .. |
| N Iraq | 3,196 | 421 |
| O Mauritius | 800 | .. |
| P New Zealand | 520 | .. |
| Q N. & S. Rhodesia | 480 | .. |
| R Palestine | 125 | 535.7 |
| RA Transjordan | 203 | 8 |
| S Persia | 2,809 | .. |
| T Portugese East Africa | 80 | .. |
| U Seychelles | 60 | .. |
| Carried over | | |

| Countries | Cloth | Yarn |
|---|--------|---------|
| Brought forward | | |
| V Sudan | 6,487 | 186.6 |
| W Syria and Lebanon | 482 | 214 |
| X Turkey | 550 | 650 |
| Y Union of South Africa | 1,560 | |
| Z Nepal | 2,320 | |
| Tibet | 600 | |
| ZA British Pacific Islands | 160 | |
| ZB French Pacific Islands | 88 | |
| ZC Madagascar | 1,200 | |
| ZD Reunion | | |
| Far Eastern countries (Stockpile) | 3,544 | |
| | 54,720 | 5,280.0 |

(1 Ton=10,000 yards).

Exports in 1946

(Figures in tons)

| Countries | Cloth | Yarn |
|--|-------|------|
| A Aden, including Yemen, Hadramaut | 1,336 | |
| N Somalia | 67 | |
| AA Saudi Arabia | 568 | .. |
| AB Ethiopia | 1,328 | |
| AC Eritrea | 215 | |
| AD French Somaliland | 12 | .. |
| B Afghanistan | 3,620 | 130 |
| C Arab States in the Persian Gulf | 975 | 28 |
| D Australia | 3,000 | |
| E Belgian Congo | 75 | |
| F British East Africa Nyasaland and Italian Somaliland | 4,970 | |
| Carried over | | |

| Countries | Cloth | Yarn |
|---|---------------|------------|
| Brought forward | | |
| G British West Africa including Nigeria | 1,960 | |
| HA China | 80 | .. |
| I Ceylon | 2,755 | |
| J Cyprus | 105 | |
| L Egypt | .. | |
| N. E. Indies | 155 | |
| M French Equatorial Africa including Cameroons and Gabon. | .. | |
| N Iraq | 1,830 | |
| O Mauritius | 635 | |
| P New Zealand | 290 | |
| Q N. & S. Rhodesia | 290 | |
| R Palestine | 220 | |
| RA Transjordan | 69 | |
| S Persia | 1,107 | |
| T Portuguese East Africa | 45 | |
| U Seychelles | 85 | |
| V Sudan | 2,824 | |
| W Syria and Lebanon | 224 | |
| X Turkey | 115 | .. |
| Y Union of South Africa | 650 | .. |
| Z Nepal | 2,150 | 390 |
| Tibet | 770 | .. |
| ZA British Pacific Islands | 95 | .. |
| ZB French Pacific Islands | .. | .. |
| ZC Madagascar | .. | |
| ZD Reunion | .. | .. |
| Burma | 4,700 | .. |
| Other liberated territories in Far East | } 1,570 | |
| (Mal : St. Settlement, Br : Borneo., Hongkong.) | | |
| All Fr. Colonies | 1,500 | .. |
| Total | 40,385 | 478 |

(1 ton = 10,000 yards.)

STATEMENT V

(Showing representative range of controlled prices for cloth : as fixed in 1945.)

| Cloth | Width | Length | Warp | Weft | Reed. | Pick | December 1945 Ex. mill |
|-----------------------------------|-------|--------|------|------|-------|------|------------------------|
| | Ins. | Yds. | | | | | Rs. a. p. |
| 1 Bleached Mulmul | 43 | 20 | 40s | 50s | 52 | 44 | 17 3 0 |
| 2 Grey Longcloth | 43 | 38 | 30s | 40s | 64 | 64 | 22 11 0 |
| 3 Grey Leopard Cloth | 43 | 38 | 20s | 22s | 48 | 48 | 16 5 0 |
| 4 Grey Dhoty | 44 | 10 | 70s | 90s | 64 | 56 | 5 8 6 |
| 5 Bleached Longcloth | 33 | 40 | 20s | 30s | 56 | 48 | 16 14 0 |
| 6 Coloured Poplin | 29 | 20 | 40s | 40s | 80 | 48 | 8 6 0 |
| 7 Bleached Nakshi Cloth | 46 | 8 | 70s | 90s | 64 | 52 | 4 13 9 |
| 8 Coloured Saree | 42 | 5 | 20s | 30s | 40 | 32 | 2 1 6 |
| 9 Bleached Mulmul | 43 | 20 | 32s | 36s | 64 | 44 | 9 12 0 |
| 10 Grey Drill | 27 | 40 | 12s | 10s | 75 | 42 | 21 11 0 |
| 11 Grey Longcloth Markin | 43 | 38 | 22s | 22s | 48 | 44 | 16 7 0 |
| 12 Sateen | 44/45 | 22½ | 14s | 14s | 40 | 36 | 8 13 0 |

NOTE.—The above prices have remained unchanged during 1946.

STATEMENT VI

(Showing yarn price levels from February 1945 upto date.)

(Per bundle of 10 lbs.)

| Counts | Cotton | From 1/2/45 to 31/7/45 Schedule 'L' | From 1/8/45 to 30/10/45 Schedule 'M' | From 1/11/45 to 4/4/46 Schedule 'O' | From 5/4/46 Schedule 'P' |
|--------|--------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|--------------------------|
| | | Rs. a. p. | Rs. a. p. | Rs. a. p. | Rs. a. p. |
| 1½ | West | 3 7 0 | 3 7 0 | 3 7 0 | 4 8 0 |
| 2 | Do. | 3 13 0 | 3 13 0 | 3 13 0 | 4 14 0 |
| 1½ | Do. | 3 9 0 | 3 9 0 | 3 9 0 | 4 10 0 |
| 4 | Colour mixing Indian | 6 4 0 | 6 4 0 | 5 8 0 | 6 8 0 |
| 6 | Do. | 6 8 0 | 6 8 0 | 5 12 0 | 6 12 0 |
| 8 | Do. | 6 12 0 | 6 12 0 | 6 0 0 | 7 0 0 |
| 10 | Do. | 8 0 0 | 8 0 0 | 7 4 0 | 8 4 0 |
| 12 | Do. | 8 4 0 | 8 4 0 | 7 8 0 | 8 8 0 |

| Counts | Cotton | From 1/2/45 to 31/7/45 Schedule 'L' | From 1/8/45 to 30/10/45 Schedule 'M' | From 1/11/45 to 4/4/46 Schedule 'O' | From 5/4/46 Schedule 'P' |
|--------|------------------------------|--|---|--|-----------------------------------|
| | | Rs. a. p. | Rs. a. p. | Rs. a. p. | Rs. a. p. |
| 14 | Colour mixing Indian. | 8 8 0 | 8 8 0 | 7 12 0 | 8 12 0 |
| 16 | Do. | 10 2 0 | 10 2 0 | 9 10 0 | 10 10 0 |
| 18 | Do. | 10 6 0 | 10 6 0 | 9 14 0 | 10 14 0 |
| 20 | Do. | 10 10 0 | 10 10 0 | 10 2 0 | 11 2 0 |
| 22 | Do. | 11 0 0 | 11 0 0 | 10 8 0 | 11 8 0 |
| 24 | Do. | 11 6 0 | 11 6 0 | 10 14 0 | 11 14 0 |
| 26 | Do. | 13 1 0 | 13 1 0 | 12 9 0 | 13 5 0 |
| 28 | Do. | 13 9 0 | 13 9 0 | 13 1 0 | 13 13 0 |
| 30 | Do. | 13 13 0 | 13 13 0 | 13 5 0 | 14 1 0 |
| 32 | Do. | 14 1 0 | 14 1 0 | 13 9 0 | 14 5 0 |
| 40 | Do. | 16 5 0 | 16 5 0 | 15 13 0 | 16 5 0 |
| 42 | Do. | 16 11 0 | 16 11 0 | 16 3 0 | 16 11 0 |
| 44 | Do. | 17 1 0 | 17 1 0 | 16 9 0 | 17 1 0 |
| 40 | Foreign African | 22 15 6 | 22 15 6 | 22 7 6 | 22 3 6 |
| 42 | Do. | 23 5 6 | 23 5 6 | 22 13 6 | 22 9 6 |
| 44 | Foreign Egyptian | 23 11 6 | 23 11 6 | 23 3 6 | 22 15 6 |
| 60 | Foreign card Egyptian | 34 0 0 | 34 0 0 | 33 8 0 | 32 8 0 |
| 60 | Do. Do | 37 0 0 | 37 0 0 | 36 8 0 | 35 8 0 |
| 70 | Do. carded | 40 0 0 | 40 0 0 | 39 8 0 | 38 8 0 |
| 70 | Do. combed | 43 0 0 | 43 0 0 | 42 8 0 | 41 8 0 |
| 80 | Do. carded | 46 0 0 | 46 0 0 | 45 8 0 | 44 8 0 |
| 80 | Do. combed | 49 0 0 | 49 0 0 | 48 8 0 | 47 8 0 |
| 90 | Do. Do. | 52 6 0 | 52 6 0 | 51 14 0 | 50 14 0 |
| 100 | Do. Do. | 61 0 0 | 61 0 0 | 60 8 0 | 59 8 0 |
| 110 | Do. Do. | 68 3 0 | 68 3 0 | 67 11 0 | 66 11 0 |
| 120 | Foreign Egyptian card combed | 80 6 0 | 80 6 0 | 79 14 0 | 78 14 0 |
| 130 | Do. Do. | 90 7 0 | 90 7 0 | 89 15 0 | 88 15 0 |
| 140 | Do. Do. | 102 0 0 | 102 0 0 | 101 8 0 | 100 8 0 |
| 150 | Do. Do. | 112 0 0 | 112 0 0 | 111 8 0 | 110 8 0 |

(a) (fv).—The following types of black-market practices in various Provinces have come to the notice of the Government of India.

(1) In some Provinces mills have produced cloth of qualities inferior to those for which ceiling prices have been fixed.

(2) Cloth has in the past 2 years been smuggled out of Orissa.

(3) Considerable quantities of cloth are taken out of the Bombay Presidency by railway passengers in excess of the quantity allowed under the law.

(4) In the presidencies of Bombay and Madras large quantities of cloth are used for making garments which are sold at black-market rates.

(5) In many places throughout India cloth is sold by retailers at prices higher than the ceiling prices fixed.

(6) There is no control on handprinted materials, and accordingly hand-printers often obtain fine cloth such as mulls and voils, hand-print them and sell them at exorbitant prices.

(b) Figures of loss of production owing to strikes are not available. The following table shows the estimated loss of production of cloth in millions of yards for lack of coal during 1945 and 1946. For 1946 the figures are for the 9 months ending September 1946.

STATEMENT VII

Estimated loss of production of cloth in millions of yards for want of coal during 1945 and for 9 months of the current year

| Place (1) | Loss during the year 1945 (2) | Loss during 9 months of the year 1946 (3) |
|--------------------------|-------------------------------------|--|
| Ahmedabad City | 74.35 | 0.22 |
| Ahmedabad others | 2.73 | 1.01 |
| Baroda | 5.79 | 0.65 |
| Bengal | 8.33 | 1.08 |
| Bombay City | .. | .. |
| Bombay others | 15.28 | 3.62 |
| C. I. and Rajputana | 17.14 | 3.45 |
| Delhi and Punjab | 0.64 | 1.17 |
| South India | 0.79 | 0.03 |
| U. P. | 3.25 | 2.34 |
| Total loss of production | 128.30 | 13.57 |

INTRODUCTION OF ANTI-DOWRY LEGISLATION.

28. **Mr. Sasanka Sekhar Sanyal** : Will the Honourable the Law Member be pleased to state :

(a) whether Government are aware of the evils of dowry in marriages of all classes and communities in India and of the large volume of demand for anti-dowry legislation ; and

(b) whether Government propose to introduce any legislation in the matter ?

Sir George Spence : (a) Government are aware that this question constitutes a social problem of some magnitude. They are not in a position to estimate the extent of the demand for legislative action.

(b) Government are of opinion that any legislation in this direction would more appropriately be promoted in Provincial Legislatures and they note that relevant legislation was enacted in Sind in 1939 and that relevant Bills were introduced in the United Provinces and Bihar in 1939 and in Bengal in 1944.

STATEMENT *RE* AVIATION SHARE OF THE PETROL TAX FUND—LAID ON THE TABLE

Sir Harold Shoobert (Secretary, Communications Department): Sir, I beg to lay on the table a statement showing the objects on which the aviation share of the Petrol Tax Fund was expended during 1945-46.

Statement showing the objects on which expenditure was incurred during the year 1945-46 from the Aviation Share of Petrol Tax Fund

| Objects | Expenditure Rs. |
|--|--------------------|
| Clubs— | |
| Grants-in-aid to Flying Clubs in India | 57,250 |
| financial assistance to the Indian Gliding Association | 3,000 |
| Training— | |
| Operations and maintenance of wind Tunnel, etc. at the Indian Institute of Science, Bangalore, for carrying out certain tests on aircraft. | 13,738 |
| Training of Pilots in Transport flying | 16,984 |
| Miscellaneous— | |
| Emergency equipment for removing disabled aircraft of heavy type-barryforward of expenditure from last year. | 3,910 |
| Total | 94,882 |

NOTIFICATION *RE* AMENDMENTS TO INDIAN AIRCRAFT RULES—LAID ON THE TABLE

Sir Harold Shoobert (Secretary, Communications Department): Sir, I beg to lay on the table a copy each of the following Notifications making certain further amendments to the Indian Aircraft Rules, 1937, under sub-section (3) of Section 5 of the Indian Aircraft Act, 1934:

(i) Posts and Air Department Notification No. 10-M(A)/7-46, dated the 16th April 1946.

(ii) Posts and Air Department Notification No. 11-M(A)/1-46-III, dated the 17th August 1946.

(iii) Communications Department Notification No. 10-M(A)/26-46-I, dated the 18th September 1946.

(iv) Communications Department Notification No. 10-M(A)/26-46-IV, dated the 18th September 1946.

(v) Communications Department Notification No. 10-M(A)/27-46, dated the 23rd September 1946.

(vi) Communications Department Notification No. 10-M(A)/17-46, dated the 26th September 1946.

MOTOR VEHICLES (THIRD PARTY INSURANCE) RULES; AND NOTIFICATION *RE* AMENDMENTS TO COORG MOTOR VEHICLES RULES 1940—LAID ON THE TABLE

The Honourable Mr. M. Asaf Ali (Member for Railways and Transport): Sir, I beg to lay on the table under sub-section (3) of Section 138 of the Motor Vehicles Act, 1939:

(i) a copy of the Motor Vehicles (Third Party Insurance) Rules, 1946, published in the War Transport Department Notification No. 37-TP(8)/46, dated the 24th April 1946; and

(ii) a copy of the Notification by the Chief Commissioner of Coorg, No. 254/R. F. 95-45, dated the 7th August, 1946, relating to certain amendments of the Coorg Motor Vehicles Rules 1940.

*Printed as Appendix I to these Debates.

†Printed as Appendix II to these Debates.

INDIAN TRADE UNIONS (AMENDMENT) BILL

Mr. President: The House will now proceed to consider the legislative business, namely, the motion of the Honourable the Labour Member to refer the Bill further to amend the Indian Trade Unions Act, 1926, to the Select Committee as well as the amendment moved to it.

Sjt. N. V. Gadgil (Bombay Central Division: Non-Muhammadan Rural): Mr. President, when the House rose yesterday, I was referring to the fact that the employers had done nothing in order to encourage sound trade unionism in this country. The argument advanced by them was that it was for labour to build their organisation. It was stated that the employers were always willing to grant recognition and there was no necessity for making provision for the same under the statute of the land. Now, in the course of the last 16 years since the report of the Royal Commission on Labour in India was published, it will be found that no effort worth the name has ever been made by the employers towards the development of sound trade unionism. They are repeating today the same plea which they repeated before the Royal Commission on Labour. It was argued by my Honourable friend Mr. Griffiths that they always welcomed healthy growth of trade unionism, but he declined to define in clear terms what was really healthy trade unionism. We are familiar with the definition of loyalty. Every citizen who salams the officer and does not question his authority is a loyal citizen. Similarly, every worker who accepts whatever the employer offers is a good trade unionist. If he is prepared to accept everything in the spirit of reward and not in his right for due remuneration he is a good trade unionist. But if he tries to measure his dignity with the employer the answer is that it is not healthy trade unionism. This plea that the employers have always been willing to encourage trade unionism on healthy lines is one which I cannot accept in the face of facts, a reference to which I made yesterday. At the same time, I agree that recognition should have been the result of good organisation on the part of labour in this country. Labour has not been so organised. That is the unfortunate part of it.

Mr. President, if I were to read some figures relating to the number of trade unions registered, their membership and how many of them were cancelled and how many of them failed to give due returns under the provisions of the Trade Union Act, it will be found that even labour in this connection has not come up to the standard. In 1927-28 the number of registered unions was only 29 and the number of trade unions who returned their accounts under the provisions of the Trade Union Act was 28. Now, I take the year 1930-31. The number of registered unions was 119, the number of trade unions which made returns was 101 and the total membership was 2,19,000. Now, in the year 1935-36 the number of registered unions rose to 241, the number of registered unions which made returns rose to 205 and the membership practically remained the same, namely, 2,68,000. Then, I take the pre-war year 1938-39. In this year the number of registered unions rose to 562, whereas the number of trade unions which made the returns was 394 and the membership being roughly 4 lakhs. I take the last year for which figures are available, namely, 1942-43. In this year the number of registered unions was 693, whereas the number of trade unions that submitted returns comes to 489 and the membership came to 6,85,299.

Now, it is obvious that if the trade unions failed to submit returns it only means that there is some deficiency in the organisation. I will not refer to the funds of the various trade unions, nor to their management or mis-management, but from the facts that I have quoted now one thing is clear that the labour is not strongly organised and is not able to secure recognition without the help of State intervention. Now, the point is this. If the employers have done nothing to encourage healthy trade unionism and at the same time the labour is not organised and at the same time the strikes are on the increase, which is evident from facts I gave yesterday it becomes the duty of the State to intervene and bring about a state of affairs in which it will be possible to avoid dislocation in industry and to secure peace. It is no longer tenable now to say that the State

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should only see that the two contestants observe the rules of the game and the State will only watch from outside the ring. That is no longer tenable for the simple reason that the nature of the State has undergone a great change. The modern State is not merely a police State but it has become in many countries and gradually it will be here also a sort of social service corporation. If that is so and if that is the future of State in India, it is up to us that we must move in the right direction and also have a right sort of legislation so that we may not have to go through the same process of bitter experience through which other countries have gone. Now, Mr. President, so far as the criticism that was levelled against this Bill is concerned, I answered a few points yesterday raised by some of the Honourable Members of the Muslim League Party as well as the Leader of the European Group. In connection with the definition of representative union, Mr. Griffiths said that it would be much better that if the Bill provided a definition in which the whole thing would be left to the provinces. 'Recognised union' should be that union which has been recognised by the Provincial Government, that is what he urged. If I understood him rightly, then it only means that this legislation is absolutely useless. The object of any legislation on the part of the Central Government is, as I said yesterday, to have a normative law, a model law which will be a guide to those of the provinces and the States which constitute the Central Government. Even apart from that Mr. Griffiths knows very well that there are activities in which the Central Government is directly interested, there are areas in which the Central Government directly governs. Even for these things there must be some law.

Mr. P. J. Griffiths (Assam: European): On a point of personal explanation. My Honourable friend has misunderstood me. My complaint was that the Bill did not give direction to the provincial governments as to what would constitute a representative union. I pleaded for more direction in the Bill not for less.

Sjt. N. V. Gadgil: However, the point remains that the Central Government must legislate, for two reasons, one as I said, to provide a model, a normative law and secondly to have some law for those areas and in those subjects in which it is directly interested. Another line of criticism that was taken by Dr. Zia Uddin Ahmad is—this is piecemeal legislation. So far as that point is concerned, nobody would welcome it more to have a fuller labour code for this country than myself. But because it is not possible in the immediate future, and when the urgency of such a Bill is practically appreciated, I submit, Sir, that good should not be considered enemy of the better. Let us proceed on these lines and when time permits, have a good labour code so that all matters concerning labour may be incorporated in one code; but till such a thing materialises, let us not wait and create fresh difficulties and throw the entire industrial world in a disturbed condition. I am sure it is the object of every section of the House that there must be peace in industry. Now, Sir the activities of the trade unions so far as this country is concerned have been mainly confined in the course of the last 25 years to a consideration of wages and dis-
missals. Beyond that they have not gone for the simple reason that there was no strong organisation, they had no funds, and above all there was no encouragement either from the employers or from the State. Therefore the necessity is now clear that the State must intervene and if the State has to intervene, the State will do so in a manner most judicious and most impartial.

Sir, concerning the merits of the Bill, it was suggested by my Honourable friend Miss Mani Ben Kara that the rights that will accrue after a union is recognised are not many. According to her, it virtually comes to this that the unions will have merely the right which is defined in section 28F:

"The executive of a recognised trade union shall be entitled to negotiate with employers in respect of matters connected with the employment or non-employment or the terms of employment or the conditions of labour of all or any of its members and the employer shall receive and send replies to letters sent by the executive on, and grant interviews to that body regarding such matters."

I agree, Sir, that this is a matter into which the Select Committee ought to go. If any direction is necessary I may respectfully point out to this House that a Bill has just been passed by the Bombay Legislative Assembly. That Bill is a Bill to regulate the relations of employers and employees, to make provision for settlement of industrial disputes and to provide for certain other purposes. In that Bill there is clause 25 which relates to rights of officers of approved unions, which are really recognised unions. Those rights cover the following points:

"hold discussions with the employees of an undertaking on the premises of the undertaking; meet and discuss with an employer or any person appointed by him for the purpose all grievances of its members employed in his undertaking; inspect, if necessary, any place in any undertaking where any member of the union is employed therein; collect sums payable by members to the union on the premises where wages are paid to them; put up a notice board on the premises of the undertakings in which its members are employed and affix notices thereon."

Further the Bombay Bill provides that an approved union has the right to appear before a Labour Court or an Industrial Court and may apply to the Court for the grant of legal aid at the expense of the provincial government. Now, Sir, if some of these provisions are incorporated in section 28F, I think that should meet the wishes of my Honourable friend Miss Mani Ben Kara. Now, Sir, so far as the withdrawal provisions are concerned, I think if the State lays down certain conditions and the object of those conditions is to see that trade unions which are recognised, work according to certain standard of efficiency and honesty, there is nothing wrong in it. My Honourable friend Mr. Griffiths referred to certain points which were made out in the report of the Royal Commission on Labour. He stated that the employers were unwilling to grant recognition firstly because the union represented only a minority of workers, secondly there was a rival union, thirdly there was some political motive in it, some outsider either in the executive or at the lead and lastly no-registration. Now, Sir, there is a real difficulty in determining the representative character of the union concerned. If a union is so strong in numbers, it will not go to beg for recognition from the employer. It will enforce it either by strike or by threat of a strike, but it is hardly statesmanship to give recognition as a result or reward of strike. But if the union is not so strong in numbers, does it mean that there should be no recognition of a union merely because it has a small proportion of workers in that particular undertaking or industry. My humble submission is that two tests should be laid down, one of number and/or of the method by which the union functions. In other words, as has been laid down in the report of the Royal Commission on Labour the basis of the entire thing should be reason and not force. If these things are kept in mind, I have no doubt that those who are members of the Select Committee will evolve an acceptable formula whereby it will be possible to fix in suitable language a proper definition of a representative union.

As regards rival unions, the Bombay Bill has made a provision that in the case of any question arising as to which of two unions is better representative the test should be of numbers and the one having larger membership should be recognised. But there is no such thing in the present Bill. Even two unions may be recognised; the proposed section 28D does not bar the existence of two recognised unions, although I should like to agree with the principles that are incorporated in the Bombay Bill.

Now referring to the third circumstance which the employers think is a good ground for refusing recognition, namely, political opinions, I should say that it comes ill from the employers. So long as the system of franchise is not entirely territorial, so long as interests are represented, so long as commerce and industry want representation in the provincial legislature as well as in the Central, labour interests must be represented wherever commercial and industrial interests are represented. If that is so—and it is so even under the provisions of the present constitution—how can you bar consideration of political matters if they come at the proper occasion before any trade union? It may be that you may not like the politics of one union; it may be that you may not like the

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ideology of another; but so long as man is a political being—and I am sure even the employers are prepared to concede that claim to poor labourers—they cannot but think in political terms on occasions. If it is said that because of the presence of political agitators it is not possible to go ahead and grant recognition, I can only repeat the words which have been used by the Royal Commission on Labour, namely, that 'a dishonest political worker will not have a long innings in any trade union', for labourers surely have as much common sense as any of us and they do not take long to understand who really stands for their interests and who does not. Therefore this is something which ought not to weigh with us in considering whether that should be a good circumstance for refusing recognition; and I am glad that it has not been made so in the present Bill.

Now about unfair practices by the employers some complaint has been made. I particularly invite your attention to proposed section 28K(d) which relates to "discharging or discriminating against a workman who has made allegations or given evidence in any proceedings." Sir, you will remember that you were an arbitrator in certain proceedings in connection with a dispute between an engineering firm and its employees. One of its engineers was good enough to prepare a brief for me and supply me with all the necessary statistics. As soon as your award, which was greatly appreciated all over my province, was given, within a month of that this engineer was sacked. If I were to tell the House about the political views of that firm, they are more communistic than the actual members of the Communist party. But they victimised the man; the workers went on strike. Again as a matter of settlement a judge of the Bombay High Court was appointed to decide whether it was a case of victimisation. The judge held that it was victimisation but had no power to re-instate and he could not do anything except to give some amount by way of damages. He ordered that the Engineer should be paid one year's salary. How can you prevent this except by making victimisation an offence? If on the one hand you provide in this Bill that it will be an unfair practice for a trade union for a majority of its members to take part in an irregular strike—this phrase 'irregular' is new and includes 'illegal' strike—and for the executive of the union to advise or actively to support or to instigate an irregular strike, the State—if it is to hold the scales even—must make a corresponding provision which will affect the employers. And my only regret is that it is not sufficiently strong.

I will now refer to some points which have been urged by my Honourable friend Mr. Joshi. I think his speech justified his nomination; it was a pity that he was not here throughout. In his speech he said that there is no definition of the word 'industry'; and I am sure the Select Committee will take this point into consideration. But if I may be of any help in indicating the lines on which the Select Committee may proceed, I will draw attention to the fact that the word 'industry' has been defined in the Bombay Bill to which I made reference just now, in section 2(18) of that Bill. And the word ought to be defined here also. In the original Act the object was not so comprehensive as is the object of the present Bill. This covers altogether a new field. There was perhaps no necessity felt for defining the word 'industry' at the time when the original Act was passed. But when you are extending the scope of that Act by amending it, I think it is a case in which this word should be defined, and I am sure it will be done. Then Mr. Joshi made a very good point that if the industrial court decides anything that decision of the industrial court is not binding on the Government. It is laid down in clause 28E that 'the Industrial Court shall investigate whether the Trade Union fulfils the conditions for recognition set out in section 28D, and shall forward the application to the appropriate Government with a report and a recommendation regarding the grant or withholding of recognition.' On receipt of the application for recognition and the report referred to under sub-section (3), the appropriate Government, if satisfied that the Trade Union is fit to be recognised, may, by notification in the official Gazette, declare the Trade Union to be a 'Recognised Trade Union'. I agree with him that if there is a necessity for some judicial machinery to determine whether a union is entitled to be a recognized union and when you lay down the conditions

which ought to weigh with the judicial authority or quasi-judicial authority, it would not be very fair to say that the Government if 'otherwise satisfied' will accept the finding. 'If satisfied' has caused me great dissatisfaction for it means that the Government will take into consideration such other things as are not mentioned in the Bill as necessary conditions for recognition. Possibly political considerations may weigh. I think, Sir, that just as I have appealed to the employers and I have condemned them for not doing what they should do. I will also appeal to the Government to give much more thought to this point which has been raised by Mr. Joshi. If the Industrial Court gives the finding that a particular Union is entitled to recognition, the Government ought to accept it as binding on them.

In this connection again I wish to point out to the House that in the recent Bill which was passed by the Bombay Assembly, to which I have already made reference, there is a provision—clause 95—by which the findings of the Industrial Court are binding on the parties to the dispute and Government, or any department of the Government under the direction of which any industry or any undertaking is managed, is equally subject to it. This is what clause 95 says:

"An order, decision or award of the Industrial Court shall be binding on—

- (a) all parties to the industrial dispute who appeared or were represented before it;
- (b) all parties who were summoned to appear as parties to the dispute whether they appeared or not, unless the Industrial Court is of opinion that they were improperly made parties;
- (c) in the case of an employer who is a party to the proceeding before such Court in respect of the undertaking to which the dispute relates, his successors, heirs or assigns in respect of the undertaking to which the dispute relates; and
- (d) in the case of a registered union which is a party to the proceeding before such Court, all persons represented by the union at the date of the award, as well as thereafter."

I therefore submit that to bring about better relations between the employers and the employees and really to further the object, which it is stated is the object, of bringing forward this Bill, I think the recommendations of the Industrial Court should be considered as binding on the parties. I therefore submit, Sir, that all these points which are put before this House will be taken into consideration by the Select Committee and the Bill that will emerge from the Select Committee will be acceptable generally to the whole House. Sir, I support the motion.

Mr. Vadilal Lalubhai (Ahmedabad Millowners' Association: Indian Commerce): Before I come to the original Bill, Sir, I would like to state a few things about the circulation motion that has been made by my Honourable friend, Mr. Ishaq Seth. It is a move which is very unfair to labour, especially when this Bill had been mooted originally in the year 1940. It is now nearly six years that the matter is pending; it would be wrong to keep this matter pending any further. If the Government allow any further delay in this matter, it would be reasonable if the labour accuse the Government for not looking to the interests of labour as well as they ought to.

One of the reasons given in support of circulation is that there is some suggestion in clause 28D that communal unions may not be recognized. I would just like to remind this House about the amount of trouble there is already in the communal field. The communal trouble has not only harmed the whole country, but the industry also has been harmed to a great extent. Labour has lost millions of rupees in wages, and we must have lost millions of yards of cloth and various other consumers goods. If we take these communal differences into the factory premises and if we ask that labour may be divided into two or several communal groups, the danger would be that the strife, of which we are all tired, would get into the industrial field. Factories are good so long as they produce goods; factories are dangerous if fight gets into the factory premises. In view of this it would be very unfair to labour if we waste any further time. I would therefore suggest to the Honourable the Labour Member that as we have considered the Bill in all its aspects for the last so many years, the Select Committee may be asked to finish their work in a day or two, and if that can

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be done, we can pass this Bill even in this Session. If the Select Committee is appointed today, they can meet this evening and tomorrow, and finish their work as soon as possible. It is a simple matter. All the points have already been put forth in various aspects, and so I hope that we will be able to pass this Bill in this very Session.

I would like to judge the Bill by two tests. If these tests are satisfied, I would say that the Bill is good; if not, the Bill is bad. Wherever we find that these objects are not satisfied, we must try to improve the Bill and put it on the right lines. These two tests are: firstly, the improvement and stabilisation of labour conditions and improvement of labour welfare, and, secondly, the efficiency of the industry should not be marred by any provision whatsoever. If the industry is not run on efficient lines ultimately the whole country and even labour will suffer. We are a backward country industrially. We want our industries to be put on a perfect footing so that we may be able to run them as efficiently as the Westerner or the Americans. If we have to do that, we have to see that we do not put any clause inadvertently which may be harmful to industry. If we do not run the industries efficiently and the industries are started, protection has to be granted and that for a long time. How long are we going to protect industries which run inefficiently? No labour or industrial legislation should be instrumental in making industry inefficient.

Further, I am glad that my honourable friend, Mr. Joshi, clarified certain points. This time I decided to speak later, so that many points may be clarified from various sides of the House, because my experience of the last session was that anything coming from an industrialist may be viewed with suspicion, and if it had come from me. I fear some of the good points made by my friend, Mr. Joshi, would have been taken otherwise. If we remember the discussions in the last session on the Factory Act (Amendment) Bill, we may recollect what happened. Some suggestions were made. Government had made suggestions in the Objects of the Bill while amending the Factory Act, viz., that certain industries would require some exemption from the 8 hour working day provision: that the cloth production being low, they would have to see that its production is not jeopardised: that the textile industry should be allowed some time to adjust itself. But anything coming from an industrialist was suspect, and that is why I feel that it is good I am speaking at a late hour. My friend, Dr. Zia Uddin was talking of burning all mills. That has been his hobby. This is not the first time he has been talking about that.

Sjt. N. V. Gadgil: He has many hobbies!

Mr. Vadilal Lallubhai: Whom is he going to harm? The industries are well insured for all risks. It is the public consumer and the country that will suffer. That is not the way to talk of industrial labour relations. I know that my friend does not know what industrial relations are. He may be a good mathematician. He remains in his university and therefore it is permissible for him to say anything as he may like without actually knowing the facts.

Now, coming to the Bill, some of the points have been already clarified by my honourable friends, Mr. Joshi, Mr. Griffiths and Mr. Gadgil. I would not therefore dilate upon them much, but I would like to say something about the character of a representative union. I do not want to create controversies here today as to whether there should be compulsion in recognising a union or not. I would wish that there is no compulsion. But even if there is any compulsion, I would not mind. So far as we in Ahmedabad are concerned, we have had very good labour relations. There was no question of whether a union is recognised or not: rather we went further. We had permanent arbitration boards and they were run so well that the whole world was watching them and wondering how in Ahmedabad things could go on peacefully between employers and employees and this system was in existence till 1938 when the Bombay Bill came into existence and the Industrial Courts took their place. However, if there is to be compulsion I do not mind. But at the same time one has to be very

Useful in revising a Bill as a result of which any union that may be recognised may be a perfect trade union. I would therefore propose that in Section 28D we must put in some sub-clauses which would clarify the position further. I agree with my friend, Mr. Gadgil, that there may be politics in unions but let the politics not come into the factory. While we are working the factories, the factories must be run economically and not on political basis. Politics would come in only so far as the wages are concerned, or profit-sharing is concerned, or nationalization of industries is concerned.

Regarding my suggestions as to further points which should be added for conditions of recognition, I would suggest the following:

- (1) That its rules provide for peaceful and legitimate methods being followed in all disputes with employers;
- (2) That its rules provide for control of the union by actual workers representing a substantial number of persons whom the union claims to represent;
- (3) That its rules provide for prohibition of strikes without notice.

We find in Clause 8 this:

“(f) after clause (i) as relettered by this section, the following clause shall be inserted, namely:

“(j) “strike” and “illegal strike” have the meanings respectively assigned to them in the Trade Disputes Act, 1929 (VII of 1929), and “irregular strike” means an illegal strike or a strike declared by a Trade Union in contravention of its rules referred to in clause (d) of sub-section (1) of section 28D;”

Now in this Trade Disputes Act, 1929 we find there is no provision for notice for going on strike. Does this mean that if the employee wants to go on strike, the employee will not give notice? In all progressive legislation, this provision for giving notice will be found.

The Trade Disputes Act, 1929 does not provide for any notice. I would therefore suggest that just as in the case of the latest Bombay Industrial Relations Bill there should be a notice and conciliation clause and then employees can go on strike or employers can declare a lock out.

I wish this Bill be considered so that there may not be any trouble and any loss of production so far as the country is concerned. So far as the industry is concerned, whatever industry is established, Government will have to protect it in one way or another, but the loss will not be only of the industry, but it will be of the consumers and also of labour indirectly.

I would further desire that in sub-clause 28D we have the following:

- (1) That its rules provide for membership of union being purely voluntary, and
- (2) That its rules provide for the maintenance of proper records of subscriptions collected and of negotiations with employers.

Sir, speaking about representative unions nothing is mentioned here as to which should be considered as representative unions. As my friend Mr. Joshi has said the clause should clearly specify as to which shall be considered as representative unions. In this matter at least a certain percentage of membership ought to be specified. You can register a union with seven or ten members. Are you to consider that union as a representative union? I am sure that this should be clarified.

Regarding industrial courts I would not like to dilate upon as sufficient has been said on it. There will be eminent judges on the board and their decision ought to be final. When the Industrial Courts considers the application of a union for recognition there is no provision that the employers should also be consulted. I want the employers to be consulted, not because the employers would want to intervene in the recognition but there may be certain information in their possession which would be useful or which would help the Industrial Court to decide whether all the facts put before it are correct and can be relied upon. Many unions when they ask for recognition do not give up all the facts. As suggested in clause 28G, sub-clauses a, b, c, even for these reasons alone

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employers should be consulted so that they may be able to give any information that may be in their possession.

Now coming to the most important part of the Bill about unfair practices, I would refer you to clause 28J. It is said:

"The following shall be deemed to be unfair practices on the part of a recognised Trade union, namely:—

(a) For a majority of the members of the union to take part in an irregular strike".

Mark the words "majority of the members". The result of this wording would be that the employees can shatter or ruin an industry by going on factorywise strikes. The industry may consist of several factories. If there are 50 factories in an industry the union in every one of the factories will go on strike one after the other and bring them down to their point of view by sheer coercion. I feel that these words have been put in inadvertently, because if a majority of the members of a union have to strike, they will be striking in all the factories. It is a very dangerous proposition. Why talk of only an industry. Take any occupation. The men can go on strike. The occupation may only contain 50, 100 or 200 men and if those men are taken away the whole industry will have to close down and still it will not be an unfair practice.

Sub-clause (b) says it will be an unfair practice "for the executive of the Union to advise or actively to support or to instigate an irregular strike." Suppose the executive of a union does not pass a resolution calling for a strike but informally leaves every member of the Executive free to instigate a strike, will it not be an unfair practice according to this Bill? Is it the intention of the Bill that every individual member of the executive will be free to instigate a strike? I do not think that that would be the purpose of the Bill. Therefore I submit that there is defect in the language of the bill.

Coming to clause 28K, it is said:

"The following shall be deemed to be unfair practices on the part of an employer, namely:—

(c) to encourage or discourage membership of any Trade Union by discrimination in regard to hire or tenure of employment or any term or condition of employment."

What does this mean? How are we going to prove discrimination? Whom are we to hire or engage. Suppose there are only half a dozen posts vacant and there are 12 members of different unions wanting those posts. Whom shall we engage, either of one union or the other? Will it not be discrimination against one union or the other? It is a very dangerous provision and I wish it is deleted. Otherwise it would create such an amount of complication that you will not be able to decide as to what discrimination means.

Sir, it is often said that law is an ass.

Sjt. N. V. Gadgil: But not the lawyer!

Mr. Vadilal Lallubhai: Lawyers also misunderstand things. One court will say one thing and another court another thing. If there is going to be this difficulty about discrimination what penalty will you impose? The employer may think that he is fair in employing

Syed Ghulam Bhik Nairang (East Punjab: Muhammadan): Sir, is the Honourable Member in order in discussing the clauses at such great detail at this stage?

Mr. President: His object seems to be to point to certain lacunae to which he thinks the attention of the Select Committee requires to be invited. That is what he is mentioning. His main argument seems to be that the various clauses in the Bill are so vaguely worded that they will produce dangerous results, if they are allowed to stand as they are.

Syed Ghulam Bhik Nairang: That can be considered by the members of the Select Committee.

Mr. President: The Honourable Member will put his arguments shortly.

Mr. Vadilal Lalubhai: In connection with this clause I was also talking about penalty. The employer does not know or does not understand what will be an unfair practice according to him. The courts may have such a vague understanding about discrimination and if the employer is to be fined, I think the interests of both employer and the employee will not be served. There will be a lot of indiscipline, because while employing people in emergencies the unions may have to be consulted and one union may say one thing and another another thing and there will be trouble. Again, I find that penalty has been laid on the head of the employer only. I do not understand why it should not be bothways, if there is to be penalty at all. The Swedish law is considered most progressive so far as labour legislation is concerned. Once the conciliation machinery arrives at a decision, the law provides that whoever breaks the law will be penalised. I would therefore wish that if there is to be penalty it should apply to both or rather I wish that there is no penalty clause at all. Because the relationship between employers and employees should not be spoiled in any way. They have both to work together day in and day out and if there is anything in the Bill that would harm this relationship I would say that that Bill is not worth having. There are a few such clauses in this Bill and I hope we may be able to remove some of them and put better clauses in their place.

Regarding the vagueness in the Bill generally, I say that many things have been left to the appropriate government. That is not correct. **P. M.** After all, rule-making powers are for fulfilling the objects of any Bill. They should not lay down any particular provisions which can go against the Bill and as far as possible the powers of the appropriate government should be as few as possible. With these few words I conclude my remarks.

Mr. S. Guruswami (Nominated Non-official): Sir, I rise to support the motion for reference to the Select Committee. After seeing the empty benches opposite and having heard the lengthy speeches of the previous speakers on the subject, I have very little enthusiasm to dilate on this Bill, except to draw the attention of members of this House to certain salient points.

We have heard eloquent speeches about the defects of the Bill in so far as it seeks to confer certain rights on certain unions. But in the beginning I should like to say that the Trade Union Act itself is defective in not allowing many workers to form themselves into trade unions for registration. I know of certain trade union registrars who have refused registration of unions on the ground that the workers therein are not employed in any trade or industry. If the definition of industry had been of the description which was rightly pointed out by my honourable friend Mr. Gadgil, then this difficulty would not have arisen; but *bona fide* cases of trade unions where applications have been made for registration and refused, have occurred; and this is the occasion for the member in charge of the Bill to rectify that difficulty by amplifying the definition of workmen, and the trade unions as defined in this Act.

Secondly, the Act says "A trade union includes also a federation of trade unions." The rights of a recognised federation of trade unions should be of a different order than the one specified in this Bill. That is a matter to which I would like to draw the attention of the Honourable Member in charge of this Bill.

Thirdly, certain members, especially my friend Mr. Nauman, wanted that the clause relating to communal unions should be eliminated. If that clause is eliminated, let me make it perfectly clear, all the good that is contemplated under this Bill will go. We would rather have no unions than have communalism in trade unions. That is the attitude which the working classes have.

What are the privileges conferred by this Bill? The rights that are conferred relate to four types of unions—unions which are recognised by the

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employers, government recognised unions through the industrial courts, unregistered unions, and lastly registered but non-recognised unions. These four types of unions are covered within the clauses of this Bill; and what this Bill proposes to do is to make the unions recognised by the employers—whatever be the reasons for that—and unions which are approved by the government to be on an equal footing; and to confer on the members of unrecognised unions certain rights in so far as unfair practices on the part of the employers are concerned, by protecting them against such unfair practices. That clause relating to unfair practices is copied from a legislation in a country in America. It is a perfect copy—even the punctuation mistake is there!—and I do not think that any employer should complain about it.

But what I am worried about is this: this Bill ostensibly provides for very big privileges, but in fact it only confers this right, the right of getting negative replies. The right of getting negative replies is not recognition. That is not what the workers want. What the workers want is this: if there is a *bona fide* union—no matter whether the employer recognises it or not—it should be recognised by the government as such.

Why should there be a clause about representative trade unions? Every trade union is representative of its members; and who is that gentleman here or anywhere outside who dares to question the representative character of any such trade union, in so far as its own members are concerned?

Then, unless you make the recognition worth getting by the union, the stage has come when unions do not care for recognition. Let me make that perfectly clear. I take it that this Bill is a recognition of the fact that it is more for the good of the employer himself to recognise unions than for the workers. If you lay down the policy that no union should go on strike without conducting negotiations, if it is an approved policy that the trade union concerned should be given the opportunity to represent, then what are the privileges which this Bill gives? It gives the right of getting a negative reply. That is all. I say a recognised union must be entitled to get not only a reply. Even a cat may look at a king and may get a reply from him. That is not what the recognised trade union should get. It must get reasoned replies. It must get the employer's version of the cases referred to him. All the data that is available to him must be made available to a recognised union, so that proper conclusions may be formed and avoidable disputes may be avoided. But if you only say that under the provisions of this Bill a reply can be vouchsafed for that recognised union, unions will not care to get that recognition at all. We want that there should be the right of concluding collective agreements. There is no reference to that word at all in any of these measures that are now before this House. A trade union is not worth its name unless it is given the right to conclude collective agreements. It must have the right to be consulted before any conditions of service are altered; otherwise what is the use of its recognition? And yet we have opposition on the part of vested interests—and left-handed support on the part of some—saying "We are in favour of the Bill; but please circulate it." That is not the proper way of dealing with this question.

Any disruptive tendency in the trade union movement must be resisted. The Trade Union Act not only confers the right for any seven fools to form a trade union—it does not prevent any such seven men to form an infinite number of unions. The same seven members can form an infinite number of unions and get them registered under the Trade Union Act. There is no protection against such weakening of unions in so far as the workers are concerned. Therefore I submit that we must resist tendencies to form sectional unions, tendencies to form communal unions and denominational unions. We should resist that tendency and a registrar should not simply proceed to register a union because within the four corners of the Trade Union Act a particular organisation claims to have fulfilled all the qualifications that are required under it.

Therefore this is the occasion for Honourable Members to prevent the formation, registration and recognition of bogus unions. Otherwise all this legislation about the recognition or registration is of no good. Let me make that perfectly clear once again.

Then I have another thing to say. I do not want to accept the suggestion made by my honourable friend Mr. Lallubhai that a provision should be made for voluntary membership of a union. On the other hand I go to the other extreme. I do not know whether my friends here who represent labour share my view but I have been of this view for a long time that membership in a trade union must be compulsory and not voluntary. Non-members of the unions are exploiters and parasites who live on the gains of the labour of those who are members of the unions. They take all the benefits given to the members. If the employers only give the members of the unions the benefits secured by the unions concerned it is all right but the benefits which are secured by a union go to non-members as well and the employers have a two-fold policy in dealing with unions. First resist the recognition as far as possible and if that is inevitable create bogus unions and give too much of recognition to bogus organisations. These two tendencies must be combated. Unless those things are prevented in this Bill with proper safeguards, the benefits sought to be conferred by this Bill will be nugatory in effect and I therefore appeal to Honourable Members to see that trade union membership is made compulsory, that bogus unions are not encouraged, that multiplicity of unions is discouraged, that sectional unions are not recognised, that all workers who are members of *bona fide* trade unions are permitted to be registered and also to be recognised under the provisions of this Act and to confer on the recognised unions real benefits, not the paper benefit of the right to get negative replies which are sought to be given by this Bill. These are the suggestions I have got to make. I do not propose to make a long speech on this subject now. In the course of about 10 minutes, I have stated 10 points and I hope they would receive the consideration of the members of the Select Committee.

Sri M. Ananthasayanam Ayyangar (Madras Ceded Districts and Chittoor: Non-Muhammadan Rural): Labour has spoken. Capitalists have spoken. It is the turn of the layman to speak. I am the person who suffers, along with the rest of the people of this country, if labour and capital go on engaging in eternal warfare. Unfortunately during the past few years, at any rate during the last two or three years, we have been seeing strikes after strikes from end to end and the strikes have gone so far that even the non-gazetted officers in Madras went on strike against the Ministry that came into office recently. I feel that in the interests of the community organised and contented labour is absolutely necessary. It is an asset both to the industry and to the nation. Therefore this half hearted measure to encourage labour unions and when they are organised, to recognise them is not sufficient. I would like labour should be organised both horizontally and vertically all over this country. I will make my point clear. If there are 20 labourers in a factory, then it comes under the Factories Act. Wherever there are groups of 20 persons, the Labour Department must go there and recognise it and ask it to form a union. There shall be no factory without a labour union. Every industry, as soon as it is formed, will automatically come under the Factories Act and there shall be a labour union attached to it. It shall consist of all members who are employed in that particular factory. Wholesome provisions should be made both in this Act and future Acts to safeguard against sabotage by individual workmen to safeguard the interests of the industry. There may be individual workmen who may be entrusted with an important piece of machinery and they may not care for the industry. Collectively they will be interested in the industry. It is to the interest of the employer himself to see that organised labour is there to take care of the industry, in order to see that sabotage at the sweet will and pleasure of an individual is prevented. There must be for each industry a labour union in a particular place. All labour unions must

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 join together in a federation, to whatever denomination they may belong. There must be branches in the villages, taluqs, districts and there must be a central organisation for the country as a whole for each industry at the centre. There will be an organisation of all labour unions, embracing as widely as possible all persons who are employed in labour.

Mr. President: The Honourable Member may continue his speech after lunch.

The Assembly then adjourned for lunch till Half Past Two of the Clock.

The Assembly re-assembled after lunch at Half Past Two of the Clock, Mr. President (The Honourable Mr. G. V. Mavalankar) in the Chair.

Sri M. Ananthasayanam Ayyangar: My request at the outset is that the clock in the Library should be set right. It is going five minutes slow as compared to our time. I have been looking at that clock and that is the reason why I am late.

Sir, I was submitting to the House that labour must be organised horizontally and vertically and I explained also how it ought to be done. There may be a large element of compulsion but I do not agree with my Honourable friend the Baronet from Bombay who sits on my right. He says labour must lend itself to organise. It has been left to organise for itself. How is he afraid of compulsion? Are we not used to compulsion in various departments in our social activities. Today there is a cry that there should be free and compulsory education. Are we not, most of us, uneducated? Unless our children are educated, they cannot be civilised. In spite of all this, everybody knows how many of us are putting our children into the schools. There is an element of compulsion in the Health Department where we are compulsorily vaccinated. I do believe it is necessary that so far as labour is concerned, it must be compulsorily organised. Have they failed to organise themselves in the right lines? In some cases they have organised themselves, but in some other cases they have failed to organise themselves. Let us not be terribly afraid of compulsion. I agree with my friend Mr. Guruswami that it ought not to be left to any individual labourer to keep out of this organisation. Any man who is out of it will be a danger to the rest of the organisation. It is by splitting these organisations that the employers have been able to have their own way till now in dealing with them. Therefore, every member, every worker shall be compulsorily a member of that organisation. I would also urge that so far as their disputes are concerned, the provision in the Bill is a good one and I welcome it.

Sir, there are two provisions in the Bill which ought to make this Bill quite acceptable to the House. One is with regard to the Industrial Court and the other relates to victimisation by the employers. If for nothing else, for these two provisions alone this Bill ought to be immediately accepted. We need not wait till January or some other time. This Bill can be passed through the Select Committee and then made into an Act. There are various other matters which can be brought in as and when circumstances permit and this piece of legislation might be pushed through the Legislature. And when all the necessary legislation on this subject is passed, there may be a Code. Till then, individual matters must be taken and they ought not to stand in the way of this piece of legislation.

I also want one or two matters to be put into this Bill. I am anxious, having regard to the manner in which strikes have been organised by persons who are not real workmen but persons who are interested in various other matters and who have taken hold of these labour unions. To avoid that, there must be a wholesome provision. I do not want these strikes unless it is impossible for the workmen or the labourers to get what they want at the hands of the employers.

Mr. N. M. Joshi (Nominated non-official): Who is to decide that?

Sri M. Ananthasayanam Ayyangar: I do want this Industrial Court to decide or let there be compulsory arbitration for that matter. It ought not be optional either to the workman or to the employer to jointly agree to arbitration. At the instance of either party, the dispute ought to be referred to arbitration and before any strike is organised, all means of settling the matter ought to be exhausted. There is a provision in the Bill stating the manner in which a strike is organised and the manner in which the notice of a strike is given. All that has got to be provided for. There is a provision here that every trade union shall make provision for the manner in which the strike is organised. Therefore, it is quite appropriate to suggest that all methods of amicable settlement or even of reference to arbitration should be exhausted before a strike is organised. It must be open to the court or to the arbitrator to say that the employer has failed to satisfy the labour and therefore they are at liberty to strike. 'Till then, there shou'd be no strike. I urge this in the interests of the community as a whole. Take the case of the railways. There are about three or four lakhs of workmen there. They might have grown in size now on account of the war. If they go on strike, the rest of the community have to suffer merely because on the one side the Government does not fulfil their demands and on the other the workmen push them too high. Let there be no impression that these two parties have to quarrel eternally like cats and dogs. We have got our civilisation and we can chalk out a new path and show that these people can live harmoniously and they can settle their differences amicably. Therefore, the Industrial Court must be empowered to decide not only individual cases of grievance but also major issues between the workmen on the one side and the employer on the other as to whether the wages have got to be increased or not. In default of the employers agreeing to this provision which is made in the interests of the industry as a whole, a strike can be started.

I find that there is a lacuna in the Bill which can be set right in the Select Committee. What the Bill says is that the Industrial Court shall have jurisdiction over those matters only which are enumerated in Chapter IIIA. It says:

“For the purposes of this Chapter, the appropriate Government shall appoint such number of Industrial Courts as it considers necessary.”

That Chapter refers only to recognition of trade unions. Chapter IIIB relates to unfair practices and clause 7 refers to penalty for unfair practices. Therefore, whenever an employer is guilty of an unfair practice, he is to be punished to the extent of a thousand rupees by way of penalty. The Industrial Court does seem to have jurisdiction over that because it is in a different Chapter. Why should the jurisdiction of the Industrial Court be restricted to mere recognition of trade unions and not extend to disputes regarding unfair practices? In case the Court comes to the conclusion that the employer is guilty of any unfair practice, why should he not be punished? Why should not the Court have a jurisdiction in that matter? Therefore, in the interests of the trade itself labour must be organised.

Now, I come to the motion for circulation to elicit public opinion. Sir, my Honourable friend who is now sitting on the other side himself recognised, and so must all other persons who are interested in this country, that religion has played out its part in the world. All honour to the old prophets who came at a time when there were warring elements in the country and they brought all the warring elements under one banner. Religions, as they originally started, were merely to remove differences between man and man and to inculcate the doctrine of brotherhood in many and to elevate man into a divine being. But today, those very religions unfortunately symbolise the outer crust, the inner spirit has disappeared, and those very religions are disturbing factors in society. We have now therefore to find new points of everlasting and enduring benefit to humanity. Students of religion should not talk today of nationalism, internationalism etc., but should talk of humanity,

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and the common good of the entire humanity should take the place of individual and a warring religions. I wish that all persons who are really interested in their own religion, in Islam, in Christianity or in Hinduism will really try to imbibe this spirit of real Islam, real Christianity and real Hinduism. Even these prophets of religion have advised their respective followers and all humanity as a whole to bring all people together and enjoined on their followers that they should bring about peace and happiness on earth and not create cause for discord which does not serve the tenets of God or his dictates. Therefore I would urge upon my Honourable friend that under this common platform of labour union, all communities may join. If some unions have been started on communal lines, well, let us own that a mistake has been made. It is time that these mistakes are rectified. Today each community may be proud of its own religion, but it does not see the danger ahead. There is communism rearing its head, communism does not talk of any religion. The communists are out to divide one community from another, they are out to destroy all religions. There will be communism from one end to another. There will be absolutely no faith in God left in the land. Let us try to prevent this catastrophe. I call upon all people who are believers in God, by whatever name the one God is called I urge upon my Honourable friend Haji Abdus Sattar Haji Ishaq Seth to withdraw his motion for circulation or at any rate not to press it. What are we to gain by this circulation among the industrialists or employers, who have not moved in this matter at all or among organised labour unions. The industrialists will simply say there shall be no element of compulsion. We have already in this House the mouthpieces of industrialists of this country, the one to my right, Sir Cowasjee Jehangir, and the other to my left Mr. Vadilal Lallubhai. They are the exponents of the theory of no compulsion, no freedom so far as trade unionism is concerned. As regards labour, we have got the exponents of labour problems here of both sexes, including my honourable friend Miss Maniben Kara who believes in class war and class hatred. I therefore submit that if this Bill goes to circulation for eliciting public opinion, we know what pattern of opinion we are going to get. The industrialists will say, no compulsion, labour will say, let us have as many amenities as possible. In these circumstances we are not going to gain anything by this circulation. I urge that this motion may be dropped and this Bill may be sent to the Select committee and more beneficent measures may be adopted in the Select Committee and I hope that after this Bill emerges from this Select Committee, it will be a first class measure for the purpose of orderly maintenance of industry in this country.

The Honourable Shri Jagjivan Ram (Labour Member): Mr. President, Sir, I do not want to enter into a lengthy debate at this hour in the House. Different speakers from different parts of this Honourable House have expressed their opinion on the different aspects of the measure before the House and the objections raised by certain sections have been met by other sections of the House and my task has been rendered less difficult to a very great extent. As regards the salient features of the Bill, I shall never take credit for the same, because the Bill was introduced by my predecessor. I shall readily agree that there is sufficient scope for the improvement in the Bill and I shall try my best to meet all reasonable points, that have been raised now, in the Select Committee. But there are certain points on which I think, if Government were to yield, it will be detrimental not only to labour but to the industry as well. On those points, I am afraid I am not going to yield. The purpose of the Bill as I conceive it, is not only to give some benefit to labour alone but to industry as well. Labour and industry are inseparable factors, the one depends upon the other. One cannot work without the other, and therefore each has got to look to the interest of both. If industry looks to the interest of labour, it is in the interest of industry itself. Similarly if labour looks to the interest of industry, I may say, it is not merely in the interest of industry but it is in the interest of labour as

well. Sir, the very idea of collective bargaining, if I may be permitted to say so, is not only in the interest of labour but it is also in the interest of capital. It is also in the interest of industry.

My Honourable friend Mr. Griffiths, when he was very analytically criticising the various points in the Bill made a remark that I may feel distressed by his remarks. I may assure my Honourable friend that I did not feel distressed in the least. But I may very well urge upon him that the industrialists should mark the signs of the time, they should realise that the time has come when they cannot afford to ignore the demands of labour. The time has come when they cannot afford not to recognise the organisation of workers unless they are forced to do so. If I may say so, Sir, many of the disputes that arise between labour and industry between employers and employees are on this issue of recognition of unions. If one were to analyse and study the large number of strikes that have become a common feature of the day, one will admit the fact unhesitatingly that in the majority of cases, the dispute arose on this question. Where the workers are organised sufficiently, the management is forced to recognise them, but after the relation between them has deteriorated to a very great extent. That ultimately results not only in strike, but it leads to great suffering to labour and also entails great loss to capital and over and above that great inconvenience to the consumers at large. So, Sir, the Government of today cannot afford to be silent spectators of the disputes between employers and employees because it is not only these two parties who suffer but it is the public at large, the nation at large and the consumers at large who also suffer. Sir, the Government have got to interfere in these matters. I am afraid, Sir, this measure ought to have been on the statute book long before. If some objections are raised today by one party or the other I have to say that they are not realising the signs of the times.

With regard to the motion for circulation moved by my Honourable friend Mr. Isnaq Seth I submit that the Bill has been before the country for the last six years,—though not in this identical form,—and its principles have been discussed more than once. They have been discussed by the various Provincial Governments, by employers' organisations and workers' organisations, and other bodies. On certain points, of course, opinions are divergent as they are here, but on a measure like this we cannot—at least I cannot—conceive of complete unanimity. And the fact that from this measure neither the workers nor the employers are fully satisfied shows that the measure is not partial to one side or the other. The measure is one which seeks to give certain rights to labour but at the same time it also wants that industry should not be placed at a handicap.

While initiating the debate my Honourable friend Dr. Zia 'Uddin introduced certain fundamental things. I,—and, as he reminded me, the class I come from,—feel that it will be a happy day indeed when these principles would be adopted in this country and the economic set-up of the country started on these lines. He talked of nationalisation, failing which, national socialism. I do not want to express any opinion on these two principles. But I may say that if any change in the economic set-up were to be effected, the class I come from and the community I represent will not lose anything. It is the community which stands to gain by any such economic reconstruction. But we have not got to look at these things and wait for such times as the differences between employers and workers, between capital and labour and between the exploiters and the exploited are removed. We cannot afford to wait till then and let things take their own course. And therefore we have to devise some measures in the existing circumstances in the four corners of the economic structure of our present society to safeguard the interests of labour and also to see that the industries prosper with a view to catering to the needs of the country. And this is a measure which seeks to improve the relation between the employers and the workers. I believe many of the differences which arise between the employers and their workers can be resolved if chances were taken for mutual negotiation, discussion and conciliation between them. And for that we have

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got to devise some machinery. The employers employing hundreds and thousands of workers cannot afford to discuss questions with each and every one of them, and it will not be expedient on the part of labour to allow negotiations between each worker and the management. Therefore it is to the interest of the employers as well the workers to have an organisation and an agency which may in case of differences carry on negotiations and settle these differences. After all, that is the object which this Bill seeks to achieve. It wants that recognition should be given to organisations of workers, so that in the long run they may have an opportunity of negotiating and settling any differences that may arise; and there should not be any difficulty on that score. As I have urged, it is in the interest of both employers and the workers.

A point has been made that there is a germ of compulsion in it. Of course that is one of the salient features of this Bill and it has got to be there because industrialists and employers by taking advantage of their strength and influence have tried not to recognise organisations and unions of workers serving under them. There have been occasions when employers would like to negotiate with persons at the helm of affairs in the unions unofficially rather than deal with them officially. They are afraid that if they negotiate with them as presidents or secretaries of labour organisations they will be recognising these labour unions; they therefore negotiate with the office-bearers, if they happen to be public men of influence, in their unofficial capacity because they are afraid that if they do not negotiate with them they will have to suffer badly. And ultimately when the workers are compelled to take recourse to certain steps, most of the employers are forced to recognise the unions. And this Bill intends that this initial friction between the employers and the workers may be obviated. Therefore, Sir, I feel that there should be no ground for any objection on the part of employers to this measure.

Some complaint has been made here by the representatives of the workers that the terms and conditions which have been laid down for the recognition of unions are unnecessary. I hold the contrary view because I feel that these terms and conditions are necessary in the interest of the workers' organisations themselves. I want the workers' organisations—their trade unions—to be efficient and above board. And for this purpose these terms and conditions are necessary. I have some personal experience of the working of trade unions, not so big of course as my Honourable friend Mr. Joshi and other friends have worked, and I know the drawbacks and defects of those unions. If these terms and conditions are carried out faithfully, it will make the unions stronger and more efficient, and therefore I hold, Sir, that these conditions are necessary.

One point that has been made here with some force is that the Bill has not given any definition of a 'representative union'. That has been purposely done. In a Bill like this to which several Provincial Governments have to give effect, some elasticity is necessary. The conditions of labour movement in different provinces are not similar. Some provinces are much more industrially advanced than other provinces, and in those provinces the organisation of labour, the organisation of working classes, as well as the Government machinery which deals with them, are elaborate. In other provinces the machinery of the Provincial Governments is just in the initial stages. The organisation of workers in many provinces and in many industries has not started as yet. I am afraid we cannot lay down any universal condition for the unions of workers to be representative in different parts of the country. They have to be different in different parts of the country and even in different industries. If I were to make this point or to develop this point a bit further, I may submit that the same percentage of workers in a union for the union to be really representative can not be insisted upon in the case of the workers working in the TATAS and in the case of the workers working in the coal fields. The percentage has to be fixed differently in these two cases. And similarly many examples may be given in which that percentage has to be different in different industries, and that is why no percentage has been fixed in this case. I still hold that we should not

lay down any hard and fast rule here. We should give some option to the Provincial Governments to prescribe these things in the rules which may suit the conditions obtaining in their respective areas.

One thing which has been said and which I frankly admit has got to be provided in the Bill is that the Bill has not given any definition of 'industry'. That will I think be rectified in the Select Committee.

There are other minor points with regard to some defects in drafting or some changes in wording here and there which may very well be rectified in the Select Committee, and I do not think there is any reason for me to raise any objection on that score.

Then, Sir, there is another point which generated some heat yesterday,—I do not want to enter into greater details on that point—and that is about the non-recognition of unions formed on communal lines. Personally, Sir, I hold very strong views on this point. Unfortunately we cannot afford to stretch this point too much. I shall request my Honourable friends who hold this view that communal unions should be given recognition or communal unions should be formed, to conceive the consequences which this step will ultimately lead to. Today we may think of two or three communities, but what will be the ultimate result in future is simply staggering. I will give some examples from the Hindus themselves. There have been cries that in the Hindu Society there are the upper caste Hindus, the backward communities and the scheduled castes. So far as the broad two divisions—the caste Hindus and the scheduled castes are concerned, I do not want to touch them. I am taking the caste Hindus. Some cries were raised by the backward communities which communities are not educationally, economically and socially well-advanced as a few selected castes at the helm of the Hindu society. So the cry was that something should be given to them, some reservation should be made for them. Well, reservations were not made, but in giving representation in certain local bodies, or in setting up candidates from different communities it was kept in view that some representation should be given to those castes which are called the backward communities. But the matter did not end there. Among the backward communities there are so many castes and all those castes are not equally developed or equally backward. Now the cry arose that a certain caste had got more and a certain caste had got less. So ultimately you have to face a cry where every caste will come forward and will say some provision has got to be made for this caste, and I do not know where this will lead to. Similarly, if I were to give an example from the Muslim community, I may say that there is a cry from the Momins today, there is a cry from the Rayones, from a number of functional castes that they are backward educationally, socially, and economically and they require protection. If we were to allow such considerations

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): You will have to reconsider your views as regards Muslims.

Mr. President: Order, order. Let the Honourable Member proceed.

The Honourable Shri Jagjivan Ram: . . . I am afraid, Sir, I do not know where these things will lead us to. You may take any religion, any caste, any community. I may give an example of Christians. They have no untouchability among them. But what is there in actual practice? I know a large number of untouchable Christians. Though among Sikhs such things are not permitted, I know a large number of untouchable Sikhs. Everywhere this division is present. If we are to stretch it, there will be no end to it. We may have communal unions today. We may have Hindu, Muslim, Christian and Sikh unions. We may be thinking of these four particular divisions today, but to-morrow, I am afraid, there might be a thousand divisions in each of these four divisions. Therefore, I do not feel inclined to think that in such matters, which are purely economic we should introduce communal considerations. We need not dilate upon those points which have been advanced by some friends or other in this House that trade unionism conceives a class organisation and

[Shri Jagjivan Ram]

repeat the same arguments. There, there is neither Hindu nor Muslim, neither a Christian nor a Sikh in Trade Unions. There are only two classes—the class of the employers and the employed, the workers and the employers, and the workers be they Hindu or Muslim, Christian or Sikh, or of any other denomination, they have their common interests. Well, Sir, I do not want to dilate upon this point to any great extent. But this is my personal view. I hold it very strongly. In these matters where workers have got their common interests we cannot introduce communal considerations.

Then, Sir regarding the motion of my friend for circulation. As I have already submitted, the Bill has been before the country for a long time. Public opinion has been expressed upon it more than enough and there is no reason for referring it again to the public for giving their opinion upon it. I do not feel inclined to accept that motion and I rather oppose it.

I have to say nothing more than what I have said. The measure is one which is in the interests of the labourers as well as in the interests of the employers, and it has been before the country for a long time and it does not require to be circulated for eliciting public opinion thereon. Therefore, I commend that my motion be accepted. I may very well appeal to my friend, the mover of the amendment to be kind enough to withdraw his motion because no useful purpose will be served by sending the Bill into circulation for eliciting public opinion.

I am, however, proposing one slight change in the personnel of the Select Committee: instead of Seth Yusuf Abdoola Haroon, the name of Syed Ghulam Bhik Nairang be substituted.

With these words, Sir, I appeal to my friend to withdraw his motion and I appeal to the Honourable Members of the House to accept my motion.

Mr. President: I believe in order to have that change of name

The Honourable Shri Jagjivan Ram: One word, Sir, if you will permit me. I am given to understand that my friend, Haji Abdus Sattar Haji Ishaq Seth is agreeable not to press his motion. In that case I may assure my friend and my friends in the House that I will departmentally circulate this Bill for eliciting opinion thereon and shall call a meeting of the Select Committee in January next and place those opinions before the Select Committee.

Haji Abdus Sattar Haji Ishaq Seth (West Coast and Nilgiris: Muhammadan): On that statement, I am willing to withdraw my amendment but I want to make it clear that my party's objection to that particular clause remains.

Sir, I beg leave to withdraw my amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. President: As regards the other small amendment, I think it may be necessary to move a specific motion to that effect.

Mr. S. C. Joshi (Government of India: Nominated Official): Sir, I move:

"That in the names of the Members of the Select Committee, the name of Syed Ghulam Bhik Nairang be substituted for the name of Seth Yusuf Abdoola Haroon."

Mr. President: So now there is a motion for reference to the Select Committee and there is an amendment to it for a change in the personnel. I do not think I need read the original motion now before the House. I would first place the amendment.

The question is:

"That in the names of the Members of the Select Committee, the name of Syed Ghulam Bhik Nairang be substituted for the name of Seth Yusuf Abdoola Haroon."

The motion was adopted.

Mr. President: I now put to the House the motion as amended for acceptance.

The question is:

"That the Bill further to amend the Indian Trade Unions Act, 1926, be referred to a Select Committee consisting of Mr. N. M. Joshi, Prof. N. G. Ranga, Pandit Balkrishna Sharma, Mr. Vadilal Lalubhai, Sri T. A. Ramalingam Chettiar, Sreejot Rohini Kumar Chaudhuri, Mr. P. J. Griffiths, Mr. A. C. Inskip, Sardar Sampuran Singh, Mr. S. C. Joshi, Miss Maniben Kara, Mr. S. Guruswami, Mr. Muhammad Nauman, Mr. Ahmed E. H. Jaffer, S. ed Ghulam Bhik Nairang, and the Mover, and that the number of Members whose presence shall be necessary to constitute a meeting of the Committee shall be five

The motion was adopted.

REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON THE ACCOUNTS OF 1943-44

The Honourable Mr. Liaquat Ali Khan (Finance Member): Sir, I beg to move:

"That the Report of the Public Accounts Committee on the Accounts of 1943-44 be taken into consideration."

Mr. President: Motion moved:

"That the Report of the Public Accounts Committee on the Accounts of 1943-44 be taken into consideration."

Prof. N. G. Ranga (Guntur cum Nellore: Non-Muhammadan Rural): Is not the Honourable Member going to say anything in support of it?

The Honourable Mr. Liaquat Ali Khan: I am trying to maintain the past traditions of this House. In the past the Finance Member did not make any speech when he made such motion, and as I believe in even greater economy than at my predecessors in office, I do not propose to depart from past practice.

Prof. N. G. Ranga: Mr. President, Sir, I wish to congratulate my honourable friend, Mr. Liaquat Ali Khan for being fortunate enough to come to occupy this very exalted position in our National Government. As this is the second time that an Indian comes to occupy this position, naturally it is a matter for national congratulation also.

Shri Sri Prakasa (Benares and Gorakhpur Divisions: Non-Muhammadan Rural): The first was Todarmull.

Prof. N. G. Ranga: Long before Todarmull was born, there used to be our own great Kautilya even of historic time!

Shri Sri Prakasa: He was Home Member!

Prof. N. G. Ranga: He was Home Member and also Finance Member and he has left a great treatise also on finance which it would do us a great good to study with care. It would have pleased me very much and I am sure it would have pleased the House also very much if the Honourable the Finance Member, Mr. Liaquat Ali Khan, had cared to make a few observations on this report that is before us. But as is usual with him he is extremely discreet, and therefore he has contented himself with merely making the motion and asking the House to form its own opinion in regard to the report that is placed before us.

This is the first occasion when a responsible and I hope responsive Indian Finance Member comes before us with a report like this and therefore it is necessary that we should not only congratulate him but also warn him that great responsibilities today rest upon his shoulders. It is not going to be a very easy thing for an Indian Finance Minister not only to manage the affairs of his own department but also to control the financial aspect of the various departments that he has got to keep a watch on throughout the year and all the time. Sir, the Finance Department is supposed to be the watchdog of the finances at the whole of the Government and to that extent it must play its role as a watchdog over the activities of all the departments of the Government. I dare say it might have been one of the reasons why my Honourable friend was so very particular about coming into this particular position. I do not grudge him that privilege. I am glad anyway that there is an Indian in that place and I am glad also that this particular department has at last come under the control of a responsible member of this House. He may, for the time being, happen technically to be a nominated member in this House but let us hope that very soon

[Prof. N. G. Ranga]

when we come to have our own constitution we shall have an elected Finance Minister to be at the head of our Finance Department.

Sjt. N. V. Gadgil: What is under discussion—the Finance Member or the Public Accounts Committee Report?

Prof. N. G. Ranga: The Finance Member has got to deal not only with the report of the Public Accounts Committee but also with public finances. It is most essential, if one goes through this particular report, that the Finance Member as well as the Finance Department have got to learn to exercise much greater control over these various departments than they have done in the past.

Again and again it has been stated in this report that the Defence Department and the various officers in that department have been ignoring the instructions, specific instructions, given to them, not only by their own financial officers but also by the Finance Department. In the past the Finance Member found himself almost helpless to control the defence services and to control their expenditure also and it would be a very bad thing indeed for the interests of our country and for the finances of our country if the present Finance Member did not try to improve that state of things and did not succeed in making the various officers and the whole of the Defence Department more responsible than they have been till now.

Secondly, there is a case here of how the Bengal Government had mismanaged the funds placed at its disposal by the Central Government. I do not wish to read all the unsavoury paragraphs contained in this report about the way in which the Bengal Government had behaved shabbily with Central finances but I do wish to draw the attention of the Finance Department as well as that of the Finance Minister to two or three sentences in it.

On page 6 it is said:

"We cannot conceive of any set of conditions in which there could possibly be any justification for the disregard of such elementary common sense precautions as the taking of receipts for money paid or of maintaining records of payment."

What a provincial Government it is, that it should not have taken receipts for the money that it has paid or kept accounts of the moneys that have been disbursed by them. I do not want similar things to be repeated in future either by the Bengal Government or any other provincial government and it is the duty of the Finance Department to see that in future at least provincial governments are not placed in possession of central funds of such magnitude that they play ducks and drakes with our money and afterwards we find ourselves completely helpless.

It so happened while we were on this committee, now for a period of two years, that every legitimate and peaceful effort was made in order to invite the Bengal Government to send its representative to face the Public Accounts Committee and explain its own conduct and the Bengal Government failed to come and face us. I know we had no opportunity of taking them to task in any other way, for the simple reason that the Bengal Government happens to be enjoying not only provincial autonomy but something in addition to that, because of its special political position in this country. Whether any particular provincial Government enjoys any extra-constitutional or extra-political status or not, it is absolutely necessary for the Finance Department of the Government of India to see that no provincial government is allowed to enjoy the kind of privilege that the Bengal Government had come to be allowed, such as not taking receipts for the moneys disbursed and not even keeping accounts for the moneys that they were spending. It might do so, if it so wishes, with its own money but even that is objectionable but no provincial government can be allowed, not even the Bengal Government, to repeat this very bad example.

Very soon the time is coming when the Government of India would have to budget not for the short period of one year but for a longer period, may be of two, five or even ten years and then come down to preparing its budget for the shorter period of one year only in that bigger perspective of a five year or ten year plan.

Now it has not been the practice but in future the Government of India has got to do it, if it really is to take effective steps to advance the economic progress of our country. In the past even though it was trying to prepare a budget for only one year, it used to make so many mistakes or blunders and therefore unless the Honourable the Finance Minister takes early steps to rehabilitate his own Finance Department and prepares it to face the new tasks that are going to be placed on its shoulders, he would very soon find that his department would be incapable of helping him in the manner in which the nation expects him to plan for this country. There is the question of budgetary control over first, the estimates, and then of expenditure. Complaints are made in this report and are being made even in the latest report that is being signed, that the budgetary control of the Finance Department is not strong enough, that during the last 6 or 7 years of the so-called war period or war crisis, this budgetary control has become very lax indeed, and this committee has recommended that it should be tightened again. I need only underline these remarks of this committee in this regard.

Coming to the other question of supplementary grants, it has become almost a habit of the Finance Department to sanction a number of unnecessary supplementary demands and bring them before this House and get the monies sanctioned and afterwards find that the money was not needed at all and therefore could not be spent and it had to be surrendered later on. This sort of practice is not conducive to proper budgetary control over our own finances, and it is also likely, as we have mentioned in this particular report, to queer the pitch for the next budget to be prepared, because after all every new budget is being prepared in the light of the earlier budget; and long before it is known that any supplementary grants are needed or not the new budget has got to be prepared, and therefore to that extent plans for the new budget are being vitiated. So every care has to be taken to see that no unnecessary supplementary demands are made or brought forward before this House.

Thirdly, there is the case of the Supply Department being brought into existence without the knowledge of this House. It was kept in being for well over ten months and then alone the grant for its maintenance was brought forward before this House. That is a highly reprehensible method of financial control or laxity of control. We have had very strong things to say about this; and in future we know very well that the Government of India would have to start a number of new departments and new activities and therefore provide for their financing also. I hope that the Finance Minister would take care to see that whenever any new department is sought to be created, he would, as we have recommended here, come to this House at the time of the budget for a token grant, or after it is created at the earliest possible opportunity to this House with a demand for a token grant, and thus give an opportunity to this House to discuss the advisability or otherwise of the establishment of that new department.

There is also another point which is not mentioned here but which is germane to this discussion. Recently, we have heard that the Planning Department was abolished, but at the same time some sort of new panel of planning has been brought into existence with one of my own honoured colleagues as its chairman. Is it open to the government to abolish at any time it likes any department that it likes without giving some sort of notice to the concerned standing committee of that department, not to speak of waiting until this House itself is able to be in session and consulting it? I speak subject to correction—but I think that the standing committee for this department was not consulted before the Planning Department was abolished. This is a very important matter and I would like the Finance Minister to look into this. I would like him also on a later occasion if necessary, to enlighten this House as to the proper procedure to be followed by the Finance Department as well as the government in regard to the abolition of any one of the governmental departments; and if he does so, what is it that he proposes to do, and how does he propose to deal with the funds that had already been allotted for the maintenance and continuance of that department until the next budget came in.

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Then there are these smaller details regarding the surrenders of surplus funds that could not be spent. We have taken a very strong line in this report that surrenders should be placed at the disposal of the Finance Department at the earliest possible moment and as soon as it becomes clear that there are going to be savings. The past practice has not been very happy.

Then there is a very peculiar thing; that the remarks sent by the Audit Department to the various spending departments are not replied to in proper time. For months, the Audit Department is obliged to wait for the remarks of those various departments before it is able to come to any sort of definite view about any one of the financial improprieties that have come to notice, and even then it is not able to come to the Public Accounts Committee and give them its final view. We had to say in this report that the Finance Department should fix the maximum period of three months within which every spending department should be prepared to send a reasoned reply to every relevant remark that the Audit Department makes and sends for its reply.

That brings me to the other point, that it is most necessary, now that this department is coming under the control of a responsible minister, that the Audit should be strengthened. During the war the audit had on many an occasion to complain that it was understuffed, that it was not properly and adequately strengthened by the Finance Department. I hope at least from now on, no occasion will be given to audit to make any such complaints. The role that audit plays in regard to the public accounts of our country is of first-rate importance. I hesitate to say that it is second only to the Finance Department—I would like to place it even above the Finance Department. Anyhow they should be treated as equals and they should try and co-operate with each other. It is conventional of course for both of these great departments to say they are co-operating with each other. I have been on this Public Accounts Committee for nearly ten years—and I am here to say that I am not quite satisfied with the manner in which the Finance Department has lent its support to the Audit and I want Audit to be strengthened in future.

Lastly, I am not at all satisfied and I am sure the House also cannot be satisfied with seeing only the Finance Minister being an Indian and also a responsible gentleman. We want the whole of this department to be Indianised. Similarly we want the Audit Department also to be Indianised, consistently with efficiency—but that need not be taken as a sort of proviso or condition, because there are plenty of Indians there as efficient as the English people, if not more efficient. It is wrong for any one to continue to think that only England is the repository of financial experts. Soviet Russia is a new and a young country and Soviet Russia has been able to give an excellent record of financial control and financial management. She did not send all her sons to England in order to be trained in the Bank of England or in Lombard Street or even Whitehall; and our people are supposed to have been trained in the last 150 years by these British financiers, and I am sure we have got enough of financial experts in our own country who are competent enough to advise and assist and work as the colleagues of my honourable friend the Finance Minister. Similarly, Audit should be completely Indianised. With these remarks I commend this committee's report to this House and I hope that the Finance Minister will send relevant passages of the remarks of this committee's report to the various departments of the government and see that proper attention is paid to the suggestions that we have made in this report.

Sri M. Ananthasayanam Ayyangar (Madras Ceded Districts and Chittoor. Non-Muhammadan Rural): I must pay a tribute to the persons, one of whom is Prof. Ranga, who drafted this report. He has gone through the various items carefully and has made suggestions in regard to budgeting, supplementary grants and various defects and irregularities which they have discovered in the matter of auditing. It is true we are now trying to discuss the report relating to the accounts of 1943-44 and my Honourable friend the Finance Member cannot be

accounted of everything that happened at that time either in the matter of accounting or in the matter of spending the finances to the detriment of the interests of this country. I expect him to improve upon what his predecessors have done. Otherwise we would only be continuing the same old bureaucratic methods of ruling over this country. I do expect a change now, since we have a responsible Indian Minister in charge of our finances. He must have come forward with a definite statement to this House as to how far the recommendations that have been made in this committee have been carried out, what steps have been taken to remedy the defects. Possibly my Honourable friend had not much time and he expects to hear the observations that may be made upon this report by Honourable Members of this House before he takes adequate steps regarding the irregularities that have been pointed out.

This report consists of two or three parts. First there is general budgeting. The second, the Railways, third the Military, and so on. It is not intended to beat a dead horse. Our observations are intended to put the new Finance Member and his department on their guard to see that in future at least these irregularities are not perpetrated.

Let us now take the manner in which budgeting has been done. The original budget amount has been far exceeded, practically out of all proportion to the original budget. On page 1, in Part I, the Posts and Telegraphs and Defence Services are dealt with. The Committee observe that there was a total excess of 53.98 lakhs, or 11.01 per cent over the final grant. This is abnormal. It is pointed out that 'this served somewhat to reduce the percentage of variation from the final grant, which percentage nevertheless is higher than it has ever been in recent years'. The excuse of the department is that this is all due to the war period. Now, that the war is over, they must be very careful. We fear that even after the war the same kind of latitude might continue to be taken. I am trying to give a warning that proper steps ought to be taken to make the budget figures approximate to the needs of the particular year and no more grants, except under unforeseen circumstances, should be allowed and grants should not normally be in excess of the original demand.

Now, I come to budgetary control. Let us see how many supplementary grants were brought up during the year and whether these supplementaries could have been avoided. This is referred to in paragraph 4 on page 8 of the report. I shall only read a few relevant sentences :

"We commented last year on the deterioration in budgeting and control which the results of the year then under review had disclosed when compared to those of a normal year in times of peace.....There are this year, for example, only 15 uncovered excesses in the voted section of the accounts compared to 19 in the previous year."

Though the number has gone down, the number of supplementary grants and the amounts involved which had reached record figures last year have been surpassed this year. I do not know who the Finance Member then was. He had only to complain of his predecessor. Now, the Finance Member will have to complain about two predecessors of his. Whatever might be the outward appearance the steel frame continues to do its work and I trust that the Honourable the Finance Member with his muscle and strength will give the steel frame a good shake at least. The time has come to modify all this.

It is also pointed out that in the year under review there were no less than seven unnecessary supplementary grants, 'a figure which has not been equalled for a very long time'. During the war they have wasted lot of money. This is one more reason why we must have full independence at the earliest possible moment. We can ill afford to wait any longer.

I shall now take up the supplementary demands. I will not tire the House with figures at the far end of the day. The Committee say :

"We had occasion to comment last year on the very large number of supplementary demands which the Legislature was called upon to vote and of the magnitude of the total sum involved. The figures for 1942-43 (excluding the Posts and Telegraphs estimates) were 46 supplementary demands for a total sum of Rs. 13,23,96,000, which was 52 per cent. of the original voted grant."

[Sri M. Ananthasayanam Ayyangar]

Now, let us see what happened in the year under review, 1943-44. 'The comparable figures for the year under review are 53 supplementary demands totalling Rs. 21,51,48,000 representing a percentage of no less than 62.29 of the original grant'. Supplementary grants were to the tune of 62 per cent. whereas in the previous year it was 52 per cent. This is a scandal of the first magnitude. I am sorry that the persons who were responsible for this are not here. Otherwise they would have to answer for all this in detail.

I shall now take up the suspense balances. It is referred to in paragraph 9 of this report. The Committee say on page 5:

"We sounded a note of warning last year against the danger of allowing suspense balances to grow unwieldy. We were informed then that there were considerable sums of money standing to the debit of Suspense because it had not been found possible satisfactorily to separate and allocate the individual items of which they were composed to the various Governments, and so on."

My fear is that in spite of the warning of the Committee that the defects ought to be remedied, this tendency was not properly checked. I am afraid proper attention was not paid to this aspect in spite of the warning of the Committee. That is the reason why I am trying to lay emphasis on the fact that proper control should be exercised. The Committee also say "We also desire the Finance Department to circularise other departments impressing upon them the urgency of clearing these debits". I would ask the Honourable Member to make a statement in his concluding speech what action has been taken and whether the other authorities have been circularised regarding the suspense balances in their hands; also whether they have been reduced; if so, to what extent? He would do well to give figures for the several years from 1942-43 right up to the present day if such figures are available.

Then, as regards the new services, I know of a convention. When a new service, which was not contemplated at the time of introducing the budget, is started, it has been the practice to place it before the Standing Finance Committee and obtain its approval. Then, a token sum is placed before the Assembly. Thought that convention has been there, it was not followed. Therefore, the members of the Committee have rightly observed in paragraph 10 that such sanction was not obtained from the Assembly. There is also no reference there why a similar sanction was not obtained at least from the Standing Finance Committee. I would urge that the Standing Finance Committee ought not to be lightly thrown away in all matters in which the grant was not sanctioned at the time when the budget was presented to the Assembly. The previous Finance Members might have looked askance at this and might not have looked at it with affection and goodwill, but I do hope that the present Finance Member will find the advice of the Standing Finance Committee very valuable and call for its aid as often as possible when he is unable to place these matters for the acceptance of the House generally.

Now, Sir, I come to the Railway Department. I have been a member of the Standing Committee for Railways for some years. So far as the budget control is concerned, I have to congratulate the Railway Department for a better method of budgetary control which they have brought to bear in the initial stages of the expenditure. The Committee has rightly paid a tribute to that Department for taking greater care than the general Finance Department. But they have been equally bad if not worse than the general Finance Department in the matter of coming up to the Assembly for supplementary grants. They have no doubt not deteriorated but they have not improved either. So far as the Railways are concerned, one could not accuse them of such a bad behaviour so far as supplementary grants go but they must have shown better improvement than the others. Sir, I would like to have some elucidation on this point from the Honourable the Finance Member or his colleague the Financial Commissioner for Railways. It was suggested in this report that from one major head to another major head sums ought not to be shifted when it was found that the grant under one major head was insufficient for meeting the demands. There-

fore, it was suggested that working expenses might as well be put under one head. I know and I do remember that the Honourable Financial Commissioner for Railways brought in before the Standing Finance Committee a proposal to re-align the heads and he brought various other heads under the working expenses. I believe it was in pursuance of this recommendation that he wanted to re-adjust the budget and tried to correct the budgetary provision in accordance with this recommendation. I would like to know from him in greater detail whether he has tried to carry out the proposal which we explained in the Standing Finance Committee and the recommendations that have been made in the report of the Public Accounts Committee. All the same, I was not satisfied then and I am much less satisfied now that they are dealing with funds that we voted *en bloc* properly. Though from one general head to another general head they may not transfer all the working expenses of all the railways, various Departments have been clubbed together under one "Working Expenses". Even now it is open to them to transfer from one sub-head to another sub-head of the same major head, which may be absolutely inconsistent. That is possible even under this re-alignment. Therefore, it is good that a Joint Committee should meet together to look into this matter and suggest ways and means to avoid the possibility of these people transferring from one sub-head to another sub-head that which is absolutely of an inconsistent and conflicting nature.

Then, Sir, there is one other matter on which the Committee has reported and quite properly. That is the correlation of budgeting with regard to the various systems of the railway administration. For instance, one railway incurs an expenditure and then pays it to some other railway. This finds a place only in the accounts of the railway which pays but it does not find place in the accounts of the railway which receives it. I do not know how it has not attracted the attention of the persons concerned because we gave a note for the Public Accounts Committee to make this remark. They say on page 9:

"We should like the Railway Department to investigate this matter and to adopt the procedure suggested if found feasible."

In the beginning of paragraph 20 they say:

"We have come across in our examination of the Railway accounts several instances which lead us to the conclusion that there is insufficient correlation in budgeting between the different railway administrations. We understand that a system is already in force whereby one railway does not debit or credit itself till the other railway has accepted the corresponding credit or debit thus ensuring correlation in the accounts of the two railways. We see *prima facie* no reason why some similar arrangement should not be adopted at the stage of making budget estimates so that a railway would not make any entry in its estimates relating to payments to or receipts from any other railway till the other railway had agreed to make a corresponding reverse entry in its own estimates."

I would like to have an answer from the Honourable the Railway Commissioner whether steps have been taken to remedy such defects and correlation is ensured in the matter of budgeting.

Lastly, Sir, I come to para. 22 of the report, where they make certain observations with regard to financial irregularities. They found certain gross financial irregularities in the matter of accounting and for which they recommended very serious punishment with respect to the officers. I would like to have a tabular statement of the serious financial irregularities that have been discovered and for which action has been taken. I would like to read one or two lines regarding their report on this matter.

"We should like the Railway Department to give very much more attention than they seem hitherto to have given to this aspect of the matter and we would welcome a report as to the action in this respect which they may find it possible to take."

It is open to the Honourable Members of this House to accept the report from the Department as to how far they have implemented this recommendation; what action they have taken in regard to the financial irregularities they have discovered; and also in regard to the financial irregularities that the Department itself may, in the light of the observations made by the members of the Standing Finance Committee, discover in addition to those irregularities already discovered.

[Sri M. Ananthasayanam Ayyangar]

The report has been written very well and gives a clear view of the various irregularities that they have discovered and we need not go away with the impression that the whole thing is very bad. However, there are a number of loopholes that have to be plucked and some report has to be laid before the Assembly as to how far action has been taken on the report of this Committee.

I will conclude with the observations that, irrespective of what might have been done this year, it is his duty not to save his time but to put more facts before the Assembly to enable the Honourable Members to know what action has been taken by the Government. He should not be laconic in an Assembly where he has got to open his mouth more often and we also want to listen to his beautiful voice.

Pandit Govind Malaviya (Allahabad and Jhansi Divisions: Non-Muham-
madan Rural): Sir, I have no wish to prolong the debate. My task is rendered easier because of the new Government that is functioning in this House. The report which we have to take into consideration now points out a number of things which deserve attention. But I have no doubt that the new

4 P.M. Finance Member whom we have the good fortune to welcome, will himself look into all that and I need not therefore go into those details. It is lucky that we have the new Finance Member. I need not bother about the political tubthumping which many of us may have to do outside. I am not concerned with that now. That does not matter now. But those of us who have had the privilege of having known the Finance Member in another legislature, in the U.P., are well aware of the high ability and patriotism he possesses and with all that knowledge of him, I have no doubt that the entire administration of the Finance Department will hereafter change, not only because of the general change on account of the new government that has come in but also because of the personal ability and determination which he will bring to bear upon his work. I will not therefore go into details of the report. The purpose for which I have stood up is just one little suggestion which I want to make and that is that now that we have one of our own men sitting here at the head of the Finance department, which department my Honourable friend Prof. Ranga rightly characterised as the watch-dog of the whole government in a sense, I hope the Finance Member will make the watch-dog of his watch-dog department, namely the Public Accounts committee, more powerful and more effective than it has been hitherto. In England, Sir, if I am not mistaken, they have a non-official Chairman of the Public Accounts Committee. The only purpose why I am taking up the time of the House is to make the suggestion to the Finance Member for his consideration to see whether the time has not now come when we should introduce that practice here also and have a non-official chairman for the Public Accounts Committee. The Honourable Finance Member's hands will be full of important and urgent matters; he will have more to do than any human being can wish for. I have no doubt that he will find in a non-official chairman one who will co-operate with him, one who will compliment his work to such an extent as may be needed and as may be desired. He will find that a committee presided over by a non-official chairman will lend him greater strength and will lead to better efficiency of administration than before. There are other countries also where this practice prevails. I will not take up the time of the House in dilating upon this point, and I hope he will consider this useful suggestion and he will be able to adopt it at as early a date as he might find it possible. I support the consideration of the report.

The Honourable Mr. Liaquat Ali Khan (Finance Member): Sir, it is indeed very gratifying that the House felt so much satisfied with my silence and I am sure that it will be more satisfied with my speech. Sir, my Honourable friends Prof. Ranga and Pandit Govind Malaviya have been good enough to say very kind things about me. My endeavour would be to come up to their expectations. Now, Sir, Prof. Ranga wanted to know what action had been taken,

and I think my Honourable friend Mr. Ayyangar also desired to know what action had been taken on the report of the Public Accounts Committee. This is a document which is quite bulky and I would have been only too glad to read out all the items of action that the departments have taken on the report. This was placed before the Public Accounts Committee in September and it will come up before the House when the next report of the Public Accounts Committee comes up for discussion, because the action taken by the department on all outstanding points not covered by an earlier report will form part of the next report with regard to the accounts of 1944-45. My Honourable friend Prof. Ranga said that he desired that instructions should be issued giving a maximum period of three months for replies to audit comments. We have done better than that. We have issued instructions giving them only six weeks. All the departments have been circularised that if their remarks are not received within that time, then the comments which are sent to the departments will be taken to be correct.

Now, Sir, there is another point which was raised by Prof. Ranga with regard to the creation of new departments and that the vote of the House should be taken before a new department is started. I am glad to inform him that it has been decided that the vote of the House should be taken at the earliest opportunity I shall be coming up before the House in this connection with regard to the Works, Mines and Powers Department which is technically a new Department. With regard to his second suggestion that in case we decided to abolish certain departments, even then the vote of the House should be taken, I am not quite sure about that. But anyhow that is a matter that I shall examine, but I may say that it does not seem to me that there is such a strong case in favour of this proposition as there is in favour of the proposition that when a new department is started the vote of the House should be taken. Then, Sir, with regard to budgeting, unfortunately our budgeting has not been as close as we could wish. I think the House would realise that it is due entirely to conditions that have been prevailing on account of war during the last few years and I am hopeful that as conditions return to normal our budgeting also will be more real. With regard to budgetary control, I may tell Honourable Members that the deterioration is again a war time phenomena and I admit that in spite of the fact that all departments had done their best, that best has not been quite adequate. I hope that in future we will be able to exercise greater control with regard to this matter. There is, I think, Sir, only one other point that has been raised by my friend from U. P., Pandit Malaviva. He has suggested that, as is the practice in England, the Chairman of the Public Accounts Committee should be a non-official. I will certainly examine this proposal. It is my earnest desire that as long as I am in charge of this department of Government I should carry with me the non-officials of this House and it will always be my earnest effort to seek their advice and assistance on any matter which comes up before me. Even if I am not able for some reason or other to place any particular proposal before the House as a whole I shall always try to get, if not officially at least informally, the views of the representatives of the various parties in this House. As a matter of fact in this connection I may say that it was I think, Mr. Ayyangar, who suggested that the Committee that was appointed with regard to the Bretton Woods proposals may be continued or some other committee may be appointed to be consulted from time to time. Two days ago I promised that I would consider this matter. I am glad to tell my Honourable friend and other Honourable Members, and specially the members of the Committee, that if they would be so good as to assist me from time to time I shall be happy to avail of their assistance.

Sir, I do not think there is really any other point on which I need say anything in particular. I recognise the importance of the Public Accounts Committee; it does play a very important and a very useful role in the management of the finances of Government, and I do hope that the Public Accounts Committee of this House will in future be even more vigilant than it has been in the past.

DEMANDS FOR EXCESS GRANTS FOR 1943-44

Civil

DEMAND NO. 2.—CENTRAL EXCISE DUTIES

The Honourable Mr. Liaquat Ali Khan (Finance Member): Sir, I move:

"That an excess grant of Rs. 23,961 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Central Excise Duties'."

Mr. President: The question is:

"That an excess grant of Rs. 23,961 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Central Excise Duties'."

The motion was adopted.

DEMAND NO. 21.—FINANCE DEPARTMENT

The Honourable Mr. Liaquat Ali Khan: Sir, I move:

"That an excess grant of Rs. 15,607 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Finance Department'."

Mr. President: The question is:

"That an excess grant of Rs. 15,607 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Finance Department'."

The motion was adopted.

DEMAND NO. 22.—COMMERCE DEPARTMENT

The Honourable Mr. Liaquat Ali Khan: Sir, I move:

"That an excess grant of Rs. 3,362 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Commerce Department'."

Mr. President: The question is:

"That an excess grant of Rs. 3,362 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Commerce Department'."

The motion was adopted.

DEMAND NO. 27.—CENTRAL BOARD OF REVENUE

The Honourable Mr. Liaquat Ali Khan: Sir, I move:

"That an excess grant of Rs. 2,459 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Central Board of Revenue'."

Mr. President: The question is:

"That an excess grant of Rs. 2,459 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Central Board of Revenue'."

The motion was adopted.

DEMAND NO. 31.—ADMINISTRATION OF JUSTICE

The Honourable Mr. Liaquat Ali Khan: Sir, I move:

"That an excess grant of Rs. 66,292 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Administration of Justice'."

Mr. President: The question is:

"That an excess grant of Rs. 66,292 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Administration of Justice'."

The motion was adopted.

DEMAND NO. 82.—JAILS AND CONVICT SETTLEMENTS

The Honourable Mr. Liaquat Ali Khan: Sir, I move:

"That an excess grant of Rs. 11,568 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Jails and Convict Settlements'."

Mr. President: The question is:

"That an excess grant of Rs. 11,568 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Jails and Convict Settlements'."

The motion was adopted.

DEMAND NO. 84.—PORTS AND PILOTAGE

The Honourable Mr. Liaquat Ali Khan: Sir, I move:

"That an excess grant of Rs. 57,477 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Ports and Pilotage'."

Mr. President: The question is:

"That an excess grant of Rs. 57,477 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Ports and Pilotage'."

The motion was adopted.

[At this stage Mr. President vacated the Chair which was then occupied by Mr. Deputy President (Khan Mohammad Yamin Khan)].

DEMAND NO. 85.—LIGHTHOUSES AND LIGHTSHIPS

The Honourable Mr. Liaquat Ali Khan: Sir, I beg to move:

"That an excess grant of Rs. 5,969 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Lighthouses and Lightships'."

Mr. Deputy President: The question is:

"That an excess grant of Rs. 5,969 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Lighthouses and Lightships'."

The motion was adopted.

DEMAND NO. 87.—BOTANICAL SURVEY

The Honourable Mr. Liaquat Ali Khan: Sir, I beg to move:

"That an excess grant of Rs. 4,768 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Botanical Survey'."

Mr. Deputy President: The question is:

"That an excess grant of Rs. 4,768 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Botanical Survey'."

The motion was adopted.

DEMAND NO. 42.—METEOROLOGY

The Honourable Mr. Liaquat Ali Khan: Sir, I beg to move:

"That an excess grant of Rs. 41,874 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Meteorology'."

Mr. Deputy President: The question is:

"That an excess grant of Rs. 41,874 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Meteorology'."

The motion was adopted.

DEMAND No. 58.—EMIGRATION—INTERNAL

The Honourable Mr. Liaquat Ali Khan: Sir, I beg to move:

“That an excess grant of Rs. 114 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of ‘Emigration—Internal’.”

Mr. Deputy President: Motion moved:

“That an excess grant of Rs. 114 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of ‘Emigration—Internal’.”

Prof. N. G. Ranga (Guntur *cum* Nellore: Non-Muhammadan Rural): Sir, I protest against this. Any one of the Government officers in charge of this Department drawing thousands of rupees every month could have put this small sum of Rs. 114 from his pocket and saved the House this waste of time.

Mr. Deputy President: Would the Honourable Member like to reply?

The Honourable Mr. Liaquat Ali Khan: That will be wasting more time of the House.

Mr. Deputy President: The question is:

“That an excess grant of Rs. 114 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of ‘Emigration—Internal’.”

The motion was adopted.

DEMAND No. 61.—CENSUS

The Honourable Mr. Liaquat Ali Khan: Sir, I beg to move:

“That an excess grant of Rs. 205 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of ‘Census’.”

Mr. Deputy President: The question is:

“That an excess grant of Rs. 205 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of ‘Census’.”

The motion was adopted.

DEMAND No. 10.—INDIAN POSTS AND TELEGRAPHS DEPARTMENT

The Honourable Mr. Liaquat Ali Khan: Sir, I beg to move:

“That an excess grant of Rs. 22,50,786 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of ‘Indian Posts and Telegraphs Department’.”

Mr. Deputy President: Motion moved:

“That an excess grant of Rs. 22,50,786 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of ‘Indian Posts and Telegraphs Department’.”

Sri. M. Ananthasayanam Ayyangar (Madras Ceded Districts and Chittoor: Non-Muhammadan Rural): Sir, I oppose this. The Honourable Members will see in the Report under Indian Posts and Telegraphs Department that 22 lakhs have been spent from the revenue account in excess of the grant. Under the capital account item No. 78 Indian Posts and Telegraphs—83 lakhs have been spent in the same year. In all 83 plus 22; it comes to 105 lakhs. More than one crore has been spent in excess of the original grant. We find in the Public Accounts Committee Report that this was spent on about 76 major works not one of which was placed before the Assembly even though some of them had already been executed or were in the course of construction at the time of the Budget Session. They were neither placed before the Standing Finance Committee. I want to oppose and throw this out and see what will happen. I am anxious to know what will happen to more than one crore of rupees which has already been spent. It is a farce. Out of this one crore and lakhs, at least a hundred or one thousand rupees must be collected as punishment by way of fines from those persons in charge of the department who were responsible for this excess.

I will only read one or two items from page 42 of the Public Accounts Committee's Report:

"28 of these works had cost under Rs. 1,000, while only eight had cost more than Rs. 20,000 each. The Committee enquired why the modified appropriation for the workshop building at Jubbulpore was Rs. 15,00,800 when the original appropriation was only 2,45,700. It was explained that the project had undergone a series of changes since it was first conceived. Budget provision had been made according to the original plan which was to acquire and construct buildings in order to house certain workshop machinery from Calcutta."

I see that many such irregularities have been done. I therefore oppose this motion for passing 22 lakhs whatever might be the consequences.

Mr. K. G. Ambegaonkar (Government of India: Nominated Official): The consequences will be that the excess will remain unauthorized, and the Auditor General will go on raising objections.

Sri M. Ananthasayanam Ayyangar: Officers will be surcharged.

Dr. Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): And what will be the legal position of those buildings?

Sjt. N. V. Gadgil (Bombay Central Division: Non-Muhammadan Rural): Mr. Deputy President. This raises an important issue. That someone had bungled at some place either in under-estimating or spending without authority either of the House or of the Standing Committee or of both is clear. Even if we throw out this demand we cannot mend the matter. I only want to urge on the attention of the new Finance Member that this clearly establishes a case in which he ought to be a watch-dog of the country's finances in the real sense of the word, and if he can assure us that such performances, although they cannot be avoided entirely, will be few hereafter, personally I shall be satisfied.

Sir Harold Shoobart (Secretary, Communications Department): I am afraid that my Honourable friend, Mr. Ayyangar, is under some slight misapprehension, and I hope very much that I shall be able to satisfy the House that the Indian Posts and Telegraphs Department in 1943-44 was not undertaking a lot of ill-conceived and unauthorised expenditure. Actually he has referred to two excesses. The first is an excess of Rs. 22,50,786. That excess is made up of a great number of small items and although it may not be entirely clear from the Public Accounts Committee Report, they have no particular relation to these 73 Major Works which were undertaken without specific provision. I must recall to Honourable Members that during the period of the war, the Indian Posts & Telegraphs Department went through a period of very heavy expansion. Traffic increased on all sides to an unprecedented degree. There were troops coming in from the United Kingdom, later on from America—and all sorts of capital goods were coming into India which increased the amount of work which our people had to do and we could not foresee at the budget time what that expansion was going to be. But above all, Honourable Members will remember that the Posts & Telegraphs Department undertook a Rs. 16 crores Tele-Communications Development Scheme. As a matter of fact, when this scheme was conceived towards the end of 1942, it was only to have been a Rs. 8 crores scheme. Gradually it increased to Rs. 16 crores. But when this scheme was in the beginning, framed to increase tele-communications in this land, chiefly for the war department and for strategic purposes, it was most difficult to foresee how far it was going. The result of that was that, at the time with which this excess is concerned, we had gone ahead very much and the excesses spoken of resulted—I can give you a few details of their nature. One of them was an excess of Rs. 30 lakhs for pay of establishment. Another was an excess of 3 lakhs on pay of officers. Another was an excess of Rs. 6,28,000 on movement of stores. I may state that at this time we were sending stores to Iraq, later on to Burma, to the Middle East and all over the place, and that it meant that we had to move a great many stores, without very much warning, all over India. Actually this first excess

[Sir Harold Shoobert]

which my friend, Mr. Ayyangar, has criticized, the excess of Rs. 22,50,000, is made up of these and a few other items and not specifically concerned with those 73 major works. All of them were concerned with the war, and had to be taken up at short notice and it was not possible to get the previous approval of the Standing Committee. For the Rs. 16 crores scheme, as the Honourable Members of this House are aware, we did at every stage get the necessary approval.

The Honourable the Finance Member has not yet come to the item of Rs. 83,13,633.

Sri M. Ananthasayanam Ayyangar: You must dispose of them together!

Sir Harold Shoobert: I think, Sir, I may be allowed to speak on this item under expenditure charged to capital,—an excess of Rs. 83,13,633. I must explain that that is really due to arrangements between the Supply Department and the Posts and Telegraphs Department. In the year with which these accounts deal, the Supply Department adopted a procedure by which materials and supplies, which were 100 per cent approved and which had already been despatched, were paid for. Well, the result was that Rs. 24 lakhs advance payment was made by the Supply Department in the financial year for supplies which the Posts & Telegraphs Department did not receive for their works until the next year. We had not wanted them in this particular year, but we had to pay for them. They came in for work in the following financial year.

Prof. N. G. Ranga: Could it not be paid from the Suspense Account?

Sir Harold Shoobert: I think this is a Suspense Account. Anyhow we were billed for them. I am afraid I cannot give my friend, Prof. Ranga, a direct reply. But I can assure him that it was all above board. The other item, of which this is partially made up—in fact the totals are more than made up—is an unanticipated receipt of stores amounting to Rs. 80 lakhs. Those stores were also wanted for works to be done in the following financial year, but they were received by the Posts & Telegraphs Department in the year under consideration. I may add, Sir, for the information of Honourable Members that with the few remarks recorded by the Public Accounts Committee in their report, they recommended that these excesses should be sanctioned and we have

Sri M. Ananthasayanam Ayyangar: May I know from the Honourable Member what they could do otherwise?

Shri Sri Prakasa (Benares and Gorakhpur Divisions: Non-Muhammadan Rural): All excesses are condoned!

Sir Harold Shoobert: One of the Honourable Members suggested that the officers of the Department might have met it from their very fat salaries. We might have had some sort of levy! With regard to the remarks of the Public Accounts Committee on these matters, I can assure the House that the Department is doing its best to satisfy the members. I hope that what I have said will satisfy our honourable friends that there has not been any prodigal or ill conceived spending in a department which during the war had to bear a very heavy burden indeed.

Seth Govind Das (Central Provinces Hindi Divisions: Non-Muhammadan): The Honourable Member has spoken about other things but he did not give any reply to the objection raised by my honourable friend, Mr. Ayyangar about the huge sum spent in constructing certain buildings in Jubbulpore. As far as I am aware, because I belong to Jubbulpore, these buildings were constructed for shifting certain Telegraph & Postal Departments which were actually situated in Calcutta, and from the findings—at least from what the Jubbulpore people say—there was no need for shifting those Departments to Jubbulpore. Though I belong to Jubbulpore, and this huge department has been brought there, yet I feel that the poor taxpayer's money should not be

spent in this way and the Government should not shift one department from one place to another without adequate reasons. This has been a hobby of the Government which was in power up till now. Without any adequate reasons they used to shift one department from one place to another and spend huge sums on such projects. The same thing was done when the capital was shifted from Calcutta to Delhi. I shall give another example of Jubbulpore. That happened in 1908. There were three factories situated in Presidency towns for making gun carriages: one in Calcutta, one in Bombay and the third in Madras. Now these three factories were shifted from these three presidency towns to Jubbulpore without any reason. . . .

Sgt. N. V. Gadgil: Good target there!

Seth Govind Das: and a good deal of criticism was made in this respect. My Honourable friend Mr. Ayyangar has rightly pointed out that this huge sum of 15 lakhs was spent in constructing these buildings in Jubbulpore. There was no necessity to shift those departments from Calcutta to Jubbulpore. These demands have come to us today and we do not want to oppose them. We want only to bring this fact to the notice of the Government that the previous government have always been in the habit of shifting departments from one place to another without any adequate reason and this new Government ought to see that the money of the poor taxpayers is not spent in the way it has been done so far.

Dr. Zia Uddin Ahmad: Was not there danger of bombing in Calcutta at that time?

Sir Harold Shoobert: With your permission, Sir, as it has been stated that I have not dealt with this point which my friend has just now raised, I would like to give a reply to that.

Mr. Deputy President: As a special case I allow it.

The Honourable Mr. Liaquat Ali Khan: It is only on a point of explanation that the Honourable Member desires to speak.

Sir Harold Shoobert: The Honourable Member has accused me of omitting to mention the Jubbulpore works. I must crave the indulgence of Honourable Members for not having specifically mentioned that but it really came within the scope of the 16 crores scheme. This workshop was established in Jubbulpore not for the purpose of inconveniencing men who were working in Calcutta nor for the purpose of transferring any general work which was already going on in Calcutta. The position was, as Honourable Members will recall, that about that time India was threatened with invasion from Japan. Calcutta was an exposed area. The Posts and Telegraphs workshops and the work required from them was expanding at an enormous rate and there was no room for what we had to do in Calcutta. There was no safety for what had to be done in Calcutta. The result was that part of the Calcutta workshops was transferred to Jubbulpore. As the Tele-Communication Development scheme went on it became necessary to expand not only Calcutta on its own site to such an extent that there was no room for any more work to be done there but also to expand Jubbulpore to an enormous extent and I may state for the information of Honourable Members that next week when our Standing Advisory Committee is to meet, the question as to the future of our 8 telegraph and telephone workshops at Calcutta, Jubbulpore and Bombay is being taken up for consideration. It was not in any idle way that the workshop was opened in Jubbulpore because the other workshop continued.

Mr. Deputy President: The Question is:

"That an excess grant of Rs. 22,50,786 be voted by the Assembly to regularise the expenditure chargeable to revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Indian Posts and Telegraphs Department'."

The motion was adopted.

Railways**DEMAND NO. 5.—PAYMENTS TO INDIAN STATES AND COMPANIES**

The Honourable Mr. Liaquat Ali Khan: Sir, I beg to move:

"That an excess grant of Rs. 12,92,217 be voted by the Assembly to regularise the expenditure chargeable to Railway revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Payments to Indian States and Companies'."

Mr. Deputy President: Motion moved:

"That an excess grant of Rs. 12,92,217 be voted by the Assembly to regularise the expenditure chargeable to Railway revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Payments to Indian States and Companies'."

Prof. N. G. Ranga: Sir, I wish to draw your attention to a very technical matter. You will find that this is the first of a number of Excess Grants which my Honourable friend the Finance Minister has got to ask this House to give its vote to. Most of these excesses have arisen as a result of the policy of the Government in its Railway Department to come to a settlement in regard to two practices that obtain there. They are referred to on page 9, paragraph 19. There was a convention by which the Railway Board is allowed to authorise expenditure in excess of what is voted by the Legislature in one particular grant in the hope that it will be met by savings elsewhere within the same grant. There was another convention by which the Railways are authorised to exceed the budget allotments in one grant if they expected savings in another.

The Public Accounts Committee said:

"This latter arrangement is however, tantamount to reappropriation being allowed between eight different grants and we regard this as most unsatisfactory."

Therefore the Committee suggested that:

"Instead of adopting this subterfuge which have been necessitated by the peculiar conditions of the Railways but which is quite contrary to all canons of budgeting and financial control, it might be better to revert to the system of having one grant for Working Expenses as a whole of which the present grant could be sub-heads between which reappropriations would be allowed in the normal course. We should like the Railway Department to re-examine this matter in detail in consultation with the Auditor General and present a report to the Committee. Till the matter is settled the present arrangements should continue."

I would like to know at what stage the whole matter rests. It seems necessary that some agreement should be reached in regard to this particular matter in order to avoid this very large number of excess expenditure that the railways are obliged to indulge in. Unfortunately it so happens that the Railways and the Posts and Telegraphs have had to resort to this method in order to meet several unforeseen expenditures under various items. That is why those two conventions were reached, one independent of the other, almost one overlapping the other and there is a certain amount of conflict in the way in which these two conventions could be worked. Therefore it has become necessary for the Public Accounts Committee to draw the attention of the Government to the necessity of harmonising these two conventions, so that the financial practices of the Railways as well as the Posts and Telegraphs Department could be placed on a sounder footing. I dare say that the Government have already paid attention to this particular recommendation of the Public Accounts Committee and I would like to know what they have done or propose to do.

Mr. I. S. Puri (Government of India: Nominated Official): Sir, the second convention to which Professor Ranga has referred (and this was objected to by the Public Accounts Committee which examined the accounts of 1943-44) related to the setting off of excesses under one grant against savings under another. This practice is, strictly speaking, irregular: it is not permitted by the legislature rules. But when the present arrangement of grants was decided upon, it was agreed by the then Public Accounts Committee that in order not to place undue restrictions on the powers of General Managers, a convention might be adopted under which a General Manager, if he had savings under

One grant, could set off that against excesses under another, but that this would not do away with the necessity of a vote by the Assembly. This procedure was objected to last year by the Public Accounts Committee, and they recommended that the whole position should be re-examined in consultation with the Auditor General. This has been done, and proposals for a rearrangement of demands for grants—which arrangement it is claimed is more logical and more scientific than the existing arrangement—and a memorandum was placed before the Standing Finance Committee after obtaining the concurrence of the Auditor General to the re-arrangement. The Standing Finance Committee approved of the revision of the arrangement of demands for grants, and last month the matter came up before the Public Accounts Committee and that committee approved of that arrangement. Now when the budget for 1947-48 will be placed before this House next February, the budget will be according to the new demands for grants. That is the position.

As regards the other points—the other convention to which Prof. Ranga has referred, the position is this: when, after the 1924 convention resolution, the Standing Finance Committee examined the question of the demands into which working expenses for railways should be divided, it was made clear at that time too that railway budgeting was on a somewhat different footing from other departments budgeting. Strictly speaking, reappropriation requires two orders—actual additional allotment to one authority, and a corresponding withdrawal from another spending department. But the question has been considered several times in the Public Accounts Committee and it has been accepted that it is not always possible for the Railway Board to locate a saving. While on a general consideration of the progress of expenditure they may say that a certain excess on a railway would be covered by a saving on some other railway, it is not always possible to say on which railway and under which detailed head of the grant the saving would occur; and therefore it was held that the Railway Board might be allowed in such cases to authorise a particular railway to incur expenditure in the hope that at the end of the year there would be savings somewhere from which to meet those excesses and that in the Public Accounts Committee the Railway Board representative would be prepared to defend their actions, and that convention remains.

I would like to point out in this connection now about the other point which Prof. Ranga raised, that it is these conventions that have led to these excesses over the final grants. I submit that those conventions have nothing to do with these excesses. These excesses would have taken place in any case. The reasons for these excesses are these. In the first place, after the revised budget had been prepared and the supplementary demand for 1943-44 had been voted by the Assembly, orders were issued which took effect from the 1st of March 1944 revising the dearness allowance rules and extending the dearness allowance concessions to a larger body of railway staff. This must inevitably cause an excess over the revised estimate, because at the time that the revised estimate prepared, these orders had not been issued and had not been allowed for in working out the sums which the Assembly was asked to vote on. That is one point.

The other thing is this. It has been recognised all along that the railway estimates are different in some respects from the estimates of other ordinary spending departments. Railway estimates of expenses are at best an indication of the expenditure that will be necessary in order to carry a certain amount of traffic. Nobody will, I dare say, suggest that if a General Manager has to carry more traffic than he estimated for in his estimates of revenue and working expenses, he should refuse to carry that traffic, because he has not got money either under coal or under operating staff or something else. Our estimate therefore is only an indication of how much money we shall spend in order to carry a certain amount of traffic. During the war years the traffic estimates have been exceedingly difficult and this is because of the unpredictability of the course of the war. Military traffic, for example, rose

[Mr. I. S. Puri]

very steeply and we had to carry that traffic, with the result that expenditure actually exceeded the estimates that we had prepared in February. That is the real reason. The income was larger and therefore the expenditure also had to be larger; and one of the excesses—revenue appropriation to reserve—is only a consequential adjustment, because the earnings were more and the surplus was more and therefore there was a large reappropriation to reserve.

As regards the general question of control, this question was also raised by the Standing Finance Committee particularly by my friend, Mr. Anantha-sayanam Ayyangar, when last June we had a meeting to consider the question of the second all India railway strike, and then the opinion was expressed by the committee that there was need for taking active steps to tighten up the machinery for financial control of railway expenditure, both at headquarters and on the railways. This recommendation was accepted by the Government, and now certain steps are under very active consideration as to how that machinery for financial control should be tightened. In due course the matter will come before the Railway Standing Finance Committee.

Prof. N. G. Ranga: Will the Public Accounts Committee also be consulted on it?

Dr. Zia Uddin Ahmad: May I ask one or two questions? The Honourable Member spoke about the traffic of American troops. May I know whether this was under the lend-lease arrangement or whether the railway actually received the money for that traffic from somebody? Will he also say why no adjustment was made either from the Standing Finance Committee or in the Assembly during the last two years? At least the matter ought to have been brought to the notice of the Standing Finance Committee, if not of the legislature.

The next point is that these demands under these various items amount to some Rs. 80 lakhs odd. I want to know whether there has been a saving in some other departments in order to meet this additional demand.

Mr. I. S. Puri: Sir, I was talking of the military traffic, not of the American military traffic. In any case whatever the arrangements may have been between the War Department and the Government of India and the U. S. A. Government, so far as the Railway Department is concerned, they got their full freight, according to the rates and so, the question of bringing the loss to the notice of this House or the Standing Finance Committee did not arise.

As regards the third question of Dr. Zia Uddin, the point is that there was no question of corresponding savings. These are all working expenses, because the traffic exceeded our anticipations. Therefore the working expenses exceeded also. He will notice that these working expenses have gone up under most of the items under which the working expenses are shown and there is no corresponding saving in working expenses. There is more than a corresponding increase in revenue which covered these expenses.

Mr. Deputy President: The question is:

"That an excess grant of Rs. 12,92,217 be voted by the Assembly to regularise the expenditure chargeable to Railway revenue actually incurred in excess of the voted grant in the year 1943-44 in respect of 'Payments to Indian States and Companies'."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Friday the 1st November 1946.

APPENDIX I

(Vide page 320 ante.)

COPY OF THE NOTIFICATION No. 10-M(A)/7-46, DATED THE 16TH APRIL, 1946.

No. 10-M(A)/7-46.—In exercise of the powers conferred by section 5 of the Indian Aircraft Act 1934 (XXII of 1934), the Central Government is pleased to direct that, with effect from the 15th May, 1946, the following further amendment shall be made in the Indian Aircraft Rules, 1937, namely :—

For Section B of Schedule V to the said Rules, the following Section shall be substituted, namely :—

"Section B.—Tariff of landing and housing charges at Government Aerodromes.
(See rule 82)

1. The charges for landing and housing of aircraft, other than airships, at Government aerodromes shall be as follows :—

| Type of Aircraft Class. | Total Weight. | Landing charges for single landing | Housing charges (excluding landing charges) | | |
|-------------------------|--------------------------------|------------------------------------|---|--------------|----------------|
| | | | Up to 24 Hrs. | Monthly rate | Quarterly rate |
| | | Rs. | Rs. | Rs. | Rs. |
| A | Up to 2,500 lbs. | 1 | 2 | 40 | 80 |
| B | 2501—7,500 lbs. | 5 | 10 | 200 | 400 |
| C | 7501—15,000 lbs. | 10 | 25 | 500 | 1,000 |
| D | 15,001—25,000 lbs. | 25 | 40 | 800 | 1,600 |
| E | 25,001—50,000 lbs. | 50 | 60 | 1,200 | 2,400 |
| F | 50,001—1,00,000 lbs. | 150 | 100 | 2,000 | 4,000 |
| G | 1,00,001—2,00,000 lbs. | 300 | 200 | 4,000 | 8,000 |
| H | Above 2,00 000 lbs. | 750 | 300 | 6,000 | 12,000 |

2. For purposes of assessing landing and/or housing charges, the total weight of an aircraft shall be the maximum permissible weight as specified under the regulations of the State in which the aircraft is registered.

3. The payment of the landing charge shall entitle aircraft to (i) the use of the aerodrome for alighting and departure, (ii) the use of radio and night lighting installations at the aerodrome, (iii) the supply of all available information as to routes and weather conditions, and (iv) the services of the aerodrome personnel, if available, for manual assistance in guiding, housing or picketting the aircraft.

4. Any flight during the hours of daylight of which prior notice is given to the Aerodrome Officer and which is undertaken solely for the purpose of ascertaining the serviceability in the air of the aircraft and its equipment, shall be deemed to be a test flight and shall be exempt from the levy of a landing charge.

5. When an aerodrome is used during the hours of daylight for repeated landings, a daily charge equivalent to five times the charge for a single landing for the class of aircraft concerned shall be levied in respect of each aircraft.

6. 50 per cent. of the standard housing charges at daily, monthly or quarterly rates shall be charged for aircraft parked in the open. The daily parking charge will be levied for any period exceeding 12 hours, upto 24 hours and thereafter for complete periods of 24 hours.

7. The charges will be due for payment at the times stated below :

- (i) Landing charges At the time of using the aerodrome, or, in the case of approved regular user, on demand at the end of each calendar month in respect of charges accruing in the month.
- (ii) Charges for housing or parking at daily rates. Ditto.
- (iii) Charges for housing or parking at monthly or quarterly rates. In advance, at the beginning of the month or quarter. If not so paid, charges will be recovered at daily rates.

8. When housing space which has been paid for in advance is not used, the space may be used for the housing of other aircraft and no refund shall be made to the lessee unless he is prevented by the housing of other aircraft from obtaining accommodation for his aircraft.

9. No housing charge shall be levied in respect of an aircraft housed in a Government hangar for the purpose of inspection by a Government Aircraft Inspector during the period certified as necessary for the inspection by the Aircraft Inspector, including such period not exceeding 3 days after the conclusion of the actual inspection as may be necessary for re-assembly consequent on the inspection."

G. V. BEWOOR,
Secretary.

DEPARTMENT OF POSTS AND AIR
NOTIFICATION

New Delhi, the 17th August 1946

No. 11-M (A)/1-46-III.—In exercise of the powers conferred by section 5 of the Indian Aircraft Act, 1934 (XXII of 1934), the Central Government is pleased to direct that the following further amendments shall be made in the Indian Aircraft Rules, 1937, namely:—

I. In the said Rules,—

(A) sub-rule (5) of rule 135 shall be renumbered as sub-rule (6), and before sub-rule (6), as so renumbered, the following sub-rule shall be inserted, namely:—

"(5) The Central Government may by general or special order appoint—

(i) an officer of the Civil Aviation Directorate to perform the duties of the Deputy Chairman, and

(ii) a deputy to each Member to perform the duties of that Member, at any meeting of the Board which the Deputy Chairman or that Member is unable to attend."

(b) after rule 135 the following rules shall be inserted namely:—

"135A. *Officers of the Board.*—(1) The Central Government may appoint a Secretary and so many and such other officers as shall be found necessary for the due discharge of all powers and authorities conferred on the Board.

(2) During the temporary absence of the Secretary, the Board may require any officer of the Board or of the Civil Aviation Directorate to act as Secretary for the time being and perform all such functions as are assigned to him.

135B. *Seat of the Board.*—The Board shall sit at New Delhi or at such other places as the Chairman may, with the approval of the Central Government, appoint.

135C. *Procedure of the Board.*—(1) The Board may meet for the dispatch of business, sit in public or in private, adjourn, direct generally or from time to time the manner in which any notice required to be issued under these rules shall be served, and otherwise regulate its proceedings and business as it may think fit.

(2) In particular and without prejudice to the generality of the powers conferred by sub-rule (1), the Board may—

(a) make standing orders for the regulation of its business and vary or revoke any such order;

(b) delegate to the Chairman, Deputy Chairman, Member, Secretary, or other officer of the Board or any special examiner appointed by the Board any of its functions other than those under rules 136, 139, 141, 144, 145, 146, 148 and 151 and such of its functions as are in the opinion of the Board in the nature of preliminary investigation or action, including the taking down of evidence, inspection of documents and local inspection;

(c) admit in evidence any report made by the person to whom powers are delegated as aforesaid and generally admit or reject in its discretion any evidence, oral, or documentary, which may be tendered before it.

135D. *Quorum*.—The quorum for any meeting of the Board shall be three of whom one shall be the Chairman or the Deputy Chairman.

135E. *Decision by majority and casting vote*.—Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes the Chairman or if he be absent the Deputy Chairman shall have a second or casting vote.

135F. *Seal of the Board*.—(1) The Board shall have and use as required a seal and the seal shall be delivered to and kept in the custody of the Secretary.

(2) All licences and final orders of the Board shall be expressed to be made by the Air Transport Licensing Board, shall be sealed with the seal of the Board, signed by the Secretary and countersigned by the Chairman or the Deputy Chairman, and, when so sealed and signed, shall be conclusive evidence that the licence was duly granted or the order duly made.

(3) All notices, advertisements, and other documents may be signed by the Secretary."

(c) In sub-rule (2) of rule 136, after the words "cause to be inspected" insert "by the Chairman, the Deputy Chairman or any one or more members of the Board or any other person authorized by the Board in that behalf."

II. In Schedule VI to the said Rules:—

(a) after entry 18, the following entry shall be inserted in the first and second column and included within the third bracket in the third column, namely:—

"18A. *Air Transport Service*.—Contravention of the rule relating to licensing of an air transport service.....134"

(b) in entry 22, for the words "in the foregoing items" the words "elsewhere in this Schedule" shall be substituted.

(c) after entry 22 the following entries shall be inserted and bracketed together in the third column:—

| | | |
|--|-----|-------------------------------------|
| " 23. Contravention of the rules relating to the cust production and surrender of licenses. | 152 | } Fine not exceeding Rs. 1,000." |
| 24. Contravention of the rules relating to submission of periodical returns and particulars of information. | 155 | |

W. H. SHOUBERT, Secy.

GOVERNMENT OF INDIA
DEPARTMENT OF COMMUNICATIONS
NOTIFICATION

Dated New Delhi, the 18th September 1946

No. 10-M(A)/26-46-1.—In exercise of the powers conferred by section 5 of the Indian Aircraft Act, 1934 (XXII of 1934), the Central Government is pleased to direct that the following further amendment shall be made in the Indian Aircraft Rules, 1937, namely:—

In the said Rules, for rule 33 the following rule shall be substituted, namely:—

"33. *Change in ownership*.—In the event of any change in the ownership of a registered aircraft, or if a registered aircraft ceases to be owned wholly either by persons or by a company or corporation fulfilling the conditions set out in rule 30, then—

(1) the registered owner of the aircraft shall forthwith notify the Director General of Civil Aviation in India of such change of ownership or, as the case may be, that the aircraft has ceased to be so owned as aforesaid; and

(2) the registration and the certificate thereof shall lapse as from the date of such change of ownership, or the date on which the aircraft ceased to be so owned."

M. H. ZUBERI.

Deputy Secretary to the Government of India.

Copy forwarded to the:—

1. Director General of Civil Aviation in India.
2. War Department.
3. Home Department.
4. Political Department (15 s/c).
5. External Affairs Department.

with reference to the Communications Department Endorsement No. W26 (39), dated the 9th September 1939.

By order, etc.,
K. V. VENKATACHALAM,
Assistant Secretary to the Government of India

DEPARTMENT OF COMMUNICATIONS

NOTIFICATION

Dated New Delhi, the 18th September 1946

No. 10-M(A)/25-46-IV.—In exercise of the powers conferred by section 5 of the Indian Aircraft Act, 1934 (XXII of 1934), the Central Government is pleased to direct that the following further amendment shall be made in the Indian Aircraft Rules, 1937, namely:—

In the said Rules, rule 12A shall be omitted.

M. H. ZUBERI,

Deputy Secretary to the Government of India.

Copy forwarded to the:—

1. Home Department.
2. War Department.
3. Political Department (15 a/c).
4. External Affairs Department.
5. Director General of Civil Aviation in India.

By order, etc.,

K. V. VENKATACHALAM, ⁴*Assistant Secretary to the Government of India.*

GOVERNMENT OF INDIA

DEPARTMENT OF COMMUNICATIONS

NOTIFICATION

Dated New Delhi, the 23rd September 1946

No. 10-M(A)/27-46.—In exercise of the powers conferred by section 5 and sub-section (2) of section 8 of the Indian Aircraft Act, 1934 (XXII of 1934), the Central Government is pleased to direct that the following further amendment shall be made in the Indian Aircraft Rules, 1937, namely:—

For rule 133A of the said Rules, the following rule shall be substituted, namely:—

“133A.—The Flying Control Regulations and Communications Procedure, as may from time to time be prescribed by Air Headquarters, India, or the Director General of Civil Aviation in India, and promulgated by the said Director General in Notices to Airmen, shall with effect from the 1st October 1946, apply to all civil aircraft being in or over British India, and shall have effect notwithstanding anything inconsistent therewith contained in the preceding parts of these rules”.

M. H. ZUBERI,

Deputy Secretary to the Government of India.

Copy forwarded to:—

1. Director General of Civil Aviation in India.
2. War Department.

By order, etc.,

K. V. VENKATACHALAM,

Assistant Secretary to the Government of India.

GOVERNMENT OF INDIA

DEPARTMENT OF COMMUNICATIONS

NOTIFICATION

Dated New Delhi, the 26th September 1946.

No. 11-M (A)/17-46.—In exercise of the powers conferred by section 5 of the Indian Aircraft Act, 1934 (XXII of 1934), the Central Government is pleased to direct that the

Following further amendments shall be made in the Indian Aircraft Rules, 1937, namely :—
In the said Rules,—

(1) In rule 135—

(a) For sub-rule (2), the following sub-rule shall be substituted, namely :—

“(2) The Board shall consist of a Chairman and not less than two, and not more than four, other Members all of whom shall be appointed by the Central Government. The Chairman shall be a person who is, or has been, a judge of a High Court in British India. One of the other members shall be appointed in consultation with the Crown Representative and the other member or members shall be persons with high judicial, legal or administrative experience.”

(b) For sub-rule (4) and sub-rule (5) the following sub-rules shall be substituted respectively, namely :—

“(4) During the temporary absence of the Chairman or other Member of the Board, the Central Government may, if it thinks fit, appoint a person to be a temporary Chairman or Member for the period of such absence.”

“(5) During any temporary absence of the Chairman for which a temporary Chairman has not been appointed under sub-rule (4), the duties of his office shall be performed by such one of the other Members of the Board as may be nominated in this behalf by the Chairman.”

(2) After rule 135A, the following rule shall be inserted, namely :—

“135AA. *Advisers to the Board.*—(1) The Central Government may appoint as Advisers to the Board—

(i) The Director General,

(ii) a person with special knowledge of aviation or air transport, and

(iii) a person with special experience of financial matters.

(2) The Board may call upon any Adviser appointed under sub-rule (1) to express his views on any matter before it, and when so called upon, the Adviser may take part in the proceedings of the Board, but shall not be entitled to vote.”

(3) In clause (b) of sub-rule (2) of rule 135C, the words “Deputy Chairman” shall be omitted.

(4) Rule 135D shall be omitted.

(5) In rule 135E, the words “or if he be absent the Deputy Chairman” shall be omitted.

(6) In sub-rule (2) of rule 135F the words “or the Deputy Chairman” shall be omitted.

(7) In sub-rule (2) of rule 136, the words “the Deputy Chairman” shall be omitted.

(8) After sub-rule (2) of rule 137, the following sub-rule shall be inserted, namely :—

“(3) All applications received by the Director General shall be examined and investigated by him and shall be forwarded by him with a report thereon to the Board at least ten days before the date fixed for the consideration of the application.”

(9) Rule 139 shall be re-numbered as sub-rule (1) of that rule and in sub-rule (1) as so re-numbered the words “through the Director General” shall be omitted, and for the words “forwarded to the Director General” the words “attached to the representation” shall be substituted.

After sub-rule (1) the following sub-rule shall be inserted namely :—

“(2) The Director General shall have the right to make a representation against any application for licence but will not be required to pay any fees prescribed in rule 154.”

(10) After rule 148, the following rules shall be inserted namely :—

“149A. *Review by the Board.*—(1) The Board shall, subject to the provisions of Rule 148, have no power to review its order granting a licence.

(2) An order of the Board refusing a licence may be reviewed by the Board—

(i) if a licence has not already been granted to operate a service on the route involved, or

(ii) if such a licence has been granted but in the opinion of the Board the traffic potential on the route involved admits of the grant of a licence to the applicant for review also.

(3) The Board may review any order of suspension or revocation made by it under rule 148.

(4) A review under sub-rule (2) or sub-rule (3) shall be made only—

(a) on the ground of some mistake or error apparent on the face of the record, or

(b) upon the discovery of any new and important matter or evidence which, notwithstanding the exercise of due diligence was not within the knowledge of the applicant or could not be produced by him at the time when the order sought to be reviewed was made.

(5) Any other order or decision of the Board, not being an order granting, refusing, suspending or revoking a licence, may be reviewed by the Board if it thinks fit.

(6) A fee of Rs. 500 shall be paid in respect of every application for review or an order refusing, suspending or revoking a licence. The Board however, may, if it allows an application for review on the sole ground that there was an error or mistake apparent on the face of the record order a refund of a part of the fee to the applicant.

(7) An application for review of any order or decision required to be published under rule 149 shall not be entertained unless filed within 60 days of the publication of such order or decision in the *Gazette of India*: provided that such an application may be admitted after the said period if the applicant satisfied the Board that he had sufficient cause for not making the application within that period.

(8) No order or decision of the Board shall be modified or reversed on review except by a unanimous decision of the full Board.

148B. *Correction of accidental mistakes.*—The Board may, at any time, whether of its own motion or on application by any party, correct clerical or arithmetical mistakes in any of its orders or any errors arising therein from any accidental slip or omission."

(11) In rule 155—

(a) In sub-rule (1), and in clauses (a) and (b) after the words "the Director General" the words "and the Board" shall be inserted and the words "by him" occurring after the word "prescribed" shall be omitted.

(b) In sub-rule (2) the words "by the Director General" shall be omitted.

M. H. ZUBERI,

Joint Secretary to the Government of India.

APPENDIX II

(*Vide page 320 ante.*)

WAR TRANSPORT DEPARTMENT

NOTIFICATION

New Delhi, the 24th April 1946

No. 37-TP (8)/46.—In exercise of the powers conferred by section 111 of the *Motor Vehicles Act, 1939* (IV of 1939), read with section 22 of the *general Clauses Act, 1897* (X of 1897), the Central Government is pleased to make the following rules, the same having been previously published as required by section 133 of the first mentioned Act, namely:—

Rules

PART I

1. *Short title.*—These rules may be called the *Motor Vehicles (Third Party Insurance) Rules 1946*.

2. *Commencement.*—These rules shall come into force on 1st July 1946.

3. *Definitions.*—In these rules.

(i) "the Act" means the *Motor Vehicles Act, 1939*.

(ii) "Insurer" means an authorised insurer as defined in Section 93(a) of the Act.

(iii) "Policy" means a policy of insurance in respect of third party risks, arising out of the use of motor vehicles, such as complies with the requirements of Chapter VIII of the Act, and includes unless the context requires otherwise a cover note.

4. *Certificates of insurance.*—An insurer shall issue to every holder of a policy other than a cover note issued by the insurer:—

(a) in the case of a policy relating to a specified vehicle or to specified vehicles a certificate of insurance in Form A set out in the schedule to these rules in respect of each such vehicle.

(b) in the case of a policy not relating to any specified vehicle or vehicles such number of certificates in Form A set out in the schedule to these rules as may be necessary to enable compliance with the requirements of Section 106 of the Act and of these rules as to the production of evidence that a motor vehicle is not being driven in contravention of Section 94 of the Act.

5. *Cover Notes.*—Every policy in the form of a cover note issued by an insurer shall be in, or to the effect of Form B set out in the schedule to these rules.

6. *Issue of certificates and cover notes.*—(1) Every certificate of insurance or cover note issued by an insurer in compliance with these rules shall be duly authenticated by or on behalf of the insurer by whom it is issued.

(2) The certificate of insurance aforesaid shall be issued.

(a) in the case of policies which are in force on 1st July, 1946, on or before that date;

(b) in any other case on or before the date on which the policy is issued or renewed.

This sub-rule shall not apply to certificates of insurance issued in pursuance of the provisions of rule 8 of these rules.

7. *Exclusion of advertising matter.*—No certificate of insurance or cover note issued in pursuance of Chapter VIII of the Act and of these Rules shall contain any advertising matter either on the face or on the back thereof;

Provided that the name and address of the insurer by whom a certificate is issued, or a reproduction of the seal of the insurer, or any monogram or similar device of the insurer or the name and address of an insurance agent or broker shall not be deemed to be advertising matter for the purposes of this Rule if it is printed or stamped at the foot or on the back of such certificate or cover note.

8. *Certificates or cover notes lost or destroyed.*—(1) Where the holder of a policy

(a) lodges with an insurer a declaration in which he declares that a certificate of insurance or cover note issued to him by such insurer has been lost or destroyed and sets out full particulars of the circumstances connected with the loss or destruction of the certificate or cover note and the efforts made to find it;

(b) or returns to the insurer the certificate of insurance or cover note issued to him by such insurer in a defaced or mutilated condition; and

(c) pays to the insurer a fee of Rs. 3 in respect of each such certificate or cover note; the insurer shall, if reasonably satisfied that such certificate or cover note has been lost and that all reasonable efforts have been made to find it, or that it has been destroyed or is defaced or mutilated as the case may be, issue in lieu thereof another certificate of insurance or cover note which shall be plainly endorsed to the effect that it is a duplicate certificate or cover note as the case may be issued in place of the original.

(2) When a fresh certificate or cover note has been issued in accordance with the provisions of sub-rule (1) on representation that a certificate or cover note has been lost, and the original certificate or cover note is afterwards found by the holder, it shall be delivered to the insurer.

9. *Surrender of certificate or cover note.*—Every certificate of insurance or cover note surrendered to the insurer in pursuance of the provisions of section 104 (1) of the Act shall be defaced or destroyed by the insurer forthwith after making a record of such defacement or destruction in the records maintained in pursuance of rule 11 of these rules.

10. *Cancellation or suspension of certificate or cover note.*—When a policy of insurance or cover note is cancelled or suspended by an insurer, the insurer shall forthwith inform the policy holder of such cancellation or suspension, by post to the latest address of the policy holder recorded in the records of the insurer.

11. *Records to be maintained by insurers.*—Every insurer shall keep a record of the following particulars in respect of every policy issued by him which is in force and of every other policy issued by him during the preceding five years:—

(i) Full name and address of the person to whom the policy is issued.

(ii) In the case of a policy relating to a specified motor vehicle or vehicles the registration mark and the number of each such vehicle and in other cases description of the vehicles covered.

(iii) The date on which the policy comes, or came into force and the date on which it expires or expired.

(iv) The conditions subject to which the persons or classes of persons specified in the policy will be indemnified.

(v) The number and date of issue of every certificate of insurance or cover note issued in connection with the policy.

(vi) The date, if any, on which any certificate of insurance or cover note issued in connection with the policy was surrendered or cancelled.

(vii) The date, if any, on which, and the reasons for which, the policy was terminated or suspended by any means before its expiry by efflux of time.

12. *Exemption under Section 94(2) of the Act.*—(1) In the case of a motor vehicle owned by any of the authorities specified in sub-section (2) of section 94 of the Act, a certificate in Form C set out in the schedule to these rules signed by a person authorised in that behalf by such authority may be produced in evidence that the motor vehicle is not being driven in contravention of section 94 of the Act.

(2) Any certificate issued in accordance with sub-rule (1) of this Rule shall be destroyed, by the person by whom it was issued before the motor vehicle to which it relates is sold or otherwise disposed of.

13. *Records of exempted vehicles.*—Every authority referred to in sub-section (2) of section 94 of the Act shall keep a record of the motor vehicles owned by it in respect of which a policy has not been obtained, and of any certificates issued by it under these provisions in respect of such vehicles, and of the names and addresses of the persons to whom such certificates have been issued by it, and of the withdrawal or destruction of any such certificates.

14. *Supply of information.*—Any person, authority or insurer required by these rules to keep records of documents shall furnish without charge to the Central Government or a Provincial Government or to any police officer authorised in this behalf by the Provincial Government on request, any particulars thereof.

15. *Fee for production of information.*—The fee to be paid in return for the production of information by a Registering Authority or the officer in charge of a police station under Section 109 of the Act shall be Re. 1.

PART II.—CO-OPERATIVE INSURANCE

16. *Definitions.*—In this part of these rules.

(i) "society" means a society of public service vehicle owners which has been permitted under the provisions of sub-section (1) of section 106 of the Act to transact the business of an insurer for the purposes of the Act as if it were an authorised insurer.

(ii) "Superintendent of Insurance" means the person for the time being performing the functions of the Superintendent of Insurance under the provisions of the Insurance Act, 1938.

(iii) "approved securities" means approved securities as defined in sub-section (3) of section 2 of the Insurance Act, 1938.

(iv) "holding authority" means in relation to a society the authority in whose custody the fund established under clause (a) of sub-section (1) of section 106 of the Act is to be lodged.

17. *Co-operative Insurance Fund.*—The fund required to be established in terms of clause (a) of sub-section (1) of section 106 of the Act shall be held in the form of a deposit made either in cash or in approved securities or partly in cash and partly in approved securities and the amount of approved securities so held shall be estimated at the market value of the securities on the day of the deposit.

Provided that where a deposit held under the Insurance Act, 1938, is transferred to the holding authority in pursuance of Rule 24 of these rules, the date of the deposit shall, in the case of approved securities so transferred, be deemed to be the date of such transfer.

18. *Deposits—procedure.*—(1) Deposits shall be sent by the society with a covering letter to the holding authority.

(2) Securities shall be duly transferred to the holding authority by the society.

(3) Upon receipt of a deposit under sub-rule (1) of this rule, the holding authority shall send

(a) a certificate in Form D to the society;

(b) a statement in form E to such officer as may be specified by the Provincial Government.

Provided that, if the holding authority is not satisfied as to the validity of the title of the society to the securities, he may return them to the society with the request that they shall first be renewed or that such other measures as may be necessary shall be taken to clear the title.

(4) The deposit made in cash shall be held by the holding authority to the credit of the society and shall except to the extent, if any, to which the cash has been invested in securities under sub-rule 6 of this rule be returnable to the society in cash in any case in which under the provisions of the Act or of these rules the fund is to be returned.

(5) The society may at any time replace any securities deposited by it under these rules with the holding authority either by cash or by other approved securities or partly by cash and partly by other approved securities, provided that such cash, or the value of such other approved securities estimated at the market rates prevailing at the time of replacement, or such cash together with such value as the case may be, is not less than the value of the securities replaced estimated at the market rates prevailing when they were deposited.

(6) The holding authority shall, if so requested by the society,

(a) sell any securities deposited by it with the holding authority under these rules and hold the cash realised by such sale as deposit, or

(b) invest in approved securities specified by the society the whole or any part of a deposit held by the holding authority in cash or the whole or any part of the cash received

by him on the sale of, or on the maturing of securities deposited by the society, and hold the securities in which investment is so made as deposit and may charge the normal commission on such sale or on such investment.

(7) Where sub-rule (6) of this rule applies,

(a) if the cash realised by the sale of, or on the maturing of the securities (excluding in the former case the interest accrued) falls short of the market value of the securities at the date on which they were deposited with the holding authority, the society, shall make good the deficiency by a further deposit either in cash or in approved securities estimated at the market value of the securities on the day on which they are deposited, or partly in cash and partly in approved securities so estimated, within a period of two months from the date on which the securities matured or were sold; and unless it does so the society shall be deemed to have failed to comply with the condition imposed under clause (a) of sub-section (1) of Section 108 of the Act; and

(b) if the cash realised by the sale of, or on the maturing of the securities (excluding in the former case the interest accrued) exceeds the market value of the securities at the date on which they were deposited with the holding authority, the Provincial Government may if satisfied that the full amount required to be deposited under clause (a) of sub-section (1) of Section 108 of the Act is in deposit, direct the holding authority to return the excess.

19. *Interest on securities held as a deposit.*—(1) No interest shall be paid on cash deposits.

(2) Any interest accruing due and collected on securities deposited under clause (a) of sub-section (1) of Section 108 of the Act and these rules shall be paid to the society, subject only to deduction of the normal commission chargeable for the realization of interest.

(3) The holding authority shall remit interest or dividends on securities without delay to the society by a Government or bank draft after deduction of a commission of annas four on every sum of Rs. 100 or part thereof.

20. *Matured securities held as a deposit.*—(1) When a security in deposit matures or when any yield on such a security ceases to accrue, the holding authority shall not be bound to inform the society but upon receipt of a requisition from the society made in writing the holding authority shall, within six weeks of such a receipt, collect the discharge value and hold the amount in cash to the credit of the society or invest it in securities specified by the society.

(2) When the form or amount of a deposit is changed by reason of a subsequent deposit, or a substitution or a payment under sub-rule (5) of rule 18, or a sale or investment under sub-rule (6) of rule 18 of these rules, the holding authority shall, within two weeks from the entry of such change in the books of the holding authority, send a fresh certificate and a fresh statement of the nature and in the manner described in sub-rule (3) of rule 18 of these rules.

21. *Payments from deposits.*—(1) Withdrawals and payments from deposits and purchases of securities shall not be made save on the order of the Provincial Government made in writing, and save on the receipt by the holding authority of a requisition in writing and in accordance with the provisions of the Act and of these rules from the society, a liquidator acting in accordance with law, or a Court of competent jurisdiction as the case may be.

(2) The holding authority shall not be bound in pursuance of sub-rule (1) to return securities actually deposited, but may substitute therefor new scrip of securities of the same description and amount.

(3) The holding authority shall be entitled to charge, for the purchase or sale of securities any brokerage payable by the holding authority in respect of such purchase or sale.

22. *Inspection of deposits.*—Any officer authorised in this behalf by the Provincial Government shall be entitled free of any fee, to inspect or to require from the holding authority any information relating to any security deposited with the holding authority in terms of clause (a) of sub-section (1) of Section 108 of the Act and of these rules; and the holding authority shall if so required, furnish such officer with a copy of any entry in any register or book maintained by the holding authority relating to any deposit made with him in pursuance of the Act and of these rules.

23. *Information to the Reserve Bank.*—Where a society, to which permission is granted under sub-section (1) of section 108 of the Act to transact the business of an insurer for the purposes of the Act as if it were an authorised insurer is registered under the Insurance Act, 1938 at the time of the grant of such permission, the Provincial Government shall intimate the grant of such permission to the Reserve Bank of India, and shall also intimate to that Bank all the conditions imposed by the Provincial Government relating to the establishment of the fund referred to in clause (a) of subsection (1) of section 108 of the Act in relation to such society.

24. *Transfer of deposit from Reserve Bank.*—(1) A society as aforesaid shall apply in writing to the Reserve Bank of India for the transfer of the deposit made under section 7 or section 88 of the Insurance Act, 1938, held by the Reserve Bank to the holding authority and such application shall be duly authenticated and accompanied by the order in original of the Provincial Government granting the society permission under sub-section

(1) of section 108 of the Act and containing the conditions, if any, imposed by the Provincial Government under clause (a) of such-section (1) of section 108 of the Act, and an attested copy of such application and its enclosures shall also be sent to the Superintendent of Insurance.

(2) If from the application so made the Reserve Bank is satisfied that the society has been granted permission by the Provincial Government under sub-section (1) of section 108 of the Act, the Reserve Bank shall transfer the deposit held by it under section 7 or section 98 of the Insurance Act, 1938 on behalf of the society to the holding authority subject to such conditions, if any, as may have been imposed by the Provincial Government.

25. *Information to the Superintendent of Insurance.*—A Provincial Government shall intimate to the Superintendent of Insurance every case of permission granted by it to a society to transact the business of an insurer for the purposes of the Act, and every case where such permission has been withdrawn or cancelled; and in every case where such permission has been granted, the Provincial Government shall also furnish to the Superintendent of Insurance a copy of the documents referred to in clauses (a), (b) and (f) of sub-section (2) of section 3 and the particulars referred to in section 26 of the Insurance Act 1938 in relation to such society so far as is applicable to such society :

Provided that in the case of societies which, at the time of grant of the permission by the Provincial Government have been registered under the Insurance Act 1938 it shall be sufficient compliance with the requirements of this rule if the Provincial Government furnishes to the Superintendent of Insurance the particulars referred to in section 26 of the Insurance Act 1938 in respect of every alteration taking place after the date on which permission is granted to the society by the Provincial Government.

26. *Failure of a Society to comply with the provisions of the Act.*—The Superintendent of Insurance shall intimate to the Provincial Government concerned every case in which, from a perusal of the returns furnished to him, by a society, he is of the opinion that the society has failed to comply with the requirements of either sub-clause (i) or sub-clause (ii) of clause (f) of sub-section (1) of section 108 of the Act or both.

PART III.—FOREIGN INSURANCE

27. *Definitions.*—In this part of these rules—

(i) "Visitor" means a person bringing a motor vehicle into British India and making only a temporary stay therein not extending to a continuous period of more than one year.

(ii) "Foreign insurer" means a person or firm carrying on the business of insurance incorporated or domiciled outside British India and not registered under the Insurance Act, 1938.

(iii) "Guarantor" means an insurer who has guaranteed a foreign insurer in pursuance of these rules, and "guarantee", "guaranteed" and "guaranteeing" have corresponding meanings.

(iv) "Approved list" means the list of foreign insurers and their guarantors maintained by the Central Government under these rules.

(v) "Certificate of foreign insurance" means a certificate issued by a foreign insurer in Form 'G' in compliance with these rules.

28. *List of foreign insurers.*—(1) The Central Government shall publish in the official Gazette a list (hereinafter referred to as the approved list) of foreign insurers who have been guaranteed in accordance with these rules, together with the name of the guarantor or guarantors in each case and shall also publish any addition to or removal from the approved list.

(2) No foreign insurer's name shall be added to the approved list until such foreign insurer has been guaranteed by at least one insurer and the name of the foreign insurer who ceases to have at least one guarantor shall be removed from the list.

29. *Guarantor of foreign insurer.*—(1) An insurer who desires to guarantee a foreign insurer shall make application therefor to the Central Government in Form F set out in the Schedule to these rules

(2) The Central Government may, if it is satisfied that the application referred to in sub-rule (1) is in order and that it is expedient that the foreign insurer be placed in the approved list, or, where the name of the foreign insurer is already included in the approved list, that the insurer should be added to the approved list as a guarantor of the foreign insurer, add the name of the foreign insurer to the approved list if it is not already included, and include the insurer as a guarantor of such foreign insurer.

(3) A guarantor desiring to cease guaranteeing a foreign insurer shall give notice of not less than two months to the Central Government in Form I set out in the schedule to these rules, and where such notice has been given the guarantor shall be deemed to have ceased to guarantee the foreign insurer from the date specified in the notice.

Provided that the insurer shall be deemed, in respect of all certificates of foreign insurance endorsed or renewed in accordance with the provisions of rule 30 (2) of these rules before the date of such cessation, to continue as the guarantor of the foreign insurer who has issued the certificate as if the guarantor had not ceased to be his guarantor.

(4) If at any time a guarantor ceases to be an insurer, the Central Government may after giving such notice as may appear to it to be necessary, remove from the approved list the name of such guarantor wherever it appears.

Provided that the guarantor who ceases to be an insurer shall be deemed, in respect of all certificates of foreign insurance endorsed in pursuance of the provisions of rule 30(2) of these rules before the date of removal of the name of the guarantor from the approved list, to continue as the guarantor of the foreign insurer as if the guarantor had not ceased to be an insurer and as if his name had not been removed from the list.

FORM C

MOTOR VEHICLES ACT, 1939

(See rule 12)

Certified that the motor vehicle of the following description—

(a) Registration number

(b) Make

(c) Class i.e., Motor Cycle, Motor Car, Motor Bus, Goods Vehicle, or other class (describe)

(d) Colour of body

Is the property of:—

(i) the Government of

(ii) the _____ local authority which has been notified for the purposes of section 94 of the Motor Vehicles Act, by the Government of

This certificate is valid up to _____
meanwhile.

unless cancelled in the

Date.

Signed on behalf of
Designation

FORM D

(See rule 13)

No.

19 .

Certified that the _____ has made the undernoted deposits under clause (a) of sub-section (1) of Section 106 of the Motor Vehicles Act, 1939, and the Motor Vehicles (third Party Insurance) Rules, 1946.

(Holding authority).

| — | Cash | Approved Securities | | | Remarks |
|-------|------|---------------------|------------|--------------|---------|
| | | Loan | Face Value | Market Value | |
| 1 | 2 | 3 | 4 | 5 | 6 |
| | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | |

Grand total of columns 2 and 4 Rs

FORM E

(See rule 18)

No.

19 .

Statement showing the particulars of deposits held on behalf of the under clause (a) of sub-section (1) of Section 108 of the Motor Vehicles Act, 1939.

| Loan | Existing deposits (excluding deposits withdrawn) | | New deposits received on | | Total | |
|--------------------|--|------------|-----------------------------|------------|------------|------------|
| | Face Value | Book Value | Face Value | Book Value | Face Value | Book Value |
| | | | | | | |
| Total | | | | | | |
| Cash | | | | | | |
| Grand Total | | | | | | |

Certified that the above agrees with the entries in the books maintained by.....

(the holding authority).

To

(holding authority).

FORM F

(See rule 20)

MOTOR VEHICLES ACT, 1939

Application for the approval of a foreign insurer

I/We hereby apply for the inclusion of

..... of (name of foreign insurer).

..... Constituted/Incorporated/domiciled at
in the approved list maintained by the Central Government
in pursuance of the Motor Vehicles (Third Party Insurance) Rules 1946, and for the inclu-
sion of my/our name as the guarantor of the said
(name of foreign insurer) for the purposes of Chapter VIII of the Motor Vehicles Act, 1939,
and the said Rules. I/We hereby certify that I/We have entered into an arrangement for
the purposes of the said Act and the said rules with the said foreign insurer and I/We
hereby agree to act as guarantor in British India in respect of the said foreign insurer for
the purposes of the said Act and the said Rules.

(Signature of authorised insurer).

address.

Dated, the

19 .

FORM G

(See rule 30)

MOTOR VEHICLES ACT, 1939

Certificate of foreign Insurance

Certificate No.

Policy No.

(Optional).

1. Name and address of approved foreign insurer.
2. Name and address of guarantor.
3. Registration mark and number of the motor vehicle.
4. Name and address of visitor.
5. Date of commencement of the policy.
6. Date of expiry of the policy.
7. Persons or classes of persons entitled to drive in British India.
8. Any limitations as to use in British India.
9. Particulars of any other vehicle(s) which the foreign visitor is entitled to drive in British India and of any limitations in this connection.

I/We hereby certify that this certificate of foreign insurance has been issued in accord-
ance with the provisions of Chapter VIII of the Motor Vehicles Act, 1939 and the Motor
Vehicles (Third Party Insurance) Rules 1946.

(Approved foreign insurer).

FORM H

(See rule 30)

MOTOR VEHICLES ACT, 1939

Endorsement on certificate of foreign Insurance

Certified that I have today examined this certificate of foreign insurance and that I am satisfied that this certificate complies with the requirements of Chapter VIII of the Motor Vehicles Act, 1939 and of the Motor Vehicles (Third Party Insurance) Rules, 1946.

The period of validity of this endorsement will expire on _____ unless cancelled in the meanwhile.

Date

(Signature and designation of
competent authority).

The period of validity of this endorsement is hereby renewed.

Up to

Up to

Up to

Unless cancelled in the meanwhile.

(Signature and designation of
competent authority).

FORM I

(See rule 29)

MOTOR VEHICLES ACT, 1939

This is to give notice that I/we desire to cease acting as guarantors in British India of

of

(name of foreign insurer). (address of foreign insurer) after
or from the expiry of two months from the date on which this notice is delivered to the Central Government, whichever is later, for the purposes of Chapter VIII of the Motor Vehicles Act, 1939, and the Motor Vehicles (Third Party Insurance) Rules, 1946.

(Authorised insurer)

Dated, the

the day of

19

E. CONRAN-SMITH, Secy.

THE CHIEF COMMISSIONER OF COORG

Dated Mercara, the 7th August 1946.

No. 254/R.F. 95-45.—In exercise of the powers conferred by section 68 and 70 of the Motor Vehicles Act, 1939 (Act IV of 1939), the Chief Commissioner is hereby pleased to make the following amendments to the Coorg Motor Vehicles Rules, 1940, issued with his notification No. R.F. 43/121-39, dated the 26th March 1940, as subsequently amended :—

Amendment

1. In rule 82 of the said Rules the following new clause (g) shall be added :—
“(g) The provisions of this rule shall not apply to motor vehicles registered under section 39 of the Act.”
2. The existing entry in rule 146 of the said Rules, “rule 91” shall be numbered as (a) and the following new entry shall be inserted :—

“(b) The District Superintendent of Police may by order in writing and subject to any conditions authorise the driving at night without lights of motor vehicles registered under section 39 of the Act during the hours and on the route or routes, or in the area, within his jurisdiction specified in the order”.

K. CHENGAPPA,
Chief Commissioner.