

B. Gopala Reddi.] of the Bank before the final order for liquidation was passed. The matter is in any case now before the court and the Special Liquidator appointed by the court has already taken certain steps to realise the assets of the Bank and to expedite payments to the depositors. It is extremely doubtful whether any arrangement other than the continuance of the liquidation proceedings will be in the interests of the depositors or even feasible as there are several legal and administrative difficulties in adopting any other course.

Mr. Madhva Menon said that the money that is being collected by the Palai Bank was likely to be taken away by the Liquidator for salary and other things. Sir, I think from the depositors' point of view, the Liquidator will incur less expenditure than if the Bank were to be merged with another bank. They will then have to go to the courts to get decisions and decrees against defaulters. As soon as the liquidation proceedings get the approval of the High Court, it becomes a sort of a decree and the Liquidator can proceed against the defaulters straightway. But if the Bank is to be merged with some other bank and then if it were to recover the dues, they would have to go through legal proceedings to obtain a decree and that will take a long time and the legal proceedings will consume a lot of money. Therefore, there will not be any saving. On the other hand, the liquidator is cheaper than going through all the legal processes. Anyhow, the matter is there. It is a matter for the Kerala High Court also to consider. I can straightway say that there is no lack of sympathy on the part of the Reserve Bank or the Government. Just now, as it is, the liquidator is proceeding with the recovery of monies and he is trying to arrange to pay the depositors to the extent possible. There is no undue delay in this matter.

Anyway, as far as the provisions Of the amending Bill are concerned, I take it that most of the hon. Members are in complete agreement with them.

They have said nothing against the merits of the Bill, except that they wanted to seek some clarification. Mr. Bhupesh Gupta, of course, welcomed the Bill, though he called it a palliative. And he wanted bigger issues to be taken up, viz., the powers of the Reserve Bank, the nationalisation of the scheduled banks, how the monies are being used and things like that. They are all bigger issues and I do not want to go into them at this stage, when dealing with a simple amending Bill. I am glad that the provisions in the amending Bill have received the general approval and support of all the hon. Members.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill further to amend the Banking Companies Act, 1949, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up the clause by clause consideration of the Bill. There are no amendments.

Clauses 2 to 6 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill;

DR. B. GOPALA REDDI: Sir, I move:

"That the Bill be passed."

The question was put and the Motion was adopted.

THE APPROPRIATION (RAILWAYS BILL, 1961)

THE DEPUTY MINISTER OF RAILWAYS (SHRI SHAH NAWAZ KHAN): Sir, I beg to move:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1960-61 for the purposes of Railways, as passed by the Lok Sabha, be taken into consideration."

The question was proposed.

SHRI K. L. NARASIMHAM (Andhra Pradesh): Mr. Deputy Chairman, I want to make a few observations on the supplementary demands- First, I have *to say* that it shows defectiveness in budgeting. Secondly, it shows that there is lack of effective control on expenditure. If you examine the supplementary demands, you will find that in some cases expenditure has gone up. The reasons given are that the price of coal has gone up, that they have to give more in the form of cess, that they have to incur more expenditure on claims for compensation, etc. I have to say at this stage that if there had been a proper control on expenditure, this could have been avoided. Take, for example, the use of coal. About this there have been very many Committees which have suggested ways and means of effecting economy in the use of coal. The Railway Board have accepted most of the suggestions and they said that these would be implemented. But we still find that economy has not been effected in the case of fuel used by the Railways. On the other hand, the fuel bill is increasing. I agree that it is because of defective coal supplied to the Railways. At the same time, if you had resorted to ways and means of effecting economy in the use of coal, it could have been achieved. Even the Estimates Committee of the First Lok Sabha had pointed out as follows:

"Out of every 100 tons of coal consumed, 13-1 tons could be saved by measures over which the Railways themselves have full control."

They can control the expenditure on coal. They can train the drivers and the firemen in the use of coal. They can introduce incentive schemes for effecting economy. They can see that pilferage does not take place and that at the handling level wastage is removed. They can effectively economise on coal at the loco sheds and various other things. Now, we see that the consumption of coal has increased. No doubt the prices have

increased. But that is no explanation. They could have anticipated this and they could have effectively economised in the use of coal.

Coming to the next point about the price of coal supplied to the Southern Railway, because it is coming by sea, the Railways have to incur more expenditure. The cost of moving coal by sea is also adding to the expenditure. They could have as well arranged in such a way that some Singareni coal could have been supplied to them. While reading the explanatory notes in connection with the supplementary demands, I found that the Railway Board had taken over the Indian Railways School of Signal Engineering and Telecommunications at Secunderabad. I welcome that measure. At the same time I want to say that the workshop attached to it is still on a temporary basis. They are paid daily wages and I request the Railway Minister to see that they are put on a regular basis.

Lastly, I request the Railway Minister to state clearly what he is proposing to do about the implementation of the Report of the Railwaymen's Uniform Committee, the Report of Class IV Employees' Promotion Committee, the one-man Tribunal's Award, etc. All these are things which he should have anticipated and which he should have taken into consideration.

I conclude by saying that this kind of budgeting, allowing things to take their own course, not having an effective control on expenditure and then coming forward with supplementary demands, does not speak well and I hope that in future the Railway Minister will not take recourse to this method.

Thank you.

SHRI LOKANATH MISRA (Orissa): While I rise to speak for a few minutes on the Appropriation (Railways) Bill, I would like to speak

[Shri Lokanath Misra.] about the regional disparities which exist in the Railways.

MR. DEPUTY CHAIRMAN: If you want to speak on the next Bill, you may speak later.

SHRI SHAH NAWAZ KHAN: Sir, my hon. friend, Shri Narasimham, said that if the budgeting was done properly, there should be no need to ask for such a big supplementary demand. Sir, we have asked for a supplementary demand of about Rs. 52 crores. This is approximately a little over 5 per cent, of the Budget. This, I am sure, my hon. friend will agree, is not an excessive figure. Supplementary demands are often recognised as an essential feature of our budgeting. These are meant to cover those post-Budget developments which could not be foreseen at the time of presentation of the Budget. As hon. Members are aware, the price of coal was raised. Then we had to give effect to certain other decisions which came after the Works Budget had initially been presented. Also, the Public Accounts Committee themselves had recommended that the Budget should be kept on the low side, so that strict control can be exercised on all the expenditure; and, if necessary, later on, a supplementary demand could be put forward. On the advice of the Ministry of Finance, the Railway Ministry had reduced their net Works Budget by about Rs. 15 crores even initially. This is one of the reasons why we had to come in and ask for the supplementary demand.

As the House is aware, there was a great shortage of steel, and the Railway Ministry made all possible arrangements to obtain that additional supply of steel. When better supplies were available from abroad, we took advantage of that, and we made those

purchases. That was essential. My friend also suggested that we should economise on coal. We are fully seized of this, and an expert Committee under the Chairmanship of the present Chairman of the Railway Board was appointed, and it went into all aspects of the question of how economies could be effected in the use of coal. We are implementing the recommendations made by that Committee. The difficulty is that at one time the Railways had the choice of using the best available coal in the country, the metallurgical coal; the best type of coal that was available was given to the Railways for their use. With the coming up of these huge steel plants, a large share of the best quality coal must necessarily go to them and we have to use greater proportions of the lower grades of coal with the result that the consumption of coal naturally goes up. But we are fully seized of this necessity of exercising the utmost economy in the use of fuel.

Then he spoke about the Signal Workshop at Secunderabad, and said that there were a large number of people who were still temporary. In the Railway Workshop at Mettaguda there are approximately five thousand persons. Only nine have completed six months continuous service, and they have been made temporary. As the others complete this period of six months service, they will be made temporary, and when permanent vacancies arise . . .

SHRI K. L. NARASIMHAM: Are they not in employment for one year continuously?

SHRI SHAH NAWAZ KHAN: I said continuous employment for six months. They may be in employment for, say, five months and they go away, and then they come back and join / again. But any casual labourer who is in continuous railway service for

six months is ordinarily eligible to become temporary, unless he is on a project.

SHRI K. L. NARASIMHAM: Are you showing the break for your administrative purposes, so that they can be continued in that form on daily rated wages?

MR. DEPUTY CHAIRMAN: If there is no break for six months, he becomes temporary.

SHRI SHAH NAWAZ KHAN: Then he also referred to the reports of the various Committees that had been appointed. He talked about the Uniforms Committee, the Class IV Employees Promotion Committee, the One-man Tribunal, and so on. These reports have been received. The report of the Uniforms Committee would have entailed considerable expenditure if it was to be implemented in full. This came at a time when we were trying to effect every possible economy. Nevertheless the report has been fully examined, and I hope in the near future we shall be able to start implementing it. The same remarks apply to the Class IV Employees Promotion Committee report. As the hon. Member knows, to implement that is a very very big job. There are over 11 lakhs of railway employees, a good proportion of whom are in Class IV. It is a very big task; and we have, on the one side to look to the welfare of our employees, and on the other side we have to look also to the financial implications of implementing these suggestions. But I can assure my hon. friend that there is going to be no avoidable delay, and we shall try and implement whatever is feasible as early as we can.

With these remarks, I commend my motion.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill to authorise payment and appropriation of certain

further sums from and out of the Consolidated Fund of India for the service of the financial year 1960-61 for the purposes of Railways, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up the clause by clause consideration of the Bill.

Clauses 2 and 3 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI SHAH NAWAZ KHAN: Sir, I move:

"That the Bill be returned."

The question was put and the motion was adopted.

THE APPROPRIATION (RAILWAYS) 'NO. 2 BILL, 1961

THE DEPUTY MINISTER OF RAILWAYS (SHRI S. V. RAMASWAMY): Sir, I beg to move:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1961-62 for the purposes of Railways, as passed by the Lok Sabha, be taken into consideration."

The question was proposed.

