

was brought in. May I know what has the Government been doing ever since the Tribunal was abolished? We know the Tribunal was abolished in a hurry by the Government early in 1967. Since then, no High Court has decided any of the cases which were transferred to the various High Courts as a result of the winding up of the Tribunal. May I know what has the Government been doing to expedite the disposal of those cases by the various High Courts? May I also know why the Government is sleeping over the need to appoint a new board of directors?

**SHRI B. T. KEMPARAJ :** The hon. Member has made a speech.

**THE DEPUTY CHAIRMAN :** I am constantly reminding hon. Members to put questions only. What can I do ?

**SHRI FAKHRUDDIN ALI AHMED :** On an application filed by us for an interim order for the appointment of a new board of directors, the then Tribunal appointed, first of all, Dr. Cooper who, it was alleged, was asked to resign for political reasons, that is also not true. After his resignation, Mr. Kunte was appointed as the Chairman, and Government were given the authority to appoint two directors. We have since appointed two directors on this company. And the direction is that if these two directors do not approve of any of the resolutions brought before the board, then these directors will have the right to file an application before the Tribunal—now the High Court—regarding their complaint, and then the court will decide what action should be taken in such matters. So if there are any matters where the directors feel that the work is not being done in the interest of the company, then certainly they have the right to make a reference to the High Court and the High Court will then take a decision in those matters.

**THE DEPUTY CHAIRMAN :** Next question.

**श्री राजनारायण :** माननीया, इसका मतलब यह है कि अब मैं बार बार खड़ा हो जाया करूँ।

**THE DEPUTY CHAIRMAN :** Please, Mr. Rajnarain. I have called the next question.

#### REORGANISATION OF RAILWAY BOARD

**\*151. SHRI ANANT PRASAD SHARMA† :**

**SHRI BALACHANDRA MENON :**

**SHRI M. V. BHADRAM :**

**SHRI K. DAMODARAN :**

Will the Minister of RAILWAYS be pleased to state :

(a) whether Government have any plans to reorganise the functioning of the Ministry of Railways (Railway Board) ;

(b) if the answer to part (a) above be in the affirmative whether Government have come across any difficulties in implementing their plan of reorganisation; and

(c) if so, what were the details of the plans and the nature of difficulties in implementing them?

**THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI PARIMAL GHOSH) :** (a) No such proposal has been under consideration.

(b) and (c) Do not arise.

**SHRI ANANT PRASAD SHARMA :** Is the hon. Minister of Railways aware of the system of railway management in foreign countries like England, Germany and America and has he studied whether there also the railways are managed through a board like the Indian Railway Board, both in public and private sectors? If so, what are the advantages and disadvantages of that system as compared to our system?

**THE DEPUTY CHAIRMAN :** I do not know which country the hon. Member is referring to.

**SHRI PARIMAL GHOSH :** Madam, so far as the administration of the railways by a system like having a Railway Board is concerned, recently the British Government have also adopted a similar policy of having a board for their railway management, and the constitution of the board is more or less on the same lines as ours, though they have a very much lower route-mileage as compared to ours. They have a Chairman and one or two Vice-Chairmen and the number of Members varies from 10 to 16. They have also found

† The question was actually asked on the floor of the House by Shri Anant Prasad Sharma.

that the working of the railway board under a system like this is being preferred because of the varied works and the vast area that it covers. On the basis of that, they have also adopted a system like this.

**SHRI ANANT PRASAD SHARMA :** Is the hon. Railway Minister aware of the fact that in the Management of the railway system in West Germany, there is a workers' director? Here in India also, the Railway Ministry for many years has been considering this scheme. They deputed an Officer on Special Duty to study this scheme in West Germany. Will the hon. Railway Minister now state whether they are going to implement that scheme of workers' participation in the management of Indian Railways?

**SHRI C. M. POONACHA :** Madam, this matter is under the consideration of the Government. As a matter of fact, the various systems, particularly the State-owned Government systems in several parts of the world, are managed and run by a pattern of administration similar to that of ours, whether in Japan, or in the U.K. or in the U.S.S.R. for that matter. In the U.S.A., it is slightly different because most of the railway systems there are privately owned and they have their own system of administration, though the Government has the controlling power at a very high level on policy matters. So the system as obtaining in West Germany to-day, to which the hon. Member has just now referred, is under our examination. I cannot say as to how soon we will be able to take a decision.

**SHRI M. V. BHADRAM :** May I know whether the Administrative Reforms Commission has suggested re-organisation of the Railway Board and, if so, what is the reaction of the Government to that proposal?

**SHRI C. M. POONACHA :** The Administrative Reforms Commission has constituted a study team and the study team is currently engaged in going through all the aspects of railway working and their report is awaited.

**SHRI K. DAMODARAN :** The hon. Minister has referred to the conditions of Britain. But those conditions are entirely different. For example, the railway system in Britain is not in a mess as in our country.

**SHRI A. D. MANI :** Who told you? It is in a mess there also.

**SHRI K. DAMODARAN :** In view of the increasing number of accidents in our country, in view of the widening disparity between the needs of the people and the capacity of the railway resources, and in view of the fact that there is not sufficient co-ordination between the Railways and other planning departments, is it not high time for the Government to re-examine the whole functioning of the Railway Board and evolve a better system of working?

**SHRI C. M. POONACHA :** Madam, I do not want to answer that particular point which the hon. Member has raised comparing our system with the U.K. railway system. I do not want to say that ours is in a mess or theirs is in a mess. Anyhow, if a study is made, hon. Members would find that the U.K. railway system had to dismantle 3 thousand kilometres of their railway lines, because their finances touched a bad patch. But that is a different matter. It is a matter for study. In any case I do not accept that insinuation. With regard to the other points, Madam, the Administrative Reforms Commission are engaged in a study and they are going through all the aspects and in my view, as also I presume, the opinion of this House they are the best authority to suggest something.

**DR. B. N. ANTANI :** On a point of information, may I know how the relationship between the Board and the Railway Ministry is regulated, who is the final authority, who is the master and who is to reply? In a way, is it not a form of diarchy that is operating in the country?

**SHRI C. M. POONACHA :** I hope the hon. Member is quite aware of all these things. In our country the permanent services are responsible for the day-to-day working of any administration and for carrying on the day-to-day implementation of the decisions taken by the Government. The policy-making and the final-decision taking authority is no doubt the Ministers'.

**SHRI MULKA GOVINDA REDDY :** I would like to know from the Minister whether it is a fact that the present Railway Board, as it is constituted, is not functioning properly, that the Members of the Board are not even on talking terms and as a result there is all-round inefficiency in the Railway Administration and the number of accidents is increasing day by day because of that. Will the Government reconsider the question of reorganising the Railway Board to bring about efficiency?

**SHRI C. M. POONACHA :** The impression of the hon. Member—I do not know wherefrom he got it—is thoroughly wrong and incorrect. The Railway Board functions as a body and so far as the Members are concerned, they work as a team and there is no disharmony whatsoever.

**SHRI A. C. GILBERT :** In the past criticisms have been made against the functioning of the Railway Board and are still being made. May I know from the hon. Minister whether he has given thought to it and, if so, what are the necessary steps taken by him to remove those criticisms?

**SHRI C. M. POONACHA :** There have been, when the Railway Budget is being discussed, a certain views expressed both in this House as well as in the other House and to relate these incidents of accidents to the working of the Board would not be a correct thing to do. If I could just take one second of the hon. House, I would refer to a speech made by the late Shri Lal Bahadur Shastri on a similar occasion. I do not want to read the entire thing; I will only read the concluding sentence. He said :

“I hope the House will expect that I can afford to speak objectively at the present moment. I am not out of office yet. And I must say that the present Board is the best that I could have.”

**श्री जगदम्बी प्रसाद यादव :** मेरा एक व्यवस्था का प्रश्न है। मंत्री जी ने स्वर्गीय लालबहादुर शास्त्री को कोट किया है। हम व्यवस्था के अनुसार यह बात जानना चाहते हैं कि लालबहादुर जी जब रेलवे मंत्री थे तब उन्होंने एक एक्सीडेंट पर रिजाइन कर दिया था, तो क्या वर्तमान रेलवे मंत्री भी उनका अनुसरण करेंगे ?

**SHRI C. M. POONACHA :** I can only say with due deference to late Shri Lal Bahadur Shastri that the accidents have not stopped. Then it is a question as to how long one should stay at the post facing difficulties; it is not a question of resigning or not, because resignations will not reduce the number of accidents.

**श्री राजनारायण :** क्या सरकार को इस बात की जानकारी है कि इसी सदन में रेलवे बोर्ड के जरिये किये गये कितने कुप्रबंधों की चर्चा

हुई है ? माननीया, क्या सरकार को इस बात की जानकारी है कि माननीय लाल बहादुर जब रेल के मंत्री थे तो जब उत्तर पूर्वी रेलवे में आइजटनगर में...

**उपसभापति :** सवाल पूछिये...

**श्री राजनारायण :** असल में आपको हमारे बोलने में कठिनाई हो जाती है क्योंकि आप हिन्दी नहीं समझती है। सवाल ही पूछ रहा हूँ। मैं लेक्चर नहीं दे रहा हूँ, मैं सवाल ही पूछ रहा हूँ।

मेरा सवाल है :—क्या सरकार को इस बात की जानकारी है कि श्री लालबहादुर शास्त्री जब रेलवे के मंत्री थे तो उन्होंने उत्तर पूर्वी रेलवे में आइजटनगर, लखनऊ, बनारस और मुजफ्फरपुर डिविजनल आफिस बनाने की योजना बताई और ऐलान किया और रेलवे बोर्ड ने अकल को बिल्कुल ताक पर रखकर, पर्सनल इन्टरेस्ट से, जिसकी जानकारी मुझे खुद है और सरकार को हमने लिखा और इतना तूफान मचा दिया कि 8 दिन तक भूख हड़ताल हुई, एक जगह हड़ताल की योजना हो गई, 12 जुलाई को सारा बनारस बंद हो जाने की योजना चली। तो बार-बार रेलवे बोर्ड की अयोग्यता, रेलवे बोर्ड की धाधली और रेलवे बोर्ड के रैड टेपिज्म, लालफीताशाही, इन सब बातों को लेकर जो एक संस्था बनी हुई है उससे जनता को पिड़ छुड़ाने के लिये सरकार क्यों नहीं आवश्यक समझती कि रेलवे बोर्ड को पूर्णतः भंग कर दिया जाय, रेलवे बोर्ड की कोई आवश्यकता नहीं है, रेलवे बोर्ड न रहे तो बड़ा पैसा बचेगा और अनावश्यक ढंग से जो तूफाने वदतमीजी बरपा होती है उससे जनता बच जायेगी।

**THE DEPUTY CHAIRMAN :** I think it is a suggestion for the abolition of the Railway Board. Have you anything to say?

**SHRI C. M. POONACHA :** Madam, this refers to the divisionalisation scheme with regard to NE and NF Railways and is not quite relevant to the question which we are discussing now.

**श्री राजनारायण :** माननीया, पोइन्ट आफ आर्डर। असल में अंग्रेजी में बोलुं तो आपको अड़चन न पैदा हो। हमारा वैधानिक प्रश्न यह है कि जब हमारे सवाल को आपने मान्यता दे दी, मंजूरी दे दी, तो सरकार को उमका उत्तर देना चाहिये। सरकार यह नहीं कह सकती कि यह सवाल इससे उठता नहीं है।

**THE DEPUTY CHAIRMAN :** That will do.

**श्री राजनारायण :** यह प्रश्न बिलकुल उचित है, इसी से निकलता है। हम रेलवे बोर्ड को भंग क्यों करना चाहते हैं, यह रेलवे बोर्ड के रिआर्गेनाइजेशन का क्वेश्चन है। तो आप ज़रा हमको पोइन्ट आफ आर्डर का जवाब दें कि सरकार यह कैसे कह सकती है वह प्रश्न इससे उठता नहीं।

**THE DEPUTY CHAIRMAN :** That will do.

**श्री राजनारायण :** यह रेलवे बोर्ड के रिआर्गेनाइजेशन का सवाल है।

**THE DEPUTY CHAIRMAN :** Next question.

**श्री राजनारायण :** तो आपकी व्यवस्था क्या है ?

**श्री महावीर प्रसाद भार्गव :** व्यवस्था यह है कि आप बैठे जाइये।

#### CREDIT FACILITIES TO SMALL SCALE SECTOR

\*152. SHRI M. M. DHARIA†:  
SHRI A. G. KULKARNI :

Will the Minister of INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS be pleased to state :

(a) whether Government have received the report of the Committee on Credit facilities of the Small Scale Industries Board suggesting liberalisation of credit facilities to the small scale sector in order to encourage their growth;

(b) if so, what are the details of the conclusions of the Committee; and

(c) the extent to which the recommendations have been given effect to ?

**THE DEPUTY MINISTER IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI BHANU PRAKASH SINGH) :**

(a) Yes, Madam.

(b) A statement is laid on the Table of the House. (See below).

(c) The recommendations made by the Committee on Credit Facilities to the Small Scale Industries Sector are under consideration of the Government.

#### STATEMENT

The broad conclusions of the Committee are as follows:—

(1) Flow of finance to the small scale sector should be progressively institutionalised so as to reduce the share of direct Government finance and private non-institutional finance. The small scale units should, however, improve their own capital base by ploughing back profits to the maximum possible extent.

(2) The small scale industries sector should have an equitable share of the total industrial credit available in the country in accordance with its contribution to the total industrial production. Government financial assistance in the form of interest free loans, foreign exchange, etc. should also be equitably distributed as between the large scale and small scale industries.

(3) The small industrialists should be encouraged to adopt improved management practices and accounting methods to improve their credit worthiness with the financial institutions.

(4) Equity capital and long-term loans should be available to educated young men and experience technicians to set up a small scale industries, subject to soundness of their schemes.

(5) There should be proper machinery for coordinating the flow of institutional finance from different agencies to avoid duplication and overlap.

†The question was actually asked on the floor of the House by Shri M. M. Dharia

Apart from the main conclusions of the report as given above, the Committee