

Monday, November 28, 1955

# LOK SABHA DEBATES

**(Part I—Questions and Answers)**

**VOLUME VII, 1955**

*(21st November to 23rd December, 1955)*



**ELEVENTH SESSION, 1955**

*(Vol. VII contains Nos. 1 to 26)*

**LOK SABHA SECRETARIAT  
NEW DELHI**

# CONTENTS

*Volume VII—From 21st November to 23rd December, 1955.*

	COLUMNS
<i>No. 1—Monday, 21st November, 1955</i>	
Members Sworn. . . . .	1
Oral Answers to Questions—	
Starred Questions Nos. 1 to 3, 5 to 25, 28, 29, 31 and 32 . . . . .	1—30
Written Answers to Questions—	
Starred Questions Nos. 4, 26, 27, 30, 33 to 45 . . . . .	30—36
Unstarred Questions Nos. 1 to 24 . . . . .	36—46
Daily Digest . . . . .	47—50
<i>No. 2—Tuesday, 22nd November, 1955.</i>	
Oral Answers to Questions—	
Starred Questions Nos. 46 to 51, 53 to 63, 65 to 69, 71, 72, 74 and 75 . . . . .	51—81
Written Answers to Questions—	
Starred Questions Nos. 73, 76 to 83, 85 to 91 and 93 to 97 . . . . .	81—91
Unstarred Questions Nos. 25 to 54 . . . . .	91—104
Daily Digest . . . . .	105—08
<i>No. 3—Wednesday, 23rd November, 1955.</i>	
Oral Answers to Questions—	
Starred Questions Nos. 98 to 105, 108, 136, 107, 109 to 111, 113, 117 to 122, 124 to 126, 128 . . . . .	109—36
Written Answers to Questions—	
Starred Questions Nos. 106, 112, 114 to 116, 127, 129 to 135, 137 to 147 . . . . .	136—46
Unstarred Questions Nos. 55 to 68 and 70 . . . . .	146—54
Daily Digest . . . . .	155—56
<i>No. 4—Thursday, 24th November, 1955.</i>	
Oral Answers to Questions—	
Starred Questions Nos. 148 to 161, 163, 164, 167 to 170, 172, 174, 176 to 183, 185, 187 and 189 . . . . .	157—90
Written Answers to Questions—	
Starred Questions Nos. 165, 175, 184, 190, 192 and 193 . . . . .	190—93
Unstarred Questions Nos. 71 to 81 and 83 to 90 . . . . .	192—202
Daily Digest . . . . .	203—04



No. 5—Friday, 25th November, 1955.

COLUMNS

Oral Answers to Questions—

Starred Questions Nos. 194 to 196, 198, 199, 201, 204 to 206, 209 to 217, 220 to 225 . . . . . 205—34

Written Answers to Questions—

Starred Questions Nos. 197, 200, 203, 207, 208, 218, 219, 226 to 240 234—43

Unstarred Questions Nos. 92 to 126 . . . . . 243—60

Daily Digest . . . . . 261—64

No. 6—Monday, 28th November, 1955.

Oral Answers to Questions—

Starred Questions Nos. 242 to 246, 251, 252, 256, 258, 260, 262 to 264, 266, 269, 241, 247, 253, 257, 259, 261, 265, 267, 248, 255 and 249 . . . . . 265—94

Short Notice Question No. 1. . . . . 294—99

Written Answers to Questions—

Starred Questions Nos. 250, 254 and 268 . . . . . 299—300

Unstarred Questions Nos. 127 to 148 . . . . . 300—10

Daily Digest . . . . . 311—12

No. 7—Wednesday, 30th November, 1955.

Oral Answers to Questions—

Starred Questions Nos. 270, 271, 273 to 276, 278, 284, 279, 282, 283, 285 to 295, 297 to 301 . . . . . 313—42

Written Answers to Questions—

Starred Questions Nos. 272, 277, 280, 281, 296, 303 to 310 and 312 . . . . . 342—48

Unstarred Questions Nos. 149 to 170 . . . . . 348—56

Daily Digest . . . . . 357—58

No. 8—Thursday, 1st December, 1955.

Oral Answers to Questions—

Starred Questions Nos. 313, 315 to 317, 319, 320, 322 to 324, 327 to 330, 332 to 336, 338, 339, 341 to 343, 345 to 347 and 349 to 352 . . . . . 359—92

Written Answers to Questions—

Starred Questions Nos. 314, 318, 321, 325, 326, 331, 337, 340, 344, 348 and 354 to 377. . . . . 392—405

Unstarred Questions Nos. 171 to 173 and 175 to 216 . . . . . 405—28

Daily Digest . . . . . 429—32

No. 9 —Friday, 2nd December, 1955.

Oral Answers to Questions—

Starred Questions Nos. 378 to 381, 383, 385, 387 to 389, 391, 392, 394 to 399, 401, 403, 404, 406, 407, 409 to 415 . . . . . 433—63

## Written Answers to Questions—

Starred Questions Nos. 382, 384, 386, 390, 393, 400, 402, 405, 408,  
416 to 426 and 123 . . . . . 464—70

Unstarred Questions Nos. 217 to 237 . . . . . 470—80

Daily Digest . . . . . 481—84

*No. 10—Saturday, 3rd December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 427 to 429, 431, 433 to 436, 439, 443, 444,  
446 to 451, 454, 455 and 476 . . . . . 485—513

## Written Answers to Questions—

Starred Questions Nos. 430, 432, 437, 438, 440 to 442, 445, 452,  
453, 456 to 475, 477 to 484, 171, 182 and 191 . . . . . 513—29

Unstarred Questions Nos. 238 to 263 . . . . . 529—40

Daily Digest . . . . . 541—44

*No. 11—Monday, 5th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 485, 488, 490 to 492, 494, 495, 497 to 501,  
504 to 506, 512, 514 to 516, 518, 521, 522, 525, 530, 526 . . . . . 545—75

## Written Answers to Questions—

Starred Questions Nos. 487, 489, 493, 496, 502, 503, 507 to 511,  
513, 519, 520, 524, 527, 528, 529, 531 to 537 . . . . . 575—84

Unstarred Questions Nos. 264 to 307 . . . . . 584—606

Daily Digest . . . . . 607—10

*No. 12—Tuesday, 6th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 538 to 540, 544 to 546, 548, 549, 551, 553, 554,  
559 to 563, 565 to 568, 570 to 574, 577 to 583 and 547 . . . . . 611—43

## Written Answers to Questions—

Starred Questions Nos. 541, 542, 543, 550, 552, 555, 556 to 558,  
564, 569, 575, 576 . . . . . 643—47

Unstarred Questions Nos. 308 to 332 . . . . . 648—60

Daily Digest . . . . . 661—64

*No. 13—Wednesday, 7th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 584 to 587, 589 to 598, 600 to 604 and 606 . . . . . 665—93

Short Notice Question No. 2 . . . . . 693—94

## Written Answers to Questions—

Starred Questions Nos. 588, 599, 605, 607 to 630 and 302 . . . . . 694—706

Unstarred Questions Nos. 333 to 362 . . . . . 706—18

Daily Digest . . . . . 719—22

*No. 14—Thursday, 8th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 631, 632, 634, 635, 637, 639 to 641, 643 to 645, 647 to 649, 651, 653 to 659, 661, 663, 664, 681, 666, 668 and 669 . . . . . 723—54

## Written Answers to Questions—

Starred Questions Nos. 633, 636, 638, 642, 646, 650, 652, 660, 662, 665, 667, 670 to 680, 682 to 687 . . . . . 755—65

Unstarred Questions Nos. 363 to 397 . . . . . 765—84

Daily Digest . . . . . 785—88

*No. 15—Friday, 9th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 688 to 690, 692, 694 to 697, 699, 701, 703, 705 to 708, 711 to 713, 715 to 719, 698 and 702 . . . . . 789—818

## Written Answers to Questions—

Starred Questions Nos. 691, 693, 700, 704, 709, 710 and 714 . . . . . 818—20

Unstarred Questions Nos. 398 to 420 . . . . . 820—30

Daily Digest . . . . . 831—32

*No. 16—Monday, 12th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 721, 722, 725 to 732, 734, 738 to 740, 743 to 746, 748 to 750, 724, 735 and 723 . . . . . 833—61

## Written Answers to Questions—

Starred Questions Nos. 720, 733, 736, 737, 741, 742 and 747 . . . . . 861—64

Unstarred Questions Nos. 421 to 440 . . . . . 864—74

Daily Digest . . . . . 875—76

*No. 17—Tuesday, 13th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 752 to 761, 764 to 773, 775, 779, 780, 784 to 786, 788, 789 . . . . . 877—906

Short Notice Question No. 3 . . . . . 907—08

## Written Answers to Questions—

Starred Questions Nos. 751, 762, 770-A, 774, 776, 777, 778, 781 to 783, 790, 791 to 805 and 807 . . . . . 908—20

Unstarred Questions Nos. 441 to 489 . . . . . 920—40

Daily Digest . . . . . 941—44

*No. 18—Wednesday, 14th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 808, 809, 815 to 817, 820, 824, 825, 828 to 832, 834 to 836, 838, 814, 812, 823 and 827 . . . . . 945—68

## Written Answers to Questions—

Starred Questions Nos. 810, 811, 813, 818, 819, 821, 822, 826, 833 and 837 . . . . . 968—72

Unstarred Questions Nos. 490 to 522 . . . . . 973—90

Daily Digest . . . . . 991—94

*No. 19—Thursday, 15th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 840, 844 to 848, 850, 853 to 856, 858, 859, 861, 862, 864,  
865, 867, 871, 873, 874, 876, 878 to 880-A . . . . . 995—1024

## Written Answers to Questions—

Starred Questions Nos. 839, 841 to 843, 849, 851, 852, 857, 860, 863, 866, 868  
to 870, 872, 875, 877, 881 to 899 and 173 . . . . . 1024—34

Unstarred Questions Nos. 523 to 561 . . . . . 1035—52

Daily Digest . . . . . 1053—56

*No. 20—Friday, 16th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 891, 893, 894, 896, 897, 899 to 905, 911 to 913, 915,  
917, 919, 921 to 925, 927 to 931, 933, 935 to 940 . . . . . 1057—90

Short Notice Question No. 4 . . . . . 1090—92

## Written Answers to Questions—

Starred Questions Nos. 890, 892, 895, 898, 906 to 910, 914, 916, 918, 920, 926,  
932, 934 . . . . . 1092—99

Unstarred Questions Nos. 562 to 627 . . . . . 1099—1136

Daily Digest . . . . . 1137—40

*No. 21—Saturday, 17th December, 1955.*

## Oral Answers to Questions—

SHORT NOTICE QUESTIONS  
Short Notice Question No. 5 . . . . . 1141—44

Daily Digest . . . . . 1145—46

*No. 22—Monday, 19th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 944, 943, 945 to 948, 950, 951, 953 to 955, 957 to 959,  
961, 962, 964, 967, 969 to 971, 973, 975 . . . . . 1147—76

## Written Answers to Questions—

Starred Questions Nos. 941, 942, 949, 952, 956, 960, 963, 965, 966, 968, 972, 974,  
976, 977, 978 and 979 . . . . . 1176—83

Unstarred Questions Nos. 628 to 655 and 657 to 666 . . . . . 1183—1200

Daily Digest . . . . . 1201—04

*No. 23—Tuesday, 20th December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 980 to 984, 986 to 988, 990 to 998, 1000, 1002 to 1011 . . . . . 1205—35

## Written Answers to Questions—

Starred Questions Nos. 985, 989, 999, 1001, 1012 to 1044 . . . . . 1235—52

Unstarred Questions Nos. 667 to 714 and 716 to 723 . . . . . 1252—74

Daily Digest . . . . . 1275—78

*No. 24—Wednesday, 21st December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 1045 to 1051, 1055, 1057, 1059, 1061 to 1067, 1070 to 1072,  
1074, 1075, 1077, 1078, 1106, 1079 to 1085 . . . . . 1279—1311

## Written Answers to Questions—

Starred Questions Nos. 1053, 1054, 1056, 1058, 1060, 1068, 1069, 1073, 1076, 1086 to  
1105, 1107 to 1119, 517 . . . . . 1311—28

Unstarred Questions Nos. 724 to 825, 825-A, 826 to 845, 845-A, 846 to 863 . . . . . 1328—94

Daily Digest . . . . . 1395—1402

*No. 25—Thursday, 22nd December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 1120 to 1125, 1127 to 1136, 1139 to 1151 . . . . .	1403—35
---	---------

## Written Answers to Questions—

Starred Questions Nos. 1126, 1137, 1138, 1152 to 1162 . . . . .	1435—40
---	---------

Unstarred Questions Nos. 864 to 914, 916 to 934 and 934-A . . . . .	1440—70
---	---------

Daily Digest . . . . .	1471—74
------------------------	---------

*No. 26—Friday, 23rd December, 1955.*

## Oral Answers to Questions—

Starred Questions Nos. 1163, 1164, 1168, 1170, 1172 to 1183, 1185 to 1190, 1193 to 1195 . . . . .	1475—1505
---	-----------

## SHORT NOTICE QUESTIONS—

Short Notice Questions Nos. 6 and 7 . . . . .	1505—08
---	---------

## Written Answers to Questions—

Starred Questions Nos. 1165 to 1167, 1169, 1171, 1184, 1191, 1192, 1196 to 1207 . . . . .	1508—17
---	---------

Unstarred Questions Nos. 935 to 995, 995-A, 996 to 1012 and 1014 . . . . .	1517—54
--	---------

Daily Digest . . . . .	1555—58
------------------------	---------

INDEX . . . . .	1—257
-----------------	-------

-----

265

LOK SABHA

Monday, 28th November, 1955

*The Lok Sabha met at Eleven  
of the Clock*

(Mr SPOKER in the Chair)

केंद्रीय पुरातत्व सलाहकार बोर्ड

\*२४२. श्री श्री नारायण दास : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) केंद्रीय पुरातत्व सलाहकार बोर्ड ने अब तक १९५५ में स्वयं अथवा सरकार के निदेश पर किन्-किन विषयों पर विचार किया है;

(ख) उनके सम्बंध में सरकार के विचारार्थ कौनसी सिफारिशें भेजी गई हैं ?

शिक्षा मंत्री के सभासचिव डा० एम० एम० दास : (क) श्रीर (ख) इसका विवरण सभा पटल पर रख दिया गया है। [बेसिधे परिशिष्ट २, अनुसूचक संख्या ११]

श्री श्री नारायण दास : क्या मैं जान सकता हूँ कि केंद्रीय पुरातत्व सलाहकार बोर्ड ने जिन जिन बातों की सिफारिशें की हैं उनमें से किन को सरकार अभी चालू करना बाहती है ?

Dr. M. M. Das: The Board held a meeting in September, 1955. Only a few days back the proceedings have been finalised and the recommendations of the Advisory Board are under the consideration of the Archaeological Department.

श्री श्री नारायण दास : क्या मैं जान सकता हूँ कि क्या सरकार ने इस बात का अन्दाजा लगाया है कि अगर केंद्रीय

403 LSD (1)

पुरातत्व सलाहकार बोर्ड की सिफारिशों को माना जाय तो उसमें कितना खर्च होगा ?

Dr. M. M. Das: These things have to be considered.

Mr. Speaker: It is premature to put that question now.

Defence Services Personnel

\*243. Shri Bahadur Singh: Will the Minister of Defence be pleased to state:

(a) the number of Defence Services personnel sent abroad during 1955 for training and higher studies;

(b) the names of the countries to which sent and the nature of training acquired; and

(c) the number of Defence Services personnel of foreign countries who come to India for advance studies during 1955?

The Deputy Minister of Defence (Sardar Majithia): (a) to (c). A statement is laid on the Table of the House. [See Appendix II, annexure No. 12].

Shri Bahadur Singh: May I know who bears the expenses of the Defence Services personnel that is sent abroad, and also the expenses of the Defence Services personnel of foreign countries who come to India for training?

Sardar Majithia: They are treated on a reciprocal basis. In certain cases the entire cost is borne by the country to which the cadets or the officers are sent; in certain other cases accommodation charge are levied.

Shri Bahadur Singh: May I know whether all the persons who were sent abroad qualified for the training for which they were sent?

Sardar Majithia: That is so, Sir.

Shri T. B. Vittal Rao: May I know whether our Air Force personnel are sent for Navigation Training, Class I in U.K., since no such training is available in India?

**Sardar Majithia:** I require notice of that. But as a matter of fact, out of all the three Services, the Indian Air Force is the one which is most self-sufficient.

**Shri Joachim Alva:** In the matter of training do we get any invitations either from U. S. A. or U. S. S. R. for military aviation?

**Sardar Majithia:** I do not quite catch the question.

**Mr. Speaker:** Do we get any invitation for military aviation from U. S. A. or U. S. S. R.?

**Sardar Majithia:** Well Sir, so far as military aviation is concerned we are training out pilot, and they are very good. at it.

### Decimal Coinage System

\*224. **Shri Radha Raman:** Will the Minister of Finance be pleased to state:

(a) whether Government have fixed any time schedule for the introduction of the new Coinage System throughout the country; and

(b) if so, what it is?

**The Minister of Revenue and Defence Expenditure (Shri A. C. Guha):** (a) and (b). A decision is likely to be taken shortly. It is expected that the new coinage will be put into circulation sometime in 1957 and that both the existing and the new coinage will be in circulation for about three years thereafter. Adequate conversion facilities will be provided to the public during this period.

**Shri Radha Raman:** May I know whether the present names of the coins will be continued and, if so, whether it will be for some specific period or for all times to come?

**Shri A. C. Guha:** As I have stated, the present coins will continue till they are all withdrawn. I think after the introduction of the new coins it will take at least three years, and as for the.....

**Mr. Speaker:** His point is whether the present name of the coins will be continued even in the case of the new coins?

**Shri A. C. Guha:** I think during the debate on that Bill a sort of assurance was given that the term "paise" would be retained, and a notification to that effect will be placed on the Table of the House very shortly.]

**Shri Radha Raman:** May I know whether the names of the new coins are

already decided upon and are available to us?

**Shri A. C. Guha:** I have stated already that this notification will be placed on the Table of the House, and I think the House will have some opportunity to discuss that matter also. Tentatively we have decided to retain the name "paise" and for the interim period I think "naya paise" will have to be the term.

**Mr. Speaker:** Let the notification come.

**Shri Achuthan:** Is there any move in the contemplation of Government to introduce the metric system of weights and measures along with the decimal system of coinage?

**Shri A. C. Guha:** Another committee is sitting in that connection, and they are taking certain measures. This has nothing to do with weights and measures.

### मांडू का किला (मध्य भारत)

\*२४५ श्री अमर सिंह डामर : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार ने चालू वर्ष में मध्य भारत के मांडू किले की मरम्मत और देखभाल के लिये कुछ रुपया स्वीकृत किया है; और

(ख) यदि हां, तो क्या मरम्मत का काम प्रारम्भ हो चुका है या होने वाला है ?

शिक्षा मंत्री के समासबिल (डा० एम० एम० दास) : (क) हां, जी ।

(ख) मरम्मत का कुछ कार्य आरम्भ हो गया है और कुछ कार्य अभी करना है ।

श्री अमर सिंह डामर : इसके लिए कितना रुपया मंजूर हुआ है ?

**Dr. M. M. Das:** These repairs were undertaken in the year 1953-54.

**Mr. Speaker:** What is the amount sanctioned?

**Dr. M. M. Das:** For what year, Sir?

श्री अमर सिंह डामर : क्या इसके लिए मध्य भारत गवर्नमेंट भी कुछ रुपया देगी ?

**Dr. M. M. Das :** In the year 1953-54 a sum of Rs. 10,531 was spent. In 1954-55 a sum of Rs. 13,054 was spent. And in the current year, that is 1955-56, it is proposed to spend Rs. 30,110 for annual repairs and Rs. 23,400 on special repairs.

#### Steamer Service to the Laccadives

\*246. **Shri T. B. Vittal Rao :** Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No. 527 on the 8th August, 1955 and state:

(a) whether the request of the Government of Madras for aid in connection with running of a direct steamer service between the mainland and the Laccadive Islands has been considered; and

(b) if so, the decision arrived at in the matter?

**The Deputy Minister of Home Affairs (Shri Datar) :** (a) Yes.

(b) It has been decided that a steamer service should be started as soon as possible and if the Madras Govt. incur any loss in running the same, the Government of India would contribute towards meeting the loss.

**Shri T. B. Vittal Rao :** In reply to part (b) of the question the hon. Minister has stated "as soon as possible". May I know whether any definite date has been fixed for the running of these steamers—because the whole question has been hanging fire for the last several years?

**Shri Datar :** The Government of Madras are taking certain preliminary steps, and early in the next year this service will come into operation.

**Shri T. B. Vittal Rao :** May I know whether any negotiations have been going on with any company in this connection and, if so, which company?

**Shri Datar :** Negotiations have been going on, but ultimately it is for the Madras Government to settle the whole affair.

**Shri L. Bacharan :** Will it be a weekly or a fortnightly service?

**Shri Datar :** It would be a monthly service.

#### Educational Qualifications and Recruitments

\*251. **Shri Jhulan Sinha :** Will the Minister of Education be pleased to state the progress made by the Committee which may be entrusted with the examination of the question whether university degree is necessary for entry into Government service?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das) :** The question is still being examined by Public Service (Qualification for Recruitment) Committee. The Committee is likely to submit its report by the 31st March, 1956.

**Shri Jhulan Sinha :** May I know if there is already a system current for the recruitment of the Defence Services where consideration is taken only of a person's aptitude and ability and not academic qualification?

**Dr. M. M. Das :** We do not propose that the Public Service Examinations should be ruled out. They will be there for recruitment purposes.

**Shri Jhulan Sinha :** I want to know whether such a system is already current or not?

**Dr. M. M. Das :** What system?

**Shri Jhulan Sinha :** The system of recruitment, for the Defence Services, irrespective of the academic qualifications possessed by the candidate.

**Dr. M. M. Das :** Until and unless we receive the recommendations of this Committee, this question cannot be answered.

**Mr. Speaker :** He wants to know whether any such thing is current at present, apart from the Committee report. What is the system current today, that is the question.

**Dr. M. M. Das :** The system that is current today is known to everybody. So far as the Civil Administration is concerned, the U.P.S.C. examinations are there for recruitment.

**Shri D. C. Sharma :** May I know whether the Committee set up by the Ministry will take into consideration that a non-matric has been able to pass M.A. in the second division, thereby setting at naught the value of these public examinations?

**Mr. Speaker :** Order, order. I think this is a question which should be put to the Committee for consideration, rather than asking the Minister.

**Shri Shree Narayan Das :** May I know whether the opinions of the various State Governments have been asked for in this connection and, if so, whether they have been received?

**Dr. M. M. Das :** The Committee proposes to go to some of the States and have the opinion of the State Governments.



### National Sample Survey

\*252. **Shri D. C. Sharma** : Will the Minister of Finance be pleased to refer to the reply given to Starred Question No. 855 on the 18th August, 1955 and state:

(a) whether the work connected with the ninth round of the national Sample Survey in the Punjab has been completed; and

(b) if so, the special features of the Survey?

**The Parliamentary Secretary to the Minister of Finance (Shri B. R. Bhagat)** : (a) No, Sir.

(b) Does not arise.

**Shri D. C. Sharma** : May I know in how many States the national sample survey has been conducted already?

**Shri B. R. Bhagat** : This question refers to Punjab, but as for the survey in all the States, the samples for the survey have been selected from all the States.

**Shri D. C. Sharma** : I can put the question in a different way because the hon. Parliamentary Secretary wants to be very legalistic. May I know by what time the turn of the Punjab State will come for the selection of samples—in the ninth round or the eleventh round, when would it come?

**Shri B. R. Bhagat** : The hon. Member is labouring under some misapprehension. The ninth round is going on all over the country, and in the Punjab the field work is nearly complete. It ought to have been completed last month, but because of the heavy floods, the field work in the villages could not be done, and we expect they will be completing it very soon. Out of 128 samples both rural and urban, the field work has been completed in 123 samples, and only 5 samples are left out. So, the work is going on well.

**Shri D. C. Sharma** : May I know how long it would take for the Government to compile the statistics and arrive at conclusions?

**Shri B. R. Bhagat** : Compiling statistics is a continuing process, and in the ninth round after the statistics and data have been collected. They will be tabulated and analysed by the Indian Statistical Institute and then this report for the ninth round will be made available, but before the report is made available the next round will start. So, it is a continuous process.

**Shri D. C. Sharma** : May I know when the report of the ninth round be made available to the public or to the House?

**Shri B. R. Bhagat** : The major work is in tabulation and analysis and that has

yet to be started after the field work is over, and I cannot say when it will be ready, but I hope before long it will be ready.

### नकली चावल

\*२५६. **श्री के० सी० सोबिया** : क्या प्राकृतिक संसाधन और वैज्ञानिक गवेषणा मंत्री यह बताने की कृपा करेंगे कि :

(क) नकली चावल तैयार करने में कितनी प्रगति हुई है;

(ख) क्या उसे तैयार करने के लिये कोई कारखाना स्थापित किया गया है और यदि हां, तो उसका मासिक उत्पादन क्या है;

(ग) किन स्थानों में उसकी खपत होती है;

(घ) उसका प्रतिमन विक्रय मूल्य कितना है; और

(ङ) क्या इस उद्योग का विकास करने के लिये कोई लक्ष्य निर्धारित किया गया है ?

**प्राकृतिक संसाधन मंत्री (श्री के० डी० मालवीय)** : (क) और (ख). केन्द्रीय खाद्यान्न तकनीकी गवेषणा संस्थान, मैसूर में स्थापित किये जाने वाला परीक्षात्मक एवं प्रदर्शन संयंत्र, जिस के लिए यूरोप की एक फर्म को आदेश दिया हुआ है, करीब करीब तैयार हो गया है। यह आशा की जाती है कि यह संयंत्र सन् १९५६ के शुरू में ही भारत पहुँच जाएगा।

(ग) और (घ). यह प्रश्न नहीं उठते।

(ङ) जी, नहीं।

**श्री के० सी० सोबिया** : सन् ५६ में इसका उत्पादन क्या होगा ?

**श्री के० डी० मालवीय** : सन् ५६ के शुरू में यह फैक्ट्री वहाँ लग जाने की आशा की जाती है, तभी यह निश्चय होगा कि कितना इसका उत्पादन होगा। मैं यहाँ यह बता देना

चाहता हूँ कि यह कोई उत्पादन का कारखाना नहीं है, यह तो पायलट स्कीम का एक्सपेरिमेंट किया जा रहा है और जैसे ही यह वैज्ञानिक प्रन्वेषण की क्रिया समाप्त हो जायगी तब यह निश्चय किया जायगा कि यदि उत्पादन सफलतापूर्वक इससे हो सकता है तो कितना उत्पादन किया जाय।

**Shri B. K. Das :** I could not follow the hon. Minister properly. I want to know whether this pilot scheme is worked out in the Institute itself or by any other company?

**Shri K. D. Malaviya :** The pilot scheme will be worked out by the Institute itself. Preparations are going on for the installation of the pilot plant in the institute. We have placed orders for the plant. The plant is on its way and it is expected that it will arrive in the early part of next year.

**Shri Ramachandra Reddi :** May I know the amount that has been spent so far either on the research side or on the manufacturing side?

**Shri K. D. Malaviya :** I have no information about the money spent on the research side. I would advise my hon. friend to put another question, but the total block grant for this experiment is Rs. 2,50,000 against which we have advanced substantial sums and also spent some money in the preliminary preparation of the setting up of the plant.

**श्री एम० एल० द्विवेदी :** मैं यह जानना चाहता था कि इस पायलट प्लांट में उत्पादन की परिधि क्या है ?

**श्री के० डी० मालवीय :** मेरे पास इस समय उसकी ख़बर नहीं है।

### Museum

**\*258. Shri Bishwa Nath Roy :** Will the Minister of Education be pleased to state:

(a) whether Government have any museum under its direct management; and

(b) whether Government collected the materials under its direct control for the Indian Museum at Calcutta in the past?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das) :** (a) and (b). Yes, Sir.

I may add that the reply to part (b) of the question applies only to a portion

the exhibits of the Indian Museum at Calcutta. The exhibits of the Calcutta Museum have been collected from other sources also.

**Shri Bishwa Nath Roy :** In view of the fact that at the capital of the Indian Republic there is no museum, do Government propose to have the exhibits which were collected under its direct control brought to this place and set up a museum?

**Dr. M. M. Das :** There is no such proposal before Government now.

**Shri S. C. Samanta :** May I know whether this Calcutta Museum receives archaeological finds that are found by individuals in the country?

**Dr. M. M. Das :** There is no bar to that.

### Janta Colleges

**\*260. Shri S. C. Samanta :** Will the Minister of Education be pleased to state :

(a) whether eleven Janta Colleges proposed to be opened in 1955-56 have been opened;

(b) if so, where;

(c) when and where the first Janta College in India was opened;

(d) whether Government have assessed the value of the results derived from that College in comparison with the monetary help given to it; and

(e) what is the overall expenditure incurred up-to-date for the College?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das) :** (a) to (e). Information is being collected from the State Governments and will be laid on the Table of the Lok Sabha in due course.

**Shri S. C. Samanta :** May I know whether during the Second Five Year Plan Government contemplate to increase the number?

**Dr. M. M. Das :** The proposals for the Second Five Year Plan have not yet been finalised.

**Shri S. C. Samanta :** Has Government placed any proposal before the Planning Commission?

**Dr. M. M. Das :** I think yes, but I am speaking subject to correction.

### History of the Freedom Movement

**\*262. Shri H. N. Mukerjee :** Will the Minister of Education be pleased to

lay on the Table of the House a statement giving :

(a) in general outline, the scheme of the History of the Freedom Movement; and

(b) when it is expected to be published ?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das) :** (a) and (b). A statement is laid on the Table of the House. [ See Appendix II, Annexure No. 13].

**Shri H. N. Mukerjee :** I find from the statement that the outline scheme of the history is not yet ready. May I know why in that case the Central Board is being wound up by the end of this year and the Chief Editor, who was reported earlier to have done a fair amount of writing, presumably asked to quit ?

**Dr. M. M. Das :** The original proposal before Government was that three years would be taken for writing the story and Rs. 4 lakhs would be spent. Now the Board says that five years will be taken, and that an expenditure of Rs. 9 lakhs would be incurred. So, Government thought it better to close the Board and carry out the work in their own way which has not yet been decided.

**Shri H. N. Mukerjee :** I find that a lot of material has already been collected from India and abroad. May I know the countries from which we have got these records about our national movement ?

**Dr. M. M. Das :** These materials have been collected from many countries. The information is not at my disposal as to what are the countries from which they have been collected.

**Shri H. N. Mukerjee :** When the publication of this history is still uncertain may I know if Government intends to throw open the collection of records already collected and keep them in the National Archives for example so that other scholars might use them ?

**Dr. M. M. Das :** The publication of this history is not at all uncertain. Government will carry out this work.

**Shri Sarangadhar Das :** May I know how the cost of this compilation compares with the compilation of the war history ?

**Dr. M. M. Das :** I think the hon. Minister in charge of Defence will be able to throw some light on this.

**श्री एम० एल० द्विवेदी :** मैं यह जानना चाहता हूँ कि यह बात सत्य है कि इस कमेटी ने अपने काम पर कर दिया है

और अब यह काम एक डिपार्टमेंटल कमेटी के सुपुर्ब है और यदि यह सत्य है तो वह इस काम को कब तक पूरा कर सकेगी ?

**Dr. M. M. Das :** The Board of Editors have not been able to complete their work, and it is difficult to say now when the work will be completed by Government.

**Shri M. L. Dwivedi :** May I know whether the life of the Board is being extended ?

**Dr. M. M. Das :** No, the life is not being extended.

**Shri B. K. Das :** May I know whether the view that it is necessary to maintain the present staff for some more time so that the work may be done properly was placed before Government, and if so, whether Government have considered or examined the question as to how much extra expenditure will be incurred if that view was accepted ?

**Mr. M. M. Das :** These view have to be considered.

### गांधी विचार धारा

\*२६३. श्री एम० एल० द्विवेदी : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) स्कूलों में गांधी विचार धारा प्रारम्भ करने के प्रश्न की जांच करने के लिये बनाई गई समिति ने क्या सिफारिशों की हैं;

(ख) इन सिफारिशों को कार्यान्वित करने के लिये सरकार क्या कार्यवाही करने का विचार रखती है; और

(ग) क्या इस कार्यक्रम को सफल बनाने के लिये राज्य सरकारों से सलाह ली गई है या ली जा रही है ?

शिक्षा मंत्री के सभासचिव (डा० एम० एम० दास) : (क) सिफारिशों ये थीं :—

१. शिक्षा, सत्याग्रह, अर्थशास्त्र, राजनीति आदि के बारे में गांधी जी की विचारधारा को शिक्षण संस्थाओं के उपयुक्त दर्जों में चलाया जाय ।

२. विभिन्न विश्वविद्यालयों में गांधीजी की विचारधारा का अध्यापक-प (चेयर) स्थापित किया जाय।

३. गांधीजी पर और गांधीजी द्वारा लिखित साहित्य का संग्रह किया जाय और विभिन्न पुस्तकालयों तथा विश्व-विद्यालयों में उपलब्ध किया जाय।

४. बुनियादी अध्यापकों के लिये गांधीजी की शिक्षा पर विचारधारा की एक लघु-पुस्तिका बनाने के लिये एक उपसमिति बनाई जाय।

५. गांधीजी पर डीकुमैट्री फिल्में इकट्ठी की जायें।

(क) इस विषय में सरकार को परामर्श देने के लिए उपसमिति नियुक्त कर दी गई है।

(ग) इस विषय पर राज्य सरकारों के विचार ले लिये गये हैं।

श्री एम० एल० द्विवेदी : मैं यह जानना चाहता हूँ कि जहाँ तक संस्थाओं अर्थात् स्कूल और कालेजों का सम्बन्ध है इसे प्रसारित करने में कितना समय लगेगा और टेक्स्ट बुक्स वगैरह बनाने का काम किस को दिया जा रहा है ?

Dr. M. M. Das: This question has not yet been considered.

श्री एम० एल० द्विवेदी : इस पर विचार कब तक पूरा हो जायेगा ?

Dr. M. M. Das: I am not able to answer that question now.

श्री श्री नारायण दास : इस प्रश्न के (क) भाग के उत्तर में माननीय पालियामेन्ट्री सेक्रेटरी ने कहा है कि एक समिति नियुक्त की गई है। क्या मैं जान सकता हूँ कि समिति के कितने और कौन कौन से सदस्य हैं ?

Dr. M. M. Das: The sub-committee that has been appointed consists of the following members, namely Kaka Saheb Kalekar, Sri Pyrey Lal, Dr. Abid Hussain, Bharatan Kumarappa and Shri Ramchandran.

Shri B. K. Das : May I know whether Government contemplate to set apart any funds for the implementation of the recommendations of this sub-committee ?

Dr. M. M. Das: Government have to incur the expenditure.

Shri H. N. Mukerjee : In view of the fact that it is desirable to learn Gandhian philosophy directly from the writings of Gandhiji himself, may I know whether Government have any intention of reprinting a volume of Gandhiji's writings in *Young India* from 1919 to 1922, which are now unavailable ?

Dr. M. M. Das : I beg to ask for notice of the question.

### जम्मू और काश्मीर राज्य का क्षेत्रफल

\*२६४. श्री अमर सिंह डाबर : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि पाकिस्तान द्वारा कुछ क्षेत्रों के ले लिये जाने के परिणामस्वरूप जम्मू और काश्मीर राज्य का क्षेत्रफल में कितनी कमी हुई है ?

गृह कार्य उपमंत्री (श्री बातार) : अनुमान है कि जम्मू और काश्मीर का लगभग ३२,७५८ वर्ग मील क्षेत्रफल पाकिस्तान के अधिकार में है।

श्री अमर सिंह डाबर : क्या मैं जान सकता हूँ कि सरकार ने काश्मीर और छाजाद काश्मीर के बीच की सीमा का फैसला कर लिया है ?

Shri Datar: That question does not arise out of this.

### State Bank of India

\*२६६. Shri Ibrahim: Will the Minister of Finance be pleased to state:

(a) whether any programme has been drawn up for opening branches of the State Bank of India during the Second Five Year Plan period; and

(b) if so, the nature of the programme ?

The Minister for Revenue and Defence Expenditure (Shri A. C. Guha):

(a) As the first step towards carrying out this programme for branch expansion accordingly to Section 16(5) of the State Bank of India Act, a list of 100 centres at which new branches will be opened has provisionally been drawn up by

the State Bank for the approval of the Central Government.

Meanwhile, the State Bank is also going ahead with the implementation of the programme of expansion undertaken by the then Imperial Bank of India in pursuance of the recommendations of the Rural Banking Enquiry Committee. Out of 114 places where the Imperial (now State) Bank had agreed to open branches during the period 1-7-51 to 30-6-56, offices have been opened at 80 places up to the 17th October, 1955 including 17 opened since July 1st i.e., since the conversion of the Imperial Bank into the State Bank of India.

(b) The list of 100 centres provisionally selected has been drawn up keeping in view the recommendation by the All India Rural Credit Survey Committee that the programme of expansion should cover the district headquarter centres and the 'sub-divisional centres' where there are non-banking treasuries/ sub-treasuries at present. Backward areas have received special consideration for this purpose. The list, however, excludes Port Blair in the Andaman and Nicobar Islands where the State Bank has already agreed to open a branch.

**Shri Ibrahim:** May I know how many of these branches will be opened in the rural areas and how many in towns?

**Shri A. C. Guha:** As I have stated already, the first step will be to open branches in district headquarter centres and sub-divisional centres where there are non-banking treasuries and sub-treasuries at present. Some of these branches will be in semi-urban areas i.e., towns having a population of 10,000, or nearabout.

**Shri S. C. Samanta:** May I know whether by the opening of these 100 branches, all the district headquarters will be covered?

**Shri A. C. Guha:** I think the district headquarters may be covered I am not so sure; but I cannot say about the sub-divisional headquarters; they would not be covered.

**Shri Joachim Alva:** Alongside of the programme of opening of new branches, has the Bank any effective programme by which they stop the flow-out of deposits, which started when Government took over the control of the Imperial Bank of India?

**Shri A. C. Guha:** I am not sure about the premise of this question. I do not think the hon. Member's suggestion is quite correct, except that during the slump season there is always a flow-out.

**केन्द्रीय अग्नि शमन (फायर फाईटिंग) संस्था**

\*२६६. श्री एम० एल० द्विवेदी : क्या ग्रह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) केन्द्रीय अग्नि शमन संस्था, रामपुर किस स्थान पर स्थापित की जायेगी और उसमें कब से कार्य प्रारम्भ होगा;

(ख) इस प्रयोजन के लिये केन्द्रीय सरकार ने अनुमानतः कितनी आवर्तक तथा अनावर्तक राशि स्वीकृत की है;

(ग) क्या इस संस्था को स्थापित करने और चलाने में राज्य सरकार कोई सहायता दे रही है और यदि हाँ, तो किस रूप में; और

(घ) इस संस्था के विद्यार्थियों के लिये कौनसा पाठ्यक्रम निर्धारित किया जायेगा ?

**ग्रह-कार्य उपमंत्री (श्री बातार) :** (क) नेशनल फायर सर्विस कालिज, रामपुर (उत्तर प्रदेश) छावनी की मिलिट्री बारक्स में स्थापित किया जा रहा है। शिक्षा सम्बन्धी सामान की कुछ चीजें जो विदेश से मंगाई थीं अभी नहीं आई हैं और निश्चित रूप से यह कहना सम्भव नहीं है कि तैयार करने वाले कब तक इसको पूरा कर सकेंगे। कालिज को सन् १९५६ के प्रारम्भ में ही शुरू करने के सब सम्भवनीय प्रयत्न किये जा रहे हैं।

(ख) —

	आवर्तक (रेक-रिंग) खर्चा	अनावर्तक (नान-रेक-रिंग) खर्चा
	रुपये	रुपये
१९५५-५६	१,२५,६००	२,७४,१००
के लिये स्वीकृत		
अनुमानित		
बजट		

(ग) हाँ, कालिज के आवर्तक (रेक-रिंग) खर्च के लिये लगभग ५० प्रतिशत नकदी की सहायता।

(घ) चार पाठ्यक्रम (कोर्स) चलाने का प्रबन्ध किया जा रहा है जिसमें जूनियर प्राक्कीसर्ज और इन्सट्रक्टर कोर्स, रिफ़ेशर कोर्स, डिबीजनल और प्रसिस्टेंट डिबीजनल प्राक्कीसर्ज कोर्स और सीनियर प्राक्कीसर सेमीनार हैं।

श्री एम० एल० द्विवेदी : मैं यह जानना चाहता हूँ कि यह कोर्स कितने समय का है और इस में पहले पहल कितने विद्यार्थी भरती किये जायेंगे और कहां कहां ?

Shri Datar: The course extends over about four months or 120 days, and four such courses will be held in the course of one year.

श्री एम० एल० द्विवेदी : मैं जानना चाहता हूँ कि रामपुर को ही जो इस काम के लिये चुना गया है तो क्या रामपुर में कोई विशेष सुविधायें थीं, या कौन सा कारण था जो कि यह कालेज वहां खोला जा रहा है ?

Shri Datar: After considering the requirements it was found that Rampur was suitable because we have got a number of barracks available there.

Shri Shree Narayan Das: May I know the number of trainees that would be taken in annually?

Shri Datar : About 120.

### विदेशी धर्मप्रचारक

\*२५१. श्री एम० एल० द्विवेदी : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि ब्रिटिश काल में विदेशी धर्मप्रचारकों से यह वचन प्राप्त किया गया था कि वे राजनीति में भाग नहीं लेंगे और यदि हां, तो क्या अब भी उन पर वे शर्तें लागू हैं; और

(ख) विदेशी धर्म प्रचारकों की आपत्तिजनक कार्यवाहियों के जो समाचार मिले थे उनकी जांच के क्या परिणाम निकले हैं ?

गृह-कार्य उपमंत्री (जी बातार) : (क) हां।

(ख) मैं समझता हूँ कि माननीय सदस्य का निर्देश उन जांच समितियों से है जो कुछ राज्यों ने विदेशी मिशनरियों की कार्यवाहियों की जांच करने के लिये बनाई हैं। यदि ऐसा ही है, तो समितियों ने अपनी रिपोर्ट सम्बन्धित राज्य सरकारों को अभी तक नहीं दी है।

श्री एम० एल० द्विवेदी : मैं जानना चाहता हूँ कि क्या यह सत्य है कि जो प्रतिबन्ध हैं, उनके होते हुए भी कतिपय धार्मिक प्रचारक न केवल राष्ट्र विरोधी कार्रवाइयों में लगे रहते हैं बल्कि कहीं कहीं उन्होंने बगावत भी खड़ी कर दी है और इसी तरह की अन्य कार्य किए हैं जैसे धी वितरण के सम्बन्ध में उन्होंने कई बातें धर्म के सम्बन्ध में लोगों से कहलवा लीं और फिर धी वितरित किया। क्या मंत्री महोदय का ध्यान इन बातों की तरफ गया है, यदि हां, तो इस सम्बन्ध में क्या किया गया है ?

Shri Datar: I may point out to the hon. Member that whenever any complaints are received, they are duly inquired into and necessary action taken.

श्री एम० एल० द्विवेदी : क्या सरकार के पास कोई शिकायतें आई हैं, यदि आई हैं तो उनके बारे में क्या कार्रवाई की गई है ?

Shri Datar: Some complaints have been received and they have been looked into. The complaints were to the effect that some of these missionaries were acting against the interests of India.

श्री एम० एल० द्विवेदी : मैं जानना चाहता हूँ कि मध्य प्रदेश में जो एक जांच समिति बिठाई गई थी और बहुत दिन हुए उसने अपना काम भी शुरू कर दिया था, उसके बारे में क्या मंत्री जी को पता है कि उसकी जांच का क्या नतीजा निकला है ?

Shri Datar: Yes, so far as Madhya Pradesh is concerned, I believe that they would be submitting a report in the course of a few months. This is all the information that we have.

Shri B. D. Pande: There are some foreign missionaries working in the border areas of my district of Almora, and their activities are reported to be mischievous. May I know if Government have any information to that effect?

**Shri Datar:** I may point out to the hon. Member that Government take all precautions, especially in border areas, to see that their activities are within legitimate limits.

**श्री भीष्मा भार्गव :** राजस्थान के सम्बन्ध में मिशनरियों के बारे में जो शिकायतें आई थीं, उनके बारे में क्या ठोस कदम उठाए गए हैं ?

**Shri Datar:** I cannot give any information about the Rajasthan border off-hand.

**Shri H. N. Mukerjee:** Have steps been taken to prevent institutions like the St. Xavier's School, Jaipur, publishing and circulating pamphlets suggesting that students are to be trained in the fight on behalf of the free world against communism ?

**Shri Datar:** I am not aware of it.

**Shri H. N. Mukerjee:** I had supplied earlier to the Ministry some information on this point.

#### Scholarships to Poor Students

\*247. **Pandit D. N. Tiwary:** Will the Minister of Education be pleased to state:

(a) how far the scheme of giving help and scholarships to poor students of all communities has been implemented; and

(b) the amount allotted for this purpose in 1955-56 to different States?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) The Scheme is still under consideration.

(b) Does not arise.

**Pandit D. N. Tiwary:** May I know since how many months this scheme has been under consideration and when it is likely to be completed?

**Dr. M. M. Das:** The scheme has been referred to the Planning Commission, and as the House knows, the proposals are yet to be finalised by the Planning Commission.

**Pandit D. N. Tiwary:** May I know whether Government are aware that many brilliant students belonging to those communities have had to give up their studies for want of financial aid?

**Dr. M. M. Das:** That is a fact. It is known to everybody.

**Shri Shree Narayan Das:** May I know whether any statistics are available with the Central Government as to the present position of scholarships and stipends granted by the Central and State Governments?

**Dr. M. M. Das:** We have our own statistics about the scholarships awarded by the Central Government; but so far as the States are concerned, we have no statistics.

#### चुनाव याचिकाएँ

\*२५३. **श्री विभूति मिश्र :** क्या विधि मंत्री यह बताने की कृपा करेंगे कि :

(क) राज्य विधान सभाओं, विधान परिषदों, लोक-सभा और राज्य सभा के चुनावों के विपक्ष में प्रत्येक राज्य में भ्रष्ट-भ्रष्ट अब तक कितने मुकद्दमे चुनाव न्यायाधिकरणों में दायर किये गये;

(ख) प्रत्येक राज्य में अब तक कितने मुकद्दमों का निर्णय हो चुका है;

(ग) कितने मुकद्दमों का फैसला अभी तक नहीं हो पाया है और विलम्ब का मुख्य कारण क्या है; और

(घ) क्या कोई कार्यवाही की गई है जिससे कि शेष मुकद्दमों का निर्णय एक निश्चित कालावधि के भीतर हो जाय ?

**The Minister of Law and Minority Affairs (Shri Biswas):** (a) and (b). Two statements giving the information are laid on the Table of the House. [See Appendix II, annexure No. 14].

(c) The number of pending cases is 26. A statement showing State-wise figures is laid on the Table of the House. [See Appendix II, annexure No. 14]. The main reasons for delay are:—

- (i) stay of proceedings before the Tribunals by the High Court and Supreme Court;
- (ii) the nature and number of allegations of corrupt and illegal practices and irregularities made in the petitions; and
- (iii) the citing of a large number of witnesses by the parties.



(d) The Election Commission calls for periodical progress reports from the Election Tribunals regarding trial of the petitions and, where necessary, directs the Tribunals to expedite the disposal of outstanding petitions.

**श्री बिभूति मिश्र :** यह जो स्टेटमेंट है इसको देखने से पता चलता है कि दिल्ली में एक धर्जी जो ग्राम चुनाव के बारे में दाखिल हुई थी वह आज तक चली जाती है और अभी तक उसका फैसला नहीं हुआ है। क्या हमारे ला मिनिस्टर साहब कोई ऐसा तरीका अभी तक नहीं निकाल पाए हैं जिस से कि केसिस का जल्दी से जल्दी फैसला हो जाया करे ?

**Shri Biswas :** I am not in a position to answer a question like this with reference to any specific election petition. I have collected the main grounds on which these delays occurred. Whether in this case, it was due to any orders passed by the court granting an injunction or owing to the constitution of the Tribunal, I cannot say. In the three member Tribunal, one member finds one particular day convenient to him; another member does not. So the days have to be fixed to suit the common convenience of all the three members of the Tribunal. That necessarily involves delay. So there are other reasons also. I am not in a position, unless a specific question is put with reference to a particular Tribunal, to say whether the delay was due to one reason or another.

**Mr. Speaker :** Order, order. The point of his question, as I understand it was whether the Law Minister has in contemplation any legislation by which hearing of these cases could be expedited. He referred to one case as an illustration that one case has been pending for four years now.

**Shri Biswas :** This question has been considered by the Law Ministry and certain proposals have been embodied in the Representation of the People (Amendment) Bill which is now before a Joint Committee.

**श्री बिभूति मिश्र :** मैं जानना चाहता हूँ कि यह सब जितने केसिस पेडिंग पड़े हुए थे उनके फैसला करने में सरकार को आज तक कितना रुपया खर्च करना पड़ा है ?

**Shri Biswas :** I am not prepared offhand to give any estimate of the expenditure. A question should be put about it.

**Mr. Speaker :** He wants notice, in fact.

**Shri Shree Narayan Das :** May I know the number of cases that come to the Supreme Court and are still pending there ?

**Shri Biswas :** Altogether 26 election petitions are pending. I have not got the breakup—how many were due to injunctions issued by the Supreme Court and how many due to injunctions issued by the High Courts.

#### Wind Power Research Station

**\*257. Shri Bhagwat Jha Azad :** Will the Minister of Natural Resources and Scientific Research be pleased to state:

(a) what is the programme for setting up wind power research stations in high velocity wind areas;

(b) whether the research council has set up any target for setting up wind-mills in the country; and

(c) if so, what would be the total acreage of land that would be irrigated by them ?

**The Minister of Natural Resources (Shri K. D. Malaviya) :** (a) to (c). Proposals of the Council of Scientific and Industrial Research to set up a suitable organisation and a large number of wind-mills for development and utilisation of wind power is under examination by the Planning Commission. It is proposed to erect 500 demonstration units during the second Five Year Plan period.

**Shri Bhagwat Jha Azad :** Are there at present in the country wind-mills operating ?

**Mr. Speaker :** How many wind-mills are operating in the country ?

**Shri K. D. Malaviya :** I am not aware of the number of wind-mills actually operating. There are many installed, but most of them are not working because they may have been installed at a wrong place from the view point of wind velocity and duration.

**Shri Bhagwat Jha Azad :** May I know whether a tentative survey has been made of the country as to the high-velocity wind areas where such wind-mills are likely to be set up ?

**Shri K. D. Malaviya :** Yes, a large scale survey is going on at present, and we are trying to collect sufficient data in this connection, the period during which wind velocity is favourable, the duration in the day up to which they should be worked



and all that. As soon as these data are collected, work will start in larger measure.

**Shri Bhagwat Jha Azad:** May I know whether Government have fixed a target in respect of both the number of mills and the amount of money to be spent?

**Shri K. D. Malaviya:** There is a plan before the Planning Commission in regard to wind-mills in which 500 demonstration units are proposed to be set up in the country.

**Shrimati Kamalendu Mati Shah:** May I know whether it is true that these windmills will be more successful in the mountains and, if so, what steps are Government taking to experiment them in the mountains?

**Shri K. D. Malaviya:** We are unable to accept the views of the hon. Member that windmills can be generally favourably installed in the mountains.

#### Re-insurance Business

\*259. **Shri Ibrahim:** Will the Minister of Finance be pleased to state:

(a) whether the reinsurance business is mainly carried on by foreign insurance companies; and

(b) if so, the amount of foreign exchange earned by them during the first half of 1955?

**The Minister of Revenue and Civil Expenditure (Shri M. C. Shah):** (a) Both Indian and foreign insurers accept reinsurance business. However, the net balance by way of payment towards reinsurance premiums is in favour of foreign insurers and represented a net export of Rs. 1.42 crores in 1952.

(b) The figures are not available.

**Shri Ibrahim:** May I know since how long these foreign companies are carrying on business here and what is their number?

**Shri M. C. Shah:** I have not got the number of those foreign companies doing reinsurance business.

**Shri Joachim Alva:** When Indian Companies have attained international standard like the New India, may I know whether the Ministry of Finance has made any really serious effort to see that reinsurance is handled by Indian firms and whether Government gives them facilities so that this reinsurance business may be distributed amongst the companies weaker than New India?

**Shri M. C. Shah:** A Re-insurance Corporation is being established soon.

**Shri B. K. Das:** May I know out of the reinsurance business done by foreign companies what percentage is life business and what percentage is general business?

**Shri M. C. Shah:** Re-insurance is generally for general insurance.

#### General Elections

\*261. **Sardar Iqbal Singh:** Will the Minister of Law be pleased to state:

(a) whether there will be any delay in holding General Elections in view of the changes proposed by the State Reorganisation Commission in the State boundaries; and

(b) if so, when the next General Elections to Parliament and State Assemblies are likely to be held?

**The Minister of Law and Minorities Affairs (Shri Biswas):** (a) and (b). Government have yet to come to a decision, on the recommendations of the States Reorganisation Commission and the dates of the next General Elections to Parliament or State Assemblies cannot obviously be fixed till then.

**Sardar Iqbal Singh:** May I know whether the Government will be able to conduct elections in 1957 according to schedule or will these elections be delayed?

**Shri Biswas:** Government hope it will be possible to hold elections in the usual course in 1957 but so much lies in the region of uncertainty that it is impossible to be very definite about it.

**Sardar Iqbal Singh:** May I know whether Government have asked for the views of the State Governments on this question after the publication of this report and, if so, what are they?

**Shri Biswas:** The facts are already known to all the Members of this House. The Report has been published; opinions have been invited and they are being considered; and many incidents are taking place in various parts of the country which, we do not know, may be a reason for further delay. In these circumstances, it is very difficult for any one, especially for Government to make any definite statement.

**Sardar Iqbal Singh:** May I know whether a second Delimitation Commission will be appointed for the delimitation of the constituencies after demarcation of the new States?

**Mr. Speaker:** Order, order. These questions are premature at this stage.

**Shri Gidwani:** Without that can elections take place?

**Mr. Speaker :** First the report has to be considered, the States have to be re-organised and they have to be settled and then the question of delimitation will arise.

**Shri M. L. Dwivedi :** In view of the fact that the Report contemplates the abolition of Part C States to which some weightage has been given in the representation in this House, will the seats be re-distributed in this country ....?

**Mr. Speaker :** Order, order. Hon. Members will know that the States Re-organisation Commission Report is coming for a full discussion before this House. It is premature to ask questions as to what is going to happen on certain assumptions; there will be no end to such questions.

**Shri Ramachandra Reddi :** May I know whether the next general elections will include the Assembly elections of the Andhra, PEPSU and Travancore-Cochin?

**Shri Biswas :** No. There will be no general elections in those cases where general elections took place only recently.

**Shri Raghuramaiah :** Is the Law Minister aware that the Home Minister has stated that this is a matter which has yet to be decided by Parliament and the question of holding or not holding fresh elections in the Andhra is a matter actually undecided?

**Shri Biswas :** The hon. Home Minister made a statement in the other House, I believe also in this House—I was not present—but, it has been made perfectly clear that the matter will be placed before Parliament for discussion and it has been said openly that Parliament is the ultimate authority in these matters.

#### National Sample Survey

\*265. **Pandit D. N. Tiwary :** Will the Minister of Finance be pleased to state:

(a) whether the current round of the National Sample Survey of the selected villages in Bihar has been completed;

(b) if so, the result thereof; and

(c) when the next round is likely to begin?

**The Parliamentary Secretary to the Minister of Finance (Shri B. R. Bhagat) :** (a) No, Sir.

(b) Does not arise.

(c) The next round is likely to begin the middle of next month.

**पंडित डी० एन० तिवारी :** यह जो सर्वे का दूसरा राउंड होगा वह किसके अधीन होगा, यूनीवर्सिटी के अधीन होगा या रिजर्व बैंक के जरिये से होगा ?

**श्री बी० आर० भगत :** इंडियन स्टैटिस्टिकल इंस्टिट्यूट के मातहत हो रहा है ।

**पंडित डी० एन० तिवारी :** जो सर्वे का पहला राउंड हो गया उसमें कितने विलेज का सर्वे किया गया, और उसका क्या क्या रिजल्ट आया ?

**श्री बी० आर० भगत :** आप बिहार का मांगते हैं या सारे हिन्दुस्तान का ?

**अध्यक्ष महोदय :** बिहार का ।

**श्री बी० आर० भगत :** नाइन्थ राउंड में २६४ साम्पल लिये गये जिनमें १६२ तो गांवों से थे और ७२ शहरी इलाकों से । इनमें से २५२ साम्पल पूरे हो गये हैं, १२ में काम चल रहा है और इस महीने के अन्त तक काम पूरा हो जायगा ।

**पंडित डी० एन० तिवारी :** जो २५२ गांवों में सर्वे हो गया है उसका क्या रिजल्ट है, और वह टेबुलेट हो गया है या नहीं ?

**श्री बी० आर० भगत :** अभी तो फ़ील्ड वर्क हो रहा है, आंकड़े इकट्ठे किये जा रहे हैं । उनका टेबुलेशन और एनेलेसिस इंडियन स्टैटिस्टिकल इंस्टिट्यूट में होगा । उसके बाद रिपोर्ट तैयार की जायगी ।

**पंडित डी० एन० तिवारी :** आप कुछ आइडिया दे सकते हैं कि क्या नतीजा निकल रहा है ?

**श्री बी० आर० भगत :** आइडिया तो वह देंगे । हम अभी कैसे दे सकते हैं ?

**श्री बिभूति मिश्र :** बिहार के किन किन जिलों में सर्वे हुआ है ?

**श्री बी० आर० भगत :** सभी जिलों से, गांवों से और शहरी इलाकों से साम्पल लिये गये हैं । कोई जिला छूटा नहीं है ।

### Inter-University Youth Festival

\*267. **Shri Bhagwat Jha Azad :** Will the Minister of Education be pleased to state:

(a) whether in a Symposium at the Second Inter-University Youth Festival held at New Delhi in October 1955, any probe was made into the causes of student indiscipline; and

(b) if so, the reasons ascribed to it?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das) :** (a) Yes.

(b) Lack of contact between the teacher and the taught, present system of Education fear of unemployment were the main reasons advanced for Students, indiscipline.

**Shri Bhagwat Jha Azad :** The Symposium which was attended by very many big Universities had said that the cases of indiscipline were more in arts colleges rather than in science and medical colleges. If so, what were the reasons ascribed to it?

**Dr. M. M. Das :** I think there was no discussion whether indiscipline was more in the arts colleges or in the science colleges.

**Shri Bhagwat Jha Azad :** Did the Symposium point out that this indiscipline was due to the fear of starvation and unemployment looming large in the minds of the students?

**Dr. M. M. Das :** I have read out in my reply the causes that were mentioned by the students as the causes for indiscipline.

**Shri Bhagwat Jha Azad :** May I know whether any attempts have been made by the Education Ministry or the Symposium to find out the causes of indiscipline and to remove unemployment?

**Dr. M. M. Das :** There is nothing new in this. These causes along with others are before the Government for a long time.

**Shri Bhagwat Jha Azad :** May I know, as a result of the schemes launched before and after the Symposium to remove unemployment, how far the State has been able to remove unemployment among the educated unemployed?

**Dr. M. M. Das :** I think this question does not arise.

**Shri Bhagwat Jha Azad :** Why not?

**Mr. Speaker :** Order, order; this is the Minister's opinion.

**Mr. Speaker :** Question 248.

**Shri Joachim Alva :** May I ask that you take up 255 as a special case because that is a question about the IAF accident last week and the hon. Member had not turned up and there was an accident two days ago and today there is another question.

**Mr. Speaker :** First, let this question be answered and then supplementaries put, if any.

### Taxation Enquiry Commission

\*248. **Shri Dabhi :** Will the Minister of Finance be pleased to refer to the reply given to Starred Question No. 1126 on the 25th August, 1955 and state :

(a) whether Government have now completed the examination of the suggestion of the Taxation Enquiry Commission, namely, that a thorough and careful enquiry into the question of public expenditure of the Central Government should be undertaken by a high-powered body; and

(b) if so, whether Government have accepted the suggestion?

**The Minister of Revenue and Civil Expenditure (Shri M. C. Shah) :** (a) and (b). The matter is still under examination.

**Shri M. S. Gurupadaswamy :** May I know what time will be taken by Government to set up a committee of enquiry on public expenditure?

**Shri M. C. Shah :** I think it will not take much time to come to a decision.

**Mr. Speaker :** What was the question that the hon. Member was referring to?

**Shri Joachim Alva :** Question No. 255.

**Mr. Speaker :** He may put that question now.

### I.A.F. Accidents

\*255. **Shri Joachim Alva (on behalf of Shri S. K. Razmi) :** Will the Minister of Defence be pleased to state :

(a) whether it is a fact that on the 13th October, 1955 a Harvard I.A.F. trainer crashed near Nizam Sagar Lake (Hyderabad) killing its two occupants;

(b) whether their bodies were located;

(c) whether any Committee to investigate the cause of the accident was appointed; and

(d) if so, the findings of the Committee

**The Deputy Minister of Defence (Sardar Majithia) :** (a) to (c). Yes Sir.

(b) The proceedings of the Court of Inquiry have not yet been finalised.

**Shri Joachim Alva :** May I ask the hon. Minister whether these accidents are taking place because the machines are bad, or is it because of the lack of proper training among the personnel or is it because that they are not inspected properly before the aircraft take off?

**Sardar Majithia :** None of those questions arises at all. The machines are perfectly serviceable and pilots are well trained.

**Shri Joachim Alva :** May I know whether in the list of accidents that take place in the I. A. F., the accidents are highest of the trainer aircraft?

**Sardar Majithia :** The accident rate the I.A.F. is the lowest in the world.

**Shri Joachim Alva :** May I know here, after the series of accidents that have taken place during the last one year when we have lost the valuable lives of our lads and also of some experienced trained personnel as in the Jaipur crash last year, we have taken serious consultations with our Air Attaches abroad, especially at Washington, London and Moscow?

**Sardar Majithia :** As I have already stated, the accident rate in the I.A.F. is the lowest in the world and therefore, there is no cause for any apprehension.

**Sardar Iqbal Singh :** Although it may be a fact that these accidents are the lowest in the world, still in comparison with the Indian civil air lines, they are very high. Do Government propose to enquire into the whole matter thoroughly?

**Sardar Majithia :** It hardly arises, because with the number of flying hours that they do, accidents do happen and will happen.

**Shri T.S.A. Chettiar :** For these accidents there must be various defects in the training section or maintenance section. Have Government gone into the matter in which section the accident is greatest?

**Sardar Majithia :** Mostly, they are due to pilot's error.

### Technological Institute in Bombay

\*249. **Shri M. L. Agrawal :** Will the Minister of Education be pleased to state:

(a) whether it is a fact that the Government of U.S.S.R. have agreed to help India in setting up a technological institute in Bombay.

(b) if so, the details of this scheme: and

(d) when the institute will start functioning?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das) (a) to (c).** A statement giving the required information is laid on the Table of the House. [See Appendix II, annexure No. 15].

**Shri Shree Narayan Das :** As this question has been answered, may I know the important points in the statement because we have not seen it?

**Mr. Speaker :** Such statements are not read out here; they are only laid on the Table of the House.

### SHORT NOTICE QUESTION AND ANSWER

#### Bharat Insurance Company Ltd.

**S. N. Q. No. 1. Shri L. N. Mishra :** Will the Minister of Finance be pleased to state:

(a) the amount involved in the reported misappropriation of the funds of the Bharat Insurance Company Limited;

(b) whether at any stage there was any offer to the Government to make good this misappropriated moneys and from whom and on what terms;

(c) whether Government have accepted such an offer;

(d) if not, the steps that the Administrator of the company proposes to take to recover these moneys belonging to the company;

(e) whether the interests of the policyholders of the company are being safeguarded; and

(f) whether the Administrator of the company proposes to take in new business?

**The Minister of Finance (Shri C. D. Deshmukh) :** (a) According to the preliminary findings of the investigating auditor appointed under section 33 of the Insurance Act, as reported on 21st September, 1955, the shortfall in Government Securities was of the face

value of Rs. 2,22,00,000. Subsequent to this report and prior to the appointment of the Administrator, on 26th September Government Securities of the face value of about Rs. 30 lakhs were put back. Thus when the Administrator was appointed the shortfall was in respect of Government Securities of the face value of about Rs. 1,92,00,000. The book value of these Securities is in the neighbourhood of Rs. 1,80,00,000.

(b) and (c). The first offer was from Shri Shanti Prasad Jain to Government. He proposed to pay the amount from money realised from sale by Bharat Union Agencies Ltd. of shares of Bennett Coleman & Co. Ltd. and Jaipur Udyog Ltd. to Rotas Industries Ltd., Lothian Jute Mills, New Central Jute Mills, Bharat Nidhi Ltd., Ashok Agencies Ltd. and Sahu Jain Family and Trust, through Sahu Jain Ltd. This was not accepted *inter alia* on the ground that it was not made by the person concerned with the misappropriation. The second was a voluntary and unconditional offer from Shri Ramkrishna Dalmia to the Administrator and was accepted.

(d) The Administrator acting under the powers conferred on him by Section 52BB of the Insurance Act as amended by the Insurance (Amendment) Ordinance, 1955, issued orders to Shri Ramkrishna Dalmia prohibiting him from transferring or otherwise disposing of properties held by him in his own name or believed to be held in the names of his benamidars or others.

The prohibitory orders issued were against:

1. Shri Ramkrishna Dalmia.
2. Shri Shanti Prasad Jain.
3. Shri R. P. Gurha.
4. Shri S. N. Dudani.
5. Shri Virendra Singh Chordia.
6. Shri J. Coomar.
7. Shri M. L. Sodhani.
8. Shri M. L. Rath.
9. Shrimati Saraswati Devi Dalmia.
10. Shrimati Gunaniehe Dalmia.
11. Shrimati Rama Jain.
12. Messrs. Bharat Union Agencies Ltd.
13. Messrs. Bennett Coleman And Co. Ltd.
14. Messrs. Jaipur Udyog Ltd.
15. Messrs. Sahu Jain Ltd.

The Administrator on 17.11. November, 1955 accepted a voluntary and unconditional offer (made on 12 November, 1955) by Shri Ramkrishna Dalmia in pursuance of which an amount of Rs. 1,80,50,000 was credited in the account of the Bharat Insurance Co. Ltd., with the stipulation

that any further amounts found due would be similarly paid. Such further action as is deemed necessary will also be taken on the conclusion of his investigation by the Administrator.

(e) Yes, Sir.

(f) Yes, Sir. He has already begun doing so.

**Shri L. N. Mishra:** Have Government any statement showing the investments made by the Bharat Insurance Company Ltd. in the various concerns of Shri Dalmia? If so, may I know the amount of such investments?

**Shri C. D. Deshmukh:** A part of the report has been received from the Administrator. We have not got the information here at the moment.

**Shri L. N. Mishra:** May I know whether the Government has approved of any deal between Shri Ramkrishna Dalmia and Shri S. P. Jain about the transfer of the former's shares in some important concerns in the country and if so the names of such concerns and the value of shares?

**Shri C. D. Deshmukh:** This is not a matter which requires Government's approval once the money has been paid in cash.

**Shri L. N. Mishra:** May I know the stage of the prosecution: has the final charge-sheet been framed?

**Shri C. D. Deshmukh:** The police investigation is still proceeding.

**Shri Feroze Gandhi:** On 30-9-1955, the Prime Minister, in answer to a short notice question stated that Shri Ramkrishna Dalmia had no connection with Dalmianagar implying thereby that Shri Ramkrishna Dalmia had no business relationship with Shri Shanti Prasad Jain. May I know on what authority was the statement made—what evidence was in the possession of Government which led the Prime Minister to make this statement?

**Shri C. D. Deshmukh:** I expect it was the common information. Government have had no occasion yet to investigate. There was a partition of the interests between Shri Ramkrishna Dalmia, his brother Shri J. Dalmia and his son-in-law, Shri Shanti Prasad Jain some years ago.

**Shri Feroze Gandhi:** My question was this, What evidence was in the possession of the Government which led the Prime Minister to make that statement?

**Shri C. D. Deshmukh:** This was the common information. We have no

documents in our possession because we have had no occasion yet formally to investigate into this matter.

**Shri Feroze Gandhi :** Can I take it that the Government have no evidence?

**Shri C. D. Deshmukh :** I have stated the nature of the evidence.

**Shri M. L. Dwivedi :** Will the Minister refer back to the short notice question of the last session to which Shri Feroze Gandhi referred and tell me what he means by the reverse entries already made when it is known that the assets of the Times of India consist only of plant and machinery and no cash. How is the realisation of that money going to be made?

**Shri C. D. Deshmukh :** This is, I take it, in relation to the transaction between the Bharat Insurance Company and Bennett Coleman and Company Ltd.

**An hon. Member :** That was a dubious one.

**Mr. Speaker :** The hon. Minister just replied that reverse entries were made to the tune of Rs. 1,80,00,000 which included the shares of Bennett Coleman and Company Ltd. and others. How does it represent any cash or any other assets so far as Bharat Insurance Company is concerned.

**Shri C. D. Deshmukh :** There is some confusion. I did not say anything about reverse entries in the answer. Rs. 180 lakhs have been received in cash.

**Mr. Speaker :** Not in the form of shares?

**Shri C. D. Deshmukh :** No. The hon. Member referred to some other matter on the last occasion relating to some transaction between Bharat Insurance Company and Bennett Coleman Company Ltd. about the sale of the property of the Bharat Insurance Company. I said, I believe, at that time—I have not got the record here—that the entry was reversed—in other words, the property was sold back again and cash was to be returned to Bharat Insurance Company. Certain instalments have been fixed and I believe some instalments have already been paid. Against the unpaid instalments the assets of the Bennett Coleman Company were, I believe, mortgaged which had been agreed to by Bharat Insurance Company.

**Pandit D. N. Tiwari :** May I know whether it is a fact that a representation has been made to the Government by Mr. Dalmia and his relatives to drop the case in view of the fact that the money has been paid and whether there is any likeli-

hood of the case being considered sympathetically?

**Shri C. D. Deshmukh :** No representation was made but an attempt was made in connection with an earlier offer to secure an assurance that the prosecution will not be proceeded with. That first offer was rejected.

**Shri Joseph Alva :** After the Government has seen that quite a few big shots who have now been proved to be swindlers have put their unlovely hands on the valuable securities in banks and insurance companies, namely, the Bharat Bank of India, Bharat Insurance Company and the Jupiter Insurance Company, has Government now at least given thought to a foolproof machinery by which it will stop such swindling in future in the interest of the public?

**Mr. Speaker :** Order, order.

**Sardar Iqbal Singh :** May I know if, after the realisation of Rs. 180 lakhs, the Government will proceed with the case or drop the case. Will the Government say definitely that even after realisation of the full amount the case will be proceeded with?

**Shri C. D. Deshmukh :** I have already said that the police investigation is continuing and that we refused to give any kind of assurance to the contrary. I have also indicated that it is open to the Administrator to take such action as he can even under the Insurance Act as amended in regard to this matter.

**Shri Feroze Gandhi :** If the Government had come to the conclusion that there was no business relationship between Ramkriahna Dalmia and Shanti Prasad Jain, why was it found necessary to serve orders on Shanti Prasad Jain and on Sahu Jain?

**Shri C. D. Deshmukh :** Because the property, we knew, had changed hands between Shri Ramkriahna Dalmia and Shri Shanti Prasad Jain and also because we wished to attach the property which had changed hands during this period.

**Shri Matthen :** In view of the investigations conducted in 1952 and also the present case, may I know what proportion of the life fund of the insurance company is safe to the benefit of the policy holders?

**Shri C. D. Deshmukh :** In regard to this particular insurance company, all the life fund is safe except for the small adjustment which yet remains to be done on receipt of the final report of the Administrator. Against that we have guaranteed to ensure that that sum also will be duly credited.

**Shri M. S. Gurupadaswamy:** After the payment of Rs. 180 lakhs, have the Government withdrawn the order prohibiting Shri Ramkrishna Dalmia from transferring his assets or mortgaging his assets?

**Shri C. D. Deshmukh:** Yes. Some orders have been withdrawn because money has been received back.

**Shri Feroze Gandhi rose.—**

**Mr. Speaker:** Order, order. The matter is under investigation.

**Shri Feroze Gandhi:** I am not concerned with the investigation.

**Mr. Speaker:** Order, order. We will go to the next item.

## WRITTEN ANSWERS TO QUESTIONS

### I.A.S. and I.P.S. Officers

\*250. **Shri N. M. Lingam:** Will the Minister of Home Affairs be pleased to state the number of I.A.S. and I.P.S. Officers serving in each part 'A' and 'B' States at present?

**The Deputy Minister of Home Affairs (Shri Datar):** A statement giving the information is placed on the Table of the House. [See Appendix II, Annexure No. 16].

### UNESCO

\*254. **Shri B. D. Shastri:** Will the Minister of Education be pleased to state:

(a) the number of candidates sent abroad for training from India under the auspices of U.N.E.S.C.O. during the period 1955-56 (uptil October);

(b) the manner of selection of these candidates; and

(c) the number of students who came to India for training under its auspices during the same period?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) Five.

(b) Final selections are made by U.N.E.S.C.O. from among candidates duly recommended by the Government of India.

(c) One.

### Indo.-U.S. Guarantee Agreement

\*268. **Shri N. B. Chowdhury:** Will the Minister of Finance be pleased to refer to the reply given to Starred

Question No. 1796 on the 15th September, 1955 and state:

(a) whether a decision has been taken] in connection with the Indo-U.S. Guarantee Agreement; and

(b) if so, the main features of this Agreement?

**The Minister of Finance (Shri C. D. Deshmukh):** (a) and (b). The matter is still under consideration.

### Aid to Foreign Countries

127. **Shri Anirudha Sinha:** Will the Minister of Finance be pleased to state:

(a) the total amounts of monetary aid given to foreign countries during 1954-55; and

(b) the names of the countries to which aid was given?

**The Minister of Finance (Shri C. D. Deshmukh):** (a) and (b). Attention is invited to the reply given in answer to Starred Question No. 431 by Shri Jhulan Sinha on 4-8-1955.

### Flood Relief

128. **Shri Anirudha Sinha:** Will the Minister of Finance be pleased to state the total amount of financial and other aid given to different State Governments for supplementing their relief operations for the flood sufferers during 1955 upto the 30th October?

**The Minister of Finance (Shri C. D. Deshmukh):** The following assistance has so far been given by the Ministry of Finance to the under mentioned State Governments for their flood relief operations during 1955:—

		Rs. in lakhs	
West Bengal	grant	99.42	These figures include assistance given for drought relief as well.
	loan	98.67	
PEPSU	Ways and means advance	100.00	
Himachal Pradesh	—do—	20.00	



राजस्थान पुस्तकालयों में ग्रन्थाप्य पांडुलिपियां

१२६. श्री एच० आर० नबानी : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि राजस्थान राज्य के पुस्तकालयों, प्राचीन मंदिरों, और अन्य स्थानों में बहुत सी महत्वपूर्ण और ग्रन्थाप्य पांडुलिपियां हैं; और

(ख) यदि हां, तो उनके संरक्षण के लिये केन्द्रीय सरकार ने क्या कार्यवाही की है ?

शिक्षा मंत्री के सभासचिव (ड० एम० एल० बास) : (क) भारत सरकार जानती है कि राजस्थान में ऐतिहासिक महत्व के अभिलेख बहु मात्रा में मौजूद हैं परन्तु पाण्डुलिपियों के बारे में सरकारी तौर पर कोई जानकारी नहीं है कि वे कहाँ हैं और कैसी हैं।

(ख) पाण्डुलिपियों के संरक्षण के कार्य से राज्य सरकार का ताल्लुक है।

#### Grants to Technical Institutions

130. Shri Shree Narayan Das: Will the Minister of Education be pleased to state:

(a) names of the technical institutions which were given grants for expansion and development during the year 1955-56;

(b) the amount in each case; and

(c) the names of institutions which applied for such grants but were not given any?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): (a) to (c). A statement giving the required information is laid on the Table of the House. [See Appendix II, Annexure No. 17].

पूजी निर्गमित करना (कैपिटल इश्यू)

१३१. श्री श्री नारायण बास : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) १९५५ में पूजी निर्गमित करने (कैपिटल इश्यू) के लिये कितने आवेदन-पत्र भेजे ;

(ख) कितने आवेदन-पत्रों के बारे में निर्णय हुआ है;

(ग) प्रत्येक प्रकार के मामले में धन की कुल राशि कितनी थी;

(घ) कितने आवेदन-कर्ता विदेशी पूजी लगाना चाहते हैं तथा कितने आवेदन-कर्ता देशी पूजी लगाना चाहते हैं; और

(ङ) प्रत्येक मामले में कितने प्रार्थना-पत्र स्वीकृत किये गये हैं और कितने अस्वीकृत, और प्रत्येक मामले में धन राशि कितनी थी ?

राजस्व और वित्त मंत्री (श्री एम० सी० शाह) : (क) पूजी जारी करने की अनुमति के लिए २ जनवरी से ३१ अक्टूबर तक ३२४ आवेदन-पत्र प्राप्त हुए।

(ख) इनमें से १८४ आवेदन-पत्रों के बारे में निर्णय किया जा चुका है।

(ग) प्राप्त आवेदनपत्र कुल १०८.४० करोड़ रुपये की पूजी जारी करने के लिये हैं और जिन आवेदन-पत्रों के बारे में निर्णय किया जा चुका है वे कुल ८४.५८ करोड़ रुपये की पूजी जारी करने के लिये हैं।

(घ) ५७ आवेदन-पत्रों में विदेशी पूजी लगाने की और २६७ आवेदन-पत्रों में केवल देशी पूजी लगाने की अनुमति मांगी गयी है।

(ङ) कुल १६.०६ करोड़ रुपये की विदेशी पूजी लगाने के ४३ आवेदन-पत्र और कुल ६२.११ करोड़ रुपये की देशी पूजी लगाने के १०५ आवेदन-पत्र स्वीकृत किये गये। कुल ०.०६ करोड़ रुपये की विदेशी पूजी लगाने के ६ आवेदन-पत्र और कुल ३.२६ करोड़ रुपये की देशी पूजी लगाने के ३० आवेदन-पत्र अस्वीकृत किये गये।

धूमकेतो

१३२. श्री एम० एल० द्विवेदी : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) बहु उद्देशीय माध्यमिक स्कूलों में शैक्षणिक और टेक्नोलॉजिकल प्रशिक्षण देने



का प्रबन्ध करने और उसका विकास करने के लिये यूनेस्को से किस प्रकार की सहायता मांगी गई है और उसके कब तक मिलने की संभावना है;

(ख) संचार, छपाई, प्रकाशन, रेडियो और टेलीविजन का विकास करने के सम्बन्ध में मांगी गई सहायता किस प्रकार की है तथा उसके कब तक मिलने की संभावना है;

(ग) क्या सामुदायिक परियोजनाओं के अधीन क्षेत्रों में कला और शिल्प का प्रशिक्षण देने के लिये कोई सहायता मिली है, यदि हाँ, तो वह किस प्रकार की है; और

(घ) पाठ्य पुस्तकों के उत्पादन के सम्बन्ध में यूनेस्को प्रायः किस प्रकार की सहायता देता है और उसके प्राप्त करने के लिये सरकार ने क्या प्रबन्ध किया है ?

शिक्षा मंत्री के सभासचिव (डा० एम० एम० दास) : (क) से (घ). इनका विवरण सभा पटल पर रख दिया गया है। [बख्तिये परिशिष्ट २, अनुबन्ध संख्या १८]

#### National Plan Certificates

133. { Sardar Hukam Singh;  
Shri Bahadur Singh;

Will the Minister of Finance be pleased to state:

(a) the number of persons who have purchased National Plan Certificates so far during 1955; and

(b) the value of these certificates?

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha): (a) Applications numbering about 1.68 lakhs were accepted for issue of National Plan Certificates during the eight months ending 31st August, 1955. It is not possible to give the exact number of persons who have purchased these Certificates as the same person might purchase Certificates at different times and at different places.

(b) About Rs. 5.22 crores.

#### मंत्रियों के बारे में

१३४. श्री धनर सिंह डामर : क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि

१९५१ से १९५४ तक (प्रति वर्ष) केन्द्र के मंत्रियों ने चार्टर्ड प्रवाह विशेष वायुयानों का कितनी बार प्रयोग किया है ?

गृह-कार्य उपमंत्री श्री दातार : एक विवरण सभा-पटल पर रख दिया गया है। [बख्तिये परिशिष्ट २, अनुबन्ध संख्या १९]

#### Social Welfare Institutions

135. Dr. Satyawadi: Will the Minister of Education be pleased to refer to the reply given to Starred Question No. 1393 on the 3rd September, 1955 and state:

(a) the names of the Social Welfare Institutions in the Punjab which received grant-in-aid from the Central Social Welfare Board in 1954-55; and

(b) the amount paid to each of those institutions?

The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das): (a) and (b). A statement giving the requisite information is laid on the Table of the House [See Appendix II, Annexure No. 20]

#### Compensatory (City) Allowance

136. Shri Gidwani: Will the Minister of Finance be pleased to lay on the Table of the House a statement showing the names of places where the Compensatory (City) Allowance is given to the Central Government employees?

The Minister of Revenue and Civil Expenditure (Shri M. C. Shah): A statement showing the required information is laid on the Table of the House. [See Appendix II, Annexure No. 21]

#### Foreign Missionaries

137. Shri M. S. Gurupadaswamy: Will the Minister of Home Affairs be pleased to state:

(a) the total number of visas issued to Foreign Missionaries to visit this country during the period from January to September, 1955; and

(b) the number of persons who were refused visas?

The Deputy Minister of Home Affairs (Shri Datar): (a) Visas have been authorised in 372 cases. Information as to how many of these persons have actually entered India is, however, not available;

(b) 123.

### मंत्री की विदेश यात्रा

१३८. { श्री भक्त बर्षान :  
श्री हेडा :

क्या प्राकृतिक संसाधन और वैज्ञानिक गवेषणा मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि वह विदेश यात्रा के लिये गये थे;

(ख) यदि हां, तो उन्होंने किन-किन देशों एवं स्थानों की यात्रा की;

(ग) किन-किन प्रमुख संस्थाओं और कारखानों को देखा; और

(घ) उनकी यात्रा का उद्देश्य क्या था ?

प्राकृतिक संसाधन मंत्री (श्री के० डी० मालवीय) : (क) जी हां । श्री केशवदेव मालवीय, प्राकृतिक संसाधन मंत्री रूस और यूरोप के कुछ अन्य देशों की यात्रा के लिये गये थे ।

(ख) और (ग).

रूस :

१. भाल यूनियन रिसर्च इंस्टीट्यूट, मिनिस्ट्री ऑफ़ आयल, मास्को ।
२. पेट्रोलियम इंस्टीट्यूट ऑफ़ दि यू० एस० एस० आर०, मास्को ।
३. ज्योलाजिकल सर्वे ऑफ़ उज्बेकिस्तान, ताश्कन्त, उज्बेकिस्तान ।
४. लैंड-ब्लिंक माइन्स, अल्मलिक, उज्बेकिस्तान ।
५. कौपर माइन्स, अल्मलिक, उज्बेकिस्तान ।
६. ओर ड्रेसिन्ग प्लांट, अल्मलिक, उज्बेकिस्तान ।
७. अकादमी ऑफ़ साइंसिस, बाकू ।
८. ज्योलाजिकल इंस्टीट्यूट, बाकू ।
९. किसिलन्स्की मशीन बिल्डिंग फैक्टरी, बाकू, उज्बेकिस्तान ।
१०. नोवो-पाविन्स्की आयल रीफ़ाइनरी, बाकू ।

११. कराडोक आयल फ़ील्ड, बाकू ।

१२. कैस्पियन समुद्र में आयल रीक द्वीप ।

१३. विबीनग्रव-बट आयल फ़ील्ड, बाकू ।

इंग्लैंड :

१४. ज्योलाजिकल सर्वे आफ़ ग्रेट ब्रिटेन, लंडन ।

हालैंड :

१५. रिजर्विक् आयल फ़ील्ड, दि हेग ।

१६. पनीस रीफ़ाइनरी, रोटटरडम ।

पश्चिमी जर्मनी :

१७. एमट, फर बोडन-फरशुंग, (Amt. für Bodn forschung) हैनोवर, पश्चिमी जर्मनी ।

१८. डी० ई० ए० आयल कम्पनी, हैनोवर, पश्चिमी जर्मनी ।

१९. डियटश (Deutsch) म्यूजियम, म्यूनिच, पश्चिमी जर्मनी ।

२०. इंस्टीट्यूट ऑफ़ मार्निंग, क्लास्थल, पश्चिमी जर्मनी ।

फ्रांस :

२१. एटोमिक अनर्जी अस्टेब्लिशमेंट, साक्ले, पैरिस के नजदीक ।

(घ) इस यात्रा का उद्देश्य था रूस और यूरोप के अन्य देशों में खनिकों और तैल की खोज से संबंधित उनके संघटन, विधियां टेक्नीक, नियम एवं विनियमों का अध्ययन करना; प्रशिक्षण तथा अनुसंधान, और उपकरणों तथा सामग्री के निर्माण के लिये सुविधाओं की उपलब्धी मालम करना; और भारत में तैल पर्यवेक्षण कार्य का संघटन करने की दृष्टि से इन देशों से टैक्निकल व्यक्तियों की सेवायें प्राप्त करने के सम्बन्ध में जांच करना ।

### सैनिक इंजीनियर

१३६. श्री भक्त बर्षन : क्या रक्षा मंत्री २८ सितम्बर, १९५५ को दिये गये भ्रतारांकित प्रश्न संख्या १२२४ के उत्तर के सम्बन्ध में यह बताने की कृपा करेंगे कि :

(क) स्वतन्त्रता प्राप्ति के बाद से सैनिक इंजीनियरों ने अब तक जो रचनात्मक कार्य किये हैं जैसे सड़कों का बनाना आदि, उनमें से प्रत्येक का वित्तीय मूल्य क्या है; और

(ख) उस धन राशि में से राज्य सरकारों भ्रयवा अन्य संस्थाओं से कितना धन वसूल किया गया है ?

रक्षा उपमंत्री (सरदार मजीठिया) : लोकल मिलिटरी अथोरिटीज़ तथा डिफेन्स प्रकाउण्ट्स के कन्ट्रोलरों से सूचना इकट्ठी की जा रही है और जितनी जल्दी हो सकेगा सभा-पटल पर रख दी जायेगी।

नेपाल, सिक्किम और भूटान के विद्यार्थी

१४०. श्री भक्त बर्षन : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) नेपाल, सिक्किम और भूटान के ऐसे कितने विद्यार्थी आजकल भारत में शिक्षा पा रहे हैं जिन्हें भारत सरकार द्वारा छात्र-वृत्तियां मिलती हैं; और

(ख) गत पांच वर्षों में प्रत्येक वर्ष उन छात्रवृत्तियों पर कितना धन व्यय हुआ है और चालू वित्तीय वर्ष में कितना धन व्यय करने का अनुमान है ?

शिक्षा मंत्री के सभासचिव (डा० एच० एम० दास) : (क) और (ख). इसका विवरण सभा पटल पर रख दिया गया है। [बेसिये परिशिष्ट २, अनुबन्ध संख्या २२]

### Industrial Finance Corporation

171. Shri D. C. Sharma: Will the Minister of Finance be pleased to state:

(a) the number of applications received up-to-date from the Punjab State for aid from the Industrial Finance Corporation

(b) the amounts sanctioned against the accepted applications; and

(c) the amounts paid so far?

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha): (a) Twenty-two valid applications have been received from the inception of the Corporation upto the 31st October, 1955.

(b) Rs. 1,80,50,000.

(c) Rs. 29,50,000.

### Smuggling

142. Shri D. C. Sharma: Will the Minister of Finance be pleased to state:

(a) the total number of cases of smuggling from East Pakistan into India detected during the months of September, October and November, 1955;

(b) the kind and value of goods confiscated; and

(c) the amount realised as fines from the smugglers?

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha): (a) In all 807 cases of smuggling from East Pakistan into India have been detected during the months of September, October and November, 1955 (upto 10th November, 1955).

(b) Goods such as gold, silver, currency obsolete coins, betelnuts, mechanical lighters, stationery, strawmats and other foreign goods of the value of Rs. 3,92,114 were confiscated during this period.

(c) The total amount realised from fines imposed on the smugglers during this period amounted to Rs. 28,164.

### Estate Duty

143. Shri M. S. Gurupadaswamy: Will the Minister of Finance be pleased to state:

(a) the total number of Estate duty cases registered during the period from April to September, 1955, in the various States;

(b) the number of cases disposed of and the amount collected therefrom; and

(c) whether any of these cases have been contested?

The Minister of Revenue and Civil Expenditure (Shri M. C. Shah): (a) 1864 Estate Duty cases were registered in the various States during the period from 1st April to 30th September, 1955;

(b) 1213 cases were disposed of and a sum of Rs. 43,41,418 was collected towards payment of estate duty;

(c) Twelve cases out of the total number disposed of have been contested so far.

### **Holisting of Pakistani Flag**

**144. Shri D. C. Sharma:** Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No. 1677 on the 12th September, 1956 and state:

(a) the names of the places in India other than in Nizamabad and Warangal districts of the Hyderabad State where Pakistani flags were found flying on the Independence Day this year and thereafter; and

(b) if so, the steps taken by Government in this matter?

**The Deputy Minister of Home Affairs (Shri Datar):** The Information is as follows:—

(a) The Central Government are not aware of any such flags having been flown elsewhere in India.

(b) Does not arise.

### **British Citizens in India**

**145. Shri D. C. Sharma:** Will the Minister of Home Affairs be pleased to state the number of United Kingdom citizens in India who are at present engaged in—

(i) business;

(ii) study; and

(iii) missionary work?

**The Deputy Minister of Home Affairs (Shri Datar):** United Kingdom citizens being not subject to registration, no precise figures can be given. However, according to the information available the number is—

(i) 6462 in foreign controlled concerns;

(ii) 43 in institutions affiliated to Universities or connected with Central Government; and

(iii) 1149 engaged in missionary work as on 31st December, 1954.

### **Pakistan Nationals**

**146. Sardar Iqbal Singh:** Will the Minister of Home Affairs be pleased to state:

(a) the number of Pakistan nationals who having been convicted for unauthorised stay in or illegal entry into India in

1955 have refused to return to Pakistan at the expiry of their terms of imprisonment; and

(b) the future of these persons?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) and (b): The information is being collected and will be laid on the Table of the House in due course.

### **State Bank of India**

**147. Sardar Iqbal Singh:** Will the Minister of Finance be pleased to State:

(a) the number of branches opened since the state Bank of India Act came into being; and

(b) the names of places where these have been opened?

**The Minister for Revenue and Defence Expenditure (Shri A. C. Guha):** (a) Seventeen.

(b) With effect from the 1st July, 1955 when the State Bank of India came into being and upto the 17th October, 1955, the Bank has opened branches in the following places:

1. Nowgong (Assam)
2. Navsari (Bombay)
3. Nandurbar (Bombay)
4. Kalyan (Bombay)
5. Hoshangabad (Madhya Pradesh)
6. Chhindwara (Madhya Pradesh)
7. Dindigul (Madras)
8. Hardoi (Uttar Pradesh)
9. Fatehpur (Uttar Pradesh)
10. Mawana (Uttar Pradesh)
11. Basirhat (West Bengal)
12. Batala (Punjab)
13. Hazaribagh (Bihar)
14. Gandhidham (Kutch)
15. Shahdol (Vindhya Pradesh)
16. Chhatarpur (Vindhya Pradesh)
17. Nahan (Sirmur) (Himachal Pradesh)

### **Central Secretariat Service**

**148. Shri Viswanatha Reddy:** Will the Minister of Home Affairs be pleased to state the number of Assistants of the Central Secretariat who appeared for the Departmental Test held by U.P.S.C. in May, 1955 for promotion to Grade III of the Central Secretariat Service?

**The Deputy Minister of Home Affairs (Shri Datar):** 1299.

## DAILY DIGEST

[Monday, 28th November, 1955]

ORAL ANSWERS TO QUESTIONS		COLUMNS
S.Q. No.	Subject	
242.	Central Advisory Board of Archaeology . . .	265—66
243.	Defence Services Personnel . . .	266—67
244.	Decimal Coinage System . . .	267—68
245.	Fort of Mandu, Madhya Bharat . . .	268—69
246.	Steamer Service to the Laccadives . . .	269
251.	Educational Qualifications and Recruitments . . .	269—70
252.	National Sample Survey . . .	271—72
256.	Synthetic Rice . . .	272—73
258.	Museums . . .	273—74
260.	Janata Colleges . . .	274
262.	History of the Freedom Movement . . .	274—76
263.	Gandhian Philosophy . . .	276—78
264.	Jammu and Kashmir State . . .	278
266.	State Bank of India . . .	278—80
269.	Central Fire-fighting Institute . . .	280—81
241.	Foreign Missionaries . . .	281—83
247.	Scholarships to Poor Students . . .	283—84
253.	Election Petitions . . .	284—86
257.	Wind Power Research Station . . .	286—87
259.	Re-insurance Business . . .	287—88
261.	General Elections . . .	288—89
265.	National Sample Survey . . .	289—90
267.	Inter-University Youth Festival . . .	291—92
248.	Taxation Enquiry Commission . . .	292
255.	I.A.F. Accidents . . .	292—93
249.	Technological Institute in Bombay . . .	295

SHORT NOTICE QUESTION—		COLUMNS
S.Q. No.	Subject	
1.	Bharat Insurance Company Limited . . .	294—99
WRITTEN ANSWERS TO QUESTIONS		
S.Q. No.		
250.	I.A.S. and I.P.S. Officers . . .	299
254.	UNESCO . . .	299
268.	Indo-U.S. Guarantee Agreement . . .	299—300
U.S.Q. No.		
127.	Aid to Foreign Countries . . .	300
128.	Flood Relief . . .	300
129.	Rare Manuscripts in Rajasthan Libraries . . .	301
130.	Grants to Technical Institutions . . .	301
131.	Capital Issues . . .	301—02
132.	U.N.E.S.C.O. . .	302—03
133.	National Plan Certificates . . .	303
134.	Ministers' Tours . . .	303—304
135.	Social Welfare Institutions . . .	304
136.	Compensatory (City) Allowance . . .	304
137.	Foreign Missionaries . . .	304
138.	Minister's Tour Abroad . . .	305—06
139.	Army Engineers . . .	306—307
140.	Students from Nepal, Sikkim and Bhutan . . .	307
141.	Industrial Finance Corporation . . .	307—08
142.	Smuggling . . .	308
143.	Estate Duty . . .	308—09
144.	Hoisting of Pakistani Flag . . .	309
145.	British Citizens in India . . .	309
146.	Pakistan Nationals . . .	309—10
147.	State Bank of India . . .	310
148.	Central Secretariat Service . . .	310

**INDEX  
TO  
LOK SABHA  
DEBATES**

**(Part II—Proceedings other than Questions and Answers)**

VOLUME IX, 1955

(21st November to 9th December, 1955)



## ELEVENTH SESSION, 1955

(Vol. IX contains Nos. 1 to 15)

LOK SABHA SECRETARIAT  
NEW DELHI

# CONTENTS

[Part II Debates, Volume IX—21st November to 9th December, 1955]

<i>No. 1.—Monday, 21st November, 1955—</i>	COLUMNS
President's Assent to Bills . . . . .	1
Papers laid on the Table; . . . . .	2—4
Inter-State Water Disputes Bill; . . . . .	4
River Boards Bill <sup>a</sup> . . . . .	4
Code of Civil Procedure (Amendment) Bill . . . . .	5
Citizenship Bill; . . . . .	5, 87
Constitution (Fifth Amendment) Bill . . . . .	5
Constitution (Sixth Amendment) Bill . . . . .	6
Companies Bill . . . . .	6—11
Press and Registration of Books (Amendment) Bill—	
Motion to consider . . . . .	12—87
Consideration of Clauses—	
Clauses 2 to 19 . . . . .	87—134
Daily Digest . . . . .	135—38
<i>No. 2.—Tuesday, 22nd November, 1955—</i>	
Motion for Adjournment—	
Situation in Bombay . . . . .	139
Papers laid on the Table; . . . . .	139—40
Motor Vehicles (Amendment) Bill . . . . .	140
Press and Registration of Books (Amendment) Bill—	
Clause 19 . . . . .	140—43
Motion to pass as amended . . . . .	143
Companies Bill . . . . .	143—69
Prevention of Corruption (Amendment) Bill—	
Motion to consider . . . . .	170—231
Clauses 2 to 5 and 1 . . . . .	231—43
Motion to pass as amended . . . . .	243—54
✓ <u>University Grants Commission Bill—</u>	
Motion to consider as reported by Joint Committee . . . . .	254—60
Daily Digest . . . . .	261—62
<i>No. 3.—Wednesday, 23rd November, 1955—</i>	
Motion for Adjournment	
Situation in Bombay . . . . .	263—68
Committee on Private Members' Bills and Resolutions—	
Thirty-ninth Report . . . . .	268
✓ <u>University Grants Commission Bill—</u>	
Motion to consider as reported by Joint Committee . . . . .	269—382
Daily Digest . . . . .	383—84
<i>No. 4.—Thursday, 24th November, 1955—</i>	
Papers laid on the Table . . . . .	385—87

(ii)

Business Advisory Committee—	
Twenty-Seventh Report;	
Statements <i>re</i> officers of All India Radio	387
Correction of answer to starred question	387
University Grants Commission Bill—	388
✓ Motion to consider;	
Consideration of clauses	387—476
Clause 2	477—51
Clauses 3 and 4	477—93
Clause 5	477—93
Daily Digest	493—578
	519—2
No. 5.—Friday, 25th November, 1955—	
Papers laid on the Table;	
Business Advisory Committee—Twenty-seventh Report;	521—22
✓ University Grants Commission Bill—	522—29
Clauses 6 to 12	
Committee on Private Member's Bills and Resolutions—Thirty-ninth Report	529—89
Resolution <i>re</i> Regrouping of Railways	569
Resolution <i>re</i> Industrial Service Commission	590—652
Daily Digest;	652—64
	655—56
No. 6.—Monday, 28th November, 1955—	
Business Advisory Committee—	
Twenty-eighth Report	657
Election to Estimates Committee	657—58
Manipur (Courts) Bill	658
Constitution (Seventh Amendment) Bill	658—68
✓ University Grants Commission Bill—	
Consideration of clauses	668—86
Clauses 13 to 26 and 1	671—86
Motion to pass, as amended	687—704
Securities Contracts (Regulation) Bill—	
Motion to refer to Joint Committee	704—50
Indian Stamp (Amendment) Bill—	
Motion to consider	750—53
Consideration of clauses	753
Clauses 1 to 9	753
Motion to Pass	753
Abolition of Whipping Bill—	
Motion to consider	753—80
Daily Digest	781—82
No. 7.—Wednesday, 30th November, 1955—	
Motion for Adjournment—	
Situation in Ratanahra in Agartala	783—84
Correction of Answer to Starred Question;	784—85
Papers laid on the Table	785
Representation of the People (Amendment) Bill	785—86
Representation of the People (Second Amendment) Bill;	787
Committee on Private Members' Bills and Resolutions—	
Fortieth Report	787
Business Advisory Committee—	
Twenty-eighth Report	787—88
Abolition of Whipping Bill—	
Motion to consider	792—822
Clauses 1 to 4	822
Motion to Pass	822
Constitution (Seventh Amendment) Bill—	
Motion to refer to Select Committee	788—92, 822—91
Manipur (Courts) Bill—	
Motion to consider	891—900
Daily Digest	901—02



**No. 8.—Thursday, 1st December, 1955—**

**COLUMNS**

Papers laid on the Table	903—06,907
Prevention of Corruption (Amendment) Bill	906
Insurance (Amendment) Bill	906—07
Point of order <i>re</i> use of objectionable expression	907—08
Point <i>re</i> Voting on Constitution (Seventh Amendment) Bill	908—12

**Manipur (Courts) Bill—**

Motion to consider	912—26
Consideration of clauses	926—28
Clauses 2 to 46 and 1	926—28
Motion to Pass as amended	928—29

**Railway Stores (Unlawful Possession) Bill—**

Motion to consider	929—1004
Consideration of clauses	1004—29
Clauses 2 to 4 and 1	1004—29
Motion to Pass	1029—30
Daily Digest	1031—34

**No. 9.—Friday, 2nd December, 1955—**

Papers laid on the Table	1035, 1041
Motion for Adjournment	
Situation in Ratachera in Agartala	1035—39
Railway Stores (Unlawful Possession) Bill	1039
Correction to Answer to Starred Question.	1040
Part C States (Laws) Amendment) Bill	1040
Delhi (Control of Building Operations) Bill	1040
Prevention of Disqualification (Parliament and Part C States Legislatures) Amendment Bill.	1040—41

**Citizenship Bill, as reported by Joint Committee—**

Motion to consider	1041—92
--------------------	---------

**Committee on Private Members' Bills and Resolutions—**

Fortieth Report	1092
Indian Penal Code (Amendment) Bill	1092

**Indian Converts (Regulation and Registration) Bill—**

Motion to consider	1093—1119
--------------------	-----------

**Workmen's Compensation (Amendment) Bill—**

Motion to consider	1119—52
Indian Tariff (Third Amendment) Bill	1152
Daily Digest.	1153—54

**No. 10.—Saturday, 3rd December, 1955—**

Papers laid on the Table	1155
Correction of Answer to Starred Question;	1155—56
Business of the House;	1156
Citizenship Bill, as reported by Joint Committee—	
Motion to consider	1157—1278
Daily Digest	1279—80

**No. 11.—Monday, 5th December, 1955—**

Message from Rajya Sabha	1281
Hindu Succession Bill	1281
Demands for Supplementary Grants, 1955-56	1281—82
Demands for Excess Grants, 1950-51	1282
Statement <i>re</i> Joint Statement by U.S. Secretary of State and Foreign Minister of Portugal	1282—83

**Citizenship Bill, as reported by Joint Committee—**

Motion to consider	1283—1330
Clauses 2 to 10	1331—1418
Daily Digest	1419—20

**No. 12.—Tuesday, 6th December, 1955—**

	COLUMNS
Papers laid on the Table . . . . .	1421—23
Rules Committee—	
First Report . . . . .	1422
Committee on Private Members' Bills and Resolutions—	
Forty-first Report . . . . .	1422—23
Business Advisory Committee—	
Twenty-ninth Report . . . . .	1423
Business of the House . . . . .	1423—27
Citizenship Bill—	
Consideration of clauses . . . . .	1427—1520
Clauses 3, 5, 8, 10 to 19 and 1 . . . . .	1427—1520
Motion to pass as amended . . . . .	1521—23
Insurance (Amendment) Bill . . . . .	
Motion to consider . . . . .	1523—85
Representation of the People (Amendment) Bill . . . . .	1586
Daily Digest . . . . .	1587—88

**No. 13.—Wednesday, 7th December, 1955—**

Messages from Rajya Sabha . . . . .	1589—91
Working Journalists (Conditions of Service) and Miscellaneous Provisions Bill . . . . .	1591
Papers laid on the Table; . . . . .	1591
Business Advisory Committee—	
Thirtieth Report . . . . .	1591
Twenty-ninth Report . . . . .	1592—1600
Business of the House . . . . .	1600—02
Insurance (Amendment) Bill—	
Motion to consider . . . . .	1602—92
Clauses 2 to 6 and 1 . . . . .	1693—1706
Motion to pass . . . . .	1106—10
Delhi (Control of Building Operations) Bill—	
Motion to consider . . . . .	1710—46
Daily Digest . . . . .	1747—48

**No. 14.—Thursday, 8th December, 1955—**

Business Advisory Committee—	
Thirtieth Report . . . . .	1749
Constitution (Eighth Amendment) Bill . . . . .	1749—1814
Delhi (Control of Building Operations) Bill—	
Motion to consider . . . . .	1814—90
Clauses 2 and 3 . . . . .	1890—1916
Daily Digest; . . . . .	1917—18

**No. 15.—Friday, 9th December, 1955.—**

Announcement <i>re.</i> discussion on S. R. C. Report . . . . .	1919—25
Calling Attention to Matter of Urgent Public Importance—Cyclone in Madras . . . . .	1926—30
Motion <i>re.</i> suspension of Rule 321 . . . . .	1930—45
Constitution (Eighth Amendment) Bill . . . . .	1945—46
Voluntary Surrender of Salaries (Exemption from Taxation) Amendment Bill . . . . .	1946
Business of the House . . . . .	1946—47

(v)

Delhi (Control of Building Operations) Bill—	COLUMNS
Clauses 4 to 20 and 1	1947—93
Motion to pass, as amended	1993
Prevention of Disqualification (Parliament and Part C States Legislatures) Amendment Bill—	
Motion to consider	1994—2015
Clauses 2 and 1	2015—16
Motion to pass, as amended	2016
Indian Tariff (Second Amendment) Bill and Indian Tariff (Third Amendment) Bill—	
Motions to consider	2016—32
Committee on Private Members' Bills and Resolutions—	
Forty-first Report	2052
Resolution <i>re</i> Industrial Service Commission	2032—56
Resolution <i>re</i> Appointment of a Committee to examine Community Projects and National Extension Service Schemes.	2056—94
Daily Digest	2095—96
Index	1—43

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## LOK SABHA DEBATES

### (Part II—Proceedings other than Questions and Answers)

657

#### LOK SABHA

Monday, 28th November, 1955

The Lok Sabha met at Eleven of the Clock.

[Mr. SPEAKER in the Chair]

#### QUESTIONS AND ANSWERS

(See Part I)

12-09 P.M.

#### BUSINESS ADVISORY COMMITTEE

##### TWENTY-EIGHTH REPORT

Shri M. A. Ayyangar (Tirupati): I beg to present the Twenty-eighth Report of the Business Advisory Committee.

#### ELECTION TO COMMITTEE

Shri B. G. Mehta (Gohilwad): I beg to move:

"That the Members of this House do proceed to elect in the manner required by sub-rule (4) of Rule 243 of the Rules of Procedure and Conduct of Business in Lok Sabha, one Member from among their number to serve on the Committee on Estimates for the unexpired portion of the year 1955-56 vice Shri R. Venkataraman resigned."

Mr. Speaker: The question is:

"That the Members of this House do proceed to elect in the manner required by sub-rule (4) of Rule 243 of the Rules of Procedure and Conduct of Business in Lok Sabha, one Member from among their number to serve on

658

the Committee on Estimates for the unexpired portion of the year 1955-56 vice Shri R. Venkataraman resigned."

The motion was adopted.

#### MANIPUR (COURTS) BILL

The Deputy Minister of Home Affairs (Shri Datar): I beg to introduce the Bill to provide for the establishment of a Judicial Commissioner's Court and other Courts in Manipur.

#### CONSTITUTION (SEVENTH AMENDMENT) BILL

The Minister of Law and Minority Affairs (Shri Biswas): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

Shri Biswas: I introduce the Bill.

Mr. Speaker: As regards the Constitution (Seventh Amendment) Bill which has just been introduced, hon. Members will find that it is restricted only to one article of the Constitution. The Constitution (Fifth Amendment) Bill which was introduced formerly covers about 10 or 11 articles. Therefore, they have now thought it proper to introduce a new Bill just to expedite consideration and passing of the amendment to one particular article.

[Mr. Speaker.]

The Constitution (Seventh Amendment) Bill which has been introduced today is a one clause Bill seeking to amend article 3 of the Constitution. The Business Advisory Committee have considered the programme for the consideration and passing of this Bill. The Committee have suggested that the motion for reference of this Bill to a Select Committee should be set down for consideration on Wednesday, the 30th November, 1955. The Report of the Select Committee should be presented on Thursday, the 1st December, 1955. The Bill as reported by the Select Committee should be taken up for consideration and passing on Friday, the 2nd December, 1955.

The Business Advisory Committee have recommended four hours for all the stages of this Bill: 3 hours for reference of the Bill to a Select Committee and one hour for consideration and passing of the Bill as reported by the Select Committee.

So, that is the programme recommended by the Business Advisory Committee.

**Shri T. S. A. Chettiar (Tiruppur):** This is undoubtedly an important Bill but the Business Advisory Committee has chosen to allot 3 hours for reference of the Bill to a Select Committee and only one hour for the consideration stage which is the stage when amendments are to be moved. To my mind it seems that we must have some more time when we can consider the amendments to the Bill rather than have 3 hours for considering the motion to refer the Bill to a Select Committee.

As you have observed, Sir, this is a one clause Bill and the real point is that some time limit be imposed within which the State Governments have to submit their opinion. In fact, that is the only point in this Bill. Therefore, if the time-limit that has been suggested by the Business Advisory Committee has to be adhered to, then I would suggest that the Bill be

straightway taken for consideration so that the House will have some time to consider the Bill as well as the amendments. I hope the House will accept my suggestion and if there is any difficulty in accepting this I would certainly say that for the consideration stage much more time must be given than for merely referring it to a Select Committee.

**Shri Tulsidas (Mehsana West):** In the.....

**Shri Biswas:** Sir, I will....

**Mr. Speaker:** Let me hear the hon. Member first and then the hon. Minister can make his observations.

**Shri Tulsidas:** In the 'Business Advisory Committee it was felt that whatever the suggestions the House will have it will be much better to put them up at the time when the Bill is referred to a Select Committee and not at a later stage because in that case the suggestions of the several Members of the House will be considered by the Select Committee. Then when the Bill comes for passing and consideration stage the matter is more or less finalised. If the House still desires that the allotment of time should be changed and differs with the view of the Business Advisory Committee it can do so.

**Shri Biswas:** I was only going to point out that the Government were very anxious that this short Bill should be disposed of as quickly as possible. If I am permitted to move for the Bill being taken into consideration and also passed at the same sitting, that will in my opinion, if I may venture to say so, be the best course to be adopted. If the House thinks that this being a Constitution Amendment Bill there must be a formal reference to a Select Committee that is another matter. I personally think that the whole thing may be discussed on the floor of the House in the first instance, subject to any ruling that you may be pleased to give.

**Mr. Speaker:** I am entirely in the hands of the House and the opinion was not very firm one way or the

other. It was thought that it is a Constitution Amendment Bill and therefore it is better to have a practice of referring all such Bills to a Select Committee and then bring it to the House. However, in a Bill of this nature whatever is done with reference to this Bill may not create a precedent that a Constitution Amendment Bill may not be referred to a Select Committee. This is an exceptional occasion and in view of the pressure of time and the urgency to put the Bill through, if the House is agreeable that the Bill may be taken up straightway. I am entirely in the hands of the House.

**Several Hon. Members:** Yes; it may be taken up on the 30th November, 1955.

**Shri Raghavachari (Penukonda):** I would submit that the Members in the House are not in a position to appreciate or participate or even to make any observation on the whole matter under discussion because we actually do not know what the Business Advisory Committee has recommended in respect of this Bill. You have also indicated that according to the recommendation of the Business Advisory Committee the matter will come up on Wednesday for consideration. Therefore, till we actually know the thing the matter may be postponed. I only make a submission that Wednesday is the day when this matter can be considered and a decision taken rather than today in the absence of our knowing anything about the recommendations.

**Mr. Speaker:** I may clarify the ground. The Business Advisory Committee allots time and the priorities are fixed in consultation with the Business Advisory Committee but it is the responsibility of the Government. The only thing here is, the Bill has already been before the House for some days. As I said, the Fifth Amendment Bill has already been introduced and copies are, I believe, in the hands of Members. If the Fifth Amendment Bill be seen it would be seen that 11 articles are being

touched it would take a very long time to dispose of that Bill in its entirety.

**Shri Raghavachari:** This is only a clause of that Bill.

**Mr. Speaker:** Hon. Members may just hear me. Therefore, the Business Advisory Committee thought and suggested that in view of the urgency of having the States' opinions in respect of the States Reorganisation Commission's Report within a certain specified time to keep to the time schedule, so that the elections may not have to be postponed in 1957 it will be better that the Government only introduce a separate Bill dealing with the amendment of article 3 and that is what the Government have done. There is nothing more to be discussed or read about this. People may have different views which they can advance at the consideration stage and if the Bill is fully considered there is practically nothing to go to a Select Committee. That was the view of some Members. All the same, just by way of a fear that a precedent might be created to proceed with the consideration and passing of Constitution Amendment Bills without reference to Select Committees a token reference was suggested and that is how this proposal comes in. But, I think if we agree that this shall not be treated as a precedent in view of the exceptional circumstances we might straightway, as the House is expressing its views, make the allotment of 4 hours' time in all and the Bill may be placed immediately for consideration.

**Shri Tulsidas:** I would suggest, that after all, you are the custodian as regards the articles of the Constitution. So, I would rather not like that the matter should proceed without reference to the Select Committee. With due deference, I should say that the procedure suggested is not a healthy one.

**Shri Kasiwal (Kotah-Jhalawar):** I suggest that the whole of Wednesday should be allowed for consideration as well as passing of this Bill.

**Mr. Speaker:** The only point is whether the Bill is to be considered on the same day, continuously, or there should be a token reference to the Select Committee. That is the only point. Four hours have already been recommended by the Business Advisory Committee and I believe that time is acceptable to the House.

**Shri Barrow** (Nominated-Anglo-Indians): I believe that if the Bill is sent to the Select Committee there will be some time lag no doubt. But after the various discussions have taken place at the general consideration stage, the small time lag will give the Members a chance to consider what has been put forward, and so, the final hour would be then just sufficient for us to enable the Members to make up their minds finally about the Bill.

**Shri Biswas:** May I remind hon. Members here that this particular clause which is the subject-matter of this new Bill was already included, as you have pointed out, in the Bills which were introduced on the opening day of this session. Therefore, Members have had full information regarding the purpose and purport of the Bill. Nothing more. There is not one comma or semi-colon which has been changed. It is in just the same form as it stood originally when it was introduced and was placed before the House on the opening day of this session. Therefore, there need not be any fear that Government is bringing some thing as a surprise on Members in this short Bill. Nothing of the kind. Therefore, if you give members sufficient time to think out all the amendments which hon. Members may wish to move, it may be better. So, instead of taking it up on Wednesday, it may be taken up on Thursday and let it be disposed of in one sitting. There would be no difficulty. Every one will be getting a chance and full consideration may be given to the Bill.

**Shri N. C. Chatterjee** (Hoogly): I hope will remember that it was the

unanimous wish of the Business Advisory Committee that on principle there should be a reference to the Select Committee on a Bill which wants to amend the Constitution. Therefore, we think it is a desirable thing to refer it to the Select Committee, and the Select Committee can finish its labours in one sitting. What is the difficulty? We are not accusing the Government as springing some surprise on us, but we think that one should concede the wishes of all parties and all sections of the House and the unanimous recommendation of the Business Advisory Committee that on principle there should not be an *ad hoc* discussion in the House without mind being applied in the atmosphere of a Select Committee.

**Shri Raghuramaiah** (Tenali): May I make one submission? Two points have been raised as to why it should be referred to the Select Committee. One is that there should be a token reference to the Select Committee on the general principle that the Constitution being sacred all amendments to it should be more carefully gone through by the Select Committee. The purpose of that has already been served by the very importance which we are attaching it; and you, Sir, have been good enough to say that this should not be a precedent and that it is under the pressure of extremely strenuous circumstances. Therefore, the object is served once we make it understood that this is not to be a precedent.

Secondly, it has been suggested that there should be a time lag, however small it may be, between the discussion here and the consideration motion, so that hon. Members may make up their minds on the Bill. The Bill is so simple, as pointed out by you, and there is only one point, namely, whether a time-limit should be fixed or not for the reply which State Governments have to give. I do not think it is such a complicated thing as to require some time lag between

the general discussion and consideration after the Select Committee submits the report. There is the whole of tomorrow to study the Bill. I would, therefore, urge that, as an exceptional case, we should pursue the matter without reference to the Select Committee.

**Shri N. C. Chatterjee:** When this Bill is taken up, hon. Members should realise that, when we are amending the Constitution, it is not merely for this time but for all time that we are clothing the executive or the President with powers which may be abused in the future. Therefore, I am particularly anxious to see that suitable amendments may be moved here and that they should be discussed in a Select Committee and possibly the Committee will take only an hour and a half, and then we can come the next day and finalise the whole thing in the House.

**The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha):** Some of the Members have said that it was the unanimous decision of the Business Advisory Committee. I do agree. But you remember that practically, they decided originally that the Bill should be straightway taken and finished. But one of the Members objected to it and I certainly agreed to his suggestion that the Bill may be referred to the Select Committee on the same day, that is, on Wednesday, and should be taken up the next day, Thursday, and the whole thing be finished on that day. My friend Shri Chatterjee has also referred to this, and if it is agreed to, we have no objection. The Select Committee report should be submitted on Thursday and the whole thing should be finished on Thursday. That was the agreement generally arrived at by us at the Business Advisory Committee.

**Mr. Speaker:** Let us not take more time on this aspect, because I find that we are all substantially agreed on the substance of the proposal. Only the technique is now to be settled. So, it seems that there is a meeting point between the two, but there is one little

difficulty, in the way of procedure, which Members have to solve. It was originally suggested that we should have one day between the first two stages, because, after the Select Committee report was presented some time was required for circulating the report and for receiving some amendments also which, of course, is a different matter. But I think the whole thing can be compromised by saying that we take up the Bill, discuss for three hours, as suggested by the Business Advisory Committee on Wednesday, refer it to the Select Committee, the Select Committee makes the report by the evening of the same day — if that is possible — and the report might be circulated, if at all it is possible, the next morning, and the Bill be finished on Thursday.

**Shri Shree Narayan Das (Darbhanga Central):** If the Bill is taken up for reference to the Select Committee, the whole time will be taken as proposed, and the presence of at least two-thirds majority will have to be secured; and then on the other day also, when the Bill is taken up for consideration after the Select Committee stage, the presence of at least two-thirds of the total strength of Members will be necessary. Though it is not such an important Bill, it makes it necessary that the presence of practically all the Members is secured on both the days?

**Mr. Speaker:** I think just a little inconvenience to Members to attend on both days is really not a proper excuse. The Members are charged with the duty of being present here and contributing to the debate and helping a proper procedure. So, I think we shall have this Bill brought up on Wednesday.

**Shri Biswas:** I want to say one point and it is this. When we are going to stick to the convention to which my hon. friend has referred—that it is a Constitution Bill and therefore we must go to the Select Committee and so on—the convention also requires that it should be a Joint Committee



[Shri Biswas]

which should go into the Bill. That means this Bill has got to be referred to the other House and that means further loss of time. That point of view may also be kept before the House.

**Mr. Speaker:** That point was also considered and it was thought that it will expedite the disposal of the Bill much earlier by having a Committee of this House only. If the other House wants, it is free to have its own Committee. There is no difficulty about it.

**Shri T. S. A. Chettiar:** If you want to decide that the Bill may be referred to the Select Committee. I would like to make an amendment, when it comes for consideration after the report of the Select Committee, that it should be given at least three hours for consideration after the Select Committee report is received. This is an important matter.

**Mr. Speaker:** We shall settle the time later. There is one thing on which I want an assurance from the hon. Members of this House. It may not be possible to circulate the report of the Select Committee immediately, before the Bill comes for consideration and the final passing stage. That is the difficulty. We shall adjust the timings when the Bill comes up when the motion for reference to the Select Committee is passed and when the Select Committee report is presented to the House.

**Shri N. C. Chatterjee:** If the final discussion on the passing of this Bill takes place on Friday, then there will be no difficulty, I think we will be able to spare one hour on Friday.

**Shri Satya Narayan Sinha:** That will go against the decision which we arrived at in the Business Advisory Committee. We had agreed in the Business Advisory Committee that the whole thing should be finished on Thursday.

**Mr. Speaker:** Taking into consideration all these facts, what difference

will 24 hours make? The other House is sitting up to the 23rd; Friday will be 2nd December and even in the non-official day we get 2½ hours and we can pass the Bill on that day. Even if we accept some kind of amendment later, we can divide the time as two and two. We can have 2 hours for the first stage and 2 hours for the final stage. This can be done by sitting longer for the Private Members' Business. We can adjust the timings like that.

**Shri Satya Narayan Sinha:** I agree.

**Mr. Speaker:** The only question is about the division of the time.

**Shri T. S. A. Chettiar:** We can have 2 hours and 3 hours respectively.

**Mr. Speaker:** We will have 2 hours and 2 hours. So, the report — it is not yet before the House — will stand amended to this extent. Instead of the general discussion being for 3 hours, it will be for 2 hours, and the clause-by-clause consideration—there will be only one clause—will take 2 hours. That is how the division of time will be made. We will have the Select Committee's report on Friday. The Select Committee, it is understood, will not apply for extension of time.

**Shri Jaipal Singh (Ranchi West—Reserved—Sch. Tribes)** I would like to make a submission, because my name has been indirectly brought in. The hon. Minister of Parliamentary Affairs stated that it was practically agreed that the Bill would be straightway taken and disposed of. I humbly submit that he suggested this and, it was I who opposed it and said that any amendment to the Constitution, even if it be to change a full stop into a comma, must go to a Select Committee. That was the position.

#### UNIVERSITY GRANTS COMMISSION BILL

**Mr. Speaker:** The House will now proceed with the further clause-by-

clause consideration of the Bill to make provision for the co-ordination and determination of standards in Universities and for that purpose, to establish a University Grants Commission, as reported by the Joint Committee. In this respect, I should like to invite the attention of the House to an important aspect. The House had adopted the report of the Business Advisory Committee which had fixed 13 hours in all and it was agreed also that we should have one hour for the third reading stage. The difficulty has been that the clause-by-clause consideration has not yet been finished and out of the time allotted, we have got only 45 minutes left, including the third reading stage. Therefore, there are two alternatives now. One is to apply the Guillotine from now on in respect of all the remaining clauses; otherwise it will not be possible to keep to the time schedule. Hon. Members know that we are striving against time. There is one other alternative also and that is that as a clause is called out, only such amendments as are important may be mentioned. There may be short speeches and in a few minutes we might finish the clause-by-clause consideration, leaving half an hour for the third reading stage.

**Shri Raghavachari (Penukonda):** Half an hour may be allotted for the clause-by-clause consideration and 15 minutes for the third reading.

**Mr. Speaker:** If we really want to mean business, we must make it a point that we stick to time. Otherwise, the effect will be that all the extra time that is now taken will to that extent be reduced from the time allotted for the discussion of the S.R.C. Report. That is how it will turn out.

**Shri T. N. Singh (Banaras Distt.—East):** This is a very important Bill and we can have half an hour more for this Bill.

**Mr. Speaker:** The time was allotted taking into consideration all that kind of thing. The maximum time asked for in the Business Advisory Com-

mittee by various parties was allotted. We have to adjust ourselves to the requirements of time.

**Shri T. S. A. Chettiar (Tiruppur):** On the previous day, it might have been calculated that we began at 12, whereas actually we began at 12-20.

**Mr. Speaker:** All that has been taken into consideration and only the actual time has been calculated. It is not that any time even a minute less than 13 hours is going to be allotted.

**Shri T. S. A. Chettiar:** I feel that we should extend the time by at least half an hour.

**Mr. Speaker:** I think it will be a bad precedent.

**Shri T. S. A. Chettiar:** We never have precedents in this House; every time we decide afresh.

**Mr. Speaker:** I think there is something which binds us and by which we should go.

**Shri H. N. Mukerjee (Calcutta North-East):** I am very much for sticking to the time-schedule, but in view of the nature of the discussion so far as the University Grants Commission Bill is concerned and also in view of the fact that today the agenda is rather sparse and the next item is perhaps likely to take lesser time than the scheduled time—that is my anticipation — can we have half an hour extra for the third reading stage? This Bill is really very important.

**Mr. Speaker:** We shall have half an hour extra, all right. We shall have half an hour from now on for the clauses. Half an hour from now will mean 1-10 P.M. So, the Guillotine for the clauses will be applied at 10 minutes past 1 O'clock. We will have half an hour for the third reading; that means, till 1-40 P.M.

We will now take up clause 13. There are two amendments Nos. 49 and 50.

**Clause 13—Inspection.**

**Shri V. P. Nayar (Chirayinkil):** I beg to move:

(1) Page 5, line 22—

omit "after consultation with the University".

(2) Page 5—

omit lines 26 to 29.

**Mr. Speaker:** Amendments moved:

(1) Page 5, line 22—

omit "after consultation with the University".

(2) Page 5—

omit lines 26 to 29.

**Shri Meghnad Saha (Calcutta—North-West):** Clause 13 imposes a very important function on the University Grants Commission, the function of ascertaining the financial needs of a University or its standards of teaching, examination and research. As far as I find the Bill is very defective and it does not provide any machinery for doing all these things.

[**MR. DEPUTY-SPEAKER in the Chair**]

We have got about thirty universities. The University Grants Commission has to enquire into the standards of these thirty or thirty-five universities or more which may be coming into existence, and so forth. But as regards the administrative machinery for undertaking all these investigations, I have again and again repeated that the Bill as it stands is very defective in this respect. I was in the University Grants Committee which was there in 1948, which never worked, because all the members were honorary and there were no whole-time men. Members used to come once in six months, and they never read the agenda, and no business was done. It was merely an appendage of the Education Ministry.

If you examine the structure of the University Grants Commission in England you find that the University Grants Commission there is not a

Commission of the Education Ministry at all. It is merely a committee of the Treasury, that is the Finance Department. It gets a certain amount of grant and, after performing its duties and examining the needs of different universities, it disburses this amount of money. And it has worked very well.

As the Bill now stands, I am sorry the Members of the Joint Committee have played into the hands of the Education Ministry. They have given all the power to the Education Ministry.

The objective of the Radhakrishnan Commission of which I was a member — and I had taken a part in drafting the report of that Commission — was that this University Grants Commission should be an entirely autonomous body. It will have very little to do with the Education Ministry at all, and it will carry on its work just as the Public Service Commission does, without reference to any Ministry whatsoever. I think that unless the Bill is amended in the way I have indicated, this measure would be absolutely defective.

The Second Five Year Plan is allotting quite a large amount of money, about Rs. 35 crores, I am told, for the improvement of the universities in the next five years. The mere allotment of money is not sufficient. You must have a body of experts who will examine from day to day how this money has to be well spent. Otherwise the money may run into the gutters, money may be given to places which do not deserve it, and the whole objective of the University Grants Commission will be defeated.

I have therefore pressed for an amendment that in addition to the whole-time Chairman of the University Grants Commission, which the Education Ministry had the good sense to accept, there should be four other members of the same brand as the Chairman.

**Mr. Deputy-Speaker:** The hon. Member has been referring to it on many occasions in this Bill. He lost it in clause 5. He is repeating it again and again.

**Shri Meghnad Saha:** A large amount of burden has been imposed on the Commission by this clause.

**Mr. Deputy-Speaker:** The principle was not accepted. His suggestion was not accepted. He is saying it again and again. It is only that suggestion which will rectify it. But the House has come to an opinion on it, and it is useless repeating it.

**Shri Meghnad Saha:** In the course of the discussion in the House the other day there was a good deal of support to the point of view put forward by me. Pandit Thakur Das Bhargava, Shri T. S. A. Chettiar and many others supported my point.

**Mr. Deputy-Speaker:** The opinion may be in favour, but the main point has not been accepted by the House. It is an ordinary rule of procedure that if on a particular point an opinion has been expressed by the House or a decision taken at one stage, there is no good canvassing the same thing at another stage and it cannot be done. We are not reviewing it. If he has other arguments to advance, by all means he can do so.

**Shri Meghnad Saha:** You will find that in the Bill you have put in clauses which strengthen my argument. Will you not allow a discussion on that?

**Mr. Deputy-Speaker:** But we are not going to review the previous clause.

**Shri Meghnad Saha:** It is only in connection with clause 13 that I am putting forward my point of view, because clause 13 imposes quite stringent duties on the University Grants Commission.

Here you are setting up a body which is going to be a sort of super-university, which will enquire into, say, the standards of scientific teach-

ing in this country. There are thirty universities. Who is going to organise all this study? Do you mean to say that an officer of the Education Ministry can do it, or any number of officers there can do it? I have been told by the sponsors of this Bill that they can appoint any officer. You have not fixed any standard for that officer.

Therefore, I would still press upon the Government to accept my amendment which will make this University Grants Commission a really effective body.

**Shri T. S. A. Chettiar:** I wish to point out only one thing. The hon. Member said that the Joint Select Committee has played into the hands of the Ministry. I do not think the Ministry itself feels that way. Originally the Bill was such a stringent Bill. We have incorporated provisions so that the independence of the universities may be safeguarded in various ways. The old clauses which he refers to have been amended, and the latter portion of original clause 13 (1), which looked like a penal clause, has been entirely omitted. Even sub-clause (2) which provides that the university must be associated with the enquiry, is something new. So to our mind this Bill is considerably better than the original one in the way it guarantees the association of the universities concerned, in these enquiries.

We entirely agree with the hon. Member that more than one whole-time person will be necessary. But, as has been pointed out, the Bill provides compulsorily for one whole-time Chairman. But the Bill also provides that by rules the Government can allow the University Grants Commission to appoint more than one full-time officer for these purposes.

To my mind the present amendments are merely negative amendments which cannot be accepted by the House, for if they are accepted the consequence will be like this. Clause 13 (2) provides that the university concerned must be associated with the enquiry. Amendment No. 50

[Shri T. S. A. Chettiar]

seeks to omit that clause. That means the representatives of the university need not be associated. That will be against the very thing for which he is speaking, and so I think this amendment should not be accepted.

**Shri D. C. Sharma** (Hoshiarpur): Though on the whole I do not find this Bill to be as good as I wish, the inclusion of clause 13 is very very satisfactory. In the first place, as has been pointed out, it is conducive to the academic freedom of the universities. We all have been talking about that on the floor of the House, and this clause does strengthen the hands of those who have been arguing for that.

Secondly, I do not think the University Grants Commission can have all kinds of specialists, whether whole-time or part-time. There are so many subjects taught in the Universities. There are so many new subjects that are going to be taught in the Universities. I do not think it will be possible for any whole-time person to go and inspect any University at any time concerning any of these subjects. What happens in the Universities is this. We appoint *ad hoc* inspectors. For instance, in the Punjab University we want to inspect the colleges. But, we do not have whole-time inspectors. We get hold of a specialist and send him as an inspector.

**Pandit K. C. Sharma:** (Meerut Distt.—South): That is also done in other Universities.

**Shri D. C. Sharma:** Everything is done in our University; only you are not there.

What I was saying was, so far as Inspectors are concerned, they can be taken from a pool which will consist of professors of all the Universities of India.

**Shri T. S. A. Chettiar:** May I point out clause 9 (1)?

**Shri D. C. Sharma:** This is a very good thing. I feel that there has been a great improvement. When an ins-

pection is going to be made, the particular University is going to be associated with it. This, again is something which will be useful for the University to place its case before the Inspection committee. Therefore, looking at it from an objective point of view, and without saying that the point of view put forward by Shri Meghnad Saha was not good—it was very good in some ways—I would say that clause 13 is very satisfactory and it should be passed as such. This is, perhaps, the only clause about which I do not have any differences with the framers.

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** There are two amendments that have been moved by my hon. friend Shri V. P. Nayar about this particular clause. By his first amendment he wants that the Universities should not be consulted when the University Grants Commission will visit them or make any enquiry.

**Shri V. P. Nayar:** It is not 'should'; you have not properly understood it.

**Dr. M. M. Das:** By the second amendment, he proposes that in that inspection or enquiry, the University should not be associated. The speeches of my hon. friend Shri H. N. Mukerjee, the Deputy-Leader of the Communist Party are still ringing in my ears. He is a staunch supporter of the autonomy of the Universities. Here are two amendments of Shri V. P. Nayar which propose to take away substantial powers from the hands of the Universities. I am confounded and I do not understand what is the matter between them. Perhaps, this is an example of where the head does not know what the limbs do. I do not propose to accept these amendments.

**Mr. Deputy-Speaker:** The question is:

Page 5, line 22—

Omit "after consultation with the University".

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

Page 5—

omit lines 26 to 29.

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 13 stand part of the Bill."

*The motion was adopted.*

Clause 13 was added to the Bill.

Clause 14—(Consequences of failure of Universities to comply etc.)

**Mr. Deputy-Speaker:** Hon. Members will kindly remember that by 1-10 all the clauses will have to be disposed of. At 1-10, the third reading will start and close at 1-40. Guillotine will be applied to all the clauses willy-nilly at 1-10.

**Shri Shree Narayan Dass** (Darbhanga Central): I beg to move:

Page 6—

after line 6 add:

"Provided that the whole matter of withholding grant under this section shall be placed before both Houses of Parliament."

This is a simple amendment. Clause 14 says that if any University does not comply with the recommendation of the University Grants Commission, the grant may be withheld from that University. Nothing has been provided by way of appeal either to the Government or anywhere else. It may be that the reasons which the University Grants Commission has withheld the grant may not be reasonable. It should be known to the House whether the grounds for which the grants were withheld were sound or not. Therefore, I have sought to provide in my amendment a proviso that the whole matter of withholding of a grant should be placed before both Houses of Parliament. It will come to the notice of the representatives of the people whether the grounds on which the grants have been withheld are reasonable or not. It is only for the sake of information that this

statement should be laid on the Table of the House giving the reasons for which the grants were withheld. That is the only purpose.

**Mr. Deputy-Speaker:** Amendment moved:

Page 6—

after line 6, add:

"Provided that the whole matter of withholding grant under this section shall be placed before both Houses of Parliament."

**Dr. M. M. Das:** According to the provisions of this Bill, the University Grants Commission is nothing but an advisory or a commendatory body. It has no power to enforce its decisions upon the Universities. The only power that is given to the University Grants Commission is that the Commission can withhold the grants which they propose to give. The hon. Member's amendment says that before withholding the proposed grant, the whole matter should be placed before both the Houses of Parliament.

**Shri Shree Narayan Das:** Not before. It is for the University Grants Commission to take action. After action is taken, the statement will be laid on the Table of the Houses in certain circumstances where grants are withheld, only for the sake of information.

**Dr. M. M. Das:** I am sorry, I cannot accept the amendment. So far as this House is concerned, the annual report will be placed before this House and hon. Members will get an opportunity to discuss this report. If anything of this sort happens where a University is prevented from getting the Grants or the University Grants Commission refuses to pay on certain grounds to a University, it will be mentioned in the report and hon. Members of this House will find an opportunity of going through it and discussing it. I am sorry I cannot accept the amendment.

**Mr. Deputy-Speaker:** The question is:

Page 6—

after line 6 add:

"Provided that the whole matter of withholding grant under this section shall be placed before both Houses of Parliament."

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 14 stand part of the Bill."

*The motion was adopted.*

*Clause 14 was added to the Bill.*

*Clauses 15 to 17 were added to the Bill.*

**Clause 18.— (Annual report)**

**Shri Shree Narayan Das:** I beg to move:

Page 6, line 29—

after "previous year" insert:

"as also an annual report on University education in India for the same period."

Clause 18 is going to provide for the submission of an annual report with regard to the activities of the University Grants Commission. It is one of the functions of the University Grants Commission to collect information on all matters relating to University education in India and other countries as it thinks fit. I would like to insert here a provision that it should also be duty of the University Grants Commission to prepare an annual report on University education in India for the same period. It is one of the functions of the University Grants Commission to prepare an annual report describing its activities. While it is one of the duties of this Commission to collect information, it is the fitness of things that the Commission should also prepare an annual report on University Education in India side by side with the report on its activities. I think the Government will accept my amendment.

**Mr. Deputy-Speaker:** Amendment moved:

Page 6, line 29—

after "previous year" insert:

"as also an annual report on University education in India for the same period."

**Dr. M. M. Das:** The University Grants Commission is going to be created for a limited purpose, with limited functions. So far as the annual report on University education in India is concerned, that responsibility has been taken up by the Central Government. Moreover, as the House knows, there are some Central Universities and a member of State Universities. So far as the Central Universities are concerned, the Central Government knows the facts. As regards the State Universities, we have to collect the facts from the State Governments. That responsibility has been taken up by the Central Government. Every year, so far as I remember, this report on University education in India is published. I do not think it will be proper to encumber the University Grants Commission with this additional responsibility.

**Shri Shree Narayan Das:** On a point of information, will the Parliamentary Secretary indicate what is the year for which the latest report is available with the Central Government.

**Dr. M. M. Das:** I think reports are available.

**Shri Shree Narayan Das:** I want to know the latest year.

**Dr. M. M. Das:** I cannot say of hand. There are reports. I may also say that sometimes it takes time.

**Shri V. P. Nayar:** The latest report is of 1950-51 published in 1955.

**Dr. M. M. Das:** It may be that the State Governments took some time to supply the information to the Central Government.

**Shri V. P. Nayar:** I have it here. Why blame State Governments?

**Shri T. S. A. Chettiar:** I am very much in sympathy with what Shri Shree Narayan Das has said, but I do not know whether we can ask them to do a job which is more than what their business is. Their job is to help the universities to the extent possible. This job of giving a report on all university education is something much wider, and I do not know whether we can statutorily ask them to do it.

**Shri Shree Narayan Das:** One of the functions of the Commission is to collect information on all matters relating to university education in India and other countries also. When this is one of their functions, why can they not prepare a report?

**Mr. Deputy-Speaker:** What is the meaning of sending an annual report five years or ten years after the year is over? It is for the purpose of guiding the future, is it not?

**Shri T. S. A. Chettiar:** The point is that the report of the Commission must be presented to the Parliament within one year of the year for which the report is intended. That is the real point which he wants. I entirely agree about that. We get statistics from the Government of India which have become very old, because they are five years old. So, I think there is certainly a case for speeding up the reports. If there is any amendment which says that the report should be submitted within 12 months of the year of the report, that is a point that may be put in if the House thinks fit.

**Shri T. N. Singh:** The Minister could have given some assurance that the reports would be placed as early as possible.

**Dr. M. M. Das:** So far as the University Grants Commission is concerned, the provision is there. The activities of the Commission will be submitted to Parliament. So far as uni-

versity education in the whole country is concerned...

**Shri T. S. A. Chettiar:** When will you send that report? It may be we will get the report for 1955-56 in 1960-61.

**Mr. Deputy-Speaker:** That is the point.

**The Deputy Minister of Education (Dr. K. L. Shrimali):** May I suggest that it is a matter of detail and the Commission will lay down its own procedure and its own rules as regards its work? The Commission will certainly lay before both the Houses the report of its activities. As regards what other reports the Commission should prepare or not prepare is a matter which should be left to the Commission itself. The Ministry of Education is already preparing the reports and they are being circulated.

**Mr. Deputy-Speaker:** One other thing also cropped up. If the report for 1950-51 is submitted in 1955 what is the object of placing it before Parliament? Why not the Minister say that it will be submitted within a year or two years at the most, but not beyond that? If even that is not possible, the object is frustrated. Ten years later it may be placed before Parliament. What is the object of it?

**Shri T. S. A. Chettiar:** Now, it is too late to make an amendment. The clause says that the Commission shall prepare once every year, in such form and at such time as may be prescribed, an annual report etc. If the Government gives an undertaking that under the rules they will say that the report must be prepared within six months after the close of the year, that will meet the wishes of the House.

**Dr. M. M. Das:** I think these matters are usually dealt with under the rules.

**Mr. Deputy-Speaker:** They are not dealt with because 1950-51 is the latest report available.



**Dr. K. L. Shrimall:** He is referring to the report which has been produced by the Ministry of Education.

**Shri V. P. Nayar:** We do not want that to happen again in the case of this University Grants Commission. For your information I may submit that this report is very valuable because it contains so many figures and the figures were collected in 1950. Here I find the preface of Mr. Humayun Kabir dated 22nd October, 1954 in which not a word is said about the reasons for the delay also.

**Mr. Deputy-Speaker:** We are not discussing that report.

**Shri V. P. Nayar:** We do not want the same thing to happen in future reports.

**Mr. Deputy-Speaker:** That is all right.

**Shri D. C. Sharma:** I am amazed at the utterance made by the Deputy Minister. He said "Leave it to the rules." The unfortunate thing is that the gentlemen who are in charge of the Bill are not in a position to commit themselves anywhere, and therefore it is no use asking them. I would say that this is a very innocuous thing, that, for example, the report for the year 1955-56 should be submitted to Parliament by the end of 1956-57. There should be a year's time-lag, but I am sorry these gentlemen are not in a position to commit themselves even to that. So, I think it is up to you to come to our rescue and see that this simple, innocuous, harmless amendment is passed which does not involve any work for the Ministry.

**Dr. M. M. Das:** Where is the amendment?

**Shri T. S. A. Chettiar:** What is the difficulty for the Minister to assure us that the report will be submitted within a year or six months and that rules to that effect will be

framed? Where is the difficulty in giving that assurance?

**Dr. K. L. Shrimall:** The clause as it is, reads:

"The Commission shall prepare once every year, in such form and at such time as may be prescribed...."

The intention is that the report should be submitted every year. Of course, the time is not fixed. Is it not possible to leave that to the Commission itself? Sometimes there may be very heavy work for the Commission.

**Shri T. N. Singh:** To that we are also a party as Parliament and we want to get the reports. Certainly we must have a say in the matter. We have got the right to say that we want these reports early. Where is the difficulty for the Minister to give the assurance?

**Shri T. S. A. Chettiar:** If you will kindly waive notice, I would suggest that after the words "every year" the words "within twelve months of the completion of the year" may be inserted.

**Shri V. P. Nayar:** Why 12 months? The information is not collected next year.

**Dr. K. L. Shrimall:** I am prepared to assure the House that the report will be completed within 12 months.

**Mr. Deputy-Speaker:** So far as the amendment is concerned, it is different.

The question is:

Page 6, line 29—

after "previous year" insert:

"as also an annual report on University education in India for the same period,"

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 18 stand part of the Bill"

*The motion was adopted.*

*Clause 18 was added to the Bill.*

*Clause 19 was added to the Bill.*

**Clause 20** (Directions by the Central Government).

**Shri Shree Narayan Das:** I beg to move:

Page 7—

lines 18 and 19—

for "the decision of the Central Government shall be final" substitute:

"the whole question shall be placed before Parliament and the decision of Parliament shall be final."

This clause refers to a very important subject and I think it was discussed during the general discussion. It has been stated in the Bill that if there is a difference of opinion between the Commission and the Government as to whether a particular question relates to national purposes or not, the decision of the Central Government shall be final. I think the decision of Parliament should be final. I think it is for this Supreme body to decide whether a question is of national importance or not. The Central Government is the executive authority of this Parliament and there is a difference of opinion between the Commission and the Government, the matter should come up before the House and the House should decide it. I hope the Government will accept my amendment.

**Mr. Deputy-Speaker:** Amendment moved:

Page 7, lines 18 and 19—

for "the decision of the Central Government shall be final" substitute:

"the whole question shall be placed before the Parliament and the decision of Parliament shall be final."

**Dr. M. M. Das:** There can be no doubt that the Central Government are a creature of the Parliament, and that the power exercised by the Government of India is the power of the Parliament. So far as the amendment of my hon. friend Shri Shree Narayan Das is concerned, we do not think that it is necessary to give this deciding power in the hands of Parliament; it is not because we do not want to give it in the hands of Parliament but because we do not think that it is necessary to do so. The Central Government will formulate the policy. They are responsible for running the State, and therefore they should decide whether a particular question is a matter of policy or not. Of course Parliament is above them.

**Mr. Deputy-Speaker:** The question is:

Page 7, lines 18 and 19—

for "the decision of the Central Government shall be final" substitute:

"the whole question shall be placed before Parliament and the decision of Parliament shall be final."

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

"That clause 20 stand part of the Bill."

*The motion was adopted.*

*Clause 20 was adopted to the Bill.*

**Mr. Deputy-Speaker:** It is now 1.10 P.M. So, I shall put the remaining clauses to vote together.

The question is:

"That clauses 21 to 26, clause 1, the Enacting Formula and the Title stand part of the Bill".

*The motion was adopted.*

*Clauses 21 to 26, clause 1, the Enacting Formula and the Title were added to the Bill.*

**Dr. M. M. Das:** I beg to move:

"That the Bill, as amended, be passed".

**Mr. Deputy-Speaker:** Motion moved:

"That the Bill, as amended, be passed."

**Shri T. S. A. Chettiar:** The University Grants Commission Bill is a landmark in the growth of university education in this country. Many fears have been expressed that this Bill may interfere with the autonomy of the universities. But to my mind, as has been put very well in the happy phraseology of the Radhakrishnan Commission, nobody can be absolutely independent in personal or public life: it is a matter of co-operation at the highest level. We do hope that the large amount of help that will be necessary for the development of education in this country will come from the University Grants Commission, and when it comes, it will not come with fetters but with enlightenment and guidance. On the other hand, we must also remember that there are universities and universities; certain universities will require a little more guidance than others. I hope healthy conventions will be developed, which will provide for the growth of universities and university education in the best manner possible.

One other matter which has been disturbing the minds of the public is the scope of the Bill. The Bill as introduced was confined only to the constituent colleges, but later on it was amended by the Joint Committee to include such colleges as may be approved by the University Grants Commission on the recommendations of the University. Further, in the course of the debate, an assurance has been given that it will apply to all post-graduate institutions. This in my opinion is a very welcome thing.

That does not mean that it is not necessary to apply the provisions of this Bill to the affiliated colleges.

Nearly 90 per cent. of our students study in the affiliated colleges, and a real improvement of university education can come about only if the Bill is applied to the affiliated colleges. So, I do hope that what has been done is only a beginning, and as has been explained by Dr. M. M. Das, the door will be open for the inclusion of these colleges also. I hope with improvement in the finances of the country, they will also be able to get help from this Commission.

In the end, I would like to refer to clause 20, which we were discussing only a little while ago. Some people have been really disturbed as to what matters of national policy may mean. I would congratulate the Ministry and the hon. Minister for the statement that they have made that they will categorically provide in the rules that the matter of adopting Hindi as the medium of instruction is not a matter of national policy and that each university is free to adopt its own regional language as the medium of instruction. I hope they will state it categorically in the rules so that later on there may not be scope for interpretation this way or that way.

I do hope that in future the conventions will grow in such a way that while we shall provide funds and certainly take care to see that the funds are spent properly, at the same time we shall also see that a certain amount of latitude and autonomy is left to the universities concerned, so that they will develop and serve the country in the best manner possible.

**Mr. Deputy-Speaker:** Now, **Shri H. N. Mukherjee.**

**Shri Shree Narayan Das:** May I point out that a large number of Members wanted to participate in the general discussion, but they were not given a chance? Again, we find that the same Members who participated in the general discussion, are being given a second chance.

**Mr. Deputy-Speaker:** Did the hon. Member not participate in the general discussion?

**Shri Shree Narayan Das:** No. I tried my best, but I could not get a chance.

**Mr. Deputy-Speaker:** All right. The hon. Member may speak now. After him. I shall call Shri H. N. Mukerjee.

**Shri Shree Narayan Das:** It was in 1948 that the University Education Commission was set up to look into matters concerned with university education. That Commission made a number of recommendations, but those recommendations could not be carried out owing to stringency of funds. Time and again, when we put questions to the hon. Minister of Education, he used to reply that owing to financial stringency, the recommendations could not be implemented either by the Centre or by the several universities. Now that the University Grants Commission is going to be created under this measure, I hope the Central Government would come forward with sufficient amount of funds and place them at the disposal of the University Grants Commission for distribution to the different universities for various purposes connected with the implementation of the recommendations made long ago by the Radhakrishnan Commission.

Doubts have been raised in the course of the discussion in this House that the Commission that will be set up under this measure may interfere with the independence and autonomy of the universities. In fact, the setting up of this Commission was itself recommended by the University Education Commission, but it has taken a number of years for the Central Government to appoint this Commission. I hope that before the proposed Commission start functioning, and start issuing instructions and directives to be carried out by the universities, they will lay down the principles on which they will work. I hope those principles will be based on the idea of least interference. Since

427 L.S.D.

the power of the purse is going to be entrusted to this Commission, and since that power will be very effective, I would like to caution Government and also Parliament that they should be careful to see that that power is not used as a pressure on the executives of the universities to do certain activities which in the opinion of the universities will be considered as interference.

With regard to the functions of the Commission also, certain suggestions were made by the University Grants Commission. One of them was that this Commission should be entrusted with the work of making recommendations to the President in regard to the creation and development of new universities, by issuing charters, but that suggestion was rejected. I feel that the University Grants Commission should create facilities in the country and also encourage and advise the public, voluntary and Government institutions to make efforts for collecting local contributions for the purpose of creating new educational institutions in the country. If it is only left to the Central Government, it will be difficult for them to do anything. So, it will depend largely on the charitable contributions made by the public. If local efforts are made to collect such voluntary contributions, the University Grants Commission should encourage them and also help them by giving grants for the development of higher education in rural areas.

I hope the University Grants Commission that is going to be constituted under this Bill will do all that is necessary for carrying out the recommendations of the University Education Commission, which were made long ago.

**Shri H. N. Mukerjee:** This Bill, which is going to be passed in a short while, is a limited measure and, like the proverbial curate's egg, it is good only in parts. But I hope that its results may be better than I fear they will be.

[Shri H. N. Mukerjee]

I have several regrets in regard to the form of the Bill as it passes this House. One is in regard to affiliated colleges, whose condition I am very well aware of on account of close association. I know they have got very scant mercy under clause 2(f) of this Bill, which provides that at least a very few and select affiliated colleges might be chosen by the University Grants Commission for its benevolence. But I wish that the recommendations of the Radhakrishnan Commission were taken more earnestly into account by Government when formulating this Bill. I know that the Radhakrishnan Commission, of which my friend to my left, Shri Meghnad Saha, was a distinguished member, went round the country, visited most of these affiliated colleges and recommended that some very definite steps in regard to financial assistance to these colleges should be adopted. I thought that when the University Grants Commission was being set up on a permanent foundation, some measures would be adopted by Government in this direction.

I have another regret and that is in regard to the fact that determination of standards is a job which has been foisted upon this nine-man body, the University Grants Commission. This, again, is, I feel, against the spirit of the Radhakrishnan Commission's Report. In Chapter XIII, section 19 of its Report, the Radhakrishnan Commission recorded a clear finding. It said:

"We have considered the *pros* and *cons* of prescribing additional duties for the Commission besides the allocation of grants, and we have decided against it".

I feel that, as in England, the University Grants Commission should have trusted our academic institutions a little more and should have left the determination of standards to be done by the Universities concerned or by such agencies of academic consultation as the Inter-Universities Board.

I have another regret, and that is that in the long title of the Bill as well as in the formulation of the Bill. I find that there is no emphasis—which was very necessary—on expansion, as against the other aspect, determination of standards. Now, I say this because when this Bill was first presented to this House, in the Statement of Objects and Reasons there was a statement 'that the problem (of higher education) has become more acute recently on account of the tendency to multiply Universities'. According to the Directory of Universities, 1953, published by the Government, I find that the present number of Universities in India is 39, while there are 17 Universities in the UK, which is of the size of one of our bigger States. I feel there is ample scope for the establishment of many more Universities. In this connection, I want to refer to a matter which I mentioned earlier in the course of the discussion, and that is the report given by Professor Bernal in regard to the position in China. He wrote in the *New Statesman and Nation*, a British periodical, on the 26th March and the 2nd April 1955. He said that in Peking there are Universities of Aeronautics, Agricultural Engineering, Geology, Mining, Petroleum and Metallurgy, and he found also that there they plan according to what the country needs. Universities have to subserve the interests of the country and, therefore, the country has to find out how many engineers, how many technicians, how many academicians in different spheres are wanted and on that basis, you go ahead. How many of them we want has first to be formulated, and then we can go ahead. There the emphasis is, on the one hand, on the very highest quality, of top-class education, and on the other, on the production of qualified people as engineers, as doctors, as technicians of varying descriptions who would not be truly top-class. For example, a medical course of four years instead of six years or more would perhaps produce in this country a sufficient

supply of people who can go into our villages and man our essential medical services. A similar proceeding can be adopted in regard to the other technical courses necessary for us. Therefore, what is wanted is a kind of plan where there would be a co-ordination of very top-class high quality higher education, and at the same time, the production of cadres of our people who would be able to go into the country and carry on the work of educational reconstruction or of health recreation and all that sort of thing.

I have no time, because of the limitation of our schedule, to go into detail, but I find that in Peking there are three great colleges of Geology, and also—they have set up a Geology Ministry under a geologist—a whole Ministry under a geologist. And Prof. Bernal reports that there are 200,000 scientists, engineers and doctors in training in China and this, he says, is some five times the number in Britain and about a third as many per head of the population as in Britain.

Now, I want my country to go ahead faster than China. I have heard the Prime Minister say that in regard to medical education, we are better off than China. It is very good that we are better off than China, but if we are in that position, let us go ahead faster. And China, as Prof. Bernal says, is an example to the countries of Asia. Let us better that example; let us go ahead much faster than China is doing today. Let us realise that today what is wanted is the rapid bringing out of the latent knowledge and ability of the whole people, and not merely of a privileged few, of a traditional elite. And it is from that point of view that I wish that the University Grants Commission should see about its work. But I fear, Sir, that there are so many limitations and there are so many peculiar provisions redolent of the atmosphere of yesterday that all these hopes that I am giving expression to in regard to the educational reconstruction of our

country are perhaps doomed to disappointment. All the same, this is a measure which brings some limited improvement to the state of things in our educational life today and to that extent, I am prepared to welcome it.

**Shri Meghnad Saha:** The University Grants Commission Bill is now being passed. Speakers have already pointed out its defects; I have had my say and I will not repeat them. I would only say this. There is nothing now further to be done in the Bill. But if you take clause 25, the Central Government have been asked to do a lot of things. If you read through that clause, you find that quite a lot of burdens has been imposed on the Central Government. I do not know when the Central Government will have the power to do it. As my hon. friend, Shri V. P. Nayar, said, the Central Government here means the Education Ministry. He said that something was placed in the hands of the Education Ministry to be done in 1951, and it came out in 1954. So I hope that all these rules which have to be made will be made very quickly. The Chairman of the University Grants Commission may be given staff of sufficient calibre to do all that work, and this work should be placed before the country as early as possible.

I might dispel certain assertions which have been laid to the credit of the Radhakrishnan Commission. It was never the intention of the Radhakrishnan Commission that affiliated colleges which had only upto BA and BSc courses should come within the scope of the benefit of the University Grants Commission. Otherwise, what is left for the State Governments to do? The Commission only said that the University Grants Commission's effort should be limited to post-graduate education in arts and science, to medical education, to professional education like that of engineering and technology. I am sorry to find that medical education is being taken away from the purview of the University Grants Commission. That is not the

[Shri Meghnad Saha]

right thing. The Ministry of Health should busy itself with questions of public health, with hospitals, public health matters and so forth. It should not take upon itself the burden of medical education because education has a technique of its own which cannot be handled by a Ministry, however efficient it might be. So, I hope very much that medical education will also be placed under the University Grants Commission. As a matter of fact, the Radhakrishnan Commission went through all the medical colleges in this country and found there is a lot to be done in the matter of the improvement of medical education in this country. They have also made certain suggestions; and, if you take away medical education from the hands of the University Grants Commission, I do not know whether medical education will ever be improved in this country.

The greatest amount of work which the University Grants Commission has to do is to improve the standards in humanities, in science and in technology. I hope, while appointing the staff under the University Grants Commission, we shall have the services of experts, those who have intimate knowledge of education in the different branches of arts, sciences and humanities and in different kinds of engineering. It is not very easy to get men of that type. Probably, one man would not do and you will have to appoint a leader in each one of these and give him staff who will go on studying the subject all over the country.

For instance, take engineering education and technology. The standards of these is very low in this country. That is because the engineering colleges which we had in this country were only meant to turn out foremen and maintenance engineers. We never expected that they will turn out engineers who can design bridges or railways, a higher type of engineering which means design and execution. We have no post-graduate

courses in engineering in this country. As a matter of fact, there is no engineering research in this country except some work which was done by Sir M. Visweswarayya and that too probably half a century or three quarters of a century ago. The greatest difficulty will be to raise the standard of technical education in this country. Here, I feel that unless the University Grants Commission has got suitable staff under it, it cannot leave this matter entirely to the Universities. Engineering has been expanding very rapidly. As science progresses, new types of engineering follow. For instance, you had no communications engineering just 40 years ago; you had no refrigeration engineering a number of years ago. Now, you have atomic energy engineering also. For all this technical and engineering education, the country is very ill-prepared. Sometimes, you find the Central Government in a very funny position. It is asked by the country to undertake the production of some kind of engineers. They find out some kind of engineers to do supervision work of some scheme and that is very defective.

For example, I was reading about the formation of a Gas and Petroleum Technology Division. It has been formed by the Ministry of N.R. & S.R. This matter is being talked about for 7 years. I have told this country that the best way to form a good batch of technicians and scientists in the Gas Technology Division was to have a Central Geophysical Institute, because you cannot ask a man who has been trained as a geologist or trained as a physicist to take to this. This work was developed in America during the last war and even England, Germany and France have not been able to produce this type of technical engineers. It was only after the war that they had a Central Geo-Technological Institute and got together a team of experts who

can undertake this work. As a result of that, in France and Germany, where no oil was supposed to exist, now, as a result of prospecting they have got a good lot of oil. As a matter of fact, Prof. Ducoi—he is the head of the Scientific and Technological Division of the Government of France—told me that by using new methods they have obtained in the south of France almost as much oil as they need and that it will go on for several decades. Unfortunately, this principle of involving their own technologists has not been accepted by the Ministries. They are getting their geologists from here and there and they are getting experts from France and Germany and so on. They seem to think that they can so form a division which will do miracles in 5 or 6 years. I think this is an attitude which has to be very much decried.

I would give another example, the example of rain-making. Some experiments on rain-making have been tried during the war in America and Australia also. They have been going on making experiments on rain-making and without any result. But Britain is much more sagacious and wise. A division was started for rain-making. But the people said, 'we do not know the fundamentals of rain-making; first of all, give us something for carrying on experiments in the laboratory and after we are sure of our fundamentals, we shall carry on this work on a wider scale'. Unfortunately, the Ministers on the Government side say that they want to impress the country by performing miracles, miracles in atomic energy, in petroleum technology and in everything, and they are being guided by one or two ambitious scientists, who lead the Government on wrong lines. I think this ought to be stopped. Science is a matter of many minds; there is no such thing as super genius in science. A scientist very good in one subject may be an absolute fool in another subject. If technology and science is

to be improved in this country, we have to organise the scientists, we have to take the brains of many people and evolve a method for applying science to this country. I think the University Grants Commission has a very great function to perform and unless they appoint the right type of men who can guide the country, this Commission would not ever work and it will simply be an appendage of the Education Ministry.

I would very much like to impress upon the framers of this University Grants Commission Bill that whatever defects we have discovered in this Bill should be remedied by the rules which they frame, in the appointment of the men, in the powers which are to be given to men and also in the standard of the men who will be appointed.

**Shri T. N. Singh:** I do not know whether I can say a few words.

**Mr. Deputy-Speaker:** I have no objection provided the hon. Member finishes in two or three minutes.

**Shri T. N. Singh:** I will take only two minutes

I have a feeling that there are certain short-comings in the Bill and that probably we shall learn with time and improve upon them.

I have my own views in regard to the determination of standards by the Commission and I think it may be not quite desirable and it may not work well in practice. But, apart from that, I feel that whatever the measure, much depends upon the way it is worked. And, I have got one or two requests to make to the Government because it is on the conventions and the lead which the Government can give to this Commission much will depend. I feel that there is no sounder principle than the principle of the autonomy of the University. I want that to be jealously guarded. It must be protected if our future generation is to get the right education. I have my fears because the Universities which train so many of our young



[Shri T. N. Singh]

students have today become the hot-bed of political intrigue. To say that only some persons in the Congress are trying to influence the Universities is wrong because I feel that all kinds of political parties are having their finger in the pie. That must be prevented and it is essential to do so. I am saying this because I am one of those who hold that any Minister, whether in the States or at the Centre, holding a position in the executive administration of a University is wrong. I opposed it tooth and nail as I have my fears about it. And in two provinces this kind of thing is happening. This is tantamount to a political party interfering in University education. So I humbly appeal that it is the duty of us all, the public, the Government, the body which will shortly come into being and the political parties, to see that the autonomy of the Universities is jealously guarded and maintained. I would like the Minister, when he replies, at least to touch upon this aspect in a firm manner so that he may see by the method of convention that nobody who is connected with the Government or very actively connected with any political parties is allowed to interfere with the autonomy of the Universities.

**Shri Barman** (North Bengal—Reserved—Sch. Castes): May I also say a few words in welcoming this measure? It is my feeling—I do not know whether I am correct—that so long the Central Government has had no say in the matter of Universities excepting the Universities administered by the Centre. This is a measure which gives responsibility as well as power to the Central Government for having a say in the matter of university education all over the country, and I think this is necessary. On this Commission, apart from the University representatives, there will be Central Government servants or officers of the Government of India. By this way there will be co-ordination between the efforts of

the universities in the matter of academic standards and other things and it will be the responsibility of the Central Government to build up the nation through the Universities. There is a saying that he who pays the piper has a right to call the tune. There is a complaint throughout the country that the standard of teaching that obtains in the different parts of the country is not only different but that it does not give the result that the nation wants in building the future of this country. The Central Government is now being associated with the powers of the purse that will be disbursed to the various Universities in India, and I hope that by getting this power, the Central Government will direct and promote the policy which the nation wants so that the Universities of all parts of India will turn out youths as desired by the nation. They shall not only consider the academic side of the University products but also the moral side and they will frame their policy along with the co-operation of the Universities in such a way that the desired results may be had from the Universities. I welcome this Bill.

**Dr. M. M. Das:** I am extremely grateful to the hon. Members of this House for the support that they have given to this measure. There has been some difference of opinion about some clauses, but we think that on the whole this measure has received blessings from all quarters of the House.

More than 20 hours of the precious time of this House have been spent in a detailed and threadbare discussion of this measure and I dare say that these discussions have not only expressed the great concern that is felt by hon. Members for improving the university education in this country, but they have also proved to be immensely beneficial and profitable both to the Government of India and to the University Grants Commission. I can assure the House that the views that have been expressed by hon.

Members on the floor of this House and the suggestions that have been put forward by them will be given serious consideration both by the Government of India in formulating their policies and by the University Grants Commission in the implementation of those policies.

The idea of having a University Grants Commission first occurred to the Central Advisory Board of Education in the year 1944, but it was the University Education Commission, that is, the Radhakrishnan Commission that convinced the Government of India of the absolute necessity of creating a body like the University Grants Commission with wide powers so that they may be able to look after the higher education in this country. The unco-ordinated and irregular development of the Universities resulting in unnecessary duplication and overlapping and consequent waste in resources on the one hand and the low standard of teaching, low standard of examinations and research on the other, perturbed the Radhakrishnan Commission and they recommended the establishment of a body such as the University Grants Commission. The necessity of a body like this can never be over-emphasised. The very fact that thousands of our young students and young men have to go abroad every year for higher studies is an insult to the prestige of India as a free nation. Not only in subjects of science and technology in which the West is far ahead of us, but also in humanities, education is not considered in this country to be complete without a foreign degree and the degrees of our own Universities are considered by ourselves to be inferior to those of foreign Universities.

**Shri V. P. Nayar:** Not by us.

**Dr. M. M. Das:** Even the Research degrees, Ph.D., Doctorate and others of Indian Universities are considered by our people as much inferior to the ordinary Master's degree of foreign Universities.

**Shri Meghnad Saha:** May I interrupt for a moment? Many of the big educationists and scientists of this country had no foreign education or degrees. Sir C. V. Raman had no foreign education or degrees; Dr. K. S. Krishnan had no such degrees; and if you consider me a scientist, I have no foreign degrees; the same is the case with Shri Jadunath Sircar.

**Dr. M. M. Das:** These are the exceptions proving the rule. I am not saying that without foreign education no man can rise to greatness. That is not my point, but I am only saying that foreign degrees....

**Mr. Deputy-Speaker:** What Dr. Das means is that the education that we receive in this country is itself foreign education!

**Dr. M. M. Das:** More importance is attached to foreign degrees than to our own degrees in this country.

**Shri Meghnad Saha:** He is acting under an illusion.

**Dr. M. M. Das:** I have seen doctors receiving M.D. degrees here, going to England for M.R.C.P. etc.

**Shri Meghnad Saha:** If I may say so, foreign degrees may be banned by an Act of Parliament. I met a number of Japanese students going to foreign countries and I asked them whether they had come there to take foreign degrees and they said, "if we take any foreign degrees, our scholarships will be stopped, and we are not allowed by law to accept any foreign degrees; we have come here only for study and not for taking our degrees."

**Dr. M. M. Das:** A great injustice will be done to me if hon. Members think that I want that our students should go to foreign countries and get degrees. That is what I do not want. I have already stated that sending Indian students abroad for higher studies and for specialised training is an insult to our national prestige.

**Shri Meghnad Saha:** Then, let him prevent it by an Act of Parliament.

**Dr. M. M. Das:** I have already stated that it is an insult to our prestige. It is because we have permitted our universities to lower their standard. The future of our country depends on our universities. The statesmen of the coming generation who will have to shoulder the burdens of this States; the administrators who have to tackle thousand and one problems of millions of our people; the engineers and technologists, who will have to man our growing industries, will be the products of our own universities. We cannot afford to send every year thousands of our students to foreign countries for specialised training. That is a blot upon our universities; it is an insult to our national prestige. We have, therefore, to build up our universities so that they may be equal to the task which they will be called upon to perform in the immediate future.

The establishment of the Grants Commission is a true step towards the reconstruction of our universities, if I may be permitted to use that word 'reconstruction'. Viewed from that angle, the present legislation which this House will pass within a few minutes is one of the most important legislations that the Union Parliament has passed upto this date. It is a measure which is designed to play a vital role in building up the future of our country. Let us hope that the Commission which is going to be set up under this statute will realise its responsibility and prove itself equal to the task which it will be called upon to undertake. Let us not anticipate the worst, and prejudice the future working of the Commission by unpleasant remarks. Let us have confidence in our universities; let us have faith in the eminent men and women—eminent in their status, eminent in the field of education—who will be the members of this body. I have not the least doubt in my mind that the Commission will

prove itself equal to the task which it will be called upon to perform in the immediate future and that the members will be able to discharge their responsibilities to the satisfaction of all concerned.

**Mr. Deputy-Speaker:** The question is:

"That the Bill, as amended, be passed."

*The motion was adopted.*

#### SECURITIES CONTRACTS (REGULATION) BILL, 1954

**The Minister of Finance (Shri C. D. Deshmukh):** I beg to move:

"That the Bill to prevent undesirable transactions in securities by regulating the business of dealing therein, by prohibiting options and by providing for certain other matters connected therewith, be referred to a Joint Committee of the Houses consisting of 45 members, 30 from this House, namely:—

1. Shri Chimanlal Chakubhai Shah, Shri Bhawanji A. Khimji, Shri Khushi Ram Sharma, Dr. Jayantilal Narbheram Parekh, Shri Shivram Rango Rane, Shri S. S. Natarajan, Shri C. P. Matthen, Shri C. R. Basappa, Shri R. P. Navatia, Shri Radhelal Vyas, Shri Bhupendra Nath Misra, Shri Swami Ramanand Shastri, Shri Sarju Prasad Misra, Choudhary Raghunath Singh, Shri Krishnacharya Joshi, Shri B. R. Bhagat, Shri Banarsi Prasad Jhunjhunwala, Shri Jagannath Kolay, Shri Lokesh Nath Mishra, Shri Tek Chand, Shri Ghamandi Lal Bansal, Shri Radheshyam Ramkumar Morarka, Shri U. M. Trivedi, Shri Tulsidas Kilachand, Shri M. S. Gurupadaswamy, Shri Jaswantraj Mehta, Shri Narayan Rao Waghmare, Shri Kamal Kumar Basu, Shri T. B. Vittal Rao and the Mover,

and 15 members from Rajya Sabha;

that in order to constitute a sitting of the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the 15th February, 1956;

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees will apply with such variations and modifications as the Speaker may make; and

that this House recommends to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of members to be appointed by Rajya Sabha to the Joint Committee."

The subject of stock exchange has had a long history. I do not, however, wish to dilate on the earlier history of this subject in the twenties and the thirties, except to make a passing reference to two successive committees, one presided over by Sir Wilfred Atlay, a former Chairman of the London Stock Exchange and the other by Mr. W. B. Morrison who was also connected with the London Stock Exchange. These committees carried out exhaustive enquiries into the affairs of the Bombay Stock Exchange in 1923 and 1937 respectively but for various reasons which it is unnecessary to recount here, their recommendations could not be fully implemented and did not, therefore, secure the objects which they sought to achieve.

Coming to more recent times, it was the post-war boom in the stock exchanges from the end of 1945 to the beginning of 1946 and its aftermath, which drew attention, once again, to the urgency of legislation for the regulation of stock exchanges and trading in securities in these exchanges and the then Economic Adviser of the

Ministry of Finance was directed to make a comprehensive study of this subject. His report was received in 1948, and in the same year an official committee of representatives of the Government of India, the Reserve Bank and the Government of Bombay was appointed to submit detailed proposals for legislation.

Among other issues, the committee was required to examine specifically the desirability of prohibiting forward transactions in the stock exchanges, of abolishing blank transfers subject to certain exceptions and of setting up clearing houses for the settlement of contracts—some of the major issues of stock exchange trading policy which have been the subject of much debate and controversy in the past.

The committee made several recommendations but took the general view that an essential pre-requisite for the introduction of reforms in stock exchange practice was the reform of Company Law and practice in several major directions. In 1951, another committee was informally set up to process the recommendations of the official committee and to prepare a draft Bill. Like their predecessors, this committee also considered it difficult to deal with the problem of blank transfers and other related issues of stock exchange trading policy, in the absence of certain conditions and institutional changes which they considered basic to any proposal for reforms in these matters.

A further committee under the chairmanship of Shri A. D. Gorwalla and including the Presidents of the important stock exchanges, representatives of banking and insurance and of share-holders and accountants was set up later in the year and was required to furnish a revised draft of the Bill which the informal committee of 1951 had prepared.

**Shri V. P. Nayar** (Chirayinkil): Who represented the share-holders? Is it Mr. Kapadia?

**Shri C. D. Deshmukh:** The hon. Member will find it from a reference

[Shri C. D. Deshmukh]

to the report of the committee which I hope is available.

2 P.M.

The present Bill now before the House is largely based on the recommendations of the Gorwalla committee and the draft prepared by it. The report of this Committee and the revised draft Bill prepared were circulated to the principal stock exchanges, chambers of commerce and other interested associations and individuals. The comments received from these bodies and individuals have since been studied and analysed in the Finance Ministry, and have been taken into account in the preparation of this Bill. The present Bill now before the House is thus largely based on the recommendations of the Gorwalla Committee and the draft Bill prepared by it subject to modifications relating to a few important points in respect of which the Government have either considered it necessary to deviate from the recommendations of this Committee or to defer action in the light of the comments and criticisms which they received from individuals and associations. I think it will be reasonable to claim that, in its present form, the Bill now before the House represents the largest common measure of agreement among all those who are likely to be directly concerned with it, including the more enlightened of the stock exchanges and the recognised organisations of trade and industry.

I trust hon. Members will bear with me if I make a few general observations about the scope and functions of a well-organised and efficient securities market, before I proceed to explain the basic principal underlying this piece of legislation. It may be a useful introduction to my comments on the provisions of the Bill which will just follow, but I do not wish to say much on these general issues, as I have had prepared and circulated a short technical note with a glossary of technical terms to the hon. Members on the general role of stock ex-

changes in the economy of a country with particular reference to the more important of their trading policies and practices in this country. The economic services which a well constituted and efficiently run securities market can render to a country with a large private sector operating under the normal incentives and impulses of private enterprise are considerable. In the first place, it is only an organised securities market which can provide sufficient marketability and price continuity for shares so necessary for the needs of investors. Secondly, it is only such a market which can provide a reasonable measure of safety and fair dealing in the buying and selling of securities. Thirdly, through the inter-play of demand for and supply of securities, a properly organised stock exchange assists in a reasonably correct evaluation of securities in terms of their real worth. Lastly, through such evaluation of securities the stock exchange helps in the orderly flow and distribution of savings, as between different types of competitive investments.

These services can, however, be rendered by a securities market only if, as I have stressed, it is properly constituted and organised. Sceptics may argue that it is impossible for any securities market to function properly because of the undesirable activities of speculators, and yet genuine speculation, which is based on a reasoned forecast of the real value of the investments, represented by the securities which are dealt with on the exchanges, performs a very important function. No stock exchange can operate purely on the basis of investment buying or selling, because 'pure' investors in that sense are necessarily few in number and usually possess very limited resources. They cannot provide the requisite volume or continuity of business, which alone would enable a large number of buyers and sellers to trade at all times in the exchanges and to bring about an adjustment of the relative values of the securities in which they trade, in con-

formity with their real worth. It is the buying and selling of securities on a large scale on the basis of reasoned forecasts which alone can give the necessary breadth and continuity to the market. Informed speculation, which takes a reasonable view of future prospects and thus brings about an appropriate adjustment of security values, thus helps not only in the channeling of savings into the most productive lines but also attracts new savings for investment into particular classes of securities. Too often, unfortunately, speculation in shares and scripes is not based on any reasoned calculation of the prospects of a company, and comes very close to gambling. The basic object of stock exchange reform is, therefore, to regulate speculative activities so that they may not degenerate into gambling. It is not the object of such a reform to interfere with investment buying or selling or even with legitimate speculation as long as it conforms to the rules of the game. It is with this object in view that the Bill now before the House has been framed. The main principles underlying it are these:

Firstly, all existing and future stock exchanges will need to be recognised by the Central Government. Clause 4 lays down the conditions for the grant of such recognition and the procedure which should be followed in dealing with applications for recognition.

Secondly, the Central Government should have adequate power to regulate the constitution and organisation of the stock exchanges, but this power is not to be exercised except in consultation with the governing bodies of the stock exchanges concerned. These powers are intended to enable the Central Government to exercise a measure of external control over the activities of stock exchanges through the control over their constitution and regulation without interfering with their structural autonomy.

Thirdly, while every recognised stock exchange would be free to make

or amend its bye-laws for the regulation and control of securities, subject to the approval of the Central Government, power is taken to make or amend these bye-laws under clauses 8, 9 and 10, but before the Central Government can exercise this power, it is required to consult stock exchanges in general or the governing body of a particular stock exchange, as the case may be, and also to record the reasons for making or amending the bye-law or bye-laws. As a further safeguard, it is provided that in all such cases a statement containing the Central Government's reasons for making or amending the bye-laws should be published in the official gazette.

Fourthly, in order to deal with abnormal and extraordinary situations which may develop in the stock exchanges from time to time, power is taken under clauses 11 and 12 to suspend the business of a stock exchange, to institute enquiries into its affairs generally or in respect of particular matters, or supersede a governing body or to appoint a governing body when it is considered essential to do so in any special case, or to withdraw recognition given to a stock exchange. These clauses provide that such power shall be exercised only in the interest of trade or in the public interest, and only after the governing body of the stock exchange concerned has had an opportunity to show cause against the action proposed by the Central Government. The reasons for the use of such power should also be published in the official gazette.

Fifthly, as regards the nature of the business to be carried on in the stock exchanges, clauses 13 to 19 provide, among other things, that no "ready delivery" and "futures" contracts in securities should be entered into otherwise than between members of a recognised stock exchange or through or with such members.

The object of this provision is to ensure effective control over these activities by requiring them to be carried on only in such recognised

[Shri C. D. Dehmukh]

institutions. Then, the principal to principal contracts in securities, except between members of a recognised Stock Exchange, should be forbidden and no member of a Stock Exchange shall be permitted to enter into contracts as a principal except with the consent of his clients.

Further, in areas outside the jurisdiction of recognised Stock Exchanges all dealers in securities must be licensed on the lines of clause 1 of the Prevention of the Fraud (Investments) Act, 1939, in the United Kingdom. Certain exemptions from this rule are to be allowed in special cases.

Further, certain securities may be notified in which dealings would be permitted only subject to such conditions as the Central Government may prescribe. This power, would not, however, be exercised except after consultation with the Governing body of the Stock Exchange concerned.

Lastly, dealings in options in securities should be prohibited.

While the main principles underlying the proposed legislation are those that I have briefly summarised. I would refer to two or three other important provisions of a general nature which would be of considerable interest to the House. I refer to the Central Government's power to compel listing of securities by some public companies and the right of appeal granted to a company which has been refused a quotation on the Stock Exchanges. As hon. Members are aware, listing is not only of great advantage to an investor and to a company whose shares are included in the list of securities in which trading is permitted by a Stock Exchange, but also provide a valuable indirect check and safeguard against manipulations. Clause 20 provides that the Central Government should have the power to compel any public company as defined in the Indian Companies Act to have its shares, bonds, debentures and other marke-

table securities to be admitted to dealings on a recognised Stock Exchange by requiring it to fulfil any conditions that may be prescribed in this behalf by the Stock Exchange concerned.

In clause 21, a right of appeal is conferred on any public company which has been refused a quotation of shares, bonds, debentures etc, by a recognised Stock Exchange. Clause 26 of the Bill provides that it shall be lawful for the registered shareholders of a security to retain any dividend payable thereon and any bonus or other rights unless the person to whom he sold the security gets it registered in his own name, within a reasonable period from the date on which the dividend becomes payable. This, one hopes, will be a useful indirect curb on improper transfers of shares, particularly on blanks and will assist us in controlling the lists resulting from such transfers which we have worked out the details of the positive measures which we have in view.

Hon. Members will notice that what we have thus attempted to provide in the Bill in a general system and apparatus of control, without detailed or meticulous regulatory provisions relating to any specific matters. In particular, we have not proposed to make any statutory provisions for those reforms in Stock Exchange trading methods and practices which have been the subject of so much controversy in the past and still continue to be the source of argument and debate. As power is taken in the proposed legislation to make or direct the making of suitable bye-laws to deal with them, as soon as conditions necessary for their introduction and enforcement have been created, detailed regulations on these subjects have been deliberately left over to be made at a later stage, in the light of the administrative and institutional changes which would be needed to deal effectively with the problems connected with them. The more important of these issues relate,

among others, to blank transfers, budlas or carry over facilities, the enforcement of 'margins' and the establishment of clearing houses and they have been explained in the technical notes that I have referred to and which have been circulated to hon. Members. It is true that both the Atlay and the Morrison Committees in the nineteen-twenties and thirties made many recommendations as to the rules and bye-laws of the Bombay Stock Exchange relating to these matters, but all these recommendations were contingent on the adoption of other measures which were simultaneously recommended by them. Since these other measures were not adopted, necessarily, the recommendations made by these Committees could not be implemented. The findings of the various official and informal committees which went into this subject in recent years were also similar. This shows the basic difficulty of making any major changes in the existing methods and practices in the Stock Exchanges, until the pre-conditions necessary for the successful implementation of these recommendations have been created. The broad philosophy underlying the scheme of the present Bill is that the problems of Stock Exchange trading policy and practices cannot be effectively dealt with until a common framework regulating and standardising Stock Exchange practices all over India has been provided by Central legislation, and till the relevant statute has conferred the requisite powers on Government, to enforce the conditions necessary for the successful working of the operative bye-laws. It will be one of the first tasks of the department entrusted with the responsibility for the administration of this measure to initiate such organisational changes in the set-up of the existing Stock Exchanges and to promote those institutional developments relating to their working as constitute the essential pre-requisite to the introduction of these basic reforms in the trading practices which have often been agitated in the past but on which some further detailed

constructive work, I am afraid, yet remains to be done. I can assure hon. Members that these preliminary steps are very much in my mind and I propose to initiate informal discussions between the representatives of the Stock Exchanges and my departmental officers in the very near future.

I shall now say a word about the administrative set-up which we propose for the working of the Stock Exchange legislation. As many hon. Members are aware, the Gorwala Committee recommended the creation of a Stock Exchange Commission, a recommendation to which strong objection was taken not only by all the Stock Exchanges in this country but by most of the leading chambers of commerce and other trade associations. The fear was expressed that the creation of a top-heavy organisation like the one recommended by that Committee would destroy the internal autonomy of the Exchanges and weaken the system of control envisaged in the Bill by the dispersal of authority and responsibility over multiple agencies, that is to say, the Central Government, the Stock Exchange Commission and the State Governments. The Government recognised that there is force in this contention and that much the better course would be to strengthen and streamline the existing departmental organisations which we have already, instead of adding new structures outside them which would not only complicate the problems of administrative co-ordination and responsibility but will also make such calls on our very limited supply of specialised man-power as we know by experience we shall be unable to meet. I, therefore, propose to reinforce the new Department of Company Law Administration in the Ministry of Finance which has been entrusted with responsibility for matters relating to Stock Exchanges and to set up a special directorate in it, consisting of a nucleus of people with specialised knowledge of Stock Exchange methods and practices. It is my inten-



[Shri C. D. Dehmukh]

tion in due course to associate with this Department a standing advisory council consisting of representatives of principal stock exchanges of trade and industry and of those institutions which are closely connected with the working of joint stock companies, the stock exchanges and the money market. If necessary, at a later stage, we may also consider the desirability of associating with the stock exchanges also suitably constituted local advisory councils. I trust the administrative organisation which I have in mind will go far to dispel the fears and suspicion which were expressed strongly sometime ago about the proposed organisation being too top-heavy or overweighted.

Sir, I think I have said enough to indicate the broad lines on which the present Bill has been conceived and the objects which it seeks to achieve. The present seems to be an opportune moment; indeed the time seems to be ripe for it—for considering a legislation of the type I have outlined for the reform of the stock exchanges on an all-India basis. The recent passing into law of the comprehensive Companies Bill is expected to introduce far-reaching changes in the structure and working of joint stock companies in this country and over the years to standardise company management in a large segment of the organised private sector. The reform of our stock exchange law will be an essential complementary measure which in its turn will further help to standardise the behaviour and pattern of the private sector. It is my hope that in the fullness of time we will succeed in building up an administrative set-up strong and competent enough to discharge with understanding, wisdom and vigour the new duties and responsibilities entrusted to it. The two measures between them will go far to create those basic conditions on which alone, I venture to think, the edifice of a sound and revitalised private sector can be built up duly informed with the assumptions and

postulates of our socio-economic policy, such as will enable it to play its dynamic role in the future pattern of society which we have chosen to adopt.

**Mr. Deputy-Speaker:** Motion moved:

"That the Bill to prevent undesirable transactions in securities by regulating the business of dealing therein, by prohibiting options and by providing for certain other matters connected therewith, be referred to a Joint Committee of the Houses consisting of 45 members, 30 from this House, namely:

Shri Chimanlal Chakubhai Shah, Shri Bhawanji A. Khimji, Shri Kushi Ram Sharma, Dr. Jayantilal Narbheram Parekh, Shri Shivram Rango Nane, Shri S. S. Natarajan, Shri C. P. Matthen, Shri C. R. Basappa, Shri R. P. Navatia, Shri Radhelal Vyas, Shri Bhupendra Nath Misra, Swami Ramanand Shastri, Shri Sarju Prasad Misra, Choudhury Raghubir Singh, Shri Krishnacharya Joshi, Shri B. R. Bhagat, Shri Banarsi Prasad Jhunjunwala, Shri Jaganath Kolay, Shri Lokesh Nath Mishra, Shri Tek Chand, Shri Ghamandi Lal Bansal, Shri Radheshyam Ramkumar Morarka, Shri U. M. Trivedi, Shri Tulsidas Kilachand, Shri M. S. Gurupadaswamy, Shri Jaswantraj Mehta, Shri Narayana Rao Waghmare, Shri Kamal Kumar Basu, Shri T. B. Vittal Rao, and the Mover, and 15 members from Rajya Sabha;

that in order to constitute a sitting of the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the 15th February, 1956;

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees:

will apply such variations and modifications as the Speaker may make; and

that this House recommends to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of members to be appointed by Rajya Sabha to the Joint Committee."

I would like to inform the House that hon. Members who are not Members of the Joint Committee will be given priority. Of course, if there is still some time, I will call upon other hon. Members.

**Shri V. P. Nayar:** (Chirayinkil) Even after listening very intently to the speech of the hon. Mover, I think that some of us—and that some of us might include you also Sir,—still remain ignorant of what matters this Bill attempts to deal with. It is a very very difficult matter, I know, and the hon. Finance Minister has helped us by a note on some of the words which we are not familiar with. For example, when ordinarily a man comes and asks me what is a "mandi", I would only say that I know a mandi and that is the "subji mandi".

**Shri C. D. Deshmukh:** It is pronounced as "mandhi".

**Shri V. P. Nayar:** But it is written here as "mandi".

**Mr. Deputy-Speaker:** It is "mandi" as opposed to "teji".

**Shri V. P. Nayar:** Our difficulty is that it relates to certain matters with which we are not familiar. I happen to have no personal knowledge about the operations of stock market nor do I expect even the Deputy-Speaker to have any such knowledge.

**Mr. Deputy-Speaker:** Order, order. I do not claim universal knowledge of all this, but I would urge upon hon. Members not to refer to the knowledge or otherwise of the Speaker or the Deputy-Speaker, because it is embarrassing. It is not as if everybody knows everything in the

world and some study will be necessary. If you do not know, say, "I do not know". I may or may not know, but it is wrong to refer to it. In future no reference shall be made either for or against the Speaker with respect to any matter in the House.

**Shri V. P. Nayar:** I beg your pardon if I have....

**Mr. Deputy-Speaker:** There is no harm in any hon. Member saying "I do not know"; then the hon. Minister will get up and say, "the hon. Member must have read this and that; or he must have gone to the stock market" and so on. But it is no good referring to the Speaker or the Deputy-Speaker or whoever may be in the Chair and saying "you yourself do not know". I know some of these things.

**Shri V. P. Nayar:** I am very sorry, if I have offended you, but....

**Mr. Deputy-Speaker:** This is only for the future guidance of hon. Members.

**Shri V. P. Nayar:** I shall have it for my future guidance and I shall never again say that the Chairman is ignorant. All the world over we know that the stock markets register a buoyancy when there is the slightest war scare and we also know that this buoyancy just melts away, evaporates the moment they hear about any possibility of peace. But I do not think that as a country's barometer to gauge the effects either outside or inside, this is at all a useful institution. It is, on the other hand a crude and shall I say a cruel mechanism of "mammon worship". Who are the members of the stock market? It is not the ordinary people who take a real interest in the stock market. It is a set of speculators. The word "speculator" is very carefully avoided by this Bill. I did not know the definition of the word "speculator" as it was applied in business and I was looking up the Oxford Dictionary. There, a speculator is defined as 'one who engages in buying and selling of commodities etc. in order to profit by a rise and fall in their market value..

[Shri V. P. Nayar]

i.e. indulge in a risk for reaping excessive profit. This is the type of people who are associating themselves with the stock market. We are considering this Bill in an entirely different context now. I know that there has been a committee appointed by Government. When the hon. Minister was referring to it as comprising of various interests including the interests of share-holders, I asked him the question as to who represented the share-holders' interests and he referred me back to the report of the committee. I find in this Ministry of Finance's Resolution dated 23rd June, 1951 under which this committee was appointed a list of 10 persons beginning from Mr. A. D. Gorwala to the Secretary of the Finance Department. There is no indication in it from which we can find out who represented the interests of the share-holders.

**Shri C. D. Deshmukh:** I could not make a reference while I was speaking. It was Mr. Jagmohan Das J. Kapadia who was a very well-known figure and who was the Secretary for many years of the Bombay Share-holders' Association, to which we referred during the course of the discussion on the Companies Bill.

**Shri V. P. Nayar:** I was asking him whether it was Mr. J. J. Kapadia, because I did not know the full name. Our difficulty is this. I have read through the report of the Committee under Shri Gorwala. There are some cases in which this report gives us an idea of what operation in the stock market really means. I shall come to it later. In 1951, when the Government had considered the desirability or necessity of controlling the stock market in some way as they thought fit, a Committee under the Chairmanship of Shri Gorwala was appointed. Up to that moment, what the Government says is correct. What was the context in which the Gorwala Committee was appointed? I well remember that in 1952 and 1953 the hon. Mover was several times repeating the words mixed economy. It was a con-

text when none of the Members opposite ever thought of or declared themselves as wedded to a socialistic pattern of society that the Gorwala Committee was appointed. The Committee has sent up a report. There is something very surprising. Committees are given a long time. Here, a committee was appointed and it was asked to meet in Bombay in a week, and they submit a report. It was entirely in different circumstances. Government had not at all thought of a socialistic pattern of society. I fail to understand the position of stock exchanges and their regulation in such a way then the Government, all their spokesmen, declare that they are wedded to the ushering in of a socialistic pattern of society. Are we to take it that by the control of stock exchanges in the manner which is envisaged in this present Bill that the Government are going to usher in an egalitarian society? I submit that this Bill does not at all deserve any consideration.

Stock markets, as we all know, are institutions of the monopolists, who always operate on the variations in the prices of securities, sometimes creating variations in the prices of securities, and always by such variations affecting the lives of hundreds of thousands of our producers. We know for certain that stock exchanges are used as straw by these monopolists to suck the life blood of our peasants and our producers. That is the institution which the Government, today, at the end of 1955, long after declaring themselves in favour of a socialistic pattern of society, come and tell us, is an institution which has to be regulated. Stock exchanges have to be regulated inside, outside and God knows where else. This is a very very strange matter. I do not find there is any justification at all for the continuance of stock markets in any way if,—and that is a big if—the Government are really wedded to the ushering in of a socialistic pattern of society. I cannot reconcile myself to this attitude because I do not believe

that a socialistic pattern of society is the result of certain regulations of stock markets where all the financial sharks operate. They say that there is a bullish tendency; there is a bearish tendency and all that. Very very true; so long as they are there, this is very natural.

I was trying to understand the position better and I found that there was a very remarkable passage in the publication of the Reserve Bank of India which gives us an idea of how the utterances of whisps of a Finance Minister would react in the stock markets, especially in the matter of securities. Here is the passage and I request you to bear with me for a minute. This gives a clear indication of how the stock market reacts.

**Mr. Deputy-Speaker:** He may read a passage, but not a whole statement.

**Shri V. P. Nayar:** Two or three sentences. This is from the Reserve Bank's report for October, 1955, page 1065:

"On the Bombay stock exchange, the bearish tendency in industrials noticed towards the close of August continued during the earlier part of September. This reflected mainly the market's reaction to the proceedings of the All-India Congress Committee at its session held at New Delhi early in September...."

I do not want to read the whole passage as you have directed. Here is a passage where we have a particular reference to the Finance Minister:

"The downward trend was arrested from the 9th and a steadier tone emerged on a revival of support at the lower levels, aided by reports (since officially denied on the 17th) of a statement made by the Finance Minister, at a meeting of the Planning Committee of the Congress Parliamentary Party held on September 15, that there was no likelihood of the tax burden being increased....etc."

ber 15, that there was no likelihood of the tax burden being increased....etc."

A whisper of the Finance Minister or a statement here by a Parliamentary secretary or some article contributed by the Deputy Minister of Finance is able to make its repercussions felt on the stock markets and they act instantly. It may be bullish or bearish; I do not know which is which. But, the fact remains that such declarations have always been felt by the stock exchanges because they happen to be controlled by a set of people to whom such matters are very important. They have to spread their tentacles throughout the country. These stock exchanges function as the most sensitive of the sensory organs of the monopoly capitalists of India as you find in every capitalist country.

Let us look at the observations made by the special committee. That also gives us an indication of what speculation means. I am referring to the report of Shri Gorwala where he says,—I am quoting from the first page of the report which gives us an idea of why these undesirable transactions are to be prohibited. Is there any desirable speculation? That is the simple question which I want the Finance Minister to answer.

**Shri C. D. Deshmukh:** Yes.

**Shri V. P. Nayar:** It is very good that there are. We cannot subscribe to that view so long as speculation is there. So long as on that speculation depend the lives of several hundreds of thousands of our people who produce, we do not consider that speculation....

**Shri C. D. Deshmukh:** Speculation means intelligent or unintelligent anticipation.

**Shri V. P. Nayar:** Of the sharks. The Oxford Dictionary defines it in another way. It says that if I get excessive profits in view of taking risk, that is speculation in monetary

[Shri V. P. Nayar]

transactions. That is the ordinary meaning in which we have taken it. Now, the Gorwala Committee says:

"There are those who buy shares to invest or sell shares for ready cash. It is the interests of these that must be kept constantly mind...."

Not the interests of you and me or the people—I am sorry—interests of the people who sell or buy shares for specific reasons:

"....since it is for them primarily that the stock exchange exists."

As correct as I stated.

"There are also those who buy in the hope to sell at a profit or sell in the hope to buy at a profit."

All this is very difficult for us to understand. The Gorwala Committee says:

"In popular language, they are speculators as distinguished from genuine investors, though the two groups of course are by no means mutually exclusive; for, by way of an example, a man who has bought to invest may later persuade himself to sell to make a profit. Nevertheless, the existence of a body of speculators is one of the main features of almost all the stock exchanges with which we are concerned."

If the hon. Finance Minister's case is that when we are having a very ambitious Five Year Plan, with the prospect of enlarging our public sector when the Government proclaims from all places through all its spokesmen that we are shortly to have a socialistic pattern of society, if this speculation is to be allowed and given the force of law, then, I have no more comments to make.

**Mr. Deputy-Speaker:** He started by saying that mere investment by persons who have got some surplus money alone is not enough for the

private sector. He said that this is no good and speculation is necessary. Excessive speculation has to be prevented. That is the object of the Bill. Otherwise, if the Bill is thrown out, even this curtailment will not be there.

**Shri V. P. Nayar:** I am coming to that. I am giving other suggestions for that.

It reminds me of a parallel. The hon. Minister says that it is desirable. In so far as the acts of thieves and robbers are concerned, there is also a good aspect. A thief does not ordinarily come to my house, because he knows that he has first to put something in the house so that he can later on have satisfaction that he has stolen. There is nothing left. He goes to a rich man's house and takes away something. In fact, a portion of that goes to other people. Are we prepared....

**Mr. Deputy-Speaker:** If thieving is done on a large scale and useful in part to the community, I think that also will be regulated.

**Shri V. P. Nayar:** If you will bear with me, I will be able to show....

**Mr. Deputy-Speaker:** The English language is sufficiently rich. Any kind of analogy can be drawn. We are in practical politics..

**Shri V. P. Nayar:** I am coming to the practical aspect. I never said thieving is good or robbery is good. I said there could be an interpretation, there could be a thought that a particular act in thieving is good. Thieves do not happen to be the majority in India but thieves who take what the rich possess and distribute it among the poor may be considered to do a little bit of service in at least levelling down. Are we prepared to amend the Penal Code in sections 379 and 380 and say that hereafter thieving is considered to be advantageous in a certain measure? Therefore, there shall be a licence to thieve at

night but not during day time. That is regulation of thieving, is that not so?

Suppose a robber is told: "Robbery is sometimes good, because you go to the house of rich and distribute what they have got to the poor, but please note that the law prevents you from robbing from morning till dusk." Then, robbery is regulated. Is that good?

This speculation in Stock Market is robbery of a worse kind. The operations in the stock market are not merely robbery, but something more. It is making the entire people suffer on speculative prices, on the varying prices of securities, and you do not find in the stock markets people who do only stock market business. There are all these industrial combines and financial barons. They are all entrenched in every stock market and there is a vertical monopoly and there is a horizontal monopoly, and the stock market always is an appendage or tentacle to make more profit. This is a fact.

If the hon. Finance Minister gets up and says: "Look here, if we do not have this legislation, they will have no control. If we do not at least control them in this way, then what is the fate?", then my answer will be different. We must wipe out these nefarious deals on the stock markets, and for this purpose at the earliest possible time take an opportunity to completely liquidate these stock markets which are so very harmful to the country's interests, provided—and that provided is also very important—we have an eye to march forward to a socialistic pattern of society.

It is not a very simple matter. If I am given this Bill and then asked: "will you have this because it contains at least certain restrictive provisions and gives Government certain powers?", then I will say: "If it is not possible for me to get anything at all, I might try to discuss it in the Select Committee." That is a diffe-

rent matter. But in this context, my submission is that there is no purpose served if we are controlling these stock markets by a regulation here restricting their internal autonomy or a regulation there by imposing certain restrictions on futures.

From the memorandum on delegated legislation you will find....

**Shri C. D. Deshmukh:** I would like to ask a question of the hon. Member, whether he has read this technical note on stock exchanges, their conventions and practices. No use showing it to me. Has the hon. Member read it?

**Shri V. P. Nayar:** I have, I have read and understood the English of it, but I have not understood the technicalities of it because, as you will appreciate, it is not a matter in which a man can be an expert. That is why I said I share my ignorance with so many other Members here.

**Mr. Deputy-Speaker:** What is the object of speaking then? What is the hon. Member contributing?

**Shri V. P. Nayar:** We are not having a clause by clause discussion. We are having a general discussion.

**Mr. Deputy-Speaker:** If he is not able to understand what exactly is meant, the technical terms and expressions and how it works, and knows only the English of it, I think I will ask other hon. Members who know something about the subject to speak. After all, three hours ought not to be the monopoly of any hon. Member....

**Shri V. P. Nayar:** I do not want to monopolise.

**Mr. Deputy-Speaker:** Who cannot contribute anything.

**Shri V. P. Nayar:** I have certain doubts.

**Mr. Deputy-Speaker:** It is one thing to say that there should be no kind of speculation....

**Shri V. P. Nayar:** My only object is that whatever be the restrictions imposed on the speculative trade or speculation in the prices of securities, unless they are completely done away with....

**Mr. Deputy-Speaker:** That is a different matter.

**Shri V. P. Nayar:** And in that context, we do not require this Bill but we require a different Bill.

Then, in this Bill as I have been able to find, the object set forth by the Mover is only to give a shape to the basic concepts as you see them in the Gorwala Committee Report. The ideas of the Gorwala Committee Report have been borrowed or have been taken and put in proper shape in these clauses.

There is also another reference to the United Kingdom Act of 1939, apart from the Gorwala Committee Report, whose provisions are broadly followed in this Bill. We must remember that this United Kingdom Act was not brought forward with the concept of an egalitarian society at all. It is an Act of 1939 and we know what the economy of Britain in 1939 was, even today is. Even in that Act the offender is punished with an imprisonment for two years and a fine of £500, while, on the other hand, my friend Shri Deshmukh finds it convenient only to prescribe punishment for one year without any stipulation about fine. Is that not correct? The U.K. Act reads: "to imprisonment for a term not exceeding two years or to fine not exceeding £500"—that is the punishment for any infringement of that Act, while we on the morning of a socialistic pattern of society say that these offenders shall be punished with only one year without any monetary commitments.

There is also this aspect. It is very clearly stated in the Gorwala Committee report:

"The man who has both knowledge and money but seeks to manoeuvre the market, instead of confining himself to the legitimate function of speculation is a menace to the market, the investor and the public at large. The man who has neither money nor knowledge, but still speculates is not only a menace but also a misfit. He ought never to have speculated.

Speculation, then, has a place in the organised marketing of shares...."

I fail to understand the logic of it. In the context in which we are living today....

**Shri C. D. Deshmukh:** In clause 22 there is fine also. Imprisonment is one year.

**Shri V. P. Nayar:** We cannot go into such details in the general discussion.

**Mr. Deputy-Speaker:** The hon. Member was saying there was no monetary stipulation. There is imprisonment or fine or both.

**Shri V. P. Nayar:** Is that any stipulation? It may be one rupee, it may be two rupees. Even in the U.K. Act which was brought forward in the year 1939 there is a provision for two years imprisonment and a fine of £500. In 1955—I am sorry I have to repeat it—many months after the Congress Government have declared themselves in favour of a socialistic pattern of society, this is what we are doing. And who are the offenders? It is not the common people who infringe the law in securities. They are all very studied people, they are all sharks waiting to have their prey and trying to monopolise the market in order to swell their profits, spreading out their tentacles from their monopolistic position into all branches of our economy. Of such people why should we take a lenient view?

**Shri C. D. Deshmukh:** Will the hon. Member read the U.K. section?

**Shri V. P. Nayar:**

"Any person who contravenes this section shall be liable, on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine not exceeding five hundred pounds".

**Shri C. D. Deshmukh:** So, what is the hon. Member's complaint? "Not exceeding" puts a ceiling on the fine, whereas if we say "fine", is unlimited fine.

**Shri V. P. Nayar:** But what is the power of the court to fine? Has the hon. Minister any idea?

**Shri C. D. Deshmukh:** It depends on the court before which it goes.

**Shri V. P. Nayar:** It is fortunate that Mr. Deshmukh did not practise law! Does he know that the courts can impose fines only consistent with certain provisions of the Criminal Procedure Code? That was not my main objection.

**Mr. Deputy-Speaker:** I thought there was a restriction on the powers of imprisonment. Is there restriction on fine also?

**Shri V. P. Nayar:** Oh Yes. I am, in fact, touching that point.

**Pandit Thakur Das Bhargava:** On the amount of fine to be imposed, there is a restriction in respect of certain classes of magistrates.

**Shri V. P. Nayar:** There is. Even that was not my point. There is a restriction. A magistrate of the third class cannot impose a fine of Rs. 1½ lakhs. The point is not that. Even if you fine Rs. 100,000 they will pay the next day as you found recently in the case of a big man for an ordinary bail in a magistrate's court people were there to offer Rs. 2 crores as security, but that is not the point. Even in the matter of imprisonment, when the U.K. Act prescribes for an offence under it an imprisonment extending to a period

up to two years, we find that our Bill in 1955 prescribes only a year, which is fantastic nonsense, if nothing else.

In conclusion, I would particularly like to draw your attention to certain observation made in an article entitled 'The Regulation of Stock Exchanges' in the *Eastern Economist*. The views expressed in that article are not my views, nor are they the views of any of the Members sitting on this side of the House; they are probably the views of gentlemen like Shri Tulsidas or some other big businessman, whom the paper represents. In regard to this Bill, this is what the *Eastern Economist* says:

"The Bill leaves an escape way which can be employed successfully to thwart the jurisdiction of the stock exchanges. For example, clause 2 defines 'spot delivery contract'....".

It may be that this is only a particular point of view. But the fact remains that here is an example of that point of view. So, it is not merely that we on this side of the House object to it on the ground that it is very much lenient and it does not contain any drastic provisions to curtail the activities which result in a few people taking away all the cream of the profit, but even the capitalists oppose this Bill. The article I have referred to is an interesting one, but I do not want to go into it in any great detail.

My point in participating in this general discussion is only to bring to the notice of the Members of this House certain aspects of the operation of stock exchanges. In this context, when as the hon. Finance Minister himself has been saying at several places, the object of Government seems to be to bring in a socialistic pattern of society....

**Mr. Deputy-Speaker:** The hon. Member is repeating. He may conclude now.



**Shri V. P. Nayar:** I am concluding. I shall wind up my speech by putting a simple question to 'he hon. Finance Minister, namely whether it is through measures like this for regulating the stock exchanges, where there are no such regulations, or by imposing a few regulations on the periphery of the operation of stock exchanges, that the hon. Finance Minister or his Government propose to give us a socialistic order in the near future?

**Mr. Deputy-Speaker:** I find that there are no other Members who want to speak.

**Shri Morarka (Ganganagar—Jhunjhunu):** May I speak now? I did not want to speak earlier, because I am a Member of the Joint Committee.

**Mr. Deputy-Speaker:** Let me exhaust the other hon. Members first.... Since there are no others who want to speak, the hon. Member Shri Morarka may speak now.

**Shri V. P. Nayar:** That is why I took the liberty of speaking at some length.

**Shri Morarka:** I have listened with great care and attention to the speech made by Shri V. P. Nayar. When he began by saying that he did not understand anything of this Bill because it was very technical, I did not take him seriously, but as he proceeded with his speech, I found that I could entirely agree with what he said at the beginning. For even a person like Shri V. P. Nayar, who is so intelligent and who studies every aspect in such great details to come forward and say on the floor of the House that speculation is not necessary, that it should be banned and that it is in the interests of an egalitarian society that there should be no speculation or that there should be no stock exchanges at all is, I think, the limit of the ignorance of a man.

Speculation, in the words of a very eminent economist, is nothing but a struggle of intelligence against chances. So far as stock exchanges are concerned, they mainly deal with the

shares and bonds of joint stock companies and Government securities. The main thing that is very necessary even from the point of view of a small investor is the continuity of the prices and the liquidity i.e. easy marketability of the asset. If the assets or securities are not liquid, which means that they are not readily marketable, then the number of investors in those securities would be very small. And if the investors are few, then naturally the investment market or the corporate sector would not prosper properly in the country.

Now, the persons who do not actually have the shares to deliver, or those who do not actually intend to invest money and take delivery of the shares, are the persons who are called speculators. That is to say, they are the persons who neither have the goods to deliver on the due date of delivery, nor the intention actually to invest money by taking delivery of the shares. At the same time, these are the persons who are prepared to take the risk of the price fluctuation. They make an intelligent anticipation of the future. They anticipate what is going to happen, whether the prices of particular securities are going to rise or they are going to fall and so on, and in the light of those anticipations, they make their purchases or sales. They carry on these purchases or sales over a period of time, as long as they think that the time has not come either to buy or to sell or to square the transactions. It is these people who carry on the business on the stock exchanges. So, the total volume of business in any security which is quoted on the market is several times the actual number of shares.

I shall make my point clear by giving a concrete example. If in a company A, the total number of shares is only 500, and if the investors in those shares only are allowed to deal, then at the most only 500 investors can be there, who can buy or sell; that would mean that the market is

such securities would be fairly limited. If on the other hand badla transactions or some other such kind of transactions are allowed, then one person alone can buy 500 shares, or 1000 shares or 2000 shares or as many shares as he likes, and then on the day of settlement, he can either carry over, or settle by squaring the transaction by paying or reviving, the price difference, as the case may be. This type of speculation has great advantages. The main advantage is this. If at the stock exchanges the prices are quoted, the banks and other financial agencies who finance the purchase or sale of these shares even in the case of the genuine investors know about the investment position; they know what the prices of the securities in which the banks have invested their money are; they know that the securities are readily marketable, that is they can be easily purchased or sold at moment's notice on the stock exchange. If there are no speculators, and the market is to be confined only to the genuine investors, then it may be difficult at a certain time either to find a purchaser for a seller or a seller for a purchaser, and even if we do find, there may be a great price difference, and the purchaser may want to buy the shares from the seller at a ridiculously low price and vice versa. Therefore, in any society or in any stock exchange, which is well-conducted and well-regulated, the existence of this type of speculators who are intelligent speculators and not gamblers is a desirable necessity.

Another point which Shri V. P. Nayar made was that after all, the persons who operate on the stock exchanges are sharks, monopolists, this, that and the other. I cannot understand this argument of Shri V. P. Nayar at all, because it does not make any difference at all to the function of the stock exchanges...

**Shri V. P. Nayar:** The fact that you do not operate shows that.

**Shri Morarka:**..... as to who speculates or who deals on the stock ex-

changes. The main function of the stock exchanges is to provide a well regulated and properly conducted market for the Government securities as well as the shares of the joint stock companies. As long as that purpose is served, as long as investors are provided with a certain forum on which they can readily sell their investment or buy shares when they want to invest money, as long as that purpose is achieved, it does not matter who operates on the stock exchanges. Whether the person is a monopolist or somebody else makes no difference. By monopolist is meant a person who controls almost all the industrial concerns producing a particular product, i.e. he monopolises a particular product or products. But at the stock exchange, he operates, if he is a broker, like any other broker directly, and, if he is not a broker, indirectly; and he can buy whatever shares he likes or sell whatever shares he likes in the same way as any other person can do. That means that if he is interested in a particular company and he wants to corner all the shares of that company, naturally he can do it. But then he has to face the consequences. The same thing can happen in every forward market also, in cotton, in bullion or in other commodities; there are persons who deal in certain commodities exclusively and do the cornering. But then they have to take the consequences of such cornering.

The third point made by Shri V. P. Nayar was this.

**Mr. Deputy-Speaker:** In short, is it the hon. Member's point that he does not want any stock exchange operations except for *bona fide* purchase and investment?

**Shri Morarka:** If that is done, then the operations in the market would be so narrow and so limited that the genuine investors would suffer in the long run, because they would not be able to find genuine purchasers for their investment or sellers when they want to invest, and even if they find, the price difference would be so big

[Shri Morarka]

that ultimately they would be the persons who would suffer.

**Shri V. P. Nayar:** If I may interrupt the hon. Member, is there any provision in the present measure by which a person who wants to take a risk and who is competent to corner will be prevented from doing so? If that is there, then I am with you.

**Shri Morarka:** So far as I can see, the competency of a person to buy shares or sell shares on a stock exchange depends upon the bye-laws of the exchange. If such a cornering takes place, then Government are always there to check those unhealthy tendencies, and they can always compel the stock exchange to amend the bye-laws, or if necessary they can even declare a state of emergency. So there are enough powers in the hands of the Government to meet such a situation.

3 P.M.

Then he said that even the speeches or utterances of the Finance Minister or articles of the Deputy Finance Minister have the effect of depressing or elating the Stock Exchanges. That is exactly the purpose of the speeches by the Finance Minister. The financial apparatus of the country is supposed to react to the speeches of the Finance Minister. That only shows how perfect the economic apparatus is. If the Finance Minister makes a speech and if the financial markets do not react to it, I do not know the purpose for which the speech is made; and if the Finance Minister corrects a report of his speech and if that correction is taken as a good sign by the Stock Exchange, I think that is the purpose for which the correction is made.

Lastly I should say that while gambling is undesirable and should not be encouraged in the Stock Exchange, genuine type of speculation is necessary. It may be encouraged and provision should be made in the Bill to that effect. The only other thing I would like the Select Com-

mittee to consider is that the applicability of this Bill, which is recommended by the Gorwala Committee and everybody else, should be on an all-India basis. Clause 13 of the Bill says that the provisions of this Bill would apply only to such areas which are declared by notification by Government. I think that unless the Bill is made applicable throughout the country, the purpose of the Bill would not be fully served, because anybody who wants to circumvent the provisions of the Bill can cross the boundary line and enter into any transaction there. The 1925 Bombay Act which is going to be repealed by this, I think, applied to the whole of Bombay State and it did not apply only to the Bombay Stock Exchange or any specified area. I hope the Finance Minister would take this point into consideration and if he finds it desirable he may make necessary amendments.

**Shri V. P. Nayar:** He is on the Select Committee. He can say it there.

**Shri Mohiuddin (Hyderabad City):** The Securities Contracts (Regulation) Bill has come before this House after considerable delay, and I am glad that after all, it will be placed on the Statute Book and the Stock Exchanges in India will be controlled.

Stock Exchanges—especially the Bombay Stock Exchange—have been the subject of investigation by a number of Committees: The Atlay Committee in 1920s' and the Morrison Committee in 1930s' are important, but in so far as any effective action against them was concerned, it was taken only in the Bombay Presidency, and Stock Exchanges in other parts of the country have remained absolutely independent and uncontrolled.

The need for control is obvious because from time to time we have seen that the speculation, especially in Bombay, has degenerated into gambling. The Morrison Committee in

their report had said that of the total business transacted on the Bombay Stock Exchange, too high—indeed, much too high—a proportion is of a speculative nature, and their estimate was about 80 to 90 per cent. and of this speculative business, a very high proportion degenerated into mere gambling, thus constituting an ever-present danger to the continued existence of the bazar as a serious place of business capable of discharging with efficiency its proper function as an important and essential part of the economic machinery of the country.

This characteristic of the Stock Exchange is inherent in the transactions themselves and they have to be controlled in such a way that while keeping the useful aspects of speculation, the gambling side of it should be suppressed as strictly as possible. In this respect, I would also invite the attention of the Finance Minister to the other aspect, that gambling or speculation has its origin not only in the Stock Exchange itself, but is traced to the companies whose shares are traded on the Stock Exchange. It has been mentioned from time to time that the directors and the managing agents of the companies who have inside information about the future of the company take undue advantage of their confidential position and speculate on their own account on the Stock Exchange so that they may make profits which are really not due to them.

[PANDIT THAKUR DAS BHARGAVA in the Chair]

I hope that now with the new Companies Act that we have passed and which will come into force shortly it will be possible to control to a certain extent this aspect of the evil emanating from the side of the companies themselves.

My first impression after reading the Bill which was introduced about, I think, two years ago was that this is an assurance to the private sector in India that they can play their due part in the development of industries and business in the country. The Bill is very comprehensive and it provides

so many safeguards. The Bill provides that Stock Exchanges will be recognised by Government, and before recognition, Government will see that the necessary rules and bye-laws which provide that the conditions laid down by Government are fulfilled and suitably framed. Government have also got the right under this Bill to approve the bye-laws that may subsequently be framed by the Stock Exchanges. Similarly, the rules are also subject to their approval. The Central Government have authority to supersede the Governing Body of the Stock Exchange. In addition to all these powers which are very comprehensive, Government also propose to take the power to ask the Stock Exchanges to make rules as they want and also direct them to make bye-laws as they wish them to make.

Now, these are all, of course, reserve powers. My question is: is it necessary that all these reserve powers should be kept in the hands of the Government? I do agree that powers in regard to recognition and approval of the rules and the bye-laws, supersession of a Stock Exchange or withdrawal of recognition of a Stock Exchange are necessary and essential. I hope the Joint Committee will consider whether in addition to all these powers it is still necessary that the Government should have further powers to impose on the stock exchanges their wishes in respect of a change or addition to the rules or bylaws. I am sure that with the full authority already vested by the other clauses in the Government it will be desirable to drop the proposals which vest the Government with the authority to impose rules and bylaws on the stock exchanges. If the stock exchanges are really to function as independent and autonomous bodies, I think we should have confidence in the members and the governing body of these stock exchanges and leave them free to operate within reasonable limits; it will be for the good of the clients and for the good of the country. But reservation of such vast powers by Government go to show that the Government do

[Shri Mohiuddin]

not have that measure of confidence the stock exchanges deserve in this respect.

The Gorwalla Committee was appointed to recommend measures for the enactment of this law. Their report is very valuable in many respects but unfortunately they entered into an unnecessary and long controversy about blank transfers. I do not think that blank transfer is so important as to deserve such a long controversy about its validity and usefulness. The President of the Bombay Stock Exchange has given a note of dissent showing the utility of the blank transfers while the other members recommended that the blank transfers should either be abolished or their life should be limited to six months or one year. The Bill only provides that the stock exchanges can make byelaws regarding the prohibition or limitation of blank transfers.

These blank transfers have become, as far as I can see, an integral part of the business and of banking in India. I could lay my hand only on some old figures of advance by scheduled banks against the shares of companies in 1946. Mr. Thomas has mentioned that the scheduled banks gave an advance of about Rs. 49 crores against the shares of various companies—approved shares—in India. All these advances are against blank transfers. No bank insists that the shares deposited with the bank as security should be transferred to its name. The banks only take blank transfers deeds from the borrower about the shares which are deposited in the company and I hope that in dealing with these blank transfers the Joint Committee will see that a useful instrument of advances that has been evolved in India over a long period of time does not receive a check which may ultimately hamper the business in the country.

Another important thing to which I would invite your attention is that in the stock exchanges—at least the Bombay Stock Exchange—there are only brokers and not jobbers. In a

contract they are free either to act as agents in one case and as principals in another. The client who deals with them does not know whether the shares he has bought through a broker are through an agent or a principal. Experts and others have recommended that the broker's relationship to customers should be defined and enforced by the exchanges. As far as this aspect is concerned, the Bill is very vague. Somewhere mention has been made of the relationship but only as an incidental matter and not as a principal matter. I hope that this important aspect will be very clearly brought out in the Bill so that the brokers and the clients may know where they stand.

The other aspect has been very clearly mentioned in the Bill—the periodical examination of the books of the members to see that they are in a sound financial position to carry out the business with which they have been entrusted. I hope this important provision will have sufficient support from all Members of the House so that the future working of the stock exchanges based on these two important considerations is on sound and healthy lines.

**Shri C. D. Deshmukh:** So far as the hon. Member opposite is concerned, I fear that this is a case of love's labour lost. We spent a great deal of time in bringing out the technical implications of the Bill. We also attached a glossary of technical terms and we hoped that we had succeeded in making clear—although not necessarily removing all the differences of opinion—the functions which the stock exchanges and investment and forward markets are supposed to serve. I ask the hon. Member specifically whether he had read the technical note—I mean the first two paragraphs of it where we had tried to explain these basic matters.

Now my difficulty is that I can only answer the observations that he has made in those very terms; I have no other language in which to enlighten him.

**Shri V. P. Nayar:** Ask any Member whether he has understood anything of it.

**Shri C. D. Deshmukh:** Since no other Member has spoken except two Members....

**Shri V. P. Nayar:** Ask your Deputy Minister.

**Shri C. D. Deshmukh:** Except two Members, who did understand it, I have no other guidance in this matter. I am only pleading my own inability to answer those particular points of arguments if arguments they are. Towards the end of his speech he asked a question. He asked whether we thought that this was in accordance with the socialistic pattern of society that we were seeking to evolve. Here again, I do not understand the implication of the question because, what we said is that we are evolving or trying to evolve a socialistic pattern which is quite different from saying that we wish to install immediately a complete and comprehensive socialistic pattern of society.

I would draw attention to the pronouncements on economic policy that have been made from time to time on behalf of the Government of India in which we have said that we believe that the private sector has a purpose to serve and a mission to fulfil in our efforts to secure the economic development of the country. Now, as long as that private sector exists, as long as corporations exist, as long as companies exist, there are joint stocks, there are shares and there are Government bonds, and some mechanism will be required for the marketing of these things just as a mechanism is required for orderly marketing of other goods and commodities like bullion, or agricultural commodities like oilseeds, cotton and a number of other things. I can understand hon. Members having views as to whether a market should be purely a cash investment market or whether there is any proper place for forward transactions and, if there is a proper place for forward transactions, whether it should be allowed in bullion, in com-

modities or for the exchange of stocks and shares. These are all matters which can be thrashed out in the Joint Committee. They have been referred to in the various report. If the hon. Member will get hold of the First Report—I think that was of Dr. Thomas—he will find in the initial portions of it a discussion on this very issue: "should stock exchanges be abolished". As I said, the Joint Committee will no doubt go through this matter, but, in any case, I think everyone would agree that a market is necessary and in order to prevent abuse the regulation of that market is also necessary, through a Central legislation. This is the first time that this is being attempted.

So far, as far as I am aware, there has been legislation only in the Bombay State. There, under the Bombay Securities Contracts Control Act, stock exchanges in the Bombay State desiring to carry on forward transactions are required to obtain a licence from the Government to do so and if they are not licensed for a period exceeding 7 days then the transactions are declared void. So, in answer to a question asked by another hon. Member, Shri Morarka, I would say that this Act applies to the whole of the Bombay State and there is this provision for it. Now, whether we should have a similar provision or whether we should have a specific provision notifying certain areas or not are all matters of detail which could be gone into at the Joint Committee stage.

Therefore, so far as the observations of the hon. Member opposite are concerned I really have no further answer to give. I repeat that as long as there is a private sector there will be private investments. As long as there is private investment in stocks and shares there should be some provision for orderly marketing of these stocks and shares and therefore, there must be some Act of this kind and it will not do merely to say that all such institutions are for the exploitation of the masses.

**Shri V. P. Nayar:** In that case, may I ask the hon. Minister why, when the report was asked to be submitted within a month on the 23rd June, 1951 and when, as I find, the report was submitted in proper time, the Government have taken these 5 years to come forward with such a Bill? I put this question only if it is a 'must' as the hon. Minister put it.

**Shri C. D. Deshmukh:** There again I do not know whether the hon. Member listened carefully to what I said. I said that there were certain prerequisites, as for instance the amendment of the Company Law. Actually the Expert Committee which went into the comprehensive amendment of the Company Law was appointed some time towards the end of October 1950. The Gorwala Committee was appointed some time in June, 1951. We received the report of this Expert Committee, I think, some time in 1952 or early 1953—I have not got the dates here just now—and we lost no time, I think, in preparing the Bill and bringing it forward before the legislature. The Bill was actually introduced by the end of 1953 and this Bill was introduced in 1954. So, I do not think there has been any delay in this matter.

**Shri V. P. Nayar:** The hon. Minister said that the Company Law had to be modified and therefore he was waiting all this time. Actually, the only reference to Company Law in clause 20 is with reference to the Company Law of 1913.

**Shri C. D. Deshmukh:** The hon. Member and I are talking at cross purposes. I am saying that the recommendations of these committees assumed that there would be an amendment of the Company Law and that the structure of the joint stock companies would be amended suitably, and this, as I said, is a supplementary measure. Obviously, the amendment of the Company Law had priority and it was for that reason that we had to wait for the introduction of this Bill till after the compre-

hensive Company Law Amendment Bill had been introduced.

The hon. Member has used analogies of thief and so on; that is to say, he has tried to establish an analogy between a thief and a speculator in the stock exchange. Here again, it is a very light-hearted way of dealing with a serious issue. Laws against theft and so on, of course, are related to our notions of property and I am glad to see that the hon. Member at least passed some indirect comments about property by trying to deprive the thief. So far as the speculator is concerned, as another speaker has pointed out, what he does is, he uses his own judgment his intelligence in anticipating the course of things and, what is more, he is prepared to back his judgment to the extent of his own resources.

**Shri V. P. Nayar:** So, the biggest speculators are the best intellects?

**Shri C. D. Deshmukh:** There is always a difference between an excess of anything and the thing itself. Speculation can also be overdone and when it is overdone it is indistinguishable from gambling. But, the point that we made was that if the investor was left to buy or sell securities in a market where there was no such anticipation, shall we say, by specially instructed or intelligent people, he probably would find that: (a) there was no continuity of prices, and (b) the range of variation was so wide that he is apt to get scared either by loss or tempted to sell his assets in the hope of making profits and then come to grief. That is why I think—and most committees that have gone into this matter have agreed including the committee of economists and other in the United Kingdom—that there is a proper place for speculation, like many other terms, speculation also can be defined in various ways. Our *Upnishads* were speculations—intellectual and spiritual speculations of the highest order. It has a different sense in which that is misused. Even in the language of the market-place,

we are apt to say that the movement of prices in certain Stock Exchanges is highly speculative in character. There we have in mind a different of speculation than the sense in which we were using the word here. Here, speculation means really forward dealing, forming judgments in regard to the trend of prices based on various indices, utterances and other notable trends which, as to a skilful tracker in the jungles, are clearer to those people than to the amateur investor. In any case, this also is a matter which can be considered in the joint Committee. The principle of the Bill is that we should have some Central legislation for the regulation of Stock Exchanges.

**Shri V. P. Nayar:** May I seek one clarification? The hon. Minister says that all aspects of speculation have to be considered by the Joint Committee if I understood him correctly. From the report of the Gorwala Committee I find that the Committee was appointed on the 23rd June 1951, and asked to report within a month. The first meeting was fixed to take place at Bombay, by the Government's resolution, and after they were appointed, the meeting was held in Bombay. I went through the report of the Committee and could not find whether any study was made as to the impact of this speculation on the stock markets on the prices of agricultural Commodities or industrial raw material or industrial products. Unless the Joint Committee know how the speculative trade is carried on in stock market and how it will affect these factors, I am unable to see how the Joint Committee can give a considered opinion on this matter. I may be wrong.

**Mr. Chairman:** I have not been able to see any connection between the date on which the Committee was required to report and the question whether Stock Exchanges should be established or whether market prices are not established by speculation in stock Exchanges. Apart from this

Bill, every book on Economics says that speculation is at least one of the factors for the stabilisation of prices.

**Shri C. D. Deshmukh:** There is no absolute connection between what is contained in one report and the range of discussion that might take place in the Joint Committee. The Joint Committee will have this as one of the documents before them. As I pointed out, this was the third or the fourth report on this particular matter, apart from the two reports in 1923 and 1926. Ever since the end of the war, this matter had been studied by the successive people.

**Mr. Chairman:** The general questions about Stock Exchanges and control of speculative gambling, forward contracts, options and the stabilisation of prices are known to everybody.

**Shri C. D. Deshmukh:** Either it is known to everybody or we expose ourselves to being asked questions in regard to these matters, and we shall endeavour to give answers to any difficulties that hon. Members may have. But the fact that this Committee was asked to report in a short period has really no bearing on the future character of discussions in the Joint Committee.

**Shri V. P. Nayar:** This was the latest report. I do not think, considering the position of Stock Exchange in 1923 and 1926 will at all be relevant to the present context and if at all there is any relevancy, it may be to this report. That is why I asked a question whether this Committee also studied the particular requirements to Indian conditions. As the Chair rightly observed, we happen to know what will be the effect. I do not think it will have an effect on stabilisation of prices. On the other hand, speculation in stock markets reflects on the speculation in prices and the more there is speculation the less will be the actual money which the producer gets. That is my view.



**Mr. Chairman:** Apart from this Committee's report, the Joint Committee will see dozens of reports and other papers in this respect. It will not base the findings only on what is contained in this report or that report. It is open to the Joint Committee to say that Stock Exchanges should not be established or such and such a Committee should be established or such and such restrictions if placed on the Stock Exchanges will be useful or otherwise. The whole field is open to the Joint Committee and it is not only this report that will be the subject-matter but others as well.

**Shri V. P. Nayar:** It is clearly stated in the Statement of Objects and Reasons that the present Bill is based on the study and analysis of that report. I could not find in the report that any study has been made on the points which I raised. If a study had been made by any other Governmental machinery later on, then of course, the Joint Committee can take advantage of that. In so far as this report is concerned, neither in that report nor in the speech of the hon. Minister nor in the Statement of Objects and Reasons is there any mention about it. I only wanted to have a clarification about it.

**Mr. Chairman:** The hon. Member knows the scope of inquiring the Joint Committee. The Joint Committee can take evidence, study matters which are contained not only in the report to which he referred but all reports and refer to any number of books and find out whether these provisions are good or are bad. The Joint Committee has got a wide scope.

**Shri C. D. Deshmukh:** The hon. Member is in a particularly questioning and inquiring state of mind. I really cannot satisfy his curiosity any further. I have tried my best to meet some of the difficulties which he felt in the way of this legislation.

As regards the other two hon. Members who have spoken, they have generally supported the princi-

ple of the Bill. I am glad that Shri Morarka has explained the purpose and meaning of speculation.

**Shri V. P. Nayar:** He knows that also.

**Shri C. D. Deshmukh:** But that is no objection of any kind at all. If any one speaks from knowledge, I think it is much better than speaking from the lack of it.

**Shri V. P. Nayar:** So, the thief is the best man to defend the thief!

**Shri C. D. Deshmukh:** I have already dealt with the question of delay which was incidentally referred to by the third Member, Shri Mohiuddin. He raised the point in regard to speculation and said that it is encouraged by the action of company directors themselves. That is partly covered by what we have done in regard to the Company Law, laying down the powers, duties and functions of directors and partly by what we shall be able to do in this Bill, as it emerges after examination by the Joint Committee. In general, the scheme of the Bill is to provide for the application of the screw wherever experience may prove it to be necessary. I am a believer in the slow and even tightening of screws and if experience shows that further tightening is required, then, I have no doubt that we shall have sufficient determination and ruthlessness to carry that process out in the public interest. An hon. Member asked why several reserve powers have been kept for the Government, and he drew the strange conclusion that these provisions show Government's lack of confidence in Stock Exchanges. I claim that having only reserve powers and not having very elaborate powers and detailed provisions shows, on the contrary, that Government has some confidence that if the Stock Exchanges are permitted to operate within their structural autonomies, they might yet make wise bye-laws and might run their business in a manner which is sound and wholesome. The existence of those reserve powers is as hedges are on the road, to ensure that

erratic vehicles do not leave the road. Therefore, these provisions are in line with the general scheme of the Bill that we have brought forward.

The same hon. Member then made certain observations in regard to blank transfers and their utility in those bank advances and so on and so forth. These are matters which I have no doubt will provoke a great deal of discussion in the Joint Committee. The main element about blank transfers is of course the level of stamp duties. If stamp duties were to be more reasonable or less onerous, then, I feel sure that one could progress very much further on the road towards limiting or even abolishing blank transfers. It is because the public concern finds that the stamp duties on every occasion on which the transfer is made is high, that they try to avoid it by this device which, at the moment, is a legal one. There are one or two more points to which the hon. Member referred and I have no doubt that the Joint Committee will take notice of them. With these observations, I commend my motion.

**Mr. Chairman:** The question is:

"That the Bill to prevent undesirable transactions in securities by regulating the business of dealing therein, by prohibiting options and by providing for certain other matters connected therewith, be referred to a Joint Committee of the Houses consisting of 45 members, 30 from this House, namely:

Shri Chimanlal Chakubhai Shah, Shri Bhawanji A. Khimji, Shri Khushi Ram Sharma, Dr. Jayantilal Narbheram Parekh, Shri Shivram Rango Rane, Shri S. S. Natarajan, Shri C. P. Mathen, Shri C. R. Basappa, Shri R. P. Navetia, Shri Radhelal Vyas, Shri Bhupendra Nath Misra, Swami Ramanand Shastri, Shri Sarju Prasad Misra, Choudhary Raghbir Singh, Shri Krishnacharya Joshi, Shri B. R. Bhagat,

Shri Banarsi Prasad Jhunjhunwala, Shri Jagannath Kolay, Shri Lokenath Mishra, Shri Tek Chand, Shri Ghamandi Lal Bansal, Shri Radheshyam Ramkumar Morarka, Shri U. M. Trivedi, Shri Tulsidas Kilachand, Shri M. S. Gurupadaswamy, Shri Jaswantraj Mehta, Shri Narayan Rao Waghmare, Shri Kamal Kumar Basu, Shri T. B. Vittal Rao, and the Mover, and 15 members from Rajya Sabha;

that in order to constitute a sitting of the Joint Committee the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the 15th February, 1956;

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees will apply with such variations and modifications as the Speaker may make; and

that this House recommends to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of members to be appointed by Rajya Sabha to the Joint Committee;"

*The motion was adopted.*

#### INDIAN STAMP (AMENDMENT) BILL

**The Minister of Revenue and Defence Expenditure (Shri A. C. Guha):**  
I beg to move:

"That the Bill further to amend the Indian Stamp Act, 1899, be taken into consideration."

This is a very small Bill and I can say that this is also a very simple Bill even. I have not much to say on this Bill besides what is already

[Shri A. C. Guha]

mentioned in the Statement of Objects and Reasons. The main purpose of this Bill is to effect uniformity of rates on stamp duties on instruments included in the Union list. Entry No. 91 in the List 1 of the Seventh Schedule of the Constitution is:

"Rates of stamp duty in respect of bills of exchange, cheques, promissory notes, bills of lading, letters of credit, policies of insurance, transfer of shares, debentures, proxies and receipts."

These have been put within the Union List. Again under article 268 of the Constitution, the Central Government is only to make the law and except Part C States, the proceeds will have to be collected by the States. Further:

"The proceeds in any financial year of any such duty leviable within any State shall not form part of the Consolidated Fund of India, but shall be assigned to that State."

So, this is just discharging the obligation put by the Constitution on the Central Government and the revenue will go to the State Governments. Our interest is to enforce a uniformity of rates as regards those instruments mentioned in the Union List and that is done by clause 7 of the Bill. By clause 3, we extend this provision of the Bill to Part B States. At present, the Indian Stamp Act as such is not applicable to Part B States, but by clause 3 of this Bill, we are providing that this Act will also apply to Part B States as far as the instruments mentioned in the Union List are concerned. We have taken the advantage of this occasion to provide certain other things in the Bill to fill up some lacunae or remove some anomalies in the existing Act. In entry 47 (d) of Schedule I of this Act—the

Indian Stamp Act—there is some mention about insurance policies. But we have been advised by the Law Ministry that this item does not cover the group insurance policy. So, by clause 4(b) of the Bill, we are defining the group insurance policy and by clause 7 (iii) we are providing the rates of duty for the group insurance policy.

[SHRI BARMAN in the Chair]

In the original Act there is mention of certain States, but by this Bill we are substituting the word "States" by the term "India" and we are also extending the Act to the whole of India except Jammu and Kashmir, as far as stamp duty on the instruments mentioned in the Union List is concerned. In section 10 of the existing Act, there is something which Members will not like to retain in any statute, namely,

"in the case of bills of exchange or promissory notes written in any Oriental Language."

This Act was passed in 1899 and now we are removing the phrase "written in any Oriental Language". That is done by clause 5 of this Bill. Clause 8 repeals the existing Acts in the States in as far as they are in conflict with the provision of this Act regarding the rates of stamp duty on the instruments mentioned in the Union List.

I have nothing more to say. As I stated before, our main purpose in bringing this Bill is to enforce a uniformity of rates of stamp duty as far as instruments mentioned in entry 91 of Seventh Schedule are concerned. The Constitution has imposed certain responsibility on the Central Government and we are only discharging that responsibility by this Bill, whereby we intend to enforce uniformity of stamp duty rates on the instruments mention-

ed in the Union List. I hope the House will be agreeable to accept this Bill and pass it.

**Mr. Chairman:** The question is:

"That the Bill further to amend the Indian Stamp Act, 1899, be taken into consideration."

*The motion was adopted.*

*Clauses 1 to 8, the Enacting Formula and the Title were added to the Bill.*

**Shri A. C. Guha:** I beg to move:

"That the Bill be passed."

**Mr. Chairman:** The question is:

"That the Bill be passed."

*The motion was adopted.*

**Shri A. C. Guha:** I wonder even my hon. friend Pandit Thakurdas Bhargava has not a word to say on this.

#### ABOLITION OF WHIPPING BILL

**The Deputy Minister of Home Affairs (Shri Datar):** I beg to move:

"That the Bill to provide for the abolition of whipping as a punishment by repealing the Whipping Act, 1909, and further amending the Code of Criminal Procedure, 1898, as passed by Rajya Sabha, be taken into consideration."

This is a measure, which, I am confident, will be welcomed by all sections of the people. I would give a very short history of whipping as a measure of punishment. Almost from the beginning of the British era of administration, whipping had been in vogue in India except for a short period of 1834 to 1864. It was considered that its re-introduction in the penal law of India was necessary on account of certain circumstances and therefore in the year 1804 a fairly detailed Act, the Whipping Act was passed, according to which a number of offences were made punishable with whipping. Either whipping itself was a punishment or it was an ad-

ditional punishment. Public opinion gradually rose against it even during the British administration. In the year 1909, the present Whipping Act was passed.

So far as this Act is concerned, even though it was penal to a certain extent, it was not so harsh as that of 1864. An attempt was made about 12 years ago to have this Act completely abolished at the instance of a private Member. Unfortunately, that attempt was entirely unsuccessful. It was left to the present Government to have whipping as a mode of punishment abolished altogether. There are certain countries where this question was also considered and it was decided in England in 1948 that whipping should be abolished altogether. So far as the United States of America are concerned, it is a matter of interest to know that only one State out of 48, a very small State has got this Act on its statute book. But, it is not known whether any resort is had to that. On the whole it may be taken that so far as the U.S.A. are concerned, they have not got whipping as a mode of punishment in use.

It has also been found that almost from the first, whipping as a punishment does not have the effect that it is intended to have. Whipping was introduced with a view to prevent or deter the offender from committing some offences. That was one object. The second object was, there were certain highly heinous offences for which the only punishment should be corporeal punishment by way of whipping a man. But, it has been found from medical evidence that whipping has just the opposite effect. Therefore, both in England as also in India, we have got eminent authorities who say that whipping will not have the desired effect, but on the other hand, it coarsens the man and the man loses faith in his own self-respect, and ultimately he goes on a career of crime. This is what has been found. It may be noted in this connection that it was once felt that so far as juvenile offenders were concerned, perhaps

[Shri Datar]

whipping might have a salutary effect on them. In that too, the medical opinion said that it was wrong. Those who were dealing with mental diseases have come to the conclusion that even in respect of juvenile offenders, it will have just the reverse effect. That is the reason why this whipping, as a mode of punishment is an out-moded punishment. In the present state of civilised society, whipping ought not to be resorted to at all.

The House is aware that this question was raised during the sitting of the Joint Committee on the Criminal Procedure Amendment Bill. A view was expressed by the then Members that the Government should take up this question as early as possible. An assurance was also given to the Members and the present Bill has been brought before this House for the purpose of removing whipping so far as the all-India Acts are concerned. There are three ways in which whipping can be had. That can be had either under the Whipping Act of 1909 which is an all-India Act, or there are certain State Acts, pieces of State legislation under which also it was prescribed. There are also certain provisions in the Prisons Act, according to which under the present law whipping also can be resorted to. So far as the power of Parliament is concerned, it extends over the Whipping Act of 1909. Here, we have brought forward this measure for the purpose of repealing the whole of that Act. So far as the State Acts and the Prisons Act are concerned, we have advised the State Governments to bring in measures for repealing of the State Acts dealing with whipping and also for repealing the provisions of the Prisons Act which deal with whipping as a means of prison punishment. These two matters are within the exclusive jurisdiction of the State Government. They are in the State List. We have already advised that whipping should no longer remain as a mode of punishment so far as the Indian statute book

or the State statute books are concerned.

I may also point out to the House that even as it is, there has been a sparing use or resort to the provisions of the Whipping Act. I have before me figures to show that whipping has not been used in a very large number of cases. We might give credit to this to the various magistrates and the courts. Whipping is always looked upon with a large amount of disfavour and therefore only in extremely rare cases, where the offences were of an absolutely heinous character that they very unwillingly and very reluctantly and helplessly awarded this punishment in a very small number of cases where they felt that some deterrent punishment was necessary. I have got before me figures for some of the States, especially the larger States for the year 1953. You will find that so far as the Punjab is concerned, out of a total number of convictions which were 1,21,372, there were only 128 cases in which whipping had been awarded as a mode of punishment. In West Bengal for the same year, out of 3 lakhs and odd of cases, there were only 73. In Madras, out of 5,71,000 cases, it is a matter of great refreshing interest to find out that in not even a single case was whipping awarded as a punishment. We may find the same to be the case in the U.P. also. Out of 3,71,589 cases, in not even a single case was whipping awarded as a punishment. Thus, it will be found that on the whole, this power given to the various magistrates and courts to inflict whipping as a punishment was there, but it has been used extremely sparingly. But the question is not of its sparing use. Though there are certain States which are of opinion that whipping should have been retained as a mode of punishment in respect of heinous offences, offences against nature, offences like rape etc., it was considered that in the present day society this whipping would be an entirely uncivilised mode of punishment.

And, as I have already pointed out to the hon. House whipping would not have the desired effect for preventing a repetition of the same offences like theft and dacoity or from the commission of heinous offences like rape and unnatural offences. So, it has been found that both on medical grounds as also on grounds of actual experience, whipping will not have the desired effect.

4 P.M.

Apart from this, on the ground of principle we are opposed to have whipping as a mode of punishment on the statute book, because it is entirely uncivilised. It coarsens the man as I have pointed out, and the man goes further on his career of crime instead of being brought back or reclaimed to the moral fold. It has no preventive value, no rehabilitative value, much less any moral or reformatory value. For these reasons, it was considered that the Government of India should take up the question of repealing this punishment altogether.

So far as present Bill is concerned, it purports to repeal the Whipping Act altogether. That is an Act on the statute book.

Secondly, in the Code of Criminal Procedure there are certain provisions where it has been pointed out that whipping as a mode of punishment can be resorted to by the magistrates or the courts. Then there are certain sections which point out how the sentence of whipping has to be duly executed, and there is one section which deals with the question as to whether instead of other modes of punishment like imprisonment, whipping should be awarded either as an additional punishment or as a punishment in lieu of other forms. Now, what has been done is so far as the Code of Criminal Procedure is concerned, all references either to whipping as a mode of punishment or to the execution of the sentence of whipping have to be entirely taken away from the provisions.

And lastly, a short section has been introduced in clause 4 according to

which before this Act comes into force if partially the sentence of whipping has been executed, then it is no longer to be executed at all. Even in pending cases where before this Act comes into force whipping has been awarded either as an additional punishment or as a punishment in lieu of other modes of punishment, it will not be executed at all, and under section 395 of the Code of Criminal Procedure other alternative modes of punishment would be allowed or would be ordered or directed in place of the punishment of whipping.

Thus, you will find that the Central Government has come forward with a measure which I am quite confident will be accepted by all sections of this House, and I am hoping that this short Bill will be passed today, because it is so important and the sooner we bring it into operation the better.

**Mr. Chairman:** Motion moved:

"That the Bill to provide for the abolition of whipping as a punishment by repealing the Whipping Act, 1909, and further amending the Code of Criminal Procedure, 1898, as passed by the Rajya Sabha, be taken into consideration."

**Shrimati Sushama Sen (Bhagalpur South):** I strongly support this Bill because it has been long overdue.

Whipping as a punishment, as the hon. Minister pointed out just now, is no preventive. It really hardens the criminals, and I think acts of violence committed are much more because of this whipping system. Especially in the cases of children, it has to be absolutely done away with. It is an outmoded and most disgusting form of punishment. Other forms of punishment may be resorted to, as whipping as a punishment serves as no deterrent. On the contrary, it is a punishment which encourages criminals to do acts of violence.

I strongly support this measure. I hope it will be passed without any voice of dissent.

श्री रघुनाथ सिंह (जिला बनारस मध्य) : आज जो विधेयक रखा गया है उस का मैं समर्थन करता हूँ। इस सदन को याद होगा कि पंजाब के हत्याकांड के समय खले आम लाहौर के चौराहों पर, अमृतसर की सड़कों पर देशभक्तों को कोड़ों से पीटा गया था। इस के अलावा जब हम लोग कारावास में थे तो छोटी सी छोटी बातों के लिये सरकार देशभक्तों पर कोड़ों की वर्षा करती रही है। कोड़ों की वर्षा, जिस को हिन्दुस्तानी में बेंत मारने की सजा कहते हैं, एक पाशविक दंड है, चूंकि अब संसार का विकास काफी हो चुका है, काफी प्रगतिशील देश हमारा है, ऐसी अवस्था में यह बहुत आवश्यक था कि जो पाशविक दंड हैं उन का अन्त किया जाय। मैं माननीय मंत्री को धन्यवाद देता हूँ कि हिन्दुस्तान के सिर पर कोड़ों की सजा या बेंत बाजी का जो कलंक का टीका था उस को हटा कर उन्होंने इस बात को साबित किया कि हिन्दुस्तान मानवता की ओर जा रहा है और जिस प्रकार पाशविक दंड अंगरेजों ने या विदेशी शासकों ने हिन्दुस्तान के ऊपर लादा था, उस का संस्कार अब हम से दूर हो रहा है।

इन शब्दों के साथ मैं इस विधेयक का समर्थन करता हूँ।

**Shri D. C. Sharma (Hoshiarpur):** On the floor of this House there are not many occasions when one is in a mood to give unqualified welcome to a Bill. But this is one of those occasions when I can give whole-hearted support to a Bill. I also congratulate Shri Datar, our Deputy Home Minister, for bringing this Bill.

I also think of the hon. Member who brought this Bill at first as a Private Members' Bill and gave the Government an idea of the direction in which our penal reform should move.

The history of Private Members' Bills and Resolutions in this House

is a very sad one. It is a history of neglect, a history of promises made and not fulfilled, or fulfilled very tardily. But I must say that in the case of this measure, there has been a fulfilment of a promise.

As I look back upon whipping, I remember many friends of mine who have been—I am talking euphemistically—the blessed recipients of this honour. I use this phrase deliberately because I know that they underwent this kind of brutal punishment for one reason, and it was the burning and unflinching love of their country. They received whipping only because they were taking part in the freedom struggle in which India was engaged at that time. There is a gentleman sitting to my left—I do not want to mention his name who was the fortunate recipient of the honour during the days of British imperialism. He was a fighter for freedom, and he received the punishment of whipping, but his punishment has borne fruit, and a very fine fruit at that. And what is the fruit? We are enjoying today the blessing of freedom.

Even then, I think that whipping is a reminder of a very primitive society, of values of life which are opposed to the values of civilisation. Whipping is a negation of that religion which is the religion of humanity. It is a dehumanizing and decivilising punishment, and as the hon. Minister said, it is a coarsening punishment. It is a degrading punishment.

**An Hon. Member:** What about party whipping?

**Mr. Chairman:** That is irrelevant.

**Shri D. C. Sharma:** Party whipping is done for a benevolent purpose, and therefore I welcome party whipping. But I am opposed to this whipping.

It is good that free India is going to bring this Bill on its statute book. We fought the struggle for freedom according to the creed of non-violence, and when I read this Abolition of

Whipping Bill I found that it is in conformity with, in consonance with and in accordance with the principle of non-violence which the Father of the Nation enunciated. Therefore, I say that it is good that this Bill has been brought forward. Let no man be punished in this way, and let no man have corporeal punishments in this way.

My second reason for supporting bill is that our ideas of penal reform have under-gone many radical changes of late. There was a time when it was thought that punishment means two teeth for one tooth, two blows for one blow, and three stripes for one stripe. That was the idea at one time, but I must say that we have left behind that idea. Now, our penal reform smacks more of reform than of punishment. Since it is our desire to reform these persons, whether they commit heinous crimes or unnatural crimes or whether they go against this provision or that provision of the code, we think that this Bill is a move in the right direction.

I must admit that while this kind of punishment was inflicted on grown-ups, it was very often inflicted on juvenile offenders also. I do not see any reason why juvenile offenders have been made the recipients of this kind of degrading punishment. Anyhow, this is what used to happen.

I welcome this Bill now because the youth of our country, if they sometimes go wrong or deviate from the moral or ethical path, I will not have this kind of punishment. Many reasons have been given as to why whipping should not be inflicted on the offenders. It has been said by one hon. Member that whipping has proved to be of no efficacy on medical grounds. I do not know what the medical grounds are, because medical men are capable of giving many contradictory opinions. But medical grounds or no medical grounds, I must say that even on commonsense grounds, we know that this punishment does not lead us anywhere.

I remember, when I was a school-boy there was a class-fellow of mine, who was given caning. We all thought that he would feel very unhappy and disgraced and humiliated. But after he had received caning, he walked about as if he was a hero of the school, as if he had done something very big. If you read some of the English plays you will find that caning is an institution at some of the public schools of some countries; there, caning is not thought to be such a degrading punishment.

I support this Bill not on medical grounds, not even on humanistic grounds but on psychological grounds. If a person is given caning, he receives a kind of psychological twist from which he suffers all his life. It is not only physical rehabilitation that we want, but also moral rehabilitation; and much more than moral and physical rehabilitation is psychological rehabilitation. Whipping inflicted a psychological wound upon persons, which was very bad.

I would once again ask the hon. Minister whether it is enough if he has done this only. Of course, this is going to be an all-India Act, and whipping is going to be abolished so far as the Republic of India is concerned, but as he says, there are States Acts, and there is provision for punishment by caning in the Prison Acts. May I ask the hon. Minister whether this Act which we are going to pass now will supersede all those State Acts or whether those State Acts and Prison Acts will be repealed afterwards. I am sorry I did not follow the point which the hon. Minister made in regard to this particular matter. If the State Acts will remain as they are, and the present Bill will remain as it is, then I think we would be fulfilling only half of our objective. I would therefore ask the hon. Minister to move the States and the other authorities to see to it that all those Acts, which disfigure our statute book because they relate to whipping, are removed.



[Shri D. C. Sharma]

As I have stated already, this is a Bill which is in keeping with the principles of non-violence, of which we are proud, and it is in keeping also with the recent trends, the most progressive trends in penal reform that are to be found in the world. Therefore, I wholeheartedly welcome this Bill. And we shall all be very happy to see that when this Bill is brought into operation, it will make many persons happy.

**Kumari Annie Mascarene** (Trivandrum): I oppose this Bill because I feel that the reasons behind the Bill do not fit in with the psychological development of human nature. I wish to ask the Minister concerned whether he had read through the statistics of crimes during the last ten years. Will he tell me that crime has decreased since the free Indian Government had come into existence? The object of punishment is not the humanity of punishment or the humanising, coarsening or softening of the criminal's heart; the object of punishment is preventive, deterring. I wish to ask the Minister concerned whether this Bill fulfils the object of punishment. I wish that whipping is retained on the Statute book and not taken away for a camouflage of attracting the public eye. Use whipping with discretion, because one criminal differs from another. No two criminals are alike, and human wisdom demands psychological development and human nature demands that whipping should be used with discretion. Ordinarily we find whipping used often in prisons where criminals are confined. If fear can influence human nature to refrain from doing a crime, can whipping give any fear to the criminal? I have had some experience of prison life and I have noted that during the long sojourn of prison life that whipping had an effect on criminal psychology. Many a criminal who wanted to commit many crimes within the prison itself, had been deterred from committing them because they were

afraid of being whipped. Once upon a time we had public whipping and if you look back into the rise of human nature to standards of dignity and character, you will find that ever since the abolition of public whipping, human nature has degenerated to the depths of degradation. I am not speaking generally; I am speaking of those very few criminals, because criminals compared to the population bear a very small percentage.

I have been a bit of a lawyer for some time and I have noted the fear of the criminals when there was whipping. It is not a case of hardening or becoming more human; it is your duty as a Minister to see that crimes are prevented—not that you rise to a camouflaged standard of having laws written in your Statute book in golden letters that the free Republican Government of India had done away whipping. What about hanging? Is it not a worse punishment? Why do you retain it?

Sir, I wish to ask the Minister whether as custodian of law he had taken any steps in making the criminal realise the standard of dignity of human nature. What steps has he taken to humanise the criminal? Does he humanise the criminal by stopping whipping? What measures has he taken, may I ask him in the honour of free India, for the dignity of free India and for the dignity of his own Government? What steps has he taken to humanise the criminal to make him understand the defects or the effects of crime, to make him understand the humanity of loving his fellow creatures? That is not here on the Statute book. Here he is stopping whipping, and I am surprised to see that Members welcome it. I wish humbly to ask the Minister that whipping should be retained, not for exposing the hard-hearted nature of the government and the people, but for using it with discretion only in the case of those hardened crimi-

nals who will be prevented from committing crimes by whipping.

With regard to juvenile offenders, there is a Tamil saying:

"Adiayatha pullai padiathu" "

Without a little beating, the child will not learn. Well before the origin of the Montessori system, our ancestors for generations, together did have a little beating in schools, and the schoolmaster who could create a little fear that way would always find the child obedient and also loving the master and having confidence in the master and doing his lessons well.

I have had the good fortune of being a teacher for some time too, and I have noticed that that child loves you; when understands that you really mean to teach him, that your beating or reprimanding him is all for his good. You always find that the child, who is nearer God, understands human nature much more than grown up people.

Therefore, I strongly oppose this Bill and very humbly request the Minister to retain it on the Statute-book with a proviso that whipping should be used with discretion, and not banish it from the Statute book.

**श्री श्री नारायण दास (दरभंगा मध्य) :**

अभी जो विधेयक माननीय मंत्री जी ने सभा के सामने रखा है उस के पीछे जो भावना है उस भावना का मैं बहुत जोर से स्वागत करता हूँ ।

अपराध के लिये दंड क्यों दिया जाता है ? दंड देने का मुख्य उद्देश्य यह है कि जिस अपराध के लिये हम दंड देते हैं वह अपराध न होने पावे । इस के पीछे दो स्थाल हैं । एक स्थाल तो यह है कि अपराध करने वालों में डर पैदा किया जाय ताकि अपराध करने वाले को यह स्थाल हो कि अगर वह अपराध करेगा तो सजा दी जायेगी । इस के साथ साथ दूसरा स्थाल यह भी है कि अगर कोई समाज का व्यक्ति विशेष किसी

कारण से गलत रास्ते पर चला गया है और अपराध करता है तो उस का सुधार किया जाय । हमारे देश में जो दंड व्यवस्था है उस व्यवस्था के पीछे ये दो भावनायें हैं ।

पुराने जमाने में जब सम्यता का इतना विकास नहीं हुआ था उस समय दंड देने के पीछे विशेष कर डर का स्थाल था । स्थाल यह था कि ऐसा दंड दिया जाय कि जिस की भयंकरता को देख कर अपराध करने वाला डर जाय और फिर उस तरह का अपराध न करे । लेकिन जैसे जैसे सम्यता का विकास होता गया वैसे वैसे और देशों के साथ हमारे देश में भी अपराधियों के लिये दंड निर्धारित करने में केवल यह स्थाल नहीं रह गया है कि दंड ऐसा भयंकर दिया जाय कि जिस से अपराधी डर जाय और फिर ऐसा काम न करे और दूसरे भी जिसे देख कर यह समझ लें कि अपराध करने पर समाज की तरफ से ऐसा दंड दिया जाता है जो बहुत कठिन होता है ।

लेकिन सभापति जी, आप भी जानते हैं और हमारे संसद् के और भी सदस्य जानते हैं कि एक जमाना था जब चोरी के अपराध के लिये, जिस को कि हम बहुत साधारण बात कहते हैं, बहुत तरह के भयंकर दंड दिये जाते थे । एक वह भी जमाना था जब अपनी निर्दोषिता को सिद्ध करने के लिये अपराधी को उबलते हुए तेल में हाथ डालना पड़ता था और उस उबलते हुए तेल से अगर उस का हाथ बिना किसी नुकसान के बच जाता था तो समझा जाता था कि वह निर्दोष है और अगर उस में हाथ जल जाता था तो समझा जाता था कि वह दोषी है । पुराने जमाने में और साथ ही साथ बहुत से देशों में अभी भी ऐसे ऐसे दंड विधान हैं कि अगर कोई कुकृत्य करे तो उस के साबित होने पर उस को मौत का दंड दिया जाता है और वहीं उस की गर्दन काट दी जाती है, इस प्रकार के दंड विधान हैं, लेकिन सम्यता के विकास के साथ साथ दंड व्यवस्था करने वाले चाहे वह राजा हों, महाराजा हों या गवर्नर हों,

### श्री श्रीनारायण दास

या प्रजातन्त्र की व्यवस्था करने वाली व्यवस्थापिका सभा हो, उन्होंने ने इस बात पर सोचना शुरू किया कि आखिर मनुष्य अपराध क्यों करता है, अपराध करने में समाज का कितना अंश है और उस व्यक्ति का कितना अंश है और इस अपराध वृत्ति को भी एक बीमारी के रूप में लिया जा रहा है और जिस प्रकार किसी बीमार शस्त्र का इलाज होता है तो डाक्टर बहुत सहानुभूति के साथ उस का इलाज करता है और उस का रोग दूर हो जाता है और वह चंगा हो जाता है, ठीक वही नीति आज इस अपराध वृत्ति को लोगों में से हटाने के लिये बर्ती जा रही है और वह स्वागत योग्य है। सामाजिक अपराध भी एक बीमारी है और मैं समझता हूँ कि जो व्यवस्था और कानून बनाने वाले हैं, उन के दिमाग में दोनों बातें रहती हैं। जब हम किसी कसूर और अपराध के लिये कानून बनाते हैं और उस के लिये दंड की व्यवस्था करते हैं तो हमारे दिमाग में दोनों बातें रहती हैं। एक तो हमारे दिमाग में यह चीज रहती है कि दंड ऐसा दिया जाय ताकि आगे फिर यह शस्त्र दुबारा अपराध करने का साहस न करे और साथ ही अन्य आदमी भी ऐसा अपराध न करें। साथ ही साथ विशेषकर जब कि मनोविज्ञान का बहुत विकास हो चुका है और बड़े बड़े हमारे मनोविज्ञान के ज्ञाताओं ने हम को यह बताया है कि दंड देने का मुख्य उद्देश्य होना चाहिये उस व्यक्ति का सुधार, न कि समाज के अन्दर भयंकर भय उत्पन्न करना और इसलिये समय समय पर हमारे देश के दंड विधान में और देशों के दंड विधानों में भी परिवर्तन हुआ है, लेकिन हमारा स्थल है कि हमारी जो वर्तमान दण्ड व्यवस्था है वह हमारे देश में उस समय निमित्त हुआ जब हम गुलाम थे और इसलिये उस भारतीय दंड संहिता और जो क्रिमिनल प्रोसीज्योर कोड है, (दण्ड प्रक्रिया संहिता) उस के बनाने में भारतीयों का उतना हाथ नहीं है जितना कि होना चाहिये था, इसलिये हमारा तो स्थल है कि जो वर्तमान भारतीय

दंड विधान है उन में हम लोगों को मौका मिलना चाहिये कि हम आजकल वर्तमान परिस्थिति को देखते हुए, और अपनी वर्तमान सम्यता और संस्कृति के मुताबिक उस में आवश्यक बदल कर सकें। लेकिन वह समय कभी कभी ही आता है और ऐसे रूप में आता है जिस में कि पूरी विवेचना करने का समय नहीं रहता है लेकिन यह एक छोटा सा सुधार हम अपनी दण्ड व्यवस्था में करने जा रहे हैं जो सुधार अत्यन्त आवश्यक है।

मैं मानता हूँ कि जिस समय में यह कानून बना, तब भी हम गुलामी की अवस्था में थे। साथ ही मैं यह भी मानता हूँ कि कुछ ऐसे अपराध हैं जिन को कि हम चाहते हैं कि हमारी समाज का कोई आदमी ऐसा काम न करे और इसलिये हम ने ऐसा भयंकर दंड भी अपन विधान में रक्खा है, लेकिन जहां तक मैं देख पाता हूँ जो १९०६ का कानून है जिस के द्वारा कोड़े का दंड देने की व्यवस्था की गई थी या इस तरह का कानून बनाया गया, उस में जहां व्यभिचार जैसे भयंकर अपराध हैं जिन के लिये कोड़े का दंड देने का निश्चय किया गया वहां साधारण से साधारण बातें भी हैं, जैसे कि चोरी इत्यादि की बातें हैं और खास कर के अगर ध्यान देकर देखा जाय तो आप पायेंगे कि दस वर्ष से कम उम्र का लड़का अगर ऐसा अपराध करता है जो दंडनीय है, तो मजिस्ट्रेट की इच्छा पर छोड़ दिया गया है कि वह या तो उस को कैद की सजा दे या कोड़े लगा कर ही छोड़ दे। सन् १९०६ के कानून के अन्दर जिन जिन बातों के लिये कोई दंड देने की व्यवस्था है, वह सब ऐसी नहीं है जिन के बारे में आदमी सोच भी सके कि उस में कोड़े का दंड देना चाहिये। हम यहां पर यह कहे बगैर नहीं रह सकते कि हमारे देश के अन्दर चोरी या अपराध अवश्य है और यह भी सही है कि किसी व्यक्ति का घन अगर बिना उस की आज्ञा से कोई ले लेता है या उठा लेता है तो वह चोरी है लेकिन

आज के हमारे दंड विधान में ऐसी भी चोरियां हैं कि अगर चार दिनों का भूखा आदमी किसी दूकान में जा कर कुछ पूड़ियां या जले-बियां उठा ले तो उस को भी चोरी का दंड मिलता है। मैं समझता हूं कि इस तरह की दंड व्यवस्था समाज के लिये एक लज्जा की बात है कि जिस देश के अन्दर अगर आदमी भूखा रहता है, उस के पास कोई काम नहीं है और बिना रोजगार के है और इसलिये उस के पास पैसा नहीं है और अगर वह २, ३, ४ या ५ दिन भूखा रह कर किसी के यहां चोरी करता है तो उस भूखे मनुष्य को भी वही सजा मिलती है जो कि एक साधारण अवस्था में चोरी करने वाले को मिलती है और जो कि जाहिर है कि खराब नीयत और खराब उद्देश्य से चोरी का अपराध करता है। इसलिये मैं यह कहना चाहता हूं कि इस समय जब हम इस बिल पर विचार कर रहे हैं और जो कि बहुत महत्व रखता है, हमें चाहिये कि आगे सारे अपने दंड विधान पर हमें विचार करना चाहिये और व्यवस्थापक की हैसियत से हम को यह निश्चय करना है कि चूंकि हम आज कोड़े लगाने की सजा की प्रथा को उठा रहे हैं, तब और भी बहुत सी ऐसी बातें हमारे दंड विधान में रह जाती हैं जिन को कि उठाया जाना चाहिये।

अब मैं और अधिक विस्तार में न जा सकूंगा क्योंकि मेरे पास समय बहुत कम है। सिर्फ इतना ही कहूंगा कि हमें अपने दंड विधान में संशोधन समाज की वर्तमान अवस्था को देख कर और अपने उत्तरदायित्व और अपनी जवाबदेही को सामने रख कर करना चाहिये। मैं जानता हूं कि जो दंड देने वाला है उस के ऊपर बहुत बातें निर्भर करती हैं। दंड देने वाले को समझना चाहिये कि जिस आदमी ने अपराध किया है, उस में उस की क्या नीयत है, किस मोके पर और किस समय में उस ने वह अपराध किया है और इन सब बातों को ध्यान में रख कर ही उस को दंड देना चाहिये। लेकिन मुझे यह वचन के साथ कहना पड़ता है

कि हमारे देश के जो मजिस्ट्रेट्स (दण्डाधीश) हैं, जिन्हें कि दंड देने का अधिकार दिया गया है, वे कानून के अक्षर को अधिक देखते हैं, कानून को और जो उस का जो मूल उद्देश्य होता है उस को कम देखते हैं। मैं चाहता हूं कि हमारे देश के जो दंड देने वाले मजिस्ट्रेट्स हैं, उन को सोचना चाहिये कि किस अवस्था में कौन सा आदमी कौन सा अपराध करता है और अपराध करते समय उस की नीयत क्या थी और किस तरह का दंड देने से उस का उद्धार होगा, क्योंकि उन के सामने दंड की व्यवस्था करते समय, अपराधी का भविष्य में सुधार, यह मुख्य बात होनी चाहिये। हम देखते हैं कि चोरी के अपराध के लिये दंड का विधान है लेकिन चोरी का अपराध अभी भी हमारे बीच में कायम है, और यह चीज बताती है कि हमारी दंड व्यवस्था की प्रणाली में कहीं पर दोष अवश्य है, तभी तो दंड के बावजूद चोरी आज भी जारी है और हमारा उद्देश्य यह होना चाहिये कि हमारे देश के अन्दर ऐसी व्यवस्था हो, ऐसी हमारी शिक्षा हो और ऐसा हमारा रहन सहन हो और ऐसा हमारा व्यवहार हो कि इस तरह का अपराध हमारे समाज में जगह न पा सके।

अभी हमारी एक माननीय सदस्या कुमारी एनी मस्करीन ने कहा कि बहुत से अपराध ऐसे हैं जिन के लिए कि पुराने जमाने का जो नियम था कि "spare the rod and spoil the child" उस सिद्धान्त को दंड देने में लागू करना चाहिये, मैं समझता हूं कि आज जब मनोविज्ञान बहुत अधिक उन्नति कर चुका है और जब समाज की इतनी जिम्मेदारियां बढ़ गई हैं इस तरह का भयंकर दंड का विधान करना मुनासिब नहीं भी है और करना भी नहीं चाहिये और तजुब ने हमें बतलाया है कि इस तरह का भयंकर दंड का असर अच्छा नहीं हुआ है और इस तरह का दंड पा कर अपराधी बजाय सुधरने के और अधिक अपराध में रत हुआ है। दंड देते समय हमारा उद्देश्य

[श्री श्रीनारायण दास]

यह होना चाहिये कि भविष्य में वह फिर अपराध न करे और उस का सुधार हो लेकिन जैसी आज हमारी जेलों की व्यवस्था है और वहां पर जो वार्डस और जेलर्स रखे जाते हैं, उन के रहन सहन का और उन का व्यवहार ऐसा है कि कैदी का जेल में सुधार नहीं हो पाता है और उलटे जेल में रह कर वह और पक्का अपराधी बन जाता है और जेल से बड़ा चोर हो कर बाहर आता है और इसी तरह डाकू जेल में जा कर बजाय सुधारने के जब वह बाहर जेल से आता है तो वह पहले से बड़ा डाकू बन कर निकलता है। इसलिये आज जरूरत इस बात की है कि हम अपनी जेलों में सुधार करें और उन को सुधार गृह का रूप दें ताकि जो लोग वहां पर जायें, वे भविष्य में अच्छे और सम्य नागरिक बनकर निकलें और जो कि हमारे देश और समाज के लिए उपयोगी सिद्ध हों, हम को अपनी जेलों को आदर्श जेलें बनाना चाहिये क्योंकि अगर हम ऐसा नहीं करते हैं तो हम जो चाहते हैं कि हमारा देश और समाज उन्नति करे और हमारे वहां अपराध की वृद्धि खत्म हो, उस उद्देश्य में हम सफल नहीं हो सकेंगे और अपराधियों और अपराधों में कमी नहीं होगी बल्कि उन में बढ़ोतरी होगी और होगा यह कि एक शस्त्र जो चोरी की सजा में जेल जायेगा वह वहां से जबर्दस्त चोर बन कर आयेगा और एक डाकू जेल से बाहर निकल कर पहले से भी जबर्दस्त और भयंकर डाकू हो जायेगा। इसलिये हमें अपने जेलों की व्यवस्था में सुधार करने की बड़ी आवश्यकता है ताकि वे सही मानों में सुधार-गृह सिद्ध हो सकें।

इन शब्दों के साथ मैं इस बिल का समर्थन करता हूं। यह खुशी की बात है कि जो हमारा दंड व्यवस्था सम्बन्धी कानून है उन पर फिर से विचार करने के लिये एक कमीशन बिठलाया गया है, ये उम्मीद करता हूं कि इस सम्बन्ध में भी संशोधन करने के लिये वह हमारे

सामने विचार रखेगा। मैं फिर अपने मंत्री महोदय से कहना चाहता हूं कि हमारे देश की दंड व्यवस्था के मनोवैज्ञानिक रूप से सुधार के ख्याल से जेलों का जो प्रबंध है उस को अच्छे से अच्छा होना चाहिये। अगर पार्ट सी स्टेट्स (भाग ग राज्य) में इस का नमूना पेश किया जाता तो अच्छा होता, लेकिन केन्द्र और राज्यों की सरकारों के जेलों के विषय में मुझे कोई अन्तर नहीं दिखाई देता है। यह दुःख की बात है। मैं उम्मीद करता हूं कि हमारे मंत्री महोदय जो हैं वह इस तरफ ध्यान देंगे और दंड की व्यवस्था के साथ साथ जेलों का भी सुधार करेंगे।

**Shri Tushar Chatterjee (Serampore):** While welcoming this Bill I have to say something mainly with regard to what Kumari Annie Mascarene said in respect of this Bill. We feel really surprised to see that a Member of this House feels inclined to oppose this Bill. We feel that this Bill should have been brought in long ago. After independence, these 7 or 8 years should not have passed before this Bill was brought in.

This Bill should have been brought in long ago for the simple reason that this whipping punishment is, from the point of view of a democratic government having social responsibilities and having the responsibility of improving every citizen of the country to the level of democratic functioning, a barbarian punishment and is really not in keeping with the time. The speaker from this bench argued that this whipping punishment should be retained. It is very difficult to understand her arguments. She said that the object of punishment is to prevent crime. It is exactly so. But, what is the method of preventing crime? Is it the correct method of preventing crime to inflict physical punishments and to create a fear complex in the minds of men? By creating a fear complex one can temporarily restrict

a person from doing a crime but it cannot change his habit or improve his mentality. The real prevention of crime is to be done by remoulding the habits of the offenders by injecting in them a sense of responsibility and imparting to them the sense of association with social life. That is the way to prevent crimes and if that is so then this sort of barbarian punishments should be done away with. If by creating a fear complex in one's mind we want to change his habits then it would have been much better to follow the old methods where according to law feet of offenders were cut off, hands were cut off and other punishments inflicted. Such punishments would have been much better for creating a fear complex in the minds of offenders. Why do we not adopt such punishments? It is simply because in these days of civilization and democratic consciousness our responsibility is not to debase an offender, not to make an offender a permanent offender but to create better environments and give him opportunities for education and other social opportunities so that he can correct himself and become a normal member of society. It is because of such ideas that such barbarian and cruel punishments are viewed as unfit in the present set-up of society. Therefore, this abolition of whipping is really a very good thing which should have been done long ago.

One thing I would like to say and that is — I wish Kumari Annie Mascarene was present here—that this sort of whipping does not only debase or degrade the offender but at the same time it creates a very vicious atmosphere among people who are connected with this sort of punishment. I was in the jail and I personally saw whipping punishment inflicted on persons. I saw the person to whom the charge of whipping is given. He actually becomes a worse criminal than the person who is whipped. I would say that in this man the most dangerous criminal is reared and nurtured in the prison in such a way that his mentality becomes just like that of a beast so that he may

have the mind to whip any person that comes in his way mercilessly and without any prick of conscience. Those who were in jails must know that the person who is generally appointed as the whipper is given extra food, extra meat and he is in the good books of the jail authorities. He gets all sorts of privileges. Why? Because, he has to become just like a beast, as cruel and ferocious as a beast, to whip a boy or a grown-up man, or whomsoever comes in his way to be whipped. I tell you, it is really a terrible sight to see how this whipping goes on. The person who is whipped feels that he is doomed for his life. Instead of having any feeling to correct himself he feels that once he is doomed, he is doomed for his whole life, no matter what other things happen. As for the whipper he behaves like a beast and other criminals compete with him so that they may get the next chance of whipping and get the good food and other things supplied by the jail authorities. Therefore, a terrible atmosphere is created in this way. So, this sort of punishments can in no way improve the offender or improve his environments. I must say that this sort of punishment not only debases the person who is an offender but it also debases other persons who are connected with such punishments.

In this connection I would like to ask the hon. Deputy Minister to think about other things also. It is not enough that the provision of whipping is removed from the Criminal Procedure Code and the punishment of whipping is abolished. In Jail, whipping is done for petty offences. Some such provision should be made so that whipping is completely abolished even inside jails. I personally saw a convict who had committed an offence being punished by the Superintendent of the Jail with ten or 20 stripes by the whip. This sort of thing must be stopped. Otherwise, the purpose of this abolition of whipping would not be served.

Secondly, whipping is given as a punishment though not legally and

[Shri Tushar Chatterjea]

formally, as a sort of corporal punishment. It is also given in police lock-ups, in jails and S. B. lock-ups. We know that whipping is given in such places for extracting confessions and for various other reasons. They may not be strictly according to law but behind the scene, such things go on. So, there should be a provision made to stop such whippings in these places. Otherwise, the purpose of this Bill would not be served.

In clause 4, it is said that if the sentence of whipping awarded before the implementation of this Act has not been executed, it should be executed even after this Act comes into force. I think this should not be done. May be there are one or two unfortunate people who may be punished with whipping even after this Act comes into force, but after the passage of this Act, if whipping is done, it will create a bad example. It will create not only a bad psychological reaction in the minds of the entire countrymen but I think it will be really doing injustice to those unfortunate people. When you are abolishing whipping, as a barbarian act, unfit for this present civilised society, why should you not make this provision liberal? Sentences of whipping, if not executed before the present Bill becomes an Act, should not be carried out. Whipping should not be done, after this Act comes into force, even in such cases where the sentence has not been executed. After all, there may be only a very small number of such cases, and they can be referred back to the court for some other form of punishment. So, my suggestion may be accepted.

**Shri Datar:** May I point out to the hon. Member that there would be no whipping after the passing of this Act. It is exactly what has been provided in clause 4. Those sentences will not be carried out, after the passing of this Act.

**Shri Tushar Chatterjea:** Then, I am sorry. Probably I was mistaken and I

believe such a provision was in the original Bill before the Rajya Sabha.

**Shri Datar:** If the sentence has not been executed fully or partially it will not be executed after the passing of this Act, and alternative sentences will be provided.

**Shri Tushar Chatterjea:** Then it is all right.

**Mr. Chairman:** May I ask for the sense of the House about the discussion? Should we go on with the further discussion or shall we finish it today? There are more Bills coming up. This Bill has been passed by the Rajya Sabha already. I think there has been sufficient discussion.

**Shri Bhagwat Jha Azad** (Purnea *cum* Santal Parganaes): Two hours have been allotted for this Bill.

**Pandit D. N. Tiwary** (Saran South): More Members want to take part in the discussion.

**Mr. Chairman:** All right. **Shri Bhagwat Jha Azad.**

श्री भागवत झा आजाद : मैं समझता हूँ कि ऐसे अवसर मुझे बहुत ही कम मिलते हैं जब कोई ऐसा विधेयक मेरे सामने आये जिसके बारे में कि मैं सरकार का पूर्ण समर्थन कर सकूँ। खास तौर पर मेरे और दातार साहब के बीच ऐसे अवसर तो और भी कम होते हैं जिन पर कि बिना किसी शर्त के या बिना किसी अगर और मगर के उन के विधेयक का मैं समर्थन कर सकूँ। लेकिन यह एक ऐसा विधेयक है जिसके आधारभूत नियमों का, जिसके सिद्धान्तों का प्रतिपादन हम बहुत पहिले से करते आये हैं। मैं समझता हूँ कि यह जो प्रथा बहुत पहले से चली आ रही है यह गलत है और इस प्रथा को बन्द करना ही उचित था। अभी हमारी एक लेडी मैम्बर ने जिनका नाम कुमारी ऐनी मैस्कीन है अपने विचार प्रकट किये और कहा कि यह प्रथा जारी रहनी चाहिये। मुझे एक देहात की

फंजे (कहावत) याद आती है जो कि इस प्रकार है :

जाके पैर न फटे बिवाई, वह क्या जाने पीर पराई ।

मुझे सन् १९४२ के वह दिन याद आते हैं जब कि भागलपुर सेन्ट्रल जेल में वहाँ के जेलर साहब ने कृपा कर के मुझे २० कोड़े लगवाये थे । लेकिन मैं समझता हूँ कि इस वक्त इस सदन में यह प्रश्न नहीं है कि किस को कितने कोड़े लगे थे, लेकिन इस वक्त तो प्रश्न यह है कि यह सजा कितने अमानुषिक रूप से दी जाती है । मैं समझता हूँ कि वह आदमी जो कोड़े लगाता है और जिसको वह कोड़े लगाता है वह चाहे जितना बड़ा क्रिमिनल (अपराधी) क्यों न हो, कोड़े लगाने वाला सब से बड़ा क्रिमिनल उस जेल का होता है । यह वह आदमी होता है जो बड़े से बड़ा अपराधी होता है । इसी तरह से जेल में और भी कई प्रकार के दंड दिये जाते हैं जैसे बेड़ी, हथकड़ी, सेल, लस्सी खिलाना इत्यादि । यह कहा जाता था कि यह सब दण्ड अपराधी को सुधारने के लिये मुफीद है लेकिन जैसा कि मंत्री जी ने बताया कि आज के युग में दण्ड की परिभाषा बदल गई है । हो सकता है कि आज से पूर्व वह ठीक समझी जाती हो लेकिन आज इस को ठीक नहीं समझा जाता है । यह कहा जाता था कि 'To spare the rod is to spoil the child.' लेकिन आज के विद्यार्थी लाठी की बात नहीं समझते वह तो प्रेम की बात समझते हैं । जो लोग इस तरह की बात करते हैं मैं समझता हूँ कि वह ए, बी, सी आफ चाइल्ड साइकलोजी को भी नहीं समझते । आज वक्त बदल गया है । अभी एक माननीय सदस्य कह रहे थे कि घर को लूटने वाला चोर कहलाता है, गांव को लूटने वाला डकैत कहलाता है और राज लूटने वाला बादशाह के नाम से पुकारा जाता है । सटना बुरा नहीं है अगर उस का उपयोग अच्छा हो । आज के जमाने में तो यह समझा जाता है कि जिस को जस्टिस कहते हैं वह है *ustice in the interest of the stronger*.

जिस ने राज लूट लिया वह तो बादशाह हो गया लेकिन जिस ने भूखे होने के कारण चोरी कर ली वह चोर हो गया । खैर, मेरे कहने का मतलब यह है कि हम तो उस समय की प्रतीक्षा में हैं जिस दिन कि केन्द्रीय सरकार हमारे सामने एक ऐसा विधेयक प्रस्तुत करेगी जिस में कि फांसी की सजा को भी हटा दिया जायेगा । मैं समझता हूँ कि आप के पास ऐसे तरीके नहीं हैं, आप के पास ऐसा ज्ञान नहीं है जिस से कि आप जब कोई अपराधी अपराध कर के जेल में आता है उस को आप सुधार सकें, उस को आप ठीक रास्ते पर डाल सकें, आप यह समझ सकें कि उस को क्यों अपराध करने के लिये बाध्य होना पड़ा । जिस तरह की सजायें आजकल जेलों दी जाती हैं उन में कोई रिफार्मेटिव वैल्यू नहीं है, कोई मारल वैल्यू नहीं है, कोई रिहैबिलिटेटिव वैल्यू नहीं है । जिस तरह की सजाय आजकल दी जाती हैं उन से तो प्रतिशोध की भावना ही पैदा होती है । मैं आप को बताऊँ कि जब मुझे २० कोड़े लगाने की सजा दी गई थी उस से मेरे हृदय में प्रतिशोध की भावना जागी थी और उसके बाद जेलर जब दूसरी बार मेरे सामने आये तो दिल में आया कि मैं उन के चार थप्पड़ मारूँ लेकिन मेरे दोस्तों ने मुझे पकड़ लिया । इसलिये इस किस्म की सजाओं से तो बदले की ही भावना जागती है और अपराधी अपने आप को सुधार नहीं पाता ।

आज के वैज्ञानिक युग में, आज के मनो-वैज्ञानिक युग में सब से बड़ी बात यह है कि हम अपने दण्ड देने की प्रथा में सुधार लाये ऐसे उपाय करें जिस से कि अपराधी सुधार सकें । आप उन को पढ़ाने की व्यवस्था क्यों करते हैं आप उन को स्लेट पेंसिल क्यों देते हैं यदि आप इन सजाओं को भी जारी रखते हैं । इसलिये जरूरत इस बात की है कि अपराध करने वालों को आप ठीक रास्ते पर लाने का प्रयत्न करें ।

इस विधेयक के जो सिद्धान्त हैं उनका हम पूरी तरह से समर्थन करते हैं और हम



[श्री भागवत झा आजाद]

वक्त की इंतजार करते हैं जब कि माननीय मंत्री जो इस सदन में एक ऐसा विधेयक प्रस्तुत करेंगे जिस में कि फांसी की सजा को भी खत्म कर दिया जायगा और हम उस का समर्थन करेंगे ।

पंडित डी० एन० तिवारी : अभी हमारे भाई जो कि हमारे बाई तरफ बैठे हुए हैं उन्होंने बड़े जोर से इस सिद्धान्त का परिपादन किया . . . .

**Mr. Chairman:** I think the hon. Member may continue his speech on the next day.

**Pandit D. N. Tiwary:** Tomorrow.

**Mr. Chairman:** Not tomorrow. On Wednesday.

5 P.M.

*The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, the 30th November, 1955.*

## DAILY DIGEST

Monday, 28th November, 1955.

## COLUMNS

REPORT OF BUSINESS ADVISORY COMMITTEE PRESENTED. . . . . Twenty-eighth Report of the Business Advisory Committee was presented .	657	versity Grants Commission Bill was concluded. Clauses 13 to 26 were adopted and the Bill as amended was passed.	668—704
ELECTION TO COMMITTEE. } Motion by Shri B.G. Mehta for election of a Member to the Estimates Committee for the unexpired period of the year 1955-56 vice Shri Venkataraman resigned was adopted.	657-58	2. Indian Stamp (Amendment) Bill was considered and clauses 1 to 8 were adopted and the Bill was passed.	750—53
BILLS INTRODUCED. . . . .	658	BILL REFERRED TO JOINT COMMITTEE . .	04—50
1. Manipur (Courts) Bill 2. Constitution (Seventh Amendment) Bill.		Securities contracts (Regulation) Bill was referred to a Joint Committee of the Houses to report by the 15th February, 1956.	
BILLS PASSED. . . . .	668—704,	CONSIDERATION OF BILL. 753—80	
1. Clause-by-clause consideration of the Uni-	750—53,	Motion to consider the Abolition of Whipping Bill, as passed by Rajya Sabha, was moved and discussed. Consideration of the Bill was not concluded.	