

Tuesday, December 6, 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

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## LOK SABHA DEBATES

(Part I—Questions and Answers)

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### LOK SABHA

Tuesday, 6th December, 1955

*The Lok Sabha met at Eleven of the Clock,*

[Mr. SPEAKER in the chair]

### ORAL ANSWERS TO QUESTIONS

युनेस्को

\* श्री एम० एस० हिंदूदी : क्या शिक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) प्रेस, रेडियो, फिल्म और टेलीवीजन से बच्चों के सम्बर्क से उत्पन्न होने वाली समस्याओं पर विचार करने के लिये क्या युनेस्को के तत्वाधान में एक अन्तर्राष्ट्रीय संगठन स्थापित करने का कोई सुझाव आया है;

(ख) क्या इस विषय पर एक मंत्रणा समिति नियुक्त की जा रही है; और

(ग) यदि हाँ, तो इस समिति को कौन से कार्य सौंपे जायेंगे और वह अपनी रिपोर्ट किस तारीख तक दे देगी ?

शिक्षा मंत्री के तत्वाधार (श्री एम० एस० बास) : (क) हाँ, जी।

(ख) और (ग) यह विषय विचाराचीन है।

श्री एम० एस० हिंदूदी : मैं जानता चाहता हूँ कि युनेस्को ने जो यह काम हाथ में लिया है उस की क्षपरेक्षा क्या है ?

Dr. M. M. Das : The international body proposed by UNESCO has not yet been settled; it is all in the form of a proposal now.

Shri M. L. Dwivedi : I want the substance of the proposal and not when the organisation will be set up.

Dr. M. M. Das : If the hon. Member wants to know the functions of the international body, I may tell him that this body will act as a centre for dissemination of information for (1) legislation for protection of children (2) action of private organisations working in the field, and (3) results of research carried out about the subject.

श्री एम० एस० हिंदूदी : मैं जानता चाहता हूँ कि भारतवर्ष की सरकार के पास क्या इस सम्बन्ध में कोई लिखा पढ़ी आई है, और यदि आई है तो इस सम्बन्ध में क्या कोई विचार सरकार के सम्मूल है, और है तो क्या ?

Dr. M. M. Das : The UNESCO wrote to the Government of India about the proposal and also told them that without a corresponding national body in the countries of the member States, the central body of the UNESCO cannot be effective. So they wanted to know from the Government of India whether there is any such organisation already existing in this country and if not, whether they propose to set up such an organisation which will be affiliated to the international body.

### Magnet Seams in Punjab

\* 539. Sardar Hukam Singh : Will the Minister of Natural Resources and Scientific Research be pleased to state:

(a) whether it is a fact that the Punjab Government invited the Department of Geological Survey of the Government of India to survey the nature of the deposit of Magnet Seams observed in Ambala city recently; and

(b) if so, the result thereof?

**The Minister of Natural Resource (Shri K. D. Malaviya):** (a) and (b). No Sir.

**Sardar Hukam Singh :** There was a report that on the floor of the Punjab Assembly the Development Minister gave the answer that they had invited the Government of India Geological Department to survey those magnetic seams. Was that all without any foundation?

**Shri K. D. Malaviya :** A press report appeared a few days ago and it was placed before the Government, but the matter has not been referred to the Geological Survey of India by the Punjab Government. According to the enquiries made by the Geological Survey of India independently, the possibility of such occurrence is almost non-existent because in the high Gangetic alluvial plains such magnetic seam occurrences are very very improbable.

**Sardar Hukam Singh :** May I know whether there are any places besides those reported in the Punjab Assembly where these seams have been discovered and whether they have been exploited anywhere in India?

**Shri K. D. Malaviya :** For the benefit of the hon. Member, I will read out a portion of the report which has been submitted to the Government in this connection:

"Drilling in stiff clay and also in gravelly formation requires extremely careful handling; and unsuitable or inefficient regimentation of operation not infrequently leads to jamming the drill-bit in the hole. Getting pipes stuck in a hole and breaking them off is not an altogether uncommon occurrence. It would appear from the statement attributed to Mr. B. S. Kumar, Agricultural Engineer and Head of the Tubewell Department, that the drilling pipe in this particular case got stuck in the hole so tightly that it became necessary to break it off and that following this, the pipe exhibited magnetic property."

There was no magnetic seam discovered there.

#### युवक कल्याण गोष्ठी, शिमला

\*५४०. **श्री श्री नारायण दास :** क्या शिक्षा मंत्री यह बताने की हुपा करेंगे कि :

(क) युवक संगठनों के प्रतिनिधियों का परामर्शदात्री सम्मेलन बुलाने के बारे

में, जिसकी सिफारिश शिमला में हुई युवक कल्याण गोष्ठी ने की थी, क्या सरकार ने कोई निर्णय कर लिया है;

(ख) प्रस्तावित सम्मेलन कब होने की सम्भावना है;

(ग) क्या युवक संगठनों के सर्वोक्षण के परिणाम प्रकाशित कर दिये गये हैं; और

(घ) उक्त सर्वोक्षण के परिणाम स्वरूप सरकार का और क्या प्रगती कार्यवाही करने का विचार है?

**शिक्षा मंत्री के सभा-सचिव (डा० एम० एम० दास) :** (क) नहीं, जी।

(ख) प्रश्न उत्पन्न नहीं होता।

(ग) नहीं जी, केवल प्रारम्भिक निरीक्षण किया गया है और पूरी जानकारी अभी इकट्ठी नहीं की गई है।

(घ) सरकार विश्वविद्यालय अनुसार कार्य कर रही है। युवकों के साम्राद्यिक, आर्थिक या राजनीतिक संगठनों को मान्यता देने की बजाये इस कार्य को सब प्रकार के युवकों के लिये प्रदेशों में कार्यक्रमानुसार फैलाने का विचार है।

**श्री श्री नारायण दास :** माननीय पार्लियामेंट्री सेकेटरी साहब ने अभी बहुत से अंशों का जबाब 'नहीं' में दिया है। क्या मैं जान सकता हूँ कि इस सम्बन्ध में क्या सरकार उत्साह के साथ आगे नहीं बढ़ रही है, और यदि नहीं बढ़ रही है, तो उसका क्या कारण है?

**Dr. M. M. Das :** The Seminar that was held in November 1951 made a number of recommendations. Government have accepted, till now only one recommendation, namely, the creation of a division or section specially concerned with youth welfare in the Ministry of Education, etc. We have already set up the section in the Education Ministry and that section is carrying out the work.

**श्री श्री नारायण दास :** शिक्षा मंत्रालय में जो यह विभाग खोला गया है उसकी शक्ति क्या है अर्थात् उस में कितने भादमी काम कर रहे हैं और उन की उम्रें क्या हैं ?

**Dr. M. M. Das :** A reputed retired educationist, Mr. Sondhi has been appointed as an honorary adviser to advise the Government in this matter, and a section has been set up, but regarding the exact strength of the section or the employees working there I beg to have notice.

**Shri T. S. A. Chettiar :** As far as I have been able to understand the answer—it was in Hindi—the work is done through the University. May I know whether any attempt is being made to do the work for the youths outside the University?

**Dr. M. M. Das :** Yes, Sir; but it has not been implemented. There is a proposal to do the work among the youths outside the University.

**श्री एन० एल० हिंदेवी :** मैं जानता चाहता हूँ कि क्या सरकार ने पिछले सालों में यूथ बेलफेस्ट के लिये कोई धन राशि मुकर्रर की थी, यदि हाँ, तो उस में अब तक कितना काम हुआ है और कितनी धन राशि रखी गई थी ?

**Dr. M. M. Das :** It is not possible for me at this stage to give the details, but Government is working out several schemes which I may read out to hon. Member.

**Mr. Speaker :** Order, order. It is not necessary as the question is different.

**Shri M. L. Dwivedi :** He may place on the Table of the House a statement of the schemes.

**Mr. Speaker :** Yes.

#### Bank Award Commission

**\*544. Shri Dabhi :** Will the Minister of Finance be pleased to state:

(a) whether Government have taken a decision on the recommendation of the Bank Award Commission regarding regulating "Summit Salaries" in the Banking industry; and

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

**The Minister for Revenue and Defence Expenditure (Shri A. C. Guha):** (a) and (b). The matter is still under examination in consultation with the Reserve Bank.

**Shri Dabhi :** May I know by what time Government will be able to arrive at a final decision in the matter?

**Shri A. C. Guha :** I should like to inform the hon. Member that the matter is rather a complicated one and it will be very difficult to put a ceiling on income only in one sector, because in other industries and commercial houses also there are quite a number of men who have been drawing high salaries. It may take some time and I cannot give any indication when it will be possible for the Government to make a final decision in the matter.

**Shri Dabhi :** Am I to understand that Government is considering all the factors obtaining in all other industries?

**Shri A. C. Guha :** This particular issue cannot be considered except in connection with all other sectors, and perhaps the hon. Member is aware that the Taxation Enquiry Commission has also made a similar rather more comprehensive recommendation, which also must be under the review of the Government?

**Shri B. S. Murthy :** May I know whether Government has accepted the recommendations as such and if so what steps are being taken to implement the same in the near future?

**Shri A. C. Guha :** I cannot say that Government have accepted the recommendations; we are considering the question in consultation with the Reserve Bank and so we are giving some serious thought to the matter.

#### Australian Aid

**\*545. Shri D. C. Sharma :** Will the Minister of Finance be pleased to state:

(a) the names of the projects that are being undertaken with the Australian Aid during the current year; and

(b) the amount allotted therefor?

**The Parliamentary Secretary to the Minister of Finance (Shri B. R. Bhagat) :** (a) and (b). Supply of equipment for All India Radio to the extent of about Rs. 64 lakhs and one thousand wagons for the Indian Railways costing about Rs. 1.27 crores.

**Shri D. C. Sharma :** May I know if the Government of India is in correspondence with the Government of Australia with regard to any other equipment that is needed for our country?

**Shri B. R. Bhagat :** The position as it stands just now is that we are receiving aid for these two things. I do not think there is any other matter under consideration just now.

**Shri D. C. Sharma** : May I know if the Australian Government has accepted the decision arrived at the Colombo Plan Conference that this plan will be extended till 1957 or 1958? Have they accepted the principle of extension to several years?

**Shri B. R. Bhagat** : Every country in the Colombo Plan has accepted extension of the Plan.

**Shri Sarangadhar Das** : May I know if there was any proposal for the Australian Government to supply laboratory equipment for the Central Rice Research Institute in Cuttack?

**Shri B. R. Bhagat** : During these two three years the equipments that we have received are: equipment for Tungabhadra and Ramagundam project in Hyderabad, diesel railcars, equipment for A. I. R. and wagons. There is no other thing we have received nor is there any proposal just now.

#### Hindi Terminology

\*546. **Shri Krishnacharya Joshi** : Will the Minister of Defence be pleased to state:

(a) whether the Experts Committee for Defence Terminology of Hindi have finalised the lists of general Army terms after going through the comments received from units and various individuals; and

(b) if so, what is the total number of approved Hindi words of Command?

**The Minister of Defence Organisation (Shri Tyagi)** : (a) The Committee has so far submitted three lists containing altogether about 1100 terms. There are many terms yet to be covered. The comments and suggestions received from units etc. on the three lists so far submitted by the Committee are now under examination. It will take sometime before these lists are finalised.

(b) The first list submitted by the Committee covered about 160 Drill Words of Command which are also under examination. 77 Drill Words of Command have, however, been provisionally selected and published for immediate use.

**Shri Krishnacharya Joshi** : May I know what are the comments received from units and individuals?

**Shri Tyagi** : The comments are thousands in number and they have all been listed. I am sorry I cannot put them before the House just now.

**Shri Krishnacharya Joshi** : May I know what is the term for 'attention' and the term for 'stand at ease'?

**Mr. Speaker** : Order, order, These are all matters of detail.

**Shri Bhakti Bhaumik** : क्या मैं जान सकता हूँ कि इन आदेश शब्दों का निर्णय करते समय क्या उन शब्दों का भी ध्यान रखा जा रहा है जिन का प्रयोग आजाद हिन्दू फौज के जमाने में किया जाता था, और यदि यह सत्य है तो जो ७७ शब्द आप ने बताये हैं उनमें से कितने शब्द ऐसे हैं जिनका प्रयोग आजाद हिन्दू फौज में किया जाता था?

**Shri T. V. Acharya** : आजाद हिन्दू फौज में हिन्दी के शब्द इस्तेमाल हुआ करते थे और तमाम हिन्दुस्तान में जहाँ जहाँ हिन्दी या दूसरी भाषाओं के इस्तेमाल होते थे उन को इकट्ठा कर के और उन शब्दों को जो दूसरी जगहों से तजीबीज हो कर आये हैं उन पर एक कमेटी ने गौर किया उस के बाद यह ७७ शब्द छान्ट लिये गये हैं।

**Shri U. C. Patnaik** : May I know if all the Hindi words of caution and command in squad drill as well as in army drills evolved by the Hindustan Seva Dal, Hindustan Scouts and the Azad Hind Force have been incorporated in this list?

**Shri Tyagi** : Although they have not been incorporated because they vary with one another selection has been made from out of them.

#### Hindustan Aircraft Ltd.

\*548. **Shri Jhulan Sinha** : Will the Minister of Defence be pleased to state whether the accounts of the Hindustan Aircraft Ltd., are now being maintained department-wise as recommended by the Public Accounts Committee in the Fourteenth Report *viz.* separately for Aircraft, Railway Coaches and Bus Bodies so as to facilitate a comparison of the operational efficiency of the respective Wings?

**The Ministry of Defence Organisation (Shri Tyagi)** : Yes, to the extent practicable.

**Shri S. V. Ramaswamy** : Does it disclose any profit or loss on any one of these three branches?

**Shri Tyagi** : Till recently accounts were kept together and there have been profits to the tune of Rs. 11 lakhs in one year, Rs. 9 lakhs in another year and Rs. 3 lakhs in a third year. Like that it varied from year to year but profits have been kept on the record of cumulative profits on all the branches.

**Shri S. V. Ramaswamy** : I wish to know not the cumulative profits of the entire Hindustan Aircraft Ltd. but the profit and loss account of each branch. Is it clear which branch is working in a loss?

**Shri Tyagi** : It is only this year that the recommendation of the Public Accounts Committee was received to separate the profit and loss accounts of all the three branches and, therefore, orders have only recently been issued. Until now the accounts were all kept together.

### नान-रेगुलर कमीशन्ड अफसर

\*५४६. श्री भवत दर्शन : क्या रक्षा मंत्री यह बताने की कृपा करेंगे कि १९५३ से १९५५ तक केन्द्रीय सरकार ने कितने अलग किये गये नान-रेगुलर कमीशन्ड अफसरों को फिर से नियुक्त कर लिया है?

रक्षा संगठन मंत्री (श्री त्यागी) : सूचना इकट्ठी की जा रही है और जितनी जल्दी हो सकेगा सभा-पट्ट पर रख दी जायेगी।

श्री भवत दर्शन : जहां तक मुझे जात है तीनों सशस्त्र सेनाओं में कूल मिला कर ४,५६३ नान-रेगुलर कमीशन्ड अफसर थे। क्या माननीय मंत्री महोदय यह बताने की कृपा करेंगे कि यद्य तक कितनों को परमानेन्ट कमीशन दिये जा चुके हैं और कितनों को डिस्चार्ज किया जा चुका है?

रक्षा मंत्री (डा० काठ्यू) : इस की इतना जमा की जा रही है।

श्री भवत दर्शन : जहां तक मंत्री महोदय के उत्तर से समझ सका हूँ जो सूचना जमा की जा रही है वह इस बात की है कि कितनों को सिविलियन विभागों में सिया जवा है, किन्तु इसके पांचडे से भी मंत्री महोदय के बास होंगे कि कितनों को परमानेन्ट कमीशन दिया जा चुका है और कितनों को डिस्चार्ज किया जा चुका है।

डा० काठ्यू : हर तरह की इतना जमा की जा रही है।

### Basic Education

\*५५१. **Pandit D. N. Tiwary** : Will the Minister of Education be pleased to state:

(a) whether it is a fact that the system of Basic Education as introduced in the States differs widely from State to State; and

(b) whether any attempt has been made to prescribe a uniform curriculum in all the States?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das)** : (a) No, Sir.

(b) A syllabus for Basic Schools was printed by Government of India for the guidance of all States.

**Pandit D. N. Tiwary** : May I know whether equal stress is laid on basic education to guide all the States?

**Dr. M. M. Das** : Yes, Sir.

**Pandit D. N. Tiwary** : May I know how far the schools have been successful in meeting the expenditure from their own works?

**Dr. M. M. Das** : The products of the students no doubt contribute substantially to the maintenance of these institutions but we cannot say that the institutions are self-supporting.

**Shri Bansilal** : May I know what steps have been taken for the training of teachers that will be employed in the basic schools?

**Dr. M. M. Das** : We have sanctioned huge sums of money to the State Governments for giving proper training to these teachers and these teachers are being trained now.

**Shri Bansilal** : May I know how many teachers have been trained till today for basic schools?

**Dr. M. M. Das** : I beg to have notice of the question.

**Pandit D. N. Tiwary** : May I know whether the expenditure on basic schools is higher than that on ordinary schools?

**Dr. M. M. Das** : The initial expenditure on setting up a basic school is indeed higher than that on the establishment of an ordinary primary school.

### Educational Officers' Conference

\*५५३. **Shri Bibhutti Mishra** : Will the Minister of Education be pleased to state the main decisions of the Conference of Secretaries and Directors of Public

Instructions held in Delhi during August, 1955, and how far they have been implemented?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das) :** A statement is laid on the Table of the Lok Sabha. [See Appendix III, Annexure No. 68.]

**श्री विभूति मिश्र :** इस स्टेटमेन्ट को देखने से पता चलता है पृष्ठ २ पर ६ वर्ष से ११ वर्ष तक लड़कों के लिये टार्गेट ७५ फी सदी से ६० फी सदी कर दिया गया है, ११ वर्ष से १४ वर्ष तक के लड़कों के लिये जो टार्गेट वह ३० फी सदी से २५ फी सदी कर दिया गया है, १४ वर्ष से १७ वर्ष तक के लड़कों के लिये २० फी सदी से १५ फी सदी कर दिया गया है। हमारे संविधान में है कि देश में शिक्षा जल्दी से जल्दी बढ़ाई जाये और अनिवार्य की जाये, लेकिन इस स्टेटमेन्ट को देखने से पता चलता है कि शिक्षा बढ़ाई नहीं जायेगी बल्कि घटाई जायेगी। तो क्या सरकार ने जो स्टेटमेन्ट खर्च का दिया है उस को रिवाइज़ कर के वह प्राइमरी शिक्षा को बढ़ावेगी ?

**Dr. M. M. Das :** Originally the estimate of the schemes to be taken up during the next Five Year Plan by the Ministry of Education was Rs. 1080 crores but the Planning Commission informed the Ministry that it is not possible for them to spend so much amount—Rs. 1080 crores—for education only. So, this Conference of the Director of Public Instructions and Education Secretaries of State was called in Delhi to consider how the expenditure can be cut down. Therefore the targets have to be reduced.

**Shri Raghunath Singh :** How much reduced?

**Dr. M. M. Das :** He has already stated that.

**श्री विभूति मिश्र :** प्राइमरी शिक्षा में हाई स्कूल तक जो लड़के पढ़ते हैं हर वर्ष उन की किताबें बदल जाती हैं और गांव के गारीब लड़के इस कारण से पढ़ नहीं पाते हैं क्या सरकार इस तरफ भी ध्यान देती कि उन की किताबें हर साल न बदली जायें।

**Mr. Speaker :** Order, order. These are all questions for the State Government to answer.

**Shri Raghunath Singh :** May I know how much amount was reduced by the Planning Commission and why?

**Dr. M. M. Das :** I speak subject to correction, Sir; the Ministry has been advised to make their estimates to Rs. 600 crores or something like that.

#### Inter-University Youth Festival

**\*554. Shri Radha Raman :** Will the Minister of Education be pleased to state:

(a) the number of Universities which participated in the Second Inter-University Youth Festival held in Delhi during October, 1955;

(b) the total number of students who joined the festival;

(c) whether any reasons were advanced by those Universities which did not join it and what are those reasons; and

(d) the amount sanctioned for the festival and that actually incurred?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das) :** (a) 25.

(b) 1079.

(c) Out of the 7 Universities which did not participate, only the Universities of Madras, Allahabad and Vellore had informed of their reasons for not participating.

(d) Rs. 2.7 lakhs was sanctioned but the accounts have not yet been finalised.

**Shri Radha Raman :** May I know whether it is a fact that the festival was not open to non-students and only ticket-holders were admitted to the different shows organised at the time, and even M.P.s. were not invited to any of the functions?

**Dr. M. M. Das :** I do not know whether M.P.s. were invited or not. Tickets were sold to the public and anybody who wished to see those performances could do so by purchasing tickets.

**Shri Radha Raman :** What amount was realised from the sale of tickets and was it going to be contributed to the Prime Minister's Relief Fund?

**Dr. M. M. Das :** Yes; it is going to be contributed to the Prime Minister's Relief Fund. The figures are not at present with me, but so far as I remember, it is below Rs. 10,000.

**Shri Bhagwat Jha Azad** : May I know if there was any academic discussion in this festival so as to find out the reasons for the gradual going down of the standard either in education or in sports or in discipline?

**Shri Kamath** : Or in administration?

**Dr. M. M. Das** : I do not know. I beg to have notice of the question.

**Shri Bimalaprasad Chaliha** : What are the reasons given by the three universities for non-participation?

**Dr. M. M. Das** : The Madras University informed us that the syndicate of the university did not permit participation of their students on account of the academic session being on. The Venkateshwara University said that they were too young to send up a team. The Allahabad University withdrew its participation on account of the internal trouble in that university.

#### Oil Wells in Naharkatiya

**\*559. Shri Bishwa Nath Roy** : Will the Minister of Natural Resources and Scientific Research be pleased to state:

(a) whether drilling of oil wells in Naharkatiya area would be completed this year (1955-56); and

(b) if answer to part (a) above be in the affirmative, whether oil production would start in the current year (1955-56)?

**The Minister of Natural Resources (Shri K. D. Malaviya)** : (a) and (b). A statement giving the required information is laid on the Table of the House. [See Appendix III, annexure No. 76.]

**Shri Bishwa Nath Roy** : May I know whether, in view of a good number of oil wells in that area, any refinery will be established there?

**Shri K. D. Malaviya** : No. The question of refineries does not arise, as the amount of oil in relation to refineries has not yet been established.

**Shri Bishwa Nath Roy** : May I know whether Government have any idea about the annual production of oil from that area?

**Shri K. D. Malaviya** : I gave the information the other day that about 1,600 barrels a day was the production from these wells. It is too insufficient even to consider whether a refinery could be established there; but we are waiting for future development for our programme of oil in that area.

#### Statistical and Economic Advisory Service

**\*560. Shri B. D. Shastri** : Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No. 1148 on the 25th August 1955 and state the progress made so far in regard to the proposal for creating a Statistical and Economic Advisory Service?

**The Deputy Minister of Home Affairs (Shri B. N. Datar)** : The matter is still under consideration.

**श्री बी० डॉ० शास्त्री** : स्टेट्स रिपोर्ट-नाइट्वेन कमीशन ने जो इंडियन सर्विसिंस कियेट करने की सिफारिश की है, क्या उसके साथ इस बारे में भी विचार किया जायेगा?

**Shri Datar** : Government are considering the whole question regarding the Statistical and Economic Advisory Service.

#### Urban Family Welfare Projects

**\*601. Shri Gidwani** : Will the Minister of Education be pleased to state:

(a) whether it is a fact that the Central Social Welfare Board have decided to set up Urban Family Welfare Projects in all the States;

(b) the nature of these projects; and

(c) the amount of money that will be needed for each of them?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das)** : (a) Yes, Sir. (b) They will be co-operative societies undertaking local industries to provide work in factories or in their own homes to lower middle class women.

(c) It is not possible at this stage to indicate the cost.

**Shri Gidwani** : May I know whether there is any such Project which has been started so far?

**Dr. M. M. Das** : Yes; one has been started in Delhi. It is the match factory.

**Shri Gidwani** : May I enquire whether the members of the Social Welfare Board have been permanently appointed or whether their membership is for a fixed period?

**Dr. M. M. Das** : If the question relates to the match factory then I may inform the hon. Member that it is run by a registered society.

**Mr. Speaker:** His point is whether the members of the Central Social Welfare Board have been appointed for certain period or permanently—for a life.

**Dr. M. M. Das:** I want notice.

**Shri Sinhasan Singh:** May I know whether any scheme has been evolved for the uplift of the rural people?

**Dr. M. M. Das:** No; this scheme is confined to the urban areas. In other words, this Family Welfare Project is for urban areas only.

### "Amrutara Santana"

\*562. **Shri Sanganna:** Will the Minister of Education be pleased to refer to the reply given to Unstarred Question No. 69 on the 27th July, 1955 and state:

(a) whether any decision has been arrived at regarding the translation of the Oriya Book "Amrutara Santana" into other regional languages; and

(b) if so, its nature?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das):** (a) & (b). The matter is still under the consideration of the Sahitya Akademi.

**Shri Sanganna:** May I know the authority to whom the translation work has been entrusted and whether any time-limit has been imposed to complete the work?

**Dr. M. M. Das:** Only one chapter of this book was translated and it was sent to Dr. Harikrishna Mehtab to examine the faithfulness of the translation. We have not received any reply. Dr. Mehtab has told us that he wants more time to compare the translation with the original.

**Shri Sanganna:** May I know whether that work has been translated in English or in any other language?

**Dr. M. M. Das:** Only in Hindi.

### Education in Andaman and Nicobar Islands

\*563. **Dr. Ram Subhag Singh:** Will the Minister of Education be pleased to state:

(a) whether the Committee which was set up by the Government of India to study the educational set-up in the Andaman and Nicobar Islands and suggest plans for its improvement had submitted its report;

(b) if so, the main features of that report?

(c) whether Government have accepted it; and

(d) the cost involved in implementing it.

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

(b) A summary of the recommendations is contained in pages 108-119 of the Report a copy of which is available in the Library of the Lok Sabha.

(c) and (d). Government of India have accepted some of the recommendations made by the Committee, and steps are being taken at present for the implementation of those recommendations; while others are under consideration of the Government. The cost for the implementation of the accepted recommendations has yet to be worked out.

**Dr. Ram Subhag Singh:** What are the recommendations of the Committee in regard to the setting up of technical institutions in that island?

**Dr. M. M. Das:** There are a large number of recommendations numbering about forty-seven. I refer the hon. Member to the report which lies in our library.

**Shri A. M. Thomas:** May I enquire what is the medium of instruction at present adopted in the islands and what other languages do the Government propose to introduce there?

**Dr. M. M. Das:** This Committee has recommended that Hindi, with the Devnagari script will be the regional language of the Andaman and Nicobar Islands.

**Shri Bhagwat Jha Azad:** What has been the consideration of the Government on the recommendation regarding affiliation of the institutions in the Andaman Nicobar Islands to the universities in India?

**Dr. M. M. Das:** I have said that Government has taken decisions about some of the recommendations, but others are under consideration.

**Shri N. B. Chowdhury:** May I know whether Government have received any complaints from the schools in the Andamans that affiliation to the Ajmer Board creates difficulties for their students?

**Dr. M. M. Das:** I beg to have notice of that question.

### Braille Press, Dehra Dun

\*565. **Shri Sadhan Gupta** : Will the Minister of Education be pleased to state:

(a) the number of publications that the Braille Press, Dehra Dun, has brought out so far; and

(b) the names of the languages in which they have been published?

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das)** : (a) 21.

(b) Hindi, English, Telugu, Marathi, and Gujarati.

**Shri Sadhan Gupta** : May I know in the course of what period these 21 publications have been brought out?

**Dr. M. M. Das** : Up to the middle of last year, publications were carried out only in Hindi. During the last one year, they are publishing in other languages also.

**Shri Sadhan Gupta** : May I know in what other languages publication is contemplated?

**Dr. M. M. Das** : That is yet to be decided.

**Shri Sadhan Gupta** : May I know how these publications are distributed? Are they distributed by sale or is there some other method of distribution?

**Dr. M. M. Das** : They are on sale. They sell very cheaply. The price has been kept very low—one-third of the cost price.

### Estate Duty

\*566. **Shri B. S. Murthy** : Will the Minister of Finance be pleased to state:

(a) the amount collected as Estate Duty in Andhra in 1954-55; and

(b) the reason for the late application of the Estate Duty Act in the Andhra State?

**The Minister of Revenue and Civil Expenditure (Shri M. C. Shah)** : (a) A sum of Rs. 32,996 was collected as Estate Duty in Andhra in 1954-55.

(b) The Estate Duty Act 1953, which came into force with effect from the 15th October, 1953, extended to the whole of India, except the State of Jammu and Kashmir. It has accordingly been in force in the Andhra State from that date, so the question of late application does not arise.

**Shri B. S. Murthy** : What machinery is employed for collecting this estate duty?

**Shri M. C. Shah** : The income-tax officers, designated as Assistant Controllers, and so on, do this work.

**Shri Nanadas** : May I know the number of cases and the highest amount collected?

**Shri M. C. Shah** : I have not got the highest amount collected. Regarding the amount of cases, during the year 1954-55 till 31st October, 1955, there were 60 cases. Between 1st April, 1955 and 31st October, 1955, two cases have been disposed of; there are still 58 cases to be disposed of.

**Shri Jhunjhunwala** : Has the Government kept any record of the expenditure for collecting the Estate Duty?

**Shri M. C. Shah** : There are no separate figures of expenditure; as I said it is collected through the machinery of the income-tax officers, controllers, assistant controllers etc. Wherever there is more work, like Bombay, we have special circles. If the hon. Member wants the figures of expenditure, I require notice.

**Shri Bansal** : May I know the percentage of collections in Andhra as compared to the total collections in the country as whole?

**Shri M. C. Shah** : I do not have the percentage with me. The demand in the year 1954-55 was Rs. 1,23,72,458; the collections were Rs. 85,14,416. The collections in Andhra were Rs. 32,996. If the hon. Member divides this figure by the total collections and multiplies by hundred, he will get the percentage.

### International Cottage Industries Exhibition

\*567. **Sardar Hukam Singh** : Will the Minister of Education be pleased to state whether any decision has been taken by Government to organise an International Cottage Industries Exhibition during the Ninth Session of the UNESCO to be held in India in 1956.

**The Parliamentary Secretary to the Minister of Education (Dr. M. M. Das)** : No, Sir.

The question of organising suitable programmes including exhibitions is under consideration.

**Sardar Hukam Singh** : Has any progress been made about the proposal or is it still in a melting pot and nothing has been done?

**Dr. M. M. Das** : It is certainly not in the melting pot. It is the general practice to hold suitable programmes,

educational, cultural etc. in the country while the conference of the UNESCO takes place. We have got 8 other proposals for holding exhibitions during the time the conference takes place in Delhi.

**Sardar Hukam Singh :** When the UNESCO conference takes place anywhere, is it left to the host country to invite other countries to attend these exhibitions or does UNESCO also take part in selecting countries to attend these exhibitions?

**Dr. M. M. Das :** So far as the holding of these exhibitions is concerned, the host country has to make arrangements for holding the exhibitions. In addition to that, other countries also, who are members of the UNESCO, can hold, exhibitions in the host country if facilities are available and if they want to do it.

**Mr. Speaker :** The question is, who selects the invitees to these exhibitions?

**Dr. M. M. Das :** UNESCO has nothing to do with the selection. So far as the host country is concerned, it depends upon the host country; about the other member countries it depends upon them.

**Shri Bahadur Singh :** May I know whether any site has been chosen to hold this conference?

**Dr. M. M. Das :** No.

पौंड पावना

\***पौंड भी शीनारायण दास :** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि भारत के पौंड पावना की वर्तमान स्थिति क्या है?

**वित्त मंत्री (श्री सी० श्री० देशमुख) :** २५ नवम्बर, १९५५ को भारत के पौंड पावने की कुल राशि लगभग ७१६.६९ करोड़ रुपये थी।

**Shri T. S. A. Chettiar :** Will the Parliamentary Secretary please repeat the figures in English?

**Shri B. R. Bhagat :** Rs. 716.69 crores.

**Shri Shree Narayan Das :** May I know the extent to which India was able to utilise the Sterling funds as released according to the agreement between these two countries?

**Shri B. R. Bhagat :** We have used only £1.5 crores.

**Shri Shree Narayan Das :** In view of the Sterling requirements for the next Five Year Plan, may I know whether any fresh negotiations are proposed to be held with the British Government about the release of this fund?

**Shri B. R. Bhagat :** Fresh negotiation is not needed at all, because we have not utilised it to the extent of the release agreed upon. Under the agreement, we could have utilised £3.5 crores, or £35 million, every year for the next six years. But we have only used £15 million. This is because of the improvement in the food situation, industrial development, progress made by the first Five Year Plan, etc. So, there was no need for any release.

**स्टेट एक्सेल सिंह :** क्या मंत्री महोदय, बताने की कृपा करेंगे कि जो हमारे स्टार्लिंग बैलेंसिस लंदन में रहते हैं, उन पर क्या कोई इंट्रेस्ट भी मिलता है, यदि मिलता है तो किस हिसाब से?

**श्री बी० शार० भगत :** इंट्रेस्ट\* तो नहीं मिलता है।

**Shri C. D. Pande :** May I know if the cost of the steel plant to be established at Durgapur by the British will be met out of this fund?

**Shri B. R. Bhagat :** It is a separate question.

**Shri A. M. Thomas :** In view of the contemplated deficit financing, has any fresh negotiation been made for the release of this fund?

**Shri B. R. Bhagat :** There is no need for fresh negotiation, because we are not utilising the fund to the extent already agreed upon.

**Shri M. S. Gurupadaswamy :** Since the Government is not able to utilise fully the funds that are released from the sterling balances, may I know whether it would consider taking steps to invest these sterling balances in foreign countries in any industry?

**Shri B. R. Bhagat :** During the second Five Year Plan, we can always utilise our foreign exchange resources; although we have a comfortable sterling balance, it is expected that in the second Five Year Plan, we are likely to utilise almost the whole of it.

\* The answer was later corrected by Shri B. R. Bhagat as follows :

"Sterling securities at present earn interest at rates ranging between two percent and four percent. What the average rate on sterling balances works out to is difficult to say as rates for short term money, in which form a part of our sterling balances are kept, vary from time to time." (vide Part II Debates, dated 23-12-55).

### Tobacco

**\*570. Shri Dabhi :** Will the Minister of Finance be pleased to state:

(a) whether Government have set up an expert committee to review the working of the present excise tariff on tobacco; and

(b) if so, its personnel and terms of reference?

**The Minister of Revenue and Defence Expenditure ( Shri A. C. Guha ) :** (a) and (b) The Government has decided to set up the Committee and it is expected that the personnel and the terms of reference will be announced shortly.

**Pandit D. N. Tiwary :** Will this committee consider the question of exempting the growers to grow tobacco for their own use?

**Shri A. C. Guha :** That is already there. Certain quantity of tobacco is allotted to each grower for his own personal use. That varies according to the area and the habits and customs prevailing in that area.

**Pandit D. N. Tiwary :** May I know whether the Government is aware that the exemption now made is very insignificant and therefore, whether that Committee will consider giving further exemption?

**Shri A. C. Guha :** I do not accept the first part of the question. The exemption varies from area to area. I think in certain areas it is as high as 90 lbs.

### National Cadet Corps

**\*571. Shri Krishnacharya Joshi :** Will the Minister of Defence be pleased to state :

(a) whether as per recommendations of the Central Advisory Committee for the National Cadet Corps made in the November, 1954 further expansion of the N.C.C. has been integrated with the Second Five Year Plan ; and

(b) if so, funds allotted for the expansion?

**The Minister of Defence Organisation ( Shri Tyagi ) :** (a) and (b). A proposal for the development of the National Cadet Corps during the Second Five Year Plan has been submitted to the Planning Commission and is under their consideration.

**Shri Krishnacharya Joshi :** What are the main recommendations of this committee?

**Shri Taygi :** According to the suggestion of the committee, greater stress is proposed to be laid on the development of the Girls Division of the N.C.C. than hitherto. As far as is practicable, an attempt will be made to give every State atleast one unit of this type, namely, E.M.E., Medical, Engineering, Air, Naval etc. An endeavour will be made to achieve balanced development in all the States.

**Shri Krishnacharya Joshi :** May I know the total amount allotted for expenses under the Second Five Year Plan?

**Shri Tyagi :** That is for the Planning Commission. They have not yet come to any final conclusion.

### सशस्त्र सेनाओं में पदाधिकारियों का रिटायर किया जाना

**\*५७२. श्री भक्त दर्शन :** क्या रक्षा मंत्री यह बताने की कृपा करेंगे कि :

(क) १९५५ में अब तक सशस्त्र सेनाओं के कितने वरिष्ठ पदाधिकारियों को समय से पहले पैशन पर रिटायर कर दिया गया है; और

(ख) समय से पहले उन्हें रिटायर करने के कारण क्या हैं ?

**रक्षा संगठन मंत्री ( श्री स्थानी ) :**

(क) दो

(ख) एक अफसर को अनुशासन भंग करने के अपराध में रिटायर किया गया और दूसरे को एक राज्य सरकार में पद ग्रहण करने की इजाजत दी गई।

**श्री भक्त दर्शन :** क्या गवर्नर्मेंट के ध्यान में यह बात आई है कि इस समय जो विभिन्न प्रकार के कमीशन्ड आफिसर्स के लिये रिटायरमेंट के नियम हैं वे इस प्रकार के हैं कि अनुभवी और योग्य लोग भी पूरी सेवा करने से पहले ही रिटायर कर दिये जाते हैं? क्या इस पर भी विचार किया जा सकता है कि उनके अनुभव और योग्यता से अधिक लाभ उठाया जाय ?

**रक्ता मंडी (डा० काट्टू) :** यह मामला ज्वर गौर है। मुश्किल यह है कि नीचे के जो अफसर हैं वे तावाद में बहुत ज्यादा हैं और ऊंचे अफसर बहुत कम हैं। इस बजह से ऊंचे अफसरों को ज्यादा रक्ता नहीं जा सकता, क्यों कि ऐसा करने से नीचे वालों की तरकी ब्लाक हो जायेगी। मगर कुल मामले पर विचार किया जा रहा है।

**श्री भक्त दर्शन :** जो अफसर कि अनुशासन भंग करने के कारण या अपराध पर अलग कर दिये जाते हैं उनके सिवाय और भी ऐसे अफसर हैं जो कि समय से वहले रिटायर कर दिये जाते हैं। क्या उनकी योग्यता और अनुभव से लाभ उठाने के लिये उनको और पदों पर नियुक्त करने का विचार किया जा रहा है?

**डा० काट्टू :** उनको डिक्सेंस मिनिस्ट्री के पदों पर रखने की कोशिश की जाती है। यह कोशिश भी की जाती है कि उनको और पदों पर रखा जाय। मगर यह मामला बहुत दूर तक हमारे हाथ में नहीं है।

**Shri U. C. Patnaik :** May I know if the seniormost Indian superintendent of Ordnance Organisations and Director of Technical Development Establishment have been made to retire prematurely while the British Works Managers have been promoted as Superintendents recently?

**Dr. Katju :** I want notice of this question.

#### Indian Aid to other Countries

**\*573. Shri D. C. Sharma :** Will the Minister of Finance be pleased to state the amount of aid expected to be given to other countries by India during 1955-56?

**The Parliamentary Secretary to the Minister of Finance (Shri B. R. Bhagat):** India is giving economic aid only to Nepal under the Colombo Plan and the amount expected to be given during 1955-56 is Rs. 1.56 crores.

**Shri D. C. Sharma :** May I know for what purposes this economic aid is going to be given to Nepal?

**Shri B. R. Bhagat :** For various development purposes and some of these schemes are maintenance and construction of air-fields, minor irrigation, the Trisuli project, supply of fertilisers and minor items, etc.

**Shri D. C. Sharma :** May I know the amount that has been set apart for the development of air-fields in Nepal?

**Shri B. R. Bhagat :** For the maintenance of the air-field, Rs. 20 lakhs, construction of a permanent runway at the air-fields, Rs. 25.28 lakhs.

**Shri Bansal :** May I know if the Government of India have given any aid to Burma recently and if so, what is the nature and quantity of that aid?

**Shri B. R. Bhagat :** That is a separate question. That is a loan given to Burma.

**Shri Kasliwal :** May I know whether there is any proposal to give technical aid to Indonesia?

**Shri B. R. Bhagat :** I am very glad to inform that up to June 1955, we have provided training facilities to a number of countries in South and South-East Asia : Nepal 190 trainees, Ceylon 46, Malaya 2, Phillipines 21, Burma 12, Indonesia 15, Pakistan 29, Thailand 8, Vietnam 2. Also a few experts have been provided to Nepal and Ceylon.

**Shri Thimmaiah :** On what terms these loans are given to the Nepal Government?

**Shri B. R. Bhagat :** They are assistance they are not loans. It is assistance under the Colombo Plan.

**Shri D. C. Sharma :** What kind of technical aid is going to be provided to Pakistan?

**Shri B. R. Bhagat :** This question refers to economic aid. Incidentally I referred to technical aid. If the hon. Member puts a separate question, I can supply the details.

#### I. A. F. Team's Visit to Nepal

**\*574. Shri Bibhuti Mishra :** Will the Minister of Defence be pleased to state :

(a) whether it is a fact that an Indian Air Force team has made on the spot study of aviation facilities available at the Nepalese air fields during September, 1955;

(b) if so, whether the team has submitted any report; and

७८८. (c) what are its main recommendations?

**The Deputy Minister of Defence (Sardar Majithia) :** (a) and (b). Yes Sir.

(c) Certain recommendations for improving the airfields and for providing some facilities have been made, but it will not be in the public interest to disclose all the details.

**श्री विभूति चिंग्धे :** नेपाल में जो फ़िलहाल एमरफील्ड हैं क्या उनके अलावा भी नवीन एमरफील्ड बनाने के लिये सिफारिश की जा रही है या जो हैं उन्हीं को रखा जायेगा?

**सरदार मजीठिया :** नये एमरफील्ड बनाने की कोई सिफारिश नहीं है। जो पहले से ही हैं उनकी बेहतरी के लिये सिफारिश है।

**श्री विभूति चिंग्धे :** सेमझा बास में जो एमरफील्ड है वह बरसात में चल नहीं सकता। क्या सरकार उसको, अविलम्ब हम्रूप करेगी?

**सरदार मजीठिया :** उसके मूतालिक सो नैपाल गवर्नरेट से पूछना चाहिये।

**Shri Kamath :** May I know if these improvements have brought these air fields up to international safety requirements prescribed by the I.C.A.O. of which India is a member?

**Sardar Majithia :** No, Sir. That does not arise because these air-fields only run internally by the Nepal Government and assisted by the civil air line of India.

**Shri Kamath :** Is it not a fact that safety requirements are prescribed for all air fields, whether internal or international? Does it mean that Government do not believe in safety requirements at all?

**Mr. Speaker :** That does not arise. Next question.

#### Directorate for Mines in Orissa

\*577. **Shri Sanganna :** Will the Minister of Natural Resources and Scientific Research be pleased to refer to the reply given to stated question No. 1952 on the 20th September, 1955 and state:

(a) whether the scheme for creating a separate Directorate for Mines has

been received from the Government of Orissa; and

(b) if so, what are the features of the scheme?

**The Minister of Natural Resources (Shri K. D. Malaviya) :** (a) and (b). No scheme has been received by the Government of India from the Government of Orissa but their proposals for the Second Five Year Plan include a scheme for a Directorate of Mines.

**Shri Sanganna :** May I know whether the creation of a directorate of mines is one of the steps in the direction towards nationalisation of mines?

**Shri K. D. Malaviya :** No, Sir. I do not think so. This seems to be a separate proposal which has been put forward by the Government of Orissa in the Second Five Year Plan and it is being considered by the Planning Commission. It should have nothing to do with the nationalisation schemes of the Government of India, or as a matter of fact, of any State Government.

#### बहरों की विज्ञा

\*५७८. **श्री शीलारामसं दास :** क्या विज्ञा मंत्री यह बताने की हुए करेंगे कि:

(क) बहरों को प्रशिक्षण देने वाला उनकी सामान्य दशा में सुधार करने के सम्बन्ध में सितम्बर, १९५५ में मसूरी में हुई गोली की मुख्य सिफारिशें क्या हैं;

(ख) क्या सरकार सिफारिशों पर विचार कर रही है;

(ग) सरकार ने इस बारे में क्या निर्णय किया है; और

(घ) क्या राज्य सरकारों के सहयोग से मिनिस्ट्रियल अवधा सचिवालय स्तर पर इस सम्बन्ध में कोई योजना या कार्यक्रम बनाया जायेगा?

**विज्ञा मंत्री के सभा विवर (डा० एम० एम० दास) :** (क) मानी गई बानकारी का एक विवरण सभा पट्टा पर

रख दिया गया है। [वेस्तिये परिशिष्ट ३, अनुबन्ध संख्या ६६]।

(ख) सिफारिशों पर भ्रमी विचार हो रहा है।

(ग) बहरे बच्चों के लिये माडल स्कूल और प्रोड बहरों के लिये तकनीकी प्रशिक्षण केन्द्र को जिन्हें खोलने की गोष्ठी ने सिफारिश की है दूसरी पंच वर्षीय योजना में शामिल करने का विचार है।

(घ) नहीं।

श्री अमितारायण दास : क्या मैं जान सकता हूँ कि ये सिफारिशें शिक्षा मंत्रालय में कब प्राप्त हुईं?

**Dr. M. M. Das :** The Seminar was held from 19th to 24th September, 1955. After that, they sent their report to us. It is barely a month ago.

श्री श्री नारायण दास : जो वक्तव्य सभा के पटल पर रखा गया है उससे मालूम होता है कि ऐसी बहुत सी सिफारिशें हैं जिनमें केन्द्रीय सरकार और राज्य सरकारों का सहयोग घरेकित है। तो क्या इस सम्बन्ध में केन्द्रीय सरकार कोई सम्मेलन बुलाने का विचार कर रही है ताकि इन सिफारिशों को जल्दी काम में लाया जाय?

**Dr. M. M. Das :** Out of 47 recommendations made by this seminar, two have already been accepted by the Government of India and the implementation of these two recommendations have been put in the Second Five Year Plan. We are awaiting the Planning Commission's reply on this point so far as this point is concerned. As regards the other recommendations, they are considered by the Government of India alone not in conjunction with the State Governments.

श्री श्री० एल० बालपाल : क्या सरकार ने इस प्रकार के शिक्षा केन्द्र नेत्र हीनों के लिए खोलने की भी कोई योजना बनाई है?

**Dr. M. M. Das :** Yes, Sir. For the blind also, there is a scheme before the Government of India and some parts of it are being implemented.

**Shrimati Renu Chakravarty :** In view of the fact that we have some excellent institutions giving education to the deaf, may I know whether the Central Government, which up to date has given very little to these institutions, proposes to sanction certain extension schemes and financial help to these institutions?

**Dr. M. M. Das :** So far as these institutions which are located in the States are concerned, the Government has got no scheme at present to give them financial help, but for students and teachers we are arranging to give scholarships and fellowships.

#### Family Accommodation for Military Personnel

\*579. **Sardar Hukam Singh :** Will the Minister of Defence be pleased to refer to the reply given to Starred Question No. 1658 on the 12th September, 1955 and state the percentage of the total strength of Military Personnel who require family accommodation?

**The Deputy Minister of Defence (Sardar Majithia) :** Calculated on the total strength of the officers and men of all the three Services, the percentage of married personnel is approximately 57. Though, all officers are entitled to married accommodation, the men of the three Services have an entitlement which varies from 14% to 100% of the total strength. The deficiency of residential accommodation on the basis of existing entitlement is of the order of 52 percent. Due priority has been given to construction of residential accommodation in the next Five year plan.

**Sardar Hukam Singh :** Do we expect to have all the accommodation so far as our requirements are concerned by the end of the Second Five Year Plan?

**Sardar Majithia :** No, Sir.

**Sardar Hukam Singh :** What was our position when the partition of the country took place, that is, what percentage of the total requirements of family accommodation had we in 1947?

**Sardar Majithia :** Speaking off-hand, it would be roughly about 30 per cent.

**Shri Nanadas :** May I know the rates of house rent allowance provided to such of the families as are not provided with accommodation?

**Sardar Majithia :** I will require notice for that.

श्री भवत दर्शन : क्या यह सत्य है कि जम्मू और काश्मीर के मोर्चे पर हमारे

बहुत से अफसरों और सैनिकों ने स्वयं अपने हाथों से कार्य करके बहुत से निवासगृह बनाये हैं? यदि हां, तो क्या इस तरह के उदाहरण को प्रोत्साहित करने के लिये और जगहों पर भी कैसे कदम उठाये जा रहे हैं?

**Sardar Majithia :** Certain accommodation has been built in Jammu and Kashmir by our personnel by their own voluntary efforts:

**The Minister of Defence Organisation (Shri Tyagi) :** It is all temporary huts.

#### Excise Duty on Matches

\***Shri Dabhi :** Will the Minister of Finance be pleased to refer to the reply given to starred question No. 876 on the 18th August, 1955 and state:

(a) whether Government have now taken a decision regarding the relief to be given to medium-sized and cottage groups of match factories by means of deferred payment of excise duty; and

(b) if so, what is that decision?

**The Minister of Revenue and Defence Expenditure (Shri A. C. Guha) :** (a) and (b). Yes. Government have decided that match factories registered under the Local Co-operative Societies Act may be allowed the concession of deferred payment of duty subject to certain limitations and conditions.

**Shri Bansal :** Are Government aware that the marketing of these small-scale and medium sized cottage products of match factories is very defective, and if so, are they going to give some aid to these factories to better market their products?

**Shri A. C. Guha :** That question may be directed to the Commerce and Industry Ministry. The Revenue section of the Finance Ministry has nothing to do with that.

**Shri Kasiwal :** Is it a fact that there is a proposal under the consideration of Government to altogether abolish the excise duty on the cottage group of industries?

**Shri A. C. Guha :** I do not think there is any proposal at present.

**Shri T. S. A. Chettiar :** May I know whether co-operative match factories of whatever size are free from duty?

**Shri A. C. Guha :** I do not think so. The present question is only for deferred payment of excise.

#### Hindi Sikshan Samiti

\***Shri Krishnacharya Joshi :** Will the Minister of Education be pleased to state:

(a) whether Regional Committees set up by the *Hindi Sikshan Samiti* have submitted their reports; and

(b) if so, what are their main recommendations?

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

(a) No, Sir.

(b) Does not arise.

**Shri Krishnacharya Joshi :** May I know whether any time-limit is fixed for the submission of the report?

**Dr. M. M. Das :** Yes, there was a time-limit. The last date was 31st October.

**Shri Krishnacharya Joshi :** May I know whether any honorarium is given to these Members?

**Dr. M. M. Das :** No honorarium is given to the Members as honorarium, but the secretaries who are in charge of these four regional committees, one in charge of each regional committee, are given Rs. 150 per month for clerical assistance, stationery etc.

**Shri Krishnacharya Joshi :** May I know the names of the Members of this Committee?

**Dr. M. M. Das :** The Secretary of the Eastern Zone is Shri R. D. Dinkar, M. P., the Secretary of the Southern Zone is Shri T. S. A. Chettiar, M. P., the Secretary of the Western Zone is Dr. Raj Bali Pandya, and the Secretary of the Northern Zone is Shri M. Satyanarayana, M.P.

**Pandit D. N. Tiwary :** May I know whether the Committee has given any reason for not submitting its report by the 31st October, 1955?

**Dr. M. M. Das :** No, Sir. Up till now we have not received any communication from them.

**Pandit D. N. Tiwary :** Will Government consider abolishing the Committee in view of the fact that it has neither submitted the report nor advanced any reasons for the delay?

**Dr. M. M. Das :** We expect to receive the report very soon.

#### Indian Air Force

\***Shri D. C. Sharma :** Will the Minister of Defence be pleased to state the steps that Government propose to take for the expansion of the Indian Air Force?

**The Deputy Minister of Defence (Sardar Majithia):** It is not in the public interest to disclose the steps which Government propose to take for the expansion of the Air Force.

**Shri D. C. Sharma:** May I know, if broadly speaking, any attempt is going to be made to increase the air fleet of our country.

**The Minister of Defence (Dr. Katju):** This matter is always kept under consideration so that our Air Force may be as strong as possible within our means.

**Shri D. C. Sharma:** May I know if the Defence Ministry has formulated any plans for the Army in general and the Air Force in particular so far as the Second Five Year Plan is concerned?

**Dr. Katju:** The Second Five Year Plan has nothing to do with it.

**Shri Kashiwal:** May I know whether the attention of Government has been drawn to reports in the press to the effect that there is going to be an expansion of the Indian Air Force by using Folland Gnat Fighter aircrafts the equipment for which is to be provided by Great Britain?

**Dr. Katju:** My hon. friend is only trying to drag me into answering a question for which we say that it will not be in the public interest to give an answer.

**Shri U. C. Patnaik:** May I know how long it will take Government to build up the Air Force Reserves, the Air Defence Reserves and the Auxiliary Air Force, an Act for whose building up was passed very enthusiastically by Parliament three years ago?

**Dr. Katju:** I want notice of the question

**Shri U. C. Patnaik:** My question was how long it will take the Government to build up the Air Force Reserves, Air Defence Reserves and the Auxiliary Air Force, an Act for whose building up was passed very enthusiastically by Parliament three years ago, when his predecessor was in office.

**Dr. Katju:** We will do all that we can within our financial resources and within our other limitations.

#### Indian Naval Flotilla

\*583. **Shri Bibhuti Mishra:** Will the Minister of Defence be pleased to state:

(a) the names of countries which the ships of the Indian Naval Flotilla have visited for training exercises during 1955; and

(b) how far these visits have proved successful?

**The Deputy Minister of Defence (Sardar Majithia):** (a) *Summer Exercises:*

Egypt, Cyprus, Turkey, France, Italy, Libya, Ethiopia, Malta, Indonesia, Malaya and Ceylon.

*Spring Exercises:* Persia, Iraq, Bahrain, Muscat and Aden.

(b) These visits have proved very successful in fostering goodwill between India and the countries visited, besides providing valuable training for our Navy.

**Shri Bibhuti Mishra:** इस एक्सरसाइज में सरकार का कितना सचा हुआ और इसमें कितना समय लगा?

**Saradar Majithia:** इस एक्सरसाइज में कोई फालू सचा नहीं होता यद्यों कि यह एक्सरसाइज तो नामेल ईटीन में होती है।

**Shri Bibhuti Mishra:** जब जब हर साल यह एक्सरसाइज होती है तो क्या इसमें दूसरे दूसरे आदमी रखे जाते हैं ताकि उनको भी ट्रेनिंग हो सके?

**Saradar Majithia:** इसमें तो सिर्फ नेवी के आदमी ही होते हैं।

**Dr. Laxka Sundaram:** May I know whether there is any proposal for the Indian units of the Navy to participate in similar exercises with Pakistani units in the near future?

**Sardar Majithia:** In regard to participating with Pakistan, I have not got any thing in particular at the moment, but in case they approach us, we will be too glad to have exercises to the benefit of both.

**Mr. Speaker:** The question list is over. We shall now take up questions in respect of which authority has been given.

#### Air-Dropping of Food Parcels

\*547. **Shri Bhakt Darshan (on behalf of Shri M. L. Agrawal):** Will the Minister of Defence be pleased to state whether it is a fact that two boys were killed recently by a gift parcel of food supplies air dropped by a mercy plane of the I.A.F. over the village of Kan Wan Wali in Kapurthala District?

**The Deputy Minister of Defence (Sardar Majithia):** Government have no information of the incident, beyond what has appeared in the Press.

**श्री भक्त दश्मनः** क्या इस मामले में कोई जांच की गयी है और जांच करने के बाद यह तैयार किया गया है कि उसके बारे में कोई सूचना नहीं है?

**सरदार मजीठिया** : न तो एपर हैडक्वार्टर्स में कोई ऐसी खबर है, न आर्मी हैडक्वार्टर्स में कोई ऐसी खबर है, और न स्टेट गवर्नरमेंट के पास कोई ऐसी खबर है।

**श्री भक्त दश्मनः** : जब यह रिपोर्ट प्रकाशित हुई तो क्या मंत्रालय ने यह उचित नहीं समझा कि चाहे शिकायत मिली हो या न मिली हो, इसकी जांच की जाये और पता लगाया जाये?

**सरदार मजीठिया** : जब ऐसी शिकायत ही नहीं है तो जांच क्या की जाये। ऐपर्स में तो खबरें निकलती रहती हैं, कोई सच होती है और कोई सच नहीं होती। उन सब की तो पहताल नहीं होती।

#### WRITTEN ANSWERS TO QUESTIONS

##### National College of Physical Education

\*541. **Shri V. P. Nayar**: Will the Minister of Education be pleased to state:

(a) whether plans for the National College of Physical Education have been finalised; and

(b) if so, its broad details?

**The Minister of Education and Natural Resources and Scientific Research (Maulana Azad)**: (a) No Sir; plans have not yet been finalised.

(b) Does not arise.

##### Recruitment Rules

\*542. **Dr. Satyawadi**: Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No. 1005 on the 22nd August 1955 and state when the necessary legislation under Article 16(3) of the Constitution will be introduced in the Lok Sabha with a view to amending State rules and orders prescribing domiciliary qualifications for recruitment to services?

**The Deputy Minister of Home Affairs (Shri Datar)**: The question of initiating legislation under Article 16(3) of

the Constitution is being examined in the light of the recommendations of the States Reorganisation Commission and all other relevant factors. It is not possible at this stage to say whether and if so when legislation will be introduced in Parliament.

##### Backward Classes Commission

\*543. { **Shri N. Rachiah**:  
**Shri Ramachandra Reddi**:  
**Shri N. M. Lingam**:  
**Shri K. C. Sodhia**:

Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No. 154 on the 27th July, 1955 and state:

(a) whether Government have since examined the report of the Backward Classes Commission;

(b) if so, whether all their recommendations have been accepted; and

(c) the total amount of expenditure incurred by the Commission?

##### The Deputy Minister of Home Affairs (Shri Datar):

(a) The Report is still under consideration.

(b) Does not arise.

(c) Rs. 5 lakhs.

##### Compulsory Primary Education

\*550. **Shri Heda**: Will the Minister of Education be pleased to state:

(a) how many States have passed legislation making primary education compulsory;

(b) whether the Union Government have issued any directive or tended any advice to the State Governments in this regard; and

(c) if so, its nature?

**The Minister of Education and Natural Resources and Scientific Research (Maulana Azad)**: (a) 18 State Governments.

(b) No directive has been considered necessary.

(c) Does not arise.

##### Rural Higher Education Committee

\*552. { **Shri K. P. Sinha**:  
**Shri Digambar Singh**:

Will the Minister of Education be pleased to state the steps so far taken by Government towards the implementation of

he recommendations of the Committee on Higher Education for rural areas?

**The Minister of Education and Natural Resources and Scientific Research (Malana Azad):** The Government have decided to set up a National Council for Rural Higher Education. A separate Section to promote the development of Rural Institutes has also been established in the Ministry.

#### Foreign Official Trainees in India

\*555. **Shri R. N. Singh:** Will the Minister of Home Affairs be pleased to state the number of foreign officials receiving training in India particularly in Civil Service at present?

**The Deputy Minister of Home Affairs (Shri Datar):** The number of officials undergoing training in India is 26. Details are given in the statement laid on the table of the House. Arrangements for their training have been made under the Colombo Plan. (See Appendix III, annexure No. 70).

#### Export of Dry Prawns

\*556. **Shri Punnoose:** Will the Minister of Finance be pleased to state:

(a) whether during the visit of the Minister of Trade of Government of Burma last September, the Government of India took up with him the question of export to Burma of dry prawns; and

(b) if so with what result?

**The Minister of Finance (Shri C. D. Deshmukh):** (a) and (b) Talks with the Delegation which came from Burma were confined mainly to the grant of a loan to that country. Trade matters, including the export of dry prawns, were also discussed with a view to exploring the possibilities of increasing Indo-Burmese trade. The Government of India did not, however, consider it necessary to lay down any conditions to the loan with regard to the export of any commodity to Burma including prawns.

#### Armed Forces Personnel

\*557. **Shri Dhusalya:** Will the Minister of Defence be pleased to state:—

(a) whether it is a fact that reduction has taken place in the salaries of officers and other ranks of the Armed Forces.

(b) if so, when:

(c) what is the percentage of difference between their pre-war and post-war salaries; and

(d) what were the grounds that led to such reduction?—

**The Minister of Defence Organisation (Shri Tyagi):** (a) and (b). A New Pay

Code for officers and other ranks of the Armed Forces was introduced in 1947. The rates of pay prescribed by the New Pay Code are definitely higher than the peace-time rates prevalent before the last war. In the case of personnel below the rank of officers, they also compare favourably to the rates which were in force during the war. In the case of officers, however, the current rates are lower than the war-time rates.

(c) Statements are laid on the Table. (See Appendix III, Annexure No. 71.)

(d) During the war, the rates of pay applicable to British officers were applied to Indian officers serving in the Armed Forces as well. This was purely a war-time concession and could not be justifiably continued after the end of the war. The New Pay Code for officers introduced in 1947 was related to the pay-rates fixed for the superior civil services as a result of the recommendations of the Central Pay Commission.

#### Forged Currency

\*558. **Sardar Iqbal Singh:** Will the Minister of Finance be pleased to state:

(a) whether it is a fact that an International gang which is responsible for circulation of forged currency notes of several crores has been detected by the Police recently; and

(b) if so the number of persons are involved?

**The Minister of Revenue and Defence Expenditure (Shri A. C. Guha):** (a) & (b) The question apparently refers to some press report emanating from Patna which is a very much exaggerated version of an ordinary attempt at forgery. According to information received from the Government of Bihar three persons were arrested at Patna on 1st November, 1955, in course of a trap arranged on confidential information previously received. Suspected forged notes worth rupees seventeen were recovered by hours search. No basis has been found for press report that the persons belong to international inter-state gang or that currency notes worth cores of rupees are involved.

#### Oil Prospecting and Refining

\*564. **Shri Amjad Ali:** Will the Minister of Natural Resources and Scientific Research be pleased to state:

(a) whether Rumania has offered to India technical staff experienced in oil prospecting and refining;

(b) whether she has also offered oil drilling equipment; and

(c) if so, the steps taken in that direction?

**The Minister of Natural Resource (Shri K. D. Malaviya):** (a) and (b). Yes, Sir

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

**Post-Institutional Training in Engineering**

**\*569. Dr. Satyawadi:** Will the Minister of Education be pleased to state:

(a) whether the selection of candidates for post-institutional practical training in Engineering and Industrial establishments has been completed for 645 senior and 227 junior stipends for 1955-56; and

(b) the pattern for selection of the Industrial establishments for training of those candidates?

**The Minister of Education and Natural Resources and Scientific Research (Maulana Azad):** (a) Selections have been completed for the award of 569 senior and 208 junior stipends. For the rest selections are being made.

(b) The industrial establishments are selected on the basis of the nature and scope of training facilities available in them, their active interest in the training programme and the need for training in particular fields.

**S.S.O's. Office, Calcutta**

**\*575. Shri V. P. Nayar:** Will the Minister of Defence be pleased to state:

(a) whether there has been a case of defalcation recently in the office of the S.S.O., Calcutta Fort Area;

(b) if so, the amount involved; and  
(c) the nature of enquiries made?

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

(b) Rs. 79,506/12/2.

(c) A Court of Inquiry was held to investigate the loss. It is reported that the Officer involved has voluntarily confessed that he used the money for private purposes. Steps are now being taken to try the accused by Court Martial.

**Self-loading Rifles**

**\*576. Sardar Iqbal Singh:** Will the Minister of Defence be pleased to state:

(a) whether Government have considered the question of introducing self-loading rifles in the Armed Forces recently; and

(b) if so, the decision taken thereon?

**The Minister of Defence (Dr. Katju):** (a) and (b). A proposal to introduce a self-loading rifle in the Armed Forces is under consideration.

**Central Excise Staff**

**308. Shri H. N. Mukerjee:** Will the Minister of Finance be pleased to state whether it is a fact that notices were served on certain employees of the Central Excise at the Shillong Collectorate calling on them to show cause why their services should not be terminated for failure to pass an examination in Hindi?

**The Minister of Revenue and Defence Expenditure (Shri A. C. Guha):** Notices were served in accordance with the departmental examination rules on fourteen employees as they failed to pass the departmental examination but on further examination all of them have been allowed a further chance to pass in Hindi.

**अन्दमान और निकोबार द्वीप**

**306. श्री एम० एल० विदेशी :** क्या गृह-कार्य मंत्री यह बताने की कृपा करेंगे कि :

(क) अन्दमान और निकोबार द्वीपों के निकट, १९५२ से अब तक कितने विदेशी नाव अथवा जहाज अनधिकृत रूप से धूमते हुये पकड़े गये हैं;

(ख) इन में से कितने जहाजों पर भारत सरकार ने कब्जा कर लिया तथा कितनों को वापिस कर दिया;

(ग) भारतीय सीमा में इस प्रकार अनधिकृत रूप में धूस धाने के क्या प्रयोजन थे; और

(घ) भारत सरकार अथवा उनके अपने देशों की सरकारों ने उस अपराध के लिये उन के चालकों तथा दूसरे व्यक्तियों को क्या दण्ड दिये?

**गृह कार्य मंत्री (पंडित जी० श्री० पाल):**

(क) चार मोटर नावें और तीन छोटी नावें (सैमैन) !

(ख) सब नावें सरकार द्वारा जब्त कर ली गई।

(ग) निवित रूप से प्रश्न का उत्तर महीं किया जा सकता लेकिन जाहिर है कि उनका उद्देश्य कीमती सीपों को गैर काबूली तरीके से खोजना था।

(घ) अन्दमान प्रशासन द्वारा बिना आज्ञा प्रबोध करने वाले विदेशियों को दी गई सज्जा का विवरण इस प्रकार है:—

१. ऐस० ऐम० एफ० ३३— कप्तान और ११ मल्लाहों को ६ महीने की कड़ी कैद की सज्जा ।
२. ऐस० ऐम० एफ० १३०— मालिक और ८ मल्लाहों को ६ महीने की कड़ी सज्जा ।
३. ईनरी न० १/०४७०— कप्तान और ३३ मल्लाहों को ६ महीने की कड़ी कैद की सज्जा ।
४. ऐस० ऐम० एफ० ६३— कप्तान और ६ मल्लाहों को फिशरीज रेग्यूलेशन के अन्तर्गत ४ महीने की कड़ी सज्जा और कप्तान तथा ६ मल्लाहों को फारेनस एक्ट १९४६ के अन्तर्गत १ साल की कड़ी सज्जा दी गई जो दोनों साथ साथ चलेंगी । उनकी सरकारों द्वारा उनको दी गई सज्जा के बारे में, हमें मालूम नहीं है ।

#### Court Martials

३१०. { **Sardar Hukam Singh:**  
**Shri Bahadur Singh:**

Will the Minister of Defence be pleased to state:

(a) the number of General and District Court Martials held against the Defence Services personnel during 1955;

(b) the crimes for which they were tried; and

(c) whether any particular crime, offence or misdemeanour has increased since partition?

**The Minister of Defence. (Dr. Katju)**  
(a) 48 and 67 respectively.

(b) Mainly for absence without leave, insubordination and other acts prejudicial to

good order and military discipline; and offences such as theft, fraud, misuse or misappropriation of Government property.

(c) No.

#### Displaced Persons in Armed Forces

३११. { **Sardar Hukam Singh:**  
**Shri Bahadur Singh:**

Will the Minister of Defence be pleased to state:

(a) what percentage of the Armed Forces personnel consists of displaced persons; and

(b) what is their number?

**The Deputy Minister of Defence (Sardar Majithia):** (a) It is not in the public interest to disclose the information on the floor of the House.

(b) This information is being collected and will be laid on the table of the House as soon as possible.

#### Secondary Education

३१२. { **Sardar Hukam Singh:**  
**Shri Bahadur Singh:**  
**Shri M. L. Agrawal:**  
**Shri Shree Narayan Das:**  
**Shri Ram Dass:**  
**Dr. Ram Subhag Singh:**

Will the Minister of Education be pleased to state:

(a) the amount sanctioned by Government for the reconstruction of Secondary education State-wise during 1954 and 1955; and

(b) the amount actually used so far?

**The Minister of Education and Natural Resources and Scientific Research : (Maulana Azad) :** (a) A statement showing the grants sanctioned during 1954-55 and 1955-56 is laid on the Table of the Sabha. {See Appendix III, annexure No. 72].

(b) The information is being collected from the States and will be furnished later.

#### राष्ट्रीय रसायनिक प्रयोगशाला, पूना

३१३. श्री अमर सिंह डामर : क्या प्राकृतिक संसाधन तथा वैज्ञानिक गवेषणा मन्त्री यह बताने की कृपा करेंगे कि :

(क) इस समय, राष्ट्रीय रसायनिक प्रयोगशाला, पूना, के संधारण पर प्रतिवर्ष कितना व्यय आता है;

(ख) उस में कुल कितने पदाधिकारी तथा कर्मचारी काम करते हैं;

(ग) क्या पेटीटों से सरकार को कुछ आय होती है; और

(घ) यदि हां तो कितनी?

प्राकृतिक संसाधन मंत्री (श्री के० श्री० मालवीय) : (क) इस समय वार्षिक आवर्त व्यय लगभग २० लाख रुपये है।

(ख) ३५८।

(ग) और (घ). प्रयोगशाला द्वारा वकसित प्रक्रमों के विवाहन के लिये दिये जने वाले लाइसेंसों पर प्रिमियम के रूप में अब तक ४,२५० रुपये प्राप्त हुये हैं।

### संघ लोक सेवा आयोग

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

(क) १९५४ में संघ लोक सेवा आयोग द्वारा कौन-कौन से अत्योन्नत टैक्नीकल तथा विशेष पदों की पूर्ति की गई;

(ख) इस प्रकार से पूर्ति किये गये विवरणों की कुल संख्या कितनी है;

(ग) क्या अब भी कोई ऐसे पद विकस है; और

(घ) यदि हां, तो कितने?

गृह-कार्य उपमंत्री (श्री दातार) :

क) से (घ). १ अप्रैल, १९५३ से ३१ मार्च, १९५४ तक संघ लोक-सेवा आयोग द्वारा इंजीनियर और टैक्नीकल पदों की पूर्ति की सूचना संघ लोक-सेवा आयोग की ओर से रिपोर्ट के पैरा २६ और अपेन्डिक्स ७ में दी गई है जो २७ सितम्बर १९५५ को सभा-पटल पर रख दी गई थी। इसी अवधि में उन पदों की संख्या और उनके नाम, जिनके लिये आयोग को योग्य उम्मीद-

वार नहीं मिले, इसी रिपोर्ट के पैरा २७ और अपेन्डिक्स १० में दिये हुये हैं।

१ अप्रैल १९५४ से ३१ मार्च १९५५ तक की ऐसी ही सूचना संघ लोक-सेवा आयोग की पांचवीं रिपोर्ट में दी हुई है जो आयोग से प्राप्त हो चुकी है और जितनी जल्दी सम्भव हो सकेगा सभा-पटल पर वह रिपोर्ट रख दी जाएगी।

आई० सी० एस०/आई० ए० एस०

अथवा आई० पी०/आई० पी० एस०

पदाधिकारी

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

(क) कितने आई० सी० एस०/आई० ए० एस० अथवा आई० पी०/आई० पी० एस० पदाधिकारियों ने १९५३ और १९५४ में अपने सरकारी पदों से त्याग-पत्र दे कर गैर-सरकारी श्रीछोगिक संस्थाओं में नौकरी कर ली है; और

(ख) उक्त अवधि में कितने अधिकारियों ने सेवानिवृत्त हो कर श्रीछोगिक संस्थाओं में नौकरियां कर ली हैं?

गृह-कार्य उपमंत्री (श्री दातार) :

(क) आई० सी० एस०/आई० ए० एस० अथवा आई० पी०/आई० पी० एस० के किसी भी पदाधिकारी ने सन् १९५३ और १९५४ में सरकारी पदों से त्याग-पत्र दे कर गैर-सरकारी श्रीछोगिक संस्थाओं में नौकरी नहीं की है;

(ख) ऊपर दी गई अवधि में निवृति के बाद १० अधिकारियों को श्रीछोगिक संस्थाओं में नौकरी करने की आज्ञा दी गई थी।

### Production of Modern Arms

**316. Shri Krishnacharya Joshi:** Will the Minister of Defence be pleased to state:

(a) whether Government have a plan for the production of modern arms for inclusion in the Second Five Year Plan; and

(b) if so, what is the target?

**The Deputy Minister of Defence Organisation (Shri Tyagi):** (a) A plan of production for our Ordnance Factories is under preparation on the basis of the planned requirements of the forces over the next 5 to 10 years. While these plans do not specifically form a part of the Second Five Year Plan, the Defence Ministry's requirements of funds for these projects have been communicated to the Planning Commission.

(b) The final target is to be self-sufficient in the production of Defence equipment in the country but this target is not capable of being fully realised within the next five years as certain important items of Defence Production cannot be established within a period of five years.

### Presentation of Books to Turkey

**317. Shri D. C. Sharma:** Will the Minister of Education be pleased to state:

(a) whether it is a fact that Government have presented some Indian books to Turkey during the current year; and

(b) if so, their number and the subjects to which they relate?

**The Minister of Education and Natural Resources and Scientific Research (Maulana Azad):** (a) No, Sir.

(b) Does not arise.

### Legal Entry into India

**318. Shri D. C. Sharma:** Will the Minister of Home Affairs be pleased to state the number of cases, if any, of illegal entry into India of persons without valid travel documents detected on the Indo-Pakistan border during the period from the 1st August to the 30th November, 1955?

**The Deputy Minister of Home Affairs (Shri Datar):** The information is being collected and will be laid on the

### Smuggling

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

(a) whether there have been any cases of smuggling on the borders of East and West Punjab from the first of August to the 30th of November, 1955;

(b) if so, the number of smugglers detected and convicted;

(c) the number of Indian and Pakistani smugglers separately;

(d) whether any of them held passport of either country and if so, their numbers; and

(e) the total value of the goods seized at the preventive check-posts during the same period?

**The Minister of Revenue and Defence Expenditure (Shri A. C. Guha):** (a) Yes, Sir. The figures are available only from the 1st August to the 15th of November, 1955.

(b) The number of smugglers detected during the period (from 1st August to 15th November, 1955) was 144. Out of these cases 86 have been penalised departmentally; in one case, the seized goods have been released without any penal action, and the remaining 57 cases are awaiting adjudication. There was no conviction in a court of law as none of the smugglers was sent up for trial.

(c) Out of the 144 persons referred to in (b) 53 were Indians and 91 were Pakistanis.

(d) Out of the 144 persons, 97 persons held pass ports. Out of them, 31 were Indians and 66 were Pakistanis.

(e) The total value of goods seized at the preventive check-posts during the period was Rs. 44,575.

### Army Service Corps

**320. Shri Gopala Rao:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that L/NK Clerks (GD) Army Service Corps enrolled in the Army for the duration of the war were subsequently accepted for regular engagement in the Army;

(b) if so, their number and their service regulations;

(c) whether out of these men, many were subsequently reverted to reserve posts, before expiry of 12 years stipulated for engagement in the colour; and

(d) if so, their number, reasons therefor and how far this reversion affects their service and emoluments and pension?

**The Deputy Minister of Defence (Sardar Majithia):** (a) No. No clerk (SD) was enrolled as L/NK in the Army Service Corps.

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

#### Military Field Firing Ranges

321. { **Chaudhuri Muhammed Shaffee.**  
**Shri V. G. Deshpande:**

Will the Minister of Defence be pleased to state:

(a) the number and the names of the villages acquired by Government for military field firing ranges during 1955;

(b) the total population and the area affected;

(c) the alternative accommodation and compensation given;

(d) the cases decided and the cases still pending; and

(e) the causes for delay?

**The Deputy Minister of Defence (Sardar Majithia):** (a) None.

(b) to (e). Do not arise.

#### Central Secretariat

322. **Shri Gidwani:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that the clerks in the Central Secretariat have not been confirmed for the last eight years;

(b) if so, when their confirmation orders will be issued; and

(c) how many clerks are likely to be confirmed?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) and (b). 568 persons were confirmed or nominated against permanent vacancies in the Lower Division on the results of the examination held by the Union Public Service Commission in 1947 in the Government of India Secretariat and its Attached Offices, including the Armed Forces Headquarters. Since then no examination has been held by the Commission. 165 persons were also nominated to the Lower Division on the basis of their having passed examinations held by the Commission prior to 1947 and not confirmed for want of permanent vacancies. In addition, 217 educationally qualified scheduled caste clerks recruited in the Lower Division in the Secretariat and Attached Offices up to

31st December 1947 have, as a matter of concession, been confirmed or nominated against permanent vacancies up to date. Apart from these, large numbers of temporary appointments have been made to clerical posts during the last few years. These persons are now being considered for confirmation in the Central Secretariat Clerical Service on the basis of their seniority and fitness. The lists for confirmation are under active preparation.

(c) The total number of persons, including those who are already permanent as clerks to be appointed permanently to the Clerical Service at its initial constitution, will be 1,450 in Grade I (UDC) and 3,100 Grade II (LDC).

#### National Theatre

323. **Shri D. C. Sharma:** Will the Minister of Education be pleased to state the steps that have been taken with regard to the construction of the proposed National Theatre at Delhi.

**The Minister of Education and Natural Resources and Scientific Research (Maulana Azad):** As a preliminary two architects were sent abroad to study the most important Theatres and Opera Houses in Western countries with a view to making recommendations on the scope and requirements of the proposed National Theatre.

#### Hindustan Aircraft Limited

324. **Shri D. C. Sharma:** Will the Minister of Defence be pleased to state:

(a) how many rail coaches have been produced in the Hindustan Aircraft Factory, Bangalore, this year; and

(b) what is the target during the First Five Year Plan period?

**The Deputy Minister of Defence Organisation (Shri Tyagi):** (a) 145 from 1st January to 22nd November 1955.

(b) No particular target was fixed for the Five Year Plan period. Actual production from January 1951 to November 1955 has been 654 against planned production of 682.

#### Missionaries

325. **Shri Punnoose:** Will the Minister of Home Affairs be pleased to state:

(a) whether Government have received any reports about anti-Indian activities of foreign missionaries in Andaman and Nicobar Islands; and

(b) if so, the action taken to stop them?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) and (b). Yes, about one foreign missionary. He was told that it was not necessary for him to continue his stay in the Islands as the purpose for which he was allowed to reside there no longer existed. He accordingly left the Islands in April 1955.

### Mineral Oils

**326. Sardar Iqbal Singh:** Will the Minister of Natural Resources and Scientific Research be pleased to state the names of the regions in the country where survey for mineral oils was conducted during 1954 and 1955 so far?

**The Minister of Natural Resources (Shri K. D. Malaviya):** A statement giving the required information is laid on the Table. (See Appendix III, Annexure No. 73).

### Engineering College for Orissa

**327. Shri Sarangadhar Das:** Will the Minister of Education be pleased to state:

(a) whether Government have received a scheme for establishing an engineering college in Orissa;

(b) if so, the estimated amount of non-recurring and recurring expenditure thereon; and

(c) the names of the branches of engineering which are to be taught in this institution?

**The Minister of Education and Natural Resources and Scientific Research (Maulana Azad):** (a), (b) and (c). A statement giving the required information is laid on the Table of the House. (See Appendix III, Annexure, No. 74).

### States Reorganisation Commission's Report

**328. Dr. Satyawadi:** Will the Minister of Home Affairs be pleased to state the languages in which the States Reorganisation Commission's Report has been published so far?

**The Minister of Home Affairs (Pandit G. B. Pant):** The Report of the States Reorganisation Commission has, so far, been published in English only. It is, however, being translated into Hindi and Hindi version will be published shortly.

The summary of the report was released at the time of the publication of the Report in all the important regional languages. The Government of India have

advised the State Governments to have the Report translated into their Respective regional languages.

### U.P.S.C.

**329. Shri Sinhasan Singh:** Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No. 1682 on the 12th September, 1955, regarding the recruitment of Class I and Class II services without reference to the U.P.S.C. and state:

(a) the number of persons who had been appointed directly by the Ministries from 1953 to 1955 and have since been approved by the U.P.S.C.; and

(b) the names of the posts which they are holding now?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) and (b). The reference is presumably to persons who were provisionally appointed to Class I and Class II posts by the Ministries to carry on the work in hand pending the selection by the U.P.S.C. after due advertisement, and who were themselves selected by the Commission for the same posts. The information will be collected and laid on the Table of the House as soon as possible.

### Superannuated Officers

**330. Shri Sinhasan Singh:** Will the Minister of Home Affairs be pleased to state:

(a) the number of class I, II, and III officers separately who have been (i) reappointed after superannuation, or (ii) given extension of service in 1954-55; and

(b) considerations that weighed with Government in granting extension of services after retirement?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) The information is given in a statement which is placed on the Table of the House. (See Appendix III, Annexure No. 75).

(b) The main consideration in granting extension of service beyond superannuation is public interest and also dearth of suitable technical personnel.

### Service Appeals

**331. Dr. Satyawadi:** Will the Minister of Home Affairs be pleased to state:

(a) the total number of appeals from the Government employees relating to their services pending at present in the Ministry for disposal; and

(b) the longest period for which an appeal has been pending decision?

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

(b) Nine months.

**Displaced Persons' Colony at Kandla**

332. **Shri T. B. Vittal Rao:** Will the Minister of Home Affairs be pleased to refer to the reply given to Starred Question No. 131 on the 23rd November, 1955, and state:

(a) when the Police Report in connection with the investigations conducted

regarding the imported goods worth Rs. 10 lakhs for the Displaced Persons' Colony at Kandla Port was received by Government;

(b) whether any Gazetted Officers have since been suspended; and

(c) if so, the number?

**The Deputy Minister of Home Affairs (Shri Datar):** (a) The Final Report has not been received by Government as yet.

(b) No.

(c) Does not arise.

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LOK SABHA  
DEBATES

(Part II—Proceedings other than Questions and Answers)

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LOK SABHA SECRETARIAT  
NEW DELHI

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**LOK SABHA DEBATES** Dated 12.12.2014

(Part II—Proceedings other than Questions and Answers)

1421

**LOK SABHA**

Tuesday, 6th December, 1955

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

**QUESTIONS AND ANSWERS**

(See Part I)

12 NOON

**PAPERS LAID ON THE TABLE**

**ARTICLES OF AGREEMENT OF INTERNATIONAL FINANCE CORPORATION AND EXPLANATORY MEMORANDUM**

**The Parliamentary Secretary to the Minister of Finance (Shri B. R. Bhagat):** On behalf of the Minister of Finance, I beg to lay on the Table a copy of the Articles of Agreement of the International Finance Corporation and Explanatory Memorandum as approved for submission to Governments by the Executive Directors of the International Bank for Reconstruction and development. [Placed in Library. See No. S-429|55]

**NOTIFICATION UNDER ESSENTIAL COMMODITIES ACT**

**The Minister of Agriculture (Dr. P. S. Deshmukh):** I beg to lay on the Table, under sub-section (6) of Section 3 of the Essential Commodities Act, 1955, a copy of the Notification No. S. R. O. 3441, dated the 9th November, 1955, cancelling the Ministry of Food and Agriculture Notification No. S. R. O. 3310, dated the 28th October, 1954. [Placed in Library. See No. S-430|55]

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1422

**ORDER UNDER INDUSTRIAL (DEVELOPMENT AND REGULATION) ACT**

**Dr. P. S. Deshmukh:** Sir, I beg to lay on the Table a copy of the Ministry of Food and Agriculture Order No. F. 29|11|55-SV, dated the 12th October, 1955, in pursuance of an assurance given on the 5th May, 1953 during the discussion on the Industrial (Development and Regulation) Amendment Bill, 1953. [See Appendix III, annexure No. 77]

**NOTIFICATION UNDER INDUSTRIAL FINANCE CORPORATION ACT**

**The Minister of Revenue and Defence Expenditure (Shri A. C. Guha):** I beg to lay on the Table, under sub-section (3) of Section 43 of the Industrial Finance Corporation Act, 1948, a copy of the Notification No. 19|55 dated the 17th November, 1955, making certain further amendments in the General Regulations of the Industrial Finance Corporation of India. [Placed in Library. See No. S-432|55]

**RULES COMMITTEE**

**FIRST REPORT**

**Shri M. A. Ayyangar (Triupati):** I beg to lay on the Table under sub-rule (1) of rule 306 of the Rules of Procedure, a copy of the First Report of the Rules Committee.

**COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS**

**FORTY-FIRST REPORT**

**Shri M. A. Ayyangar (Triupati):** I beg to present the Forty-first Report

[Shri M. A. Ayyangar]  
of the Committee on Private Members' Bills and Resolutions.

**BUSINESS ADVISORY COMMITTEE**  
**TWENTY-NINTH REPORT**

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

**BUSINESS OF THE HOUSE**

**Mr. Speaker:** The House will now resume.....

**Shri Kamath** (Hoshangabad): Before you proceed to the business, may I make a submission in regard to the business itself?

**Mr. Speaker:** First, let the business be before the House.

The House will now resume further clause by clause consideration of clauses 8 to 10 of the Citizenship Bill. Out of the 5 hours allotted for the clause by clause consideration, 3 hours and 12 minutes have already been availed of, and 1 hour and 48 minutes now remain. One hour has been allotted for the third reading. This would mean that the Bill will be disposed of by about 3 P.M.

Thereafter, the House will take up the Insurance (Amendment) Bill, 1955, for which 5 hours have been allotted. As recommended by the Business Advisory Committee at its sitting held yesterday, the House will sit till 6 P.M. today. So, the discussion on the Insurance (Amendment) Bill will continue up to 6 P.M.

**Shri Kamath:** Conscious as I am of your never-failing anxiety to secure that hon. Members are not placed at a disadvantage when Bills come up for discussion here, I am constrained to lodge a protest against the order of business as it appears today. The second Bill, or rather the third item as in the Order Paper is the Insurance (Amendment) Bill. Till yesterday, so far as I am aware, the National Volunteer Force Bill was in the agenda. And

I am speaking for myself and for many of my friends here on this side of the House when I say that we are not prepared for the Insurance (Amendment) Bill today. I would request you to see that the same order as obtained yesterday or the status quo is restored, that is the National Volunteer Force Bill is taken up today and the Insurance (Amendment) Bill is taken up tomorrow, because we are not prepared for the discussion of the latter Bill today. Till yesterday, only the National Volunteer Force Bill was in the agenda after the Citizenship Bill. So, we were prepared only for the Citizenship Bill and the National Volunteer Force Bill. It would be impossible for us to prepare for a number of Bills at the same time. For the Treasury Benches it is easy to prepare for so many Bills, because there are so many Ministers. But for each of us here on this side of the House, and also for the Members on the other side, it is difficult to prepare for many Bills at the same time. Since only the National Volunteer Force Bill was on the agenda, we were not prepared for the Insurance (Amendment) Bill.

**Shri Feroze Gandhi** (Pratapgarh Distt.-West cum Rae Barelli Distt.-East): What is your suggestion?

**Shri Kamath:** The National Volunteer Force Bill should be brought back on the agenda.

**Mr. Speaker:** I think there is force in what the hon. Member has said. But sometimes situations arise, and it becomes difficult to stick to the programme; and there has to be some change in the programme because certain Bills are there which have to be put through within a certain specific time. At present, all I can say is that I shall send for the hon. Minister of Parliamentary Affairs and request him to read what the hon. Member has just said and what has gone into the proceedings.

**Shri Feroze Gandhi:** This will be a very confusing position, because we would not know.....

**Mr. Speaker:** First, let me finish.

**Shri Feroze Gandhi:** The hon. Minister of Parliamentary Affairs is just coming into the House.

**Mr. Speaker:** But it will be seen that while the point regarding the difficulty felt by the hon. Member may have force, there is another difficulty before me, and that is that the other Bill which the hon. Member wants to be taken up today does not appear in the Order Paper for today. It will be very irregular to take it up today, and that irregularity will be of a more serious character as compared with some inconvenience to the hon. Member with reference to his preparation. I do not think I can put in that Bill in the Order Paper for today. As to whether it should be done tomorrow or the day after or at any other time, it will be for the hon. Minister of Parliamentary Affairs to reply; I would not reply to that part of it.

But I can tell the hon. Member that the Business Advisory Committee has been keeping in constant touch with this position of the business before the House, and it has been insisting that Government should declare the priority or order of business sufficiently early to enable hon. Members to prepare; and yet, it finds itself at times unable to go to the logical length of the insistence.

Today, so far as the Citizenship Bill is concerned, it will go up about three o'clock, or it may go on for a few minutes more in view of the time taken up in this discussion. As for the other Bill, namely the Insurance (Amendment) Bill, which will be taken up after this Bill, I believe it is an ordinance which is now being enacted into an Act by means of that Bill to amend the Insurance Act. That Bill has been allotted 5 hours. So, in any case, that Bill will stand over for clause by clause consideration, to enable hon. Members to table amendments by tomorrow. That is the position today.

**Shri Kamath:** Even the general discussion will take place tomorrow, or part of it.

**Mr. Speaker:** Part of it will continue tomorrow. It may be the general discussion or the clause by clause consideration; I cannot say that unless a further allotment of these 5 hours is made as between the first reading, the second reading and the third reading stages. That will be done when the Bill is taken up. There will be general discussion in any case, today. That seems to be the position, and the hon. Member will have sufficient time to give his amendments by tomorrow.

**Shri Kamath:** At the same time, may I request you to resolve two difficulties of mine? One is whether an assurance will be given that in future the order of business will not be disturbed unless at least 48 hours notice is given to Members of the House. The second is whether notice will be waived for amendments, if they are given today itself—I do not know whether the clause by clause discussion stage will be reached today.

**Mr. Speaker:** I may say that I wish I could give that kind of assurance for all times.

**Shri Kamath:** Very good.

**Mr. Speaker:** But there are occasions when there have been changes and departures. All I can say is that in cases where a change is made suddenly, I may consider the question of waiving notice. I think I did it on a previous occasion, some days back. I said I would waive notice in respect of amendments coming even on the day when the Bill was being taken up. That can be done. I can promise that I shall not put any Member to the inconvenience of barring his amendment, even if the Bill is taken up urgently without proper notice. That I can say. But as regards sticking to a particular programme and giving at least 48 hours notice, all I can say is that I can try. But I cannot peep for all time into the exigencies of the future. Times may come when I may have to change from that. But so far as possible, I will stick to it. That is the only thing I can say.

**Shri Kamath:** I have no doubt you will appreciate that it will be difficult for us to effectively participate in the discussion if things are sprung on us like this.

**Mr. Speaker:** I quite agree.

**CITIZENSHIP BILL**

**Shri H. N. Mukerjee** (Calcutta North—East): I beg to move:

Page 6, line 41—

omit "and in any other case it may"

**Shri C. R. Narasimhan** (Krishnagiri): I beg to move:

Page 6—

after line 9, insert:

"(bb) that citizen has accepted any title from any foreign State, against the provision of article 18(2) of the Constitution of India; or"

**Shri Sadhan Gupta** (Calcutta South-East): I beg to move:

Page 6—

omit lines 15 to 17.

**Mr. Speaker:** These amendments to clause 10 are also before the House in addition to those moved yesterday.

**Shri H. N. Mukerjee:** Yesterday, in commending my amendments to clause 10, I asked Government to be good enough to explain why they cannot accept the suggestion that deprivation of citizenship rights should be a judicial proceeding and not an administrative one.

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

As far as I can see, the only recognisable argument advanced by Government on this point is that, except in the United States of America, the precedents they have looked for do

not warrant the adoption of judicial proceedings for purposes of deprivation of citizenship. I said yesterday that whatever degeneracies might have overtaken the rulers of the United States today, the founders of freedom in the United States advocated some grand principles like the right to life, liberty and the pursuit of happiness, and if in the United States there is a definite provision that judicial proceedings have to be taken recourse to in cases of deprivation of citizenship rights, then surely I would say that we ought to follow that precedent and not the precedent of the U. K. or of South Africa. This point in regard to the justiciability of deprivation items was argued before. But I think my hon. friend, Shri N. C. Chatterjee, is working under a misapprehension. I know that it is not for me to pull the chestnuts out of Shri Datars fire, but I owe it to the Joint Committee, of which I was a Member, to make it plain that this clause regarding deprivation of citizenship rights does not apply as far as our own citizens by descent are concerned. And it does not also apply as far as refugees from Pakistan, who will acquire citizenship under this law, are concerned. It is only those who are citizens by naturalisation or by registration who would be affected. Even so, I feel that Shri Chatterjee's eloquence was absolutely justified, because we have no business to take away from people whom we have accepted as our citizens after proper inquiries their right to retain their citizenship and their right to fight to retain their citizenship in our courts of law. We have no business to accept as our citizens people from other countries on grounds which we have tried to delineate in this Bill and then to tell them that they can be deprived of citizenship rights purely by administrative action. I feel, therefore, that the arguments which Shri N. C Chatterjee propounded are extremely important and they have got to be answered by Government. The only safeguard which Government have chosen to put in this Bill is in

clause 10, sub-clause (3) which lays down that the Central Government shall not deprive a person of Indian citizenship under this section, unless they are satisfied that it is not conducive to the public good that that person should continue to be a citizen of India. This continues to be a matter of executive discretion, and the safeguard is absolutely unreal. We are very well aware how often the phrase 'public interest' has been abused for executive purposes, and the phrase 'public good' which has been suggested as an alternative, by the ingenuity of the Home Minister, perhaps, will not prove more effective. Therefore, I feel that the safeguard of judicial determination in regard to questions of deprivation of citizenship has got to be put in our legislation. This is a point on which I feel Government ought to answer the arguments which have been put forward.

I have also suggested an amendment which is largely identical with the amendment moved by my hon. friend, Shri Kamath, and by that amendment I want to say that the citizen by registration should not be required to take an oath to be well affected and loyal towards the Constitution of India as by law established, as it has been promulgated in the Bill. At an earlier stage of the proceedings, the Government had suggested that it should be loyalty to the Government established by law which should be the criterion. Luckily in the Joint Committee that expression was altered and for 'Government', the 'Constitution of India' has been substituted. I agree that this is certainly a very substantial improvement. I agree that the Constitution is symbolic of the sovereignty of our country. But I wish to put the word 'Republic' or even 'India' as Shri Kamath has suggested, because I want to emphasise the idea that after all Constitutions can be changed, and it is the basic loyalty to the State, it is the basic loyalty to the Republic which is most important. Already,

the question of the word 'disaffected' has been discussed very exhaustively in this House. My friend, Pandit Thakur Das Bhargava, has explained with reference to a number of legal precedents that the word 'disaffected' is extremely ambiguous and it should be moved out of this Bill. But I feel that in place of the word 'Constitution' it is better that we put the words 'the Republic' or 'India', because I feel that the loyalty that we require of these citizens should be the basic loyalty which it is every citizen's duty to have towards our country.

Now, perhaps on this point I have spoken more than once before, but I wish to emphasise it because I want Government to realise the kind of people whom we are going to have as our citizens. They would be such people as are eminent in science, philosophy, art, literature, movements for world peace, human progress and that sort of thing. To the United States of America a large number of people went from Europe as refugees who were eminent in the field of science and in different fields of academic activity, and it has already been pointed out how an attempt was made in the United States to keep out people because of their ideological affiliations, specially because of their Communist affiliations. Already, at an earlier stage of the proceedings, Shri Chatterjee has referred to this aspect of the matter. In the United States, they got from foreign countries large numbers of people whom they accepted as citizens, who were people of the most unexceptionable character, of the highest academic achievement, of great integrity and idealism. In our country also, as I said in the case of a man like Prof. J. B. S. Haldane, we may be having people registering themselves as our citizens, people who will be notable for their integrity, for their idealism, for their character, for their contribution to progress in their country as well as in other countries. That is the kind of people we have in mind that is the kind of people whom we are subjecting to this kind of humiliation. I

say when we accept anybody as a citizen let us accept him or her on terms of honour, on terms of dignity. Let us offer that citizen all those advantages which in reason we ought to offer. I say the minimum privilege which we ought to offer to these people is the privilege of the judicial determination of the charges against them and, therefore, I emphasise the matter which I need not emphasise. But, it is only because we want Government to come over and show some kind of gesture in this respect. I emphasise that it is very necessary that deprivation of citizenship rights should be a judicial proceeding and not an administrative one. I feel that things being as they are, the envisagements of our citizens by registration being what they are under the terms of the Bill, Government should find no difficulty in accepting the amendment that we have put forward. If Government can suggest some kind of alternative formula then we shall surely sit together and perhaps evolve a kind of formula which would satisfy both the claim which we are pressing and also those safeguards which the Government might consider to be necessary in cases of this description.

**Mr. Deputy-Speaker:** Now, I want to impress upon hon. Members that we are still on clause 10. There are a number of other clauses equally contentious. A lot has been said upon these provisions. We have to close this debate on consideration of clauses by 2 o'clock. One hour is left for the third reading and I am sure hon. Members would like to utilise that one hour for third reading. Therefore, when Shri Mukerjee was on his legs I did not want to interrupt him. Mr. Gadgil supported it; there seems to be a lot of talk in favour. We are saying the same thing on clauses now as was said in detail on the motion for consideration. I did not want to embarrass any hon. Member who was on his legs and pull him up by saying that it has already been spoken. I

left it to them. As soon as the clock strikes 2, I will put all the clauses together; there will be guillotine and there is no good getting impatient then.

**The Deputy Minister of Home Affairs (Shri Datar):** Clause 5 also has still to be considered, in addition to further clauses.

**Mr. Deputy-Speaker:** It has been left over; and clause 3 has also been held up.

**Shri Datar:** On clause 3, it is only voting, Sir.

**Mr. Deputy-Speaker:** There are a number of things now. The difficulty is hon. Members are not present. As soon as an hon. Member speaks he thinks it is none of his business to hear others. If he has been hearing other hon. Members he would have seen how many times and how often a thing has been placed before the House by various other persons also. That is the difficulty here. Shri Dhulekar.

**Shri Dhulekar (Jhansi Distt.-South):** I am sorry I shall have to repeat.

**Mr. Deputy-Speaker:** If he has only to repeat, I would not allow him to repeat. I think I must take the law into my own hands.

**Shri Dhulekar:** I will not take much time.

**Mr. Deputy-Speaker:** If it is repetition, even for one second I will not allow. What is the meaning of repeating again and again?

**Shri Dhulekar:** Very well, Sir.

**Mr. Deputy-Speaker:** Not only for him but for all people, all Members here. Repetition does not mean re-

petition by his own mouth; it means by others also. Unless it is such an extraordinary thing which requires so much of dinning and make other people understand.

**Shri Dhulekar:** I only wish to say that some of the clauses that I might refer to, clauses 9 and 10, have already been referred to by hon. Members here. I am placing before the House my anxiety. With regard to Pakistan, in the east especially, from time to time we find that a large number of people are pushed out from that country for no fault of theirs. These clauses 9 and 10 contain certain provisions which terminate the citizenship rights of those people who have been unfortunately in another country on account of no fault of theirs. The partition took place and the country was divided. Those poor people remained there. Now, it is an established fact that Pakistan has made it a policy to keep quiet for some time and then create some row in that part and push people out from time to time. It is quite clear that only one community, that is Hindus, are being pushed out from that country. So, I would submit that in these clauses 9 and 10, when we say that these people have been there since 1950 and on account of their long residence there, they have lost their rights of citizenship here, it is a pertinent question to put before the House, what will be the fate of those people who are sometimes assured by the hon. Minister for Rehabilitation that they need not come here and might stay there and that we shall protect their rights and, as soon as the hon. Minister has some parleys with the Minister of that country, after two or three months, we find that several lakhs of people are again pushed out. So, my anxiety is this. In this Bill, there ought to be something—I do not know what it should be—and the Government should provide something here that those unfortunate people who are pushed out from the other country of Pakistan only on account of their affinity to some religion should not be considered as aliens.

This is my submission and I would certainly request the hon. Minister who is in charge of this Bill not to take this thing which I have put before the House as a very light one. It is a very serious one. There are about a crore of people there and I can assure you that within one or two years, by instalments, they will be pushed out and we must be in a position to extend our hand to them and give them the rights of citizenship as easily as possible.

That is my submission.

**Mr. Deputy-Speaker:** I will now call upon the hon. Minister.

**Shri Datar:** A number of points have been raised and I would very briefly answer those points. My friend Shri Swamy suggested an amendment, amendment No. 90 to clause 8 stating that a child can take action not only after attaining majority but after having full knowledge. My submission is that it would be very difficult for a child to have full knowledge in such cases. Therefore, the ordinary period would be the attainment of majority. He has to understand the nature and implications also of the action, namely, the laws of citizenship. Therefore, I would submit, that so far as this amendment is concerned, it may not be acceptable in view of the difficulties that I have pointed out above.

My friend Shri Anthony has suggested certain amendments to clause 9. They are 117, 144 and 145. He desires that all those who have taken the citizenship of another country not only before the Constitution but even after the Constitution up to the commencement of the operation of this Act ought to be exempted from clause 9. So far as clause 9 is concerned, it deals with the termination of citizenship. I would point out the circumstances to show that it is necessary that in such cases when they have voluntarily taken the citizenship of some other country, their citizenship of India ought to end. So far as the

[Shri Datar]

first point is concerned, it may be noted that even after 1950, a number of persons have gone over to Pakistan and they have taken Pakistan nationality voluntarily. If we accept this amendment of my hon. friend, then the difficulty would be that we shall have to accept the continuance of the citizenship of India in respect of lakhs of people, and in my opinion, it may not be proper. Either they are the citizens of India or they are not, and, therefore, it would not be proper to allow dual citizenship to continue especially when the numbers are likely to be so large.

There is also another aspect of this case. Oftentimes we receive complaints from various countries. Take for example the case of Ceylon. If an Indian in Ceylon desires to have the nationality of that country, then he will have that nationality provided he renounces his Indian nationality; in other words, his citizenship of India has to be terminated and then only his case for the nationality of Ceylon or citizenship of Ceylon would be considered. This aspect of the question also has to be considered by my hon. friend.

Oftentimes we receive complaints that Indians wherever they are, even though they are the citizens of Commonwealth countries or other countries, have always an eye upon Indian citizenship—it is a complaint, may be wrong or unfounded—and, therefore, they do not get themselves completely assimilated with the particular country of which they have taken citizenship and all along they are looking to India for going back and for their own citizenship. Whatever might be the nature of this objection—it may be true or may not be true—we have to take into account the important fact that in all these cases, after the commencement of the Constitution particularly, if a man has voluntarily taken citizenship, this voluntary acquisition involves an exercise of volition. The word "voluntarily" has to be understood very clearly. If, for example, he desires to have the ci-

zenship of some other country, then naturally my submission is that he should not be considered as continuing his citizenship of India.

So far as the very relevant point raised by my hon. friend that during the war certain persons, especially of the Anglo-Indian community, had taken the citizenship of U.K., in some cases without their knowledge, is concerned, that is a reasonable point and we have accepted and made a special proviso in clause 9. I would submit to the House that there is nothing inconsistent or incompatible between clause 8 and clause 9. So far as clause 8 is concerned, the wording that is there is—

"If any citizen of India of full age and capacity, who is also a citizen or national of another country...."

The words "also a citizen" may be noted, because either by birth or by descent he would acquire citizenship, and that is entirely different from the wording of clause 9, where it is stated—

"Any citizen of India who by naturalisation, registration or otherwise voluntarily acquires...."

Therefore, my submission is that the wording is entirely different and the provisions should remain as they are so far as clauses 8 and 9 are concerned.

So far as clause 10 is concerned, even during the consideration stage, the whole matter had been traversed very exhaustively. Various points were raised and I have answered almost all of them. I would, therefore, within a minute or two go over some of these grounds where they require a specific answer.

An hon. friend has moved an amendment No. 22 where he has stated that the acceptance of any title by a citizen in India who has obtained his citizenship either by registration or by naturalisation should be a ground for the deprivation of his citizenship. My

submission is that in some cases some of our Indian nationals might obtain a title for a good purpose also and it is not that in every case, obtaining a title from a foreign country is necessarily wrong. Therefore, let us treat all the citizens of India alike. Article 18(2) of the Constitution says that titles have been dispensed with and that titles cannot be acquired from foreign countries except as far as possible with the permission of the Government.....

**Shri Kamath (Hoshangabad):** Not 'as far as possible'.....

**Shri Datar:** I speak only from memory. My hon. friend has corrected me and I am quite happy. So far as this is concerned, let all the citizens of India, the ordinary citizens and also these other citizens of India, remain on the same footing. My point is that this is after all not a very important matter, it is more or less a trivial matter and we need not raise it to the dignity of being considered as a ground for deprivation of citizenship. Therefore, it is not possible for me to accept this amendment.

I have already answered the question as to whether deprivation should be in justiciable circumstances or whether it is necessary in all cases that a Judge of the Supreme Court should be the chairman and also whether there ought to be an appeal to the Supreme Court or to any other courts. On all these points Government's attitude has been made very clear. Except in the U.S.A., in all other countries such matters have been left and naturally entrusted to the State machinery, namely, the executive machinery. We have provided for a number of safeguards according to which it would not be possible for Government to take any action arbitrarily. In a way that would be inconsistent with the spirit of clause 10.

**Shri Kamath:** May I ask about Australia and even South Africa, where the Committee is presided over by a judge of the federal court or judge of one of the provincial courts?

**Shri Datar:** I have seen it. Australia is the only country where it is stated that there ought to be a judge of the High Court or some other court.

**Shri Kamath:** Even South Africa.

**Shri Datar:** It may be even a district court.

**Shri Kamath:** Also the U.S.A.

**Shri Datar:** In the case of Australia also there is some reference made by my hon. friend, but our conditions are entirely different so far as this point is concerned and we have made the position very clear by pointing out that the chairman shall have ten years' judicial experience, and judicial experience does not necessarily mean judicial experience of Third Class Magistrate.....

**Shri Kamath:** Maybe a Sub-Judge.

**Shri Datar:** We may appoint a District Judge. Generally District Judges are appointed in such cases although I cannot bind the Government in this matter. Generally you will find that a man who begins even as a District Munsiff or a Magistrate might be a District Magistrate or might be a District or Sessions Judge. Therefore, ten years is a sufficiently long period for getting mature experience so far as judicial experience is concerned. I submit that the provision, as it is, is fairly satisfactory and does not admit of any circumstances under which injustice or hardship is likely to be done to such persons.

For similar reasons I cannot accept my hon. friend, Shri Kamath's suggestion that the grounds of deprivation should be made public.

**Shri Kamath:** I said only the findings should be made public.

**Shri Datar:** There is one amendment to that effect, perhaps by some other Member. Some other hon. Member has moved an amendment that the grounds of deprivation should be made public. My hon. friend, Shri Kamath, desires that the finding should be made public. This question has been answered by a number of hon. friends. In certain cases it might be a matter of the greatest security reasons so far as

[Shri Datar]

India is concerned. Ordinarily you will find that everything will be done quite properly especially when there is a judicial officer as the head of the Committee of Inquiry.

**Shri Kamath:** Not always.

**Shri Datar:** As pointed out by Shri Gadgil and other hon. friends there might be circumstances where it will not be in the interest of the security of India to publish all these findings. Therefore, it would not be proper always to go on mistrusting the Government in these cases and something should be left to the Government.

**Shri Kamath:** Not 'always'; but 'sometimes'.

**Shri Sadhan Gupta:** May I just ask for a clarification, Sir?

**Mr. Deputy-Speaker:** Let him finish and then he can ask for clarification.

**Shri Datar:** It has been suggested that the word 'disaffection' should be taken away. I would like to submit that the word 'disaffection' ought to remain in the interests of the aggrieved party. Either it is 'disaffection' or it is 'disloyalty'; both these words together show the magnitude of the offence that the man may have committed so far as this is concerned. Therefore, I would not like to accept this amendment regarding the omission of the expression 'disaffection'.

It has been contended that something like the words 'moral turpitude' ought to be put in so far as sub-clause (d) of clause 10 which deals with punishment of two years is concerned. Such a clause occurs in all the clauses of the Citizenship or Nationality Acts.

**Shri Kamath:** Except in that of Canada.

**Shri Datar:** A case was made out so far as Portugal was concerned where some of our nationals who had gone there had been imprisoned to such a long period as 10 years. That is true so far as Portugal is concerned, but we shall be very careful so

far as such cases are concerned. In ordinary cases the period of one year is more than sufficient when the offence is technical. The period is less than one year ordinarily but the Joint Committee considered that it would be proper to have this raised to 2 years because a punishment for two years cannot be expected to be a punishment for a technical offence and the extent of the punishment itself is a guarantee to show that the offence for which a particular person has been convicted must have been a grave offence naturally involving moral turpitude. Therefore, we have accepted the wording as it is in most of the Acts but the Joint Committee has raised the period from one year to two years. So, I submit that what has been done ought to satisfy the Members of this House.

**Shri Bansilal (Jaipur):** May I have a clarification from the hon. Deputy Minister.....

**Mr. Deputy-Speaker:** Let him finish. I would advise hon. Members that they may note down the points with respect to which they want clarification and not interrupt the hon. Minister when he is in possession of the House. When he concludes his speech hon. Members may put their questions.

**Shri Datar:** So far as this period of two years is concerned, if, for example, a person who has become a citizen of India turns out to be a criminal and it is quite likely that we might take in such persons, within 5 years—that must be noted—if he is found to be such that his conduct is not proper, that he has been sentenced to punishment extending to two years, then, naturally, it is a circumstance that will show that though he has become a citizen of India by naturalisation or registration still he is an undesirable person. Now; the Government, as far as possible, must have a right so far as such new entrants to citizenship are concerned. We are always to understand that these are persons who have been

allowed the right of citizenship by this Citizenship Bill and, therefore, we must have greater control at least during the first five years over such persons and if it is found that they are undesirable persons then the Government must have some power for taking action against these people.

**Shri Kamath:** Why not include 'grave moral turpitude'?

**Shri Datar:** 'Moral turpitude' is an expression which again admits of interpretation. Ultimately some Judge has to interpret it or some committee of inquiry has to interpret the expression 'moral turpitude'. It is an expression which is not used in law though often in certain disciplinary proceedings and others that expression is used.

**Pandit K. C. Sharma** (Meerut Distt.—South): It is used, but it is not a very good term.

**Shri Datar:** It is not a very good term and it may raise some difficulties also; one man may say a particular thing means moral turpitude and another may say it is not. Therefore, we have not used an expression which is not generally used as a legal expression.

**Pandit Thakur Das Bhargava** (Gurgaon): We have used it in the Companies Act.

**Shri Bansilal:** What I want to know is whether "being a person who has for at least ten years held a judicial office" will include a member of the bar?

**Shri Datar:** No, it will not include. It is said: "who has held judicial office" and not "who is eligible for judicial office".

**Shri Bansilal:** For all intents and purposes members of the bar are holding judicial office.

**Shri Datar:** With due deference to lawyers and advocates I would submit that it would be better to have such a person as Chairman who has actual judicial experience.

**Shri Sadhan Gupta:** The hon. Deputy Minister has stated that his objections to revealing or making the grounds of deprivation justiciable is that it might endanger the security of India. Now, turning to the grounds for deprivation I find there is hardly any which will affect the security of India except one. The first ground is that he obtained registration by false representation. There is nothing prejudicial to the security of India. The second ground is that the citizen has shown himself by act or speech to be disloyal or disaffected towards the Constitution. The third ground is that he has been engaged in unlawful trading with an enemy. This ground only may have some connection with the security of India. The fourth ground is that he has been convicted in some other country; that has nothing to do with the security of India. The fifth ground is that he has been ordinarily resident outside the country for a continuous period of several years. This ground also has nothing to do with the security of the country. Therefore, I want clarification as to where is the security of the country involved in these grounds?

**Shri Datar:** On this question I might invite the hon. Member's attention to the expression 'disloyal' or 'disaffected'. It is said: "by act or speech". What is the particular act that is complained of? This act might reveal certain circumstances which it may not be proper for the Government to place before the public because there might be different acts regarding disloyalty or disaffection. There might be speeches made somewhere else but the contents of the speeches if they are to be made public in this general way might go against the security of India. Secondly, he himself has pointed out sub-clause (c) which says: "unlawfully traded or communicated with an enemy". Now, the communication may be such that it may be utterly against the interests of India to be made public. I merely pointed out circumstances. I did not say that in all cases this question will arise, but it is likely that in certain cases

[Shri Datar]

such a question would arise. Therefore, it would be wrong to insist upon the publication of the findings of the Committee of Inquiry in such cases.

**Shri Dhulekar:** May I know.....

**Shri Sadhan Gupta:** Then, I want to know.....

**Mr. Deputy-Speaker:** We are not going to argue about it. The hon. Member may resume his seat. Nobody can convince another absolutely.

**Shri Sadhan Gupta:** I am not arguing. What I want to know is.....

**Mr. Deputy-Speaker:** He has said enough.

**Shri Sadhan Gupta:**.....whether except for sub-clauses (b) and (c)....

**Mr. Deputy-Speaker:** It does not matter. I am not going to allow. The hon. Member must resume his seat. The hon. Minister considers it is inadvisable. Enough has been said regarding the association of judiciary; these are judicial functions and so on. It has been asked how it is against the security of the country. The hon. Minister may feel that even a person who speaks disloyally here may endanger the security of India. There can be differences of opinion.

**Shri Kamath:** Disloyal here?

**Mr. Deputy-Speaker:** Anything can be said regarding this matter. Now, I will put the clauses to the vote of the House.

**Shri Sadhan Gupta:** Even accepting the Minister's decision I want to know whether except for (b) and (c) he will agree to the other findings being made public?

**Shri Datar:** I would not like to bind the Government in any way in this respect.

**Mr. Deputy-Speaker:** No part judiciary and part executive; that is what he feels.

Now, I will put the amendments to vote. First clause 8.

The question is:

Page 5, line 9—

add at the end: "except in the case of persons to whom the proviso to sub-section (1) of section 6 applies."

*The motion was negatived.*

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

Page 5,—

for lines 10 to 12 substitute:

"(2) Where a person ceases to be a citizen of India under sub-section (1), every minor child of that person shall thereupon cease to be a citizen of India unless the other parent of such minor child continues to be a citizen of India."

*The motion was negatived.*

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

Page 5, lines 13 and 14—

for "attaining full age" substitute:

"knowledge of such cessation of citizenship".

*The motion was negatived.*

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

"That clause 8 stand part of the Bill."

*The motion was adopted.*

Clause 8 was added to the Bill.

**Mr. Deputy-Speaker:** Now amendments to clause 9. The question is:

Page 5, line 19—

after "voluntarily" insert:

"(other than by reason of marriage)".

*The motion was negatived.*

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

Page 5, line 21—

after "country" insert:

"not included in the First Schedule"

*The motion was negatived.*

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

Page 5—

after line 23, add:

"provided that absence from India for a period of five-years from the commencement of the Constitution, except for specified reasons, shall automatically lead to the loss of Indian citizenship."

*The motion was negatived.*

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

Page 5—

after line 27, add:

"Explanation.—Marriage of a citizen of India with a person who is not a citizen of India does not by itself operate as voluntary acquisition on the part of such citizen of India of the citizenship of another country, notwithstanding that such persons acquire such citizenship under the law of that country."

*The motion was negatived.*

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

Page 5—

omit lines 18 to 27

*The motion was negatived.*

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

Page 5—

for lines 18 to 23 substitute—

"9(1) Any citizen of India who by naturalisation, registration or otherwise voluntarily acquires, from the commencement of this Act, the citizenship of another country shall, upon such acquisition cease to be a citizen of India."

*The motion was negatived.*

**Mr. Deputy-Speaker:** Amendment No. 117 is not pressed by the hon. Member.

The question is:

"That clause 9 stand part of the Bill."

*The motion was adopted.*

*Clause 9 was added to the Bill.*

**Mr. Deputy-Speaker:** Now, we come to amendments to clause 10.

**Shri Kamath:** I want my amendments Nos. 7 and 30 to be put to vote.

**Mr. Deputy-Speaker:** Very good. I will put those first. The question is:

Page 6, line 43:

for "has for at least ten years held a judicial office" substitute:

"is or has been a Judge of the Supreme Court of India".

*The motion was negatived.*

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

Page 7,—

after line 5, add:

"(7) Any person aggrieved by an order made under this section may, within a period of thirty days from the date of the order, make an appeal to the Supreme Court of India".

*The motion was negatived.*

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

Page 6, line 8—

omit "or disaffected"

*The motion was negatived.*

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

Page 6—

omit lines 15 to 17.

*The motion was negatived.*

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

Page 5—

after line 38, add:

"Provided that the person deprived of such citizenship has been given an opportunity to show cause in writing why his citizenship should not be terminated and provided further that on such explanation being given in writing by the person concerned, the advice of the Supreme Court of India has been taken on the question of terminating the citizenship."

*The motion was negatived.*

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

Page 6, lines 8 and 9—

for "Constitution of India as by law established" substitute:

"Republic of India"

*The motion was negatived.*

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

Page 6, lines 8 and 9—

for "Constitution of India as by law established" substitute "India".

*The motion was negatived.*

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

Page 6, lines 8 and 9—

for "Constitution of India as by law established" substitute "State"

*The motion was negatived.*

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

Page 6—

after line 9, insert:

"(bb) that citizen has accepted any title from any foreign State, against the provision of article 18(2) of the Constitution of India; or"

*The motion was negatived.*

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

Page 6, line 11—

after "enemy" insert:

"in such manner as to assist such enemy"

*The motion was negatived.*

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

Page 6, line 16—

after "been" insert:

"convicted of a criminal offence involving grave moral turpitude, and"

*The motion was negatived.*

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

Page 6, lines 42 to 44—

for "a Committee of Inquiry consisting of a chairman (being a person who has for at least ten years held a judicial office) and two other members appointed by the Central Government in this behalf" substitute:

"the Supreme Court of India"

*The motion was negatived.*

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

Page 6, line 44—

add at the end:

"in concurrence with the chairman."

*The motion was negatived.*

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

Page 7—

(i) line 1—

for "Committee of Inquiry" substitute "Supreme Court of India";

(ii) line 2—

for "submit" substitute "forward"; and

(iii) line 4—

omit "ordinarily"

*The motion was negatived.*

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

Page 7, lines 4 and 5—

for "ordinarily be guided by such report in making and order under this section" substitute:

"in making an order under this section, publish and accept the findings of the Committee:

Provided that the Government shall have the power not to deprive a person of Indian citizenship notwithstanding the findings of the Committee."

*The motion was negatived.*

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

Page 7—

after line 5, add:

"Provided that an appeal against such an order shall lie to the High Court."

*The motion was negatived.*

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

Page 6, line 17—

after "two years" insert "for any offence involving moral turpitude"

*The motion was negatived.*

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

Page 6, line 41—

omit "and in any other case it may"

*The motion was negatived.*

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

Page 5—

omit line 33.

*The motion was negatived.*

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

Page 6—

omit lines 7 to 9.

*The motion was negatived.*

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

Page 6, line 8—

for "disloyal or disaffected towards" substitute "disloyal to".

*The motion was negatived.*

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

Page 6, line 8—

omit "or disaffected"

*The motion was negatived.*

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

Page 6—

after line 9, insert:

"(bb) that citizen has accepted any title from any foreign State against the provision of article 18(2) of the Constitution of India: or"

*The motion was negatived.*

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

Page 6—

omit lines 15 to 17

*The motion was negatived.*

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

Page 6, line 17—

after "two years" insert:

"for an offence involving moral turpitude;"

*The motion was negatived.*

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

Page 6, lines 39 and 40—

omit "other than clause (e) thereof"

*The motion was negatived.*

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

Page 6, line 41,—

omit "and in any other case it may."

*The motion was negatived.*

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

Page 6, lines 42 and 43—

for "(being a person who has for at least ten years held a judicial office)" substitute:

"(being a judge of the Supreme Court of India or of any High Court)"

*The motion was negatived.*

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

Page 7, line 4—

omit "ordinarily"

*The motion was negatived.*

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

Page 6, lines 8 and 9—

for "the Constitution of India by law established" substitute: "the Indian State"

*The motion was negatived.*

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

Page 6, lines 42 and 43—

for "(being a person who has for at least ten years held a judicial office)" substitute:

"(being a judge of the High Court or any person qualified to be a High Court judge)"

*The motion was negatived.*

**Mr. Deputy-Speaker:** All the amendments to clause 10 have been negatived. The question is:

"That clause 10 stand part of the Bill."

*The motion was adopted.*

Clause 10 was added to the Bill.

**Mr. Deputy-Speaker:** Now amendment No. 8 proposing new clause 10A. The question is:

Page 7—

After line 5, insert:

"10A. A woman who was an Indian citizen before her marriage with a person who was not a citizen of India and had renounced her Indian citizenship on account of such marriage may, within one year after the death of her husband or dissolution of her marriage, make a declaration that she wishes to resume Indian citizenship and shall thereupon again become an Indian citizen."

*The motion was negatived.*  
Clause 5—(Citizenship by registration)

**Shri Datar:** Clause 3 might be put to vote now.

**Mr. Deputy-Speaker:** It depends upon the results of clause 5. It has been held over till clause 5 is finished. Yes, Shri Chatterjee.

**Shri N. C. Chatterjee (Hooghly):** With regard to clause 5—citizenship by registration—you remember that this clause has far-reaching effects in respect of the lakhs of people who have migrated from Pakistan, especially those who have come from East Bengal. They are covered by clause 5(1)(a). Pandit Thakur Das Bhargava and myself tried to contact the Home Minister last night with the object of discussing this matter with him and we are trying to simplify the procedure for these persons, so that the necessity for these two million persons to put in applications for registration and incur much expenditure and so on may be avoided. The Home Minister pointed out the difficulty of eliminating applications for registration on the ground that it might have very serious and far-reaching consequences, but there was an assurance that he would do everything that is possible by executive

direction and also by rules, in order to help the poor migrants from Pakistan. Particularly in regard to Bengal, I pointed out to him that there are people, not thousands but lakhs of people, concentrated in different districts and the Minister has been good enough to assure us that he would depute officers who would work actually on the spot where the refugees are concentrated so that the registration will not be a dilatory procedure and would not involve any serious and heavy expenditure. Otherwise, the people have got to go to the headquarters, go to the capital, go to Calcutta for the purpose of lodging application for registration. There are 20 lakhs of such people. One day they have to go file the affidavit and declarations; another day for the purpose of adducing the requisite evidence; another day for the purpose of taking the oath. This will be very difficult and the procedure will be dilatory. Therefore, we pleaded with the Minister that something should be done to eliminate all this difficulty. He has promised to eliminate all expenses. I think the hon. Deputy Minister also said that no stamps, no affidavits, no fees will be required or charged for. Otherwise, ordinarily, stamps and affidavits involve much expenditure. I appeal to him to see that no fees should be charged in such cases and that there should be no stamps or affidavits.

With regard to the rules, the Minister has given us an assurance that any suggestion that we would forward to him—he asked Pandit Thakur Das Bhargava and myself, Pandit Bhargava representing West Pakistan refugees and myself pleading for the East Bengal refugees—will be taken into consideration and Government will frame necessary rules and also frame executive directions so as to expedite the matter. For instance, in Bengal, it may be possible to appoint nine district officers who will be actually on the spot, would visit the refugee camps and other places where the migrants are concentrated and do the work expeditiously. The whole thing

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will be done on the spot then and there so as to eliminate any dilatory process or expensive procedure.

I am glad that the Minister has accepted one suggestion of ours. I hope the hon. Deputy Minister will accept the suggestion that I now put forward. If you will kindly look at clause 5(1)(a), you will find that it runs as follows:

"persons of Indian origin who are ordinarily resident in India and have been so resident for one year immediately before making an application for registration".

We pointed out to the Minister that in the Constitution itself, a lesser period has been provided in some cases, and we told him that it was not proper to insist on the full one year. You know migrants from Pakistan are still pouring in and unfortunately, the refugee exodus has assumed gigantic proportions. Even according to the latest statement of the hon. Minister of Rehabilitation, over 40,000 people come in every month. Therefore, within the last one year, it must have been a large number. So, we have suggested a reduction in the period, and he was good enough to express his concurrence with our view that this period of one year should be reduced to six months. I hope the hon. Deputy Minister will accept it.

We had another suggestion to make, namely, in the rule-making powers, power should be taken to prescribe conditions of restrictions in regard to registration under clause 5. The hon. Deputy Minister pointed out to me that that power is already provided in clause 18(2)(a). Therefore, I do not think that anything more need be done in that respect. But he has assured us, and I hope the hon. Deputy Minister will also repeat that assurance, that any suggestions which we make to the Government for the purpose of simplifying the procedure and for the purpose of appointing and posting district officers or sub-district

[Shri N. C. Chatterjee]

officers to facilitate registration will be considered. We hope district officers and sub-district officers will be made available so that these poor people may not be put to the expense of Rs. 50 lakhs or Rs. 1 crore for the purpose of securing registration.

**Shri Datar:** I am accepting the amendment in so far as the reduction of the period from one year to six months is concerned. That is the amendment in regard to clause 5(1) (a). There is already an amendment by Shri Barman. It is No. 51. I am accepting amendment No. 51.

**Shri S. C. Samanta** (Tamluk): My amendment No. 113 is there.

**Mr. Deputy-Speaker:** Shri Barman has given exactly the same amendment as Shri Samanta. I shall put it to the vote.

**Shri Shree Narayan Das** (Darrbhanga Central): I have an amendment to this clause. It is No. 14. It says:

Page 3, line 28—

after "year" insert:

"or such shorter period as the Government may in the special circumstances of any particular case accept,"

**Mr. Deputy-Speaker:** The Government have now agreed to "six months", and therefore, there ought to be no discrimination or discretion. I do not think Shri Shree Narayan Das will press his amendment or will move it. I shall put Shri Barman's amendment to the vote.

The question is:

Page 3, line 28—

for "one year" substitute "six months".

The motion was adopted.

**Mr. Deputy-Speaker:** What are the other amendments to this clause?

**Shri Sadhan Gupta:** I beg to move:

(1) Page 3, lines 21 and 22—

omit "and such conditions and restrictions as may be prescribed".

(2) Page 3, line 22—

for "may" where it occurs for the second time, substitute "shall".

(3) Page 3, line 31—

add at the end "but who have their domicile in India".

(4) Pages 3 and 4—

omit lines 35 to 40 and lines 1 and 2 respectively.

(5) Page 3, line 36—

add at the end:

"other than the Commonwealth of Australia and the Union of South Africa."

(6) Page 4—

(i) line 6, after "full age" insert "other than a person referred to in clause (a) of sub-section (1)" and

(ii) line 7, for "under sub-section (1)" substitute "under that sub-section".

(7) Page 4—

after line 15, add:

"(4A) The prescribed authority, or, as the case may be, the Central Government, shall not register any person, other than a person of Indian origin, as a citizen of India unless the country of which the person applying for registration is a citizen, affords facilities to citizens of India for acquisition of citizenship of such country, which are similar to or better than those afforded by this Act to citizens of such country for acquisition of Indian citizenship."

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

Pages 3 and 4, lines 40 and 1, respectively—

for "citizens of India" substitute "persons of Indian origin".

**Shri Mulchand Dube:** I beg to move:

(1) Page 3, line 27—

for "ordinary resident" substitute "domiciled".

(2) Page 3, line 28—

for "so resident" substitute "domiciled".

**Pandit Thakur Das Bhargava:** I want to move amendment No. 52 and with your permission, amendments Nos. 87 and 88 also.

**Mr. Deputy-Speaker:** Why is permission necessary for amendments Nos. 87 and 88?

**Pandit Thakur Das Bhargava:** The original amendment was in pursuance of a scheme which I had, in which I suggested an amendment to the other clause and wanted this to be put as a new section. Since the other clause has been passed, I request your permission to move these amendments in substitution for clause 5(1)(e) and the proviso.

**Mr. Deputy-Speaker:** I will request the hon. Member to redraft the two amendments. I will take it that the substance of amendments Nos. 87 and 88 for the insertion of new clauses must be treated as amendments to item (e) of sub-clause (1) of clause 5 and the proviso.

**Pandit Thakur Das Bhargava:** I beg to move:

(1) Page 3—

omit lines 30 and 31

(2) Pages 3 and 4—

for lines 35 to 40 and 1 to 2 respectively, substitute:

"(e) Subject to such conditions and restrictions as may be pres-

cribed, the prescribed authority may, on application made in this behalf, register as a citizen of India any person who is of full age and capacity and is a citizen of a country specified in the First Schedule but who is not already such citizen by virtue of the Constitution or any other provision of this Act:

Provided that in prescribing the conditions and restrictions subject to which persons of any such country may be registered as citizens of India under this section, the Central Government shall have due regard to the conditions, facilities and restrictions obtaining in that country, subject to which citizens of India may by law, become citizens of that country by registration or otherwise."

(3) Page 4—

after line 2, insert:

"(f) The Central Government may in its discretion refuse registration to any person on account of any emergency or in case of large influx in India of such persons as are mentioned in section 5A, for reasons of security or maintenance of the economy of India or any part of it."

1 P.M.

**Mr. Deputy-Speaker:** All these amendments are now before the House. Discussion will now proceed on this clause and the amendments.

**Shri Datar:** We have got one hour now; the time-limit may be fixed.

**Shri Kamath:** You yourself announced from the Chair that amendments to this batch of clauses will be discussed for 2 hours.

**Mr. Deputy-Speaker:** The total time-limit is there; the hon. Member need not put it to me. The Speaker announced that round about 3 o'clock, the whole discussion must close. One hour has already been reserved for the third reading. We started at 12-12 and 1 hour and 48 minutes were

[Mr. Deputy-Speaker]

allotted for the discussion on the amendments, and the clauses. So, I shall apply guillotine at 2 o'clock.

**Shri Kamath:** It was said that 2 hours would be given.....

**Mr. Deputy-Speaker:** I cannot be bamboozled by this sort of thing....

**Shri Kamath:** I am sorry you are using the word "bamboozlement".

**Mr. Deputy-Speaker:** I have been repeatedly saying that I cannot agree to giving more time.

**Shri Kamath:** We have done it before. This is a very important Bill and the House may give its consent to extend the time.

**Mr. Deputy-Speaker:** No, no.

**Shri N. C. Chatterjee:** My suggestion is that discussion on the amendments and clauses may be allowed not till 2 o'clock but till 2-30; and half an hour may be allotted for the third reading.

**Pandit Thakur Das Bhargava:** We can agree to this and allot half an hour for the third reading.

**Mr. Deputy-Speaker:** I have no objection. I have no objection even if hon. Members are prepared to do away with the third reading. The total time has been fixed and if at every stage, hon. Members want more time, it is rather inconvenient for me. Discussion on the clauses will be over at 2-30. Hon. Members may kindly have regard for this.

**Shri Sadhan Gupta:** I have moved a few amendments to this clause. Firstly, I want to make registration compulsory and that is the object of my amendment No. 50. When people like refugees are being subject to registration, in the clause as it is, there is no sense under such circumstances to make registration a matter of grace. Secondly, I want to do away with the conditions and restrictions in regard to registration for the same reason. Thirdly, by my amendment No. 55, I want to do away with

the privileges given to the people of the Commonwealth countries as such to register themselves as Indian citizens, irrespective of the relations which we have with those particular countries. Therefore, I have proposed to delete sub-clause (e). There are one or two minor matters to which I would not refer to save time. Finally, I would call attention to my amendment No. 59 by which I seek to add a sub-clause (4A) after sub-clause (4), namely,

"(4A) The prescribed authority, or, as the case may be, the Central Government, shall not register any person, other than a person of Indian origin, as a citizen of India unless the country of which the person applying for registration is a citizen, affords facilities to citizens of India for acquisition of citizenship of such country, which are similar to or better than those afforded by this Act to citizens of such country for acquisition of Indian citizenship."

I am quite aware of the proviso that has been added under clause 5 by the Joint Committee. That proviso refers only to certain matters, namely, to the provisions in regard to the acquisition of citizenship. Here I want also to include the facilities for acquisition of citizenship. For example, I have in mind restrictions like the White Australia policy, where, of course, there is nothing against Indian citizenship. Yet, there is the provision in Australia that none except a white man is taken as a citizen. That kind of a provision I have in mind in suggesting this new section 4A. With these remarks, I commend my amendments to the acceptance of the House.

**Pandit Thakur Das Bhargava:** I have given an amendment asking for the deletion of lines 30 and 31 from clause 5, on page 3. It runs thus:

"(b) persons of Indian origin who are ordinarily resident in any country or place outside undivided India,"

Article 8 of the Constitution provides for these persons. To me, this looks to be superfluous. As it is covered by article 8 of the Constitution, we need not make any provision here.

My two other amendments are 87 and 88, I want to move these two amendments for substitution of sub-clause (1)(e) and the proviso, so far as amendment No. 87 is concerned, and for the addition of a new clause so far as amendment 88 is concerned. My idea is this. The present proviso says:

"....in prescribing the conditions and restrictions subject to which persons of any such country may be registered as citizens of India under this clause, the Central Government shall have due regard to the conditions subject to which citizens of India may, by law or practice of that country, become citizens of that country by registration."

**Mr. Deputy-Speaker:** Am I to understand that clause 5A is in substitution? Of what?

**Pandit Thakur Das Bhargava:** Clause 5(1)(b) I want to see deleted, as there is article 8 of the Constitution, which relates to these persons. That is amendment No. 52.

**Mr. Deputy-Speaker:** Already, provision is made in the Constitution and therefore it is not necessary to make this. But, it is not inconsistent.

**Pandit Thakur Das Bhargava:** Not inconsistent; provision is there.

**Mr. Deputy-Speaker:** That does not restrict. At best, it is superfluous.

**Pandit Thakur Das Bhargava:** Yes. That is my submission. My amendment No. 87 runs thus:

"Subject to such conditions and restrictions as may be prescribed, the prescribed authority may, on application made in this behalf, register as a citizen of India any person who is of full age and capacity and is a citizen of a

country specified in the First Schedule but who is not already such citizen by virtue of the Constitution or any other provision of this Act:

Provided that in prescribing the conditions and restrictions subject to which persons of any such country may be registered as citizens of India under this section, the Central Government shall have due regard to the conditions, facilities and restrictions obtaining in that country, subject to which citizens of India may by law, become citizens of that country by registration or otherwise."

As has been referred to by Shri Sadhan Gupta, in Australia there is a policy that they will only allow immigration of white people. They will not register any other people from any country as citizens. You have to look to the conditions also. For instance, in Pakistan, the conditions are such that a person from India may go there, but he will not be able to settle. It is not only to the rule or law that we should see. We should see the conditions and facilities, whether any persons can go and become citizens there. If a person cannot go and cannot become a citizen there, I submit we should not allow citizens of those countries to become citizens of our country. Take the case of Ceylon or Pakistan. Unless the conditions and facilities are equal in all matters, I do not want this provision. For instance, we should be able to enjoy all the facilities and the public should not be against us. Suppose a Sikh or a Hindu goes from here, and the conditions are intolerable, it is useless to provide that persons from that country could come and become citizens here. It is only in respect of those countries where the conditions are such that our people may go and become citizens, we should allow these facilities. Otherwise, the condition of law only should not be seen; the actual conditions must be seen.

In regard to amendment No. 88....

**Mr. Deputy-Speaker:** But, how is that to be fitted in?

**Pandit Thakur Das Bhargava:** Sub-clause (e) refers to persons of full age and capacity who are citizens of a country specified in the First Schedule. As I submitted, this is in substitution of sub-clause (1)(e) of clause 5 and the proviso. Because, I wanted to divide it into parts, registration of refugees one part, and.....

**Mr. Deputy-Speaker:** My difficulty is one of drafting. The new clause 5A consists of two parts: the main clause and the proviso. New clause 5B consists of another para. Now, clause 5A, the earlier portion along with the proviso is to be taken in substitution of sub-clause (1)(e) and the proviso?

**Pandit Thakur Das Bhargava:** Yes.

**Mr. Deputy-Speaker:** What is clause 5B?

**Pandit Thakur Das Bhargava:** 5B is in addition to sub-clause (e).

**Mr. Deputy-Speaker:** It must be (f) or a part of (e).

**Pandit Thakur Das Bhargava:** It may be (f) or it may be a separate part in (e).

**Mr. Deputy-Speaker:** Is it necessary to retain the Explanation after (e)? Or, is it in substitution of the Explanation also?

**Pandit Thakur Das Bhargava:** The Explanation is quite different. The new clause may be (ee) of clause 5(1). I want to add this, if amendment No. 87 is not accepted.

**Mr. Deputy-Speaker:** If it is accepted?

**Pandit Thakur Das Bhargava:** Even then, it will be added and it will form part of the clause.

**Mr. Deputy-Speaker:** Therefore, the hon. Member moves amendment No. 87 in these terms:

Page 4, for the entry (e) in sub-clause (1) of clause 5, along with the proviso and the Explanation also.....

Is it in substitution of the Explanation also?

**Pandit Thakur Das Bhargava:** The Explanation is quite separate.

**Mr. Deputy-Speaker:** The Explanation has to stand. Therefore, Page 4, for entry (e) in sub-clause 1 of clause 5, along with the proviso, substitute amendment No. 87 instead of making it a separate clause as clause 5A.

**Pandit Thakur Das Bhargava:** Yes Thank you.

**Mr. Deputy-Speaker:** Amendment No. 88 to be added after (e). So, after entry (e) including the Explanation, insert an additional new entry as (f) to sub-clause (i) of clause 5 in terms set out in amendment No. 88, instead of new clause 5B.

**Pandit Thakur Das Bhargava:** In regard to amendment No. 88, my submission is this. We had the sad experience in Assam. We had to make a law in regard to the immigrants from Pakistan, for their expulsion. That did not materialise on account of the Nehru-Liaquat Ali Pact. All the same, a similar situation may again arise in Assam or in any other part of the country. Many persons may come in and a sort of emergency may arise. In conditions like this, for reasons of security and the maintenance of the economy of India, as well as in any threatened emergency, Government should refuse registration. It is not only discretionary. I am of opinion that they should refuse registration and they should not allow persons to come into India and endanger the economy of this country.

**Shri V. G. Deshpande (Guna):** I rise to oppose, or rather, I suggest that clause 19 of this Bill be deleted.

**Mr. Deputy-Speaker:** We have not yet come to clause 19. He will have an opportunity.

**Shri Mulchand Dube:** By my amendments 150 and 151 I want that the words "ordinarily resident" should be substituted by "domiciled", and again the words "so resident" by the word "domiciled". When amended, the clause would read thus:

"persons of Indian origin who are domiciled in India and have been domiciled for one year immediately before making an application for registration;"

My submission is that the word "domiciled" should be substituted for "residence". The highest courts have distinguished between residence and domicile. A person may be resident in a country for 20 or 30 years even and even then he may not be domiciled in that country. "Domicile" in fact implies an intention to make the country one's own. So long as a person has not intended to make Indian territory his home, my submission is that any length of residence should not enable him to get himself registered.

I would also draw attention to the Explanation at page 4, which reads:

"For the purposes of this subsection, a person shall be deemed to be of Indian origin if he, or either of his parents, or any of his grand-parents, was born in undivided India."

The result of this will be that every person in Pakistan would be entitled to be registered as a citizen of India if only he resides here for six months. Having regard to the disputes and differences that we are having with Pakistan, this kind of thing would not be safe at all. They might send some people as saboteurs. In that case, so long as we are not satisfied with the intention of the person to

make India his home, it would not be safe to allow any person who has resided for six months to register himself as an Indian citizen even though he is a resident of Pakistan and of Indian origin, even though his grand-parents were born in undivided India. As defined in clause 2, "undivided India" means India as defined in the Government of India Act of 1935 as originally enacted. That would mean that all the territories that are now included in Pakistan would be undivided India, and therefore every resident of Pakistan would be entitled to be registered as a citizen of India if only he resides for six months in this country. For some reason or other, the hon. Deputy Minister has not seen his way to accept the condition of domicile which is present in article 5 of the Constitution. Under article 5 of the Constitution, mere birth, descent or even residence is not sufficient. The reason given by my hon. friend yesterday was that because this kind of provision did not exist in the Citizenship Act of any country, and therefore they had also omitted it. May I draw his attention to the fact that the British Nationality Act was passed in 1948? It became law from January, 1949. In 1950 when we enacted the Constitution that Act must have been before the framers of our Constitution, but the framers of our Constitution in their wisdom insisted upon having the word "domicile" in article 5. I cannot understand why my hon. friend does not see his way to accept this amendment so that we may be certain that persons whom we are registering as our citizens have at least made this country their home. There is, of course, the oath of allegiance. That is quite all right, but the mere oath of allegiance may not be sufficient, unless that oath is backed by conduct to prove that the oath is right or that the oath is taken after due consideration and after understanding the full implications of the thing that he is doing. For that reason I submit this amendment should be accepted. It is in the interests of the country itself.

**Shri Datar:** Two or three points have been raised. My hon. friend Shri Sadhan Gupta has suggested that we should not allow registration so far as the Commonwealth citizens are concerned. He says that it ought to be a common provision, not only in respect of Commonwealth citizens but others as well. It cuts at the root of the position that the Government have taken the position that the Commonwealth constitutes a particular fellowship in respect of which we might recognise certain rights namely rights by way of registration. There also I have made it clear that merely because a man is a Commonwealth citizen, he does not get any rights at all. Therefore, this amendment cannot be accepted at all.

Secondly, he desires that the proviso to clause 5(e) should all go. This proviso after clause 5(e) has been put in for the purpose of having a safeguard so far as the recognition of the rights of citizenship of certain other countries are concerned. And here it has been made very clear that so far as such countries are concerned, the conditions subject to which citizens of those countries are entitled to be citizens here would depend upon the rights that Indians would have in those countries, and therefore you will find that the proviso which has been introduced by the Joint Committee is of a very salutary kind, and this is one of the three safeguards that have been introduced for the purpose of seeing that countries which practise discrimination even within the Commonwealth would not be entitled to be recognised for the purpose of citizenship.

Lastly, my friend suggested that we should introduce the question of domicile here. I have explained the whole position yesterday, and I have also pointed out how even in the Constitution in article 5 they have put in this provision because they had to do it because at the time of the Constitution all those who were residents in India for a period of not less than five years had to be taken in. There-

fore, you will find that the question of domicile cannot be introduced in this particular case.

**Shri Mulchand Dube:** May I draw his attention to the opening words of article 5?

**Shri Datar:** I have read it:

"At the commencement of this Constitution, every person who has his domicile in the territory of India....."

I have pointed out that the word "domicile" had to be used because the right of citizenship had to be given to the persons at the commencement of the Constitution. But this is a full Act so far as the right of citizenship is concerned, and here it is not necessary to bring in that doctrine at all.

I would request the hon. Member not to make a reference to foreign Governments. He can make reference to persons, but he should not say that foreign Governments are sending saboteurs etc. That is likely to impair the good relations between countries and countries.

**Shri N. C. Chatterjee:** But that is true, unfortunately.

**Shri Datar:** It may or may not be true, but we should not make a reference to foreign Governments as such, and therefore I am anxious that all such expressions, insinuations and innuendoes are as far as possible avoided, especially when we are dealing with such important subjects.

Lastly, my friend made one point, that so far as one of the amendments was concerned, it was covered by article 8. It is true that to a certain extent this provision is there in the Constitution. Clause 5(1)(b) reads:

"persons of Indian origin who are ordinarily resident in any country or place outside undivided India;"

It is true that this has been referred to and to a certain extent provided for in article 8 of the Constitu-

tion, but we should take into account the scheme of the Constitution so far as the conferment of rights of citizenship was concerned. There in Part II what the framers of the Constitution did was that they made a provision for the recognition of the rights of citizenship or for the conferment of the rights of citizenship as at the commencement of the Constitution, and in article 8 also a reference has been made to article 5 where the expression used is "at the commencement of the Constitution", and therefore I would submit that though it has been provided for, still so far as the Citizenship Bill is concerned, this applies for all time to come. Therefore, in a self-contained law of citizenship, it is better to have a provision, though it corresponds to a certain extent with the provisions of article 8.

**Shri S. C. Samanta:** Towards the beginning of the discussion on clause 5, Shri N. C. Chatterjee said that he and Pandit Thakur Das Bhargava had had some discussion with the hon. Deputy Home Minister about the displaced persons.

**Shri Datar:** With the Home Minister also.

**Shri S. C. Samanta:** And he said that the hon. Ministers had been kind enough to accept six months as the period qualifying for registration, and that they had also given an assurance to them in regard to the procedure that they will adopt. I hope the hon. Deputy Minister will give us an opportunity to hear about it.

**Shri N. C. Chatterjee:** I thought the hon. Deputy Minister would repeat it.

**Shri Datar:** I should like to endorse whatever has been stated by the hon. Home Minister before my friends Shri N. C. Chatterjee and Pandit Thakur Das Bhargava. It is our desire that the procedure should be as simple as possible. It is our desire that as large a number as possible of these unfor-

tunate refugees should become citizens of India as early as possible, and therefore, all the steps that are necessary would be taken for the purpose of bringing in these people by registration, and whatever difficulties have been pointed out by my hon. friends would be taken into account. The procedure would be simplified also in the sense of having the registration and if possible the oath-taking at the same place, so that people need not come often. We shall also appoint officers in a fairly large number for the purpose of meeting the requirements of registration so far as these persons are concerned.

**Shri N. C. Chatterjee:** And they will complete the registration on the spot?

**Shri Datar:** As far as possible.

**Shri Mulchand Dube:** May I put one question? Under the British Nationality Act every Indian citizen is a citizen of the Commonwealth or a British subject. I should like to know what our rights are in the United Kingdom as British subjects.

**Shri Datar:** That comes under clause 11. When clause 11 is considered, I shall explain that.

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

Page 3, lines 21 and 22—

omit "and such conditions and restrictions as may be prescribed".

*The motion was negatived.*

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

Page 3, line 22—

for "may" where it occurs for the second time, substitute "shall".

*The motion was negatived.*

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

Page 3, line 31—

add at the end "but who have their domicile in India".

*The motion was negatived.*

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

Pages 3 and 4—

omit lines 35 to 40 and lines 1 and 2 respectively.

*The motion was negatived.*

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

Page 3, line 36—

add at the end:

“other than the Commonwealth of Australia and the Union of South Africa.”

*The motion was negatived.*

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

Page 4—

(i) line 6, after “full age” insert “other than a person referred to in clause (a) of sub-section (1)”; and

(ii) line 7, for “under sub-section (1)” substitute “under that sub-section”.

*The motion was negatived.*

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

Page 4—

after line 15, add:

“(4A) The prescribed authority, or, as the case may be, the Central Government, shall not register any person, other than a person of Indian origin, as a citizen of India unless the country of which the person applying for registration is a citizen, affords facilities to citizens of India for acquisition of citizenship of such country, which are similar to or better than those afforded by this Act to citizens of such country for acquisition of Indian citizenship.”

*The motion was negatived.*

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

Pages 3 and 4, lines 40 and 1, respectively—

for “citizens of India” substitute “persons of Indian origin”.

*The motion was negatived.*

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

Page 3, line 27—

for “ordinarily resident” substitute “domiciled”.

*The motion was negatived.*

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

Page 3, line 28—

for “so resident” substitute “domiciled”.

*The motion was negatived.*

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

Page 3—

omit lines 30 and 31.

*The motion was negatived.*

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

Pages 3 and 4—

for lines 35 to 40 and 1 and 2, respectively substitute:

“(e) Subject to such conditions and restrictions as may be prescribed, the prescribed authority may, on application made in this behalf, register as a citizen of India any person who is of full age and capacity and is a citizen of a country specified in the First Schedule but who is not already such citizen by virtue of the Constitution or any other provision of this Act:

Provided that in prescribing the conditions and restrictions subject to which persons of any

such country may be registered as citizens of India under this section, the Central Government shall have due regard to the conditions, facilities and restrictions obtaining in that country, subject to which citizens of India may by law, become citizens of that country by registration or otherwise."

*The motion was negatived.*

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

Page 4—

after line 2, insert:

"(f) The Central Government may in its discretion refuse registration to any person on account of any emergency or in case of large influx in India of such persons as are mentioned in section 5A, for reasons of security or maintenance of the economy of India or any part of it."

*The motion was negatived.*

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

"That clause 5, as amended, stand part of the Bill."

*The motion was adopted.*

**Clause 5, as amended, was added to the Bill.**

**Clause 3—(Citizenship by birth).**

**Mr. Deputy-Speaker:** Now I will put the amendments to clause 3 which was held over yesterday.

The question is:

Page 2—

after line 37, add:

"(3) Every person who is a citizen of India by virtue of article 5 of the Constitution or is deemed to be such citizen by virtue of article 6 thereof or who, since the commencement of the Constitution has migrated or may migrate to India from Pakistan by reason of communal distur-

bance or from fear of communal disturbance or oppression, shall be deemed to be a citizen of India by birth."

*The motion was negatived.*

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

Page 2—

after line 37, add:

"Every foundling who was or is found as a deserted minor in India shall, until the contrary is proved, be deemed to have been born in India."

*The motion was negatived.*

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

Page 2—

after line 37, add:

"(c) at least one of the parents is a citizen of India."

*The motion was negatived.*

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

Page 2—

after line 37, add:

"(3) Every foundling either before or after the commencement of this Act, if found on the soil of India, shall be deemed to have been born in India."

*The motion was negatived.*

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

"That clause 3 stand part of the Bill."

*The motion was adopted.*

**Clause 3 was added to the Bill.**

**Clauses 11 to 19 and 1 and Schedules**

**Mr. Deputy-Speaker:** We shall now take up the remaining clauses, namely clauses 11 to 19, and the First Schedule, the Second Schedule, the Third Schedule, clause 1, the Enacting Formula and the Title.

[Mr. Deputy-Speaker]

Hon. Members who want to move their amendments to these clauses and Schedules may do so.

**Shri Kamath:** I beg to move:

Page 1—

(i) line 3, after "1" insert "(1)"; and

(ii) after line 3, add:

"(2) It extends to the whole of India."

**Shrimati Renu Chakravarty:** I beg to move:

Page 7, line 13—

(1) add at the end "or any other country which the Central Government may from time to time specify".

(2) Page 10—

after line 12, add:

- C. 1. Nepal
- 2. Burma
- D. 1. Singapore
- 2. Malaya
- 3. British Guiana
- 4. Bermuda
- 5. West Indies
- 6. Kenya."

**Shri H. N. Mukerjee:** I beg to move:

Page 10—

(i) line 3—

omit "Commonwealth".

(ii) omit line 11.

(iii) line 12—

for "B" substitute "8"; and

(iv) after line 12, add:

"9. Burma.

10. The Peoples' Republic of China.

11. Nepal.

12. Indonesia.

13. Egypt.

14. Afghanistan.

**Shri Kamath:** I beg to move:

(1) Page 7—

after line 28, add:

"Provided that no application of a person of Indian origin, ordinarily resident in India, shall be refused except for reasons to be stated in writing and provided that no order refusing such application shall be made without reference to a Committee of Inquiry constituted as suggested in connection with section 10."

(2) Page 7, line 32—

add at the end "except in the case of an order refusing the application of a person of Indian origin, ordinarily resident in India".

(3) Page 7—

after line 32, add:

"(3) Any person of Indian origin ordinarily resident in India, aggrieved by an order of the Central Government made under this section may, within a period of thirty days from the date of the order, make an appeal to the Supreme Court of India."

(4) Page 10, lines 21 and 22—

for "I, A.B.....do solemnly affirm (or swear)" substitute:

"I, A. B.....do  
swear in the name of God solemnly  
affirm".

(5) Page 10, lines 22 and 23—

for "the Constitution of India as by law established" substitute

"the Republic of India".

(6) Page 10, lines 22 and 23—

for "the Constitution of India as by law established" substitute "India".

(7) Page 10, lines 23 and 24—

omit "observe the laws of India and".

(8) Page 9, line 26—

for "1943" substitute "1948".

(9) Page 10—

omit line 11.

(10) Page 9, line 21—

for "fourteen days" substitute "thirty days".

(11) Page 9, lines 23 and 24—

for "during the session in which they are so laid" substitute "therein".

(12) Page 9—

after line 24 add:

"(5) Every notification proposed to be issued under this Act, shall be placed in draft before both Houses of Parliament and shall not be so issued except with the approval of both Houses of Parliament."

(13) Page 10—

for the First Schedule, substitute:

#### THE FIRST SCHEDULE

[See sections 2(1)(b) and 5(1)(e)]

A. 1. The Republic of Ireland, that is, Eire.

2. Burma

3. Nepal

4. Bhutan

5. Afghanistan

B. The following Commonwealth countries:—

1. United Kingdom

2. Canada

3. New Zealand

4. Pakistan

5. Commonwealth of Australia

6. Ceylon

7. Federation of South Rhodesia and Nyasaland

8. Union of South Africa.

*Explanation.*—In this Schedule, 'United Kingdom' means the United Kingdom of Great Britain and Northern Ireland, and includes the Channel Islands, the Isle of Man and all Colonies; and 'Commonwealth of Australia' includes the territories of Papua and the territory of Norfolk Island."

Shri Sadhan Gupta: I beg to move:

(1) Page 7, line 7—

omit "Commonwealth".

(2) Page 7, line 8—

after "the First Schedule" insert:

"other than Australia and Union of South Africa."

(3) Page 7, line 9—

for "Commonwealth citizen" substitute:

"friendly citizen."

(4) Page 7, line 13—

add at the end:

"other than Australia and the Union of South Africa."

(5) Page 7, lines 33 and 34—

for "by the prescribed authority" substitute:

"by the Central Government of the prescribed authority."

(6) Page 7, lines 34 and 35—

omit "(other than the Central Government)".

[Shri Sadhan Gupta]

(7) Page 7, lines 36 and 37—  
for "to the Central Government" substitute:

"to the High Court which exercises appellate jurisdiction in the place where such person ordinarily resides or personally works for gain."

(8) Page 7, line 38—  
for "the Central Government" substitute:  
"such High Court".

(9) Page 8, lines 3 and 4—  
for "the Central Government" substitute:  
"such High Court".

(10) Page 8, line 6—  
after "may submit" insert:  
"and any other evidence, documentary or otherwise, which may be produced by any party to the proceedings."

(11) Page 8, lines 7 and 8—  
for "the Central Government" substitute:  
"such High Court."

(12) Page 8, line 11—  
for "section 17" substitute "section 18".

(13) Page 8, lines 25 and 26—  
omit "and the conditions and restrictions in regard to such registration."

(14) Page 9, lines 1 to 3—  
omit "in respect of applications, registrations, declarations and certificates under this Act, in respect of the taking of an oath of allegiance, and".

(15) Page 10—  
omit line 11.

(16) Page 10, line 12—  
for "Ireland" substitute "Eire".

(17) Page 10—

after line 12 add:

"C. Afghanistan, Bhutan, Cambodia, Laos, Nepal, Peoples' Republic of China, Republic of Indonesia, Union of Burma, Union of Socialist Soviet Republics, Viet Nam.

D. Any other country which may be specified by the Central Government by notification in the Official Gazette, which has developed close relations with India through acceptance of common principles for establishment and perpetuation of world peace or through economic agreements entered into on the basis of respect for and benefit of India."

(18) Page 10, lines 22 to 24—

for "to the Constitution of India as by law established, and that I will faithfully observe the laws of India" substitute "to the Indian State".

**Shri K. K. Basu** (Diamond Harbour): I beg to move:

(1) Page 10—  
after line 12, add—

"C. Any other country which may be notified by the Central Government."

(2) Page 11—  
omit lines 1 to 4.

**Shri B. S. Murthy**: I beg to move:

Page 10—

after line 11, add:

"9. Republic of Burma."

**Pandit Thakur Das Bhargava**: I beg to move:

(1) Page 9, line 21—  
for "fourteen days" substitute "one month".

(2) Page 9, lines 23 and 24—  
omit "during the session in which they are so laid."

(3) Page 10, lines 22 and 23—  
for "Constitution" substitute "State".

**Shri N. B. Chowdhury** (Ghatal): I beg to move:

(1) Page 10, line 15—

omit "and all Colonies".

(2) Page 10—

for line 11, substitute:

"8. Colonies of United Kingdom."

**Shri N. C. Chatterjee**: I beg to move:

(1) Page 10, lines 23 and 24—

omit "and that I will faithfully observe the laws of India".

(2) Page 11—

after line 13, insert:

"(dd) that he possesses means to support himself and his family, if any, in India;".

**Shri Raghbir Sahai**: (Etah Distt.—North-East cum Budaun Distt.—East): I beg to move:

Page 11—

after line 21, insert:

"(h) that he must know the concepts on which the Indian Constitution is based;".

**Shri R. D. Misra** (Bulandshahr Distt.): I beg to move:

Page 11—

after line 16, insert:

"(ff) that he has adequate knowledge of the responsibilities and privileges of Indian citizenship;".

**Shri Datar**: I beg to move:

Page 10—

for the First Schedule substitute:

**"THE FIRST SCHEDULE**

[See sections 2(1)(b) and 5(1)(e)]

A. The following Commonwealth countries:—

1. United Kingdom.

2. Canada.

3. Commonwealth of Australia.

4. New Zealand.

5. Union of South Africa.

6. Pakistan.

7. Ceylon.

8. Federation of Rhodesia and Nyasaland.

B. The Republic of Ireland.

*Explanation.*— In this Schedule, 'United Kingdom' means the United Kingdom of Great Britain and Northern Ireland, and includes the Channel Islands, the Isle of Man and all Colonies; and 'Commonwealth of Australia' includes the territories of Papua and the territory of Norfolk Island."

All that we have done in this amendment is that we have sought to recast the order of the countries in the First Schedule.

**Shri Kamath**: And badly recast. Also in favour of the white race.

**Mr. Deputy-Speaker**: All these amendments are before the House for discussion.

**Shrimati Renu Chakravarty**: I shall confine myself only to clauses 11 and 12. From the very beginning we have opposed the inclusion of clause 11, and we continue to do so in spite of the speech made in this House by the hon. Prime Minister, because we have not been enlightened in any way.

**Shri Datar**: May I request that amendment No. 68 also may be taken as moved? I forgot to mention it earlier through oversight.

I beg to move:

Page 8, line 11—

for 'section 17' substitute 'section 18'.

We want to substitute the words 'section 18' in place of 'section 17'.

**Mr. Deputy-Speaker**: You want to renumber the clauses?

**Shri Datar:** No. You will find that in clause 16 which deals with the delegation of powers, there is a mention of section 10 and section 17. The words 'section 17' are there by mistake. Actually, the words should be 'section 18'.

**Mr. Deputy-Speaker:** Very well. All these amendments are now before the House.

**Shrimati Kenu Chakravarty:** I was saying that after hearing the speech of the Prime Minister, we are still not clear as to how being a member of the Commonwealth has helped and facilitated us in getting good citizenship laws and reciprocity, because that is exactly the particular point which we are considering in this Bill. He also said that he was of the same opinion, that we should be moving towards world citizenship—he was in favour of it. But when we see the actual wording of clause 11 and of the First Schedule, we find that this Commonwealth citizen idea has been taken totally from the British Nationality Act, as it were, by the back door and at the same time the Schedule has been kept as a tightly hinged door instead of being the first step to open up our citizenship to people of other countries with whom we are very closely related and where reciprocity would be of the utmost importance to us, because we have large numbers of our nationals in those countries. Instead of that, we have made this Schedule. We become more and more suspicious because any move to include any other country has been totally opposed by the Treasury Benches. Let us take as touchstone the case of Burma. Now, the hon. Prime Minister said: "well, Burma does not want it; that is why we should include such a clause". Now, even if Burma does not want it; probably they feel—I do not know what the reason is but—probably they may be rather frightened that large numbers of Indians would also claim Burmese nationality. But that should not deter us from taking the first step in the right direction. Even if other people may be suspi-

cious of the future, the first step in liberality, the first step in a wider outlook would naturally bring about reciprocal feelings after a period of time. That is why I see no reason why we should introduce this clause and the Schedule as they stand today, and open up certain privileges of our citizenship to countries like Australia which have a 'white' policy or South Africa. As regards South Africa, the provision has now been amended, but the provision as it originally stood, as it emanated from Government, was something different and reflected the attitude of government was to echo the British Nationality Act. That is why I feel that there is absolutely no reason why we should have clause 11, and why we should not have clause 12, as it is, with this addition which I have put in my amendment, at the end of clause 12(1), namely: "or any other country which the Central Government may from time to time specify". I hope the hon. Deputy Minister will be able to shed some light as to why he finds it difficult to accept this amendment, if it is true that he accepts the proposition that we are moving towards—and we do desire to move towards—world citizenship.

Now, I want to raise one particular point which has been raised again and again. But again I want to put certain facts before this House in regard to this question of Commonwealth citizenship. Now, the expression "Commonwealth citizenship" has not been defined in our Act. We do not know what privileges accrue to a person by being a Commonwealth citizen, as far as our Act goes, if we were to take it that this is an Act that is totally independent of reference to any other Act. The expression "Commonwealth citizen" which has been taken from the British Nationality Act, which occurs again in the various Acts passed by the Parliaments of other Commonwealth countries, has a specific idea as to what it particularly means. There, it is clearly stated that a British subject and a Commonwealth citizen has the same meaning. Now, by clause 11, a citizen

of a Commonwealth country *ipso facto* has the status of a Commonwealth citizen in India. Clause 12 says that there are certain provisions of reciprocity which must be fulfilled in order that the rights of a citizen of India may accrue to that person of that country. Now, I want to make this distinction. Since we have not specified what is meant by 'Commonwealth citizen in India', by clause 11 we have *ipso facto* given Commonwealth citizenship to that person. But clause 12 is something different; you are only granting the rights of Indian citizenship to that person if there is a reciprocal law in that country. In that case, I would like to know why do we need clause 11 regarding Commonwealth citizenship. It looks as if some sort of an agreement has been reached by the Prime Minister at the Commonwealth Prime Ministers' Conference in 1949 with those countries. Something has happened whereby we have to have this clause as a sop to the Commonwealth. I fail to see the logic behind this. I fail to see how we are going to help Malaya and other colonial territories by our being tied to the citizenship laws of this Commonwealth. I really do not understand the logic of what the Prime Minister said.

Lastly, I want to place before this House another point. The Prime Minister has said that we do not repeal the British Nationality Act of 1948, as it applied to India, because by the Indian Independence Act of 1947, we have already repealed all Acts which were passed prior to that date by the British Parliament. Now, there are certain things which happened at that time which I want to bring before this House. This Act was passed in 1947. In April 1949, at the Commonwealth Prime Ministers' Conference, the Prime Minister said that India had decided to become a Republic. There it was decided to give a special status for India etc. within the Commonwealth. Again, about the 26th November 1949, I think certain clauses of the Constitution were brought into force and

the rest was supposed to have come in force on 26th January, 1950. Now, after the Indian Independence Act of 1947 had been passed repealing certain Acts, an Act was passed on the 16th December 1949, called the India (Consequential Provision) Act, 1949. It is a British Act. It was published in the Government of India Gazette Extraordinary dated 13th January, 1950. It says in sub-section (1) of section 1:

"On and after the date of India's becoming a Republic all existing law, that is to say, all law, whether being a rule of law or a provision of an Act of Parliament or of any other enactment or instrument, whatsoever, is in force on that date or has been passed or made before that date and comes into force thereafter shall have the same operation in relation to India, and to persons and things in any way belonging to or connected with India, as it would have had, if India had not become a Republic".

Now, this is very important. Together with this we have to see that the Act of 1947 was repealed by article 395 of the Constitution. Now, everything at that time was done in close consultation with the Commonwealth, with the United Kingdom, with those who were the initiators and leaders in the British Parliament. So to say that the India (Consequential Provision) Act, 1949 does not stand at all because we have the Indian Independence Act of 1947 repealing all Acts prior to that date is to explain away the point. The Treasury Benches are trying to explain it away, but I am afraid up till now no suitable case has been brought forward and placed before this House whereby this position can be certified. In spite of the closest co-ordination between the British Government and ourselves—at every stage we were in consultation with them—we find that these things are happening. Therefore, I feel that there is a lot to be said about the fact that this particular phrase 'Commonwealth citizen

[Shrimati Renu Chakravarty]

of India' is nothing more than meaning a British subject which is totally below our dignity to accept. I hope that if we keep clause 12 with the addition that I have proposed in my amendment and delete clause 11, that will meet the position.

One last word about the Schedule. I have tried to amend the Schedule. I am totally opposed to the amendment proposed by Shri Datar. I do not know why he has suddenly taken it upon himself to put the white nations first and the coloured nations later. I suppose it will be said that it is according to the date on which one entered the Commonwealth. I do not know the reason why it should have been done. We could have just kept it as it is. Nor has he not increased the number in the Schedule.

Lastly, I would again urge that we should have the countries outside the Commonwealth of Nations like Burma and other countries included and that we should not also use the words 'Colonies of the British Empire'. We should at least take the trouble of specifying the names because they are entities by themselves and we should at least respect them and give them that dignity which we ourselves would like to have, the dignity of an independent nation for which they are fighting today.

**Shri Kamath:** Mr. Deputy-Speaker, at the outset I wish to dispose of the superficially convincing plea of the Prime Minister which was made to the House yesterday. I should like to invite the attention of the House and the Minister to sub-section (8) of the British Nationality Act, 1948. Will you also please lend me your ears, Sir?

**Mr. Deputy-Speaker:** You have both my ears and eyes. Both ears are there.

**Shri Kamath:** One ear will do; I know how efficient and keen they are.

In this Act, the expression citizenship law in relation to any country mentioned in sub-section (3) of section 1 of this Act—and the Common-

wealth countries are mentioned there—means an enactment of the Legislature of that country declared by order of the Secretary of State—mark these words, 'declared by order of the Secretary of State'—made by statutory instrument at the request of the Government of that country to be an enactment making provision for citizenship thereof and a citizenship law shall be deemed for the purpose of this Act to have taken effect in a country on the date on which the Secretary of State by order made at the request of the Government of that country declares to be the date on which it takes effect.

This completely disposes of the argument that we are not bound by whatever law the British Parliament enacts.

**Mr. Deputy-Speaker:** I am not interrupting the hon. Member. But, he drew my attention. Therefore, I must say something. Let him refer to clause 2, the definition of the word 'citizenship'. We want our persons to be recognised as citizens there in a country which is reciprocating. We must pass a law and then request that other country to recognise it. It is said—"citizenship or nationality law", in relation to a country....

**Shri Kamath:** Our law does not take effect until he approves of it.

**Mr. Deputy-Speaker:** Our law will take effect with respect to us. Our law recognising their citizenship will not take effect unless they recognise our law. It is only for those persons who want to have one nationality and who want to register. They have also to see whether our law satisfies all the conditions of reciprocation which they have passed. This is so both in our Act and in their Act. Where reciprocation is necessary in terms of the First Schedule, they have a right to look into our law and we have a right to look into their law. Unless both of us are satisfied there is no question of granting those rights. Therefore we make a request regarding our law and they make a request regarding their law.

**Shri Kamath:** It does not answer my question. Anyway it is an interpretation.

I have got here a copy of a letter written by the Ministry of External Affairs on the 28th October, 1952. It is not the one quoted by Shri Gurupadaswamy nor the one referred to by Shri Mukerjee the other day. This is another letter from the Ministry of External Affairs. It is letter No. F-21 69/51, dated the 28th October, 1952. That says: 'I am directed to say— some Secretary or Deputy Secretary writes this—that Indian citizenship....'

**Mr. Deputy-Speaker:** See sub-clause (c). It is that country that has to make this request. In their law they say for their recognising our law we must make a request to them. That is, if we want our nationals to be recognised in that country. They have to make a request like that if they want their nationals to be given any such rights here. Our clause 2(c) says:

'(c) "citizenship or nationality law", in relation to a country specified in the First Schedule, means an enactment of the legislature of that country which, at the request of the Government of that country, the Central Government may, by notification in the Official Gazette, have declared to be an enactment making provision for the citizenship or nationality of that country.'

Any kind of law is not to be recognised. We have got a right or discretion to declare or accept a particular piece of legislation of that country as a law providing for citizenship or nationality of that country, for our purposes of reciprocity. Therefore, with respect to that law they have to pass that law and that Government has to request our Government to recognise that law. They are themselves a sovereign country and our recognition does not detract from their sovereignty. That is copied here. When we pass a law, we have to communicate to another country and ask them to recognise

that law. It is open to them; it may be accepted or not. So far as reciprocity is concerned, it is on all fours; in that respect, our people will have the same rights.

**Shri Kamath:** I followed your profound observations with the attention and care they deserve. But, may I point out that a part of this subsection is not on a par with our provision. This sub-section (8) of section 32 of the British Nationality Act of 1948 says that the date on which that will take effect is the date which will be specified in the order. Till that date it will not take effect. There is no such provision in our Bill at all.

**Mr. Deputy-Speaker:** I think it must be in some other section later.

**Shri Kamath:** No, Sir.

**Mr. Deputy-Speaker:** I bow to his experience. I thought that it must be somewhere; it must be there.

**Shri Kamath:** No, Sir. It will not take effect unless the Secretary of State says that it will take effect and not before that date.

**Mr. Deputy-Speaker:** So far as other people are concerned, we need not worry. We shall also notify our date.

**Shri Kamath:** There will be a conflict. If the Government have the guts to stand up and say that, then I have no objection.

I was reading this letter of the Ministry of External Affairs. It says:

'I am directed to state that Indian citizenship is at present governed by the provisions of the Constitution of India'.

So far so good. This is not in the letter.

'More comprehensive principles are proposed to be embodied in an Indian citizenship law. Until the Indian citizenship law is enacted, the Government of India do not propose to approach the Secretary of State, Commonwealth Relations, London—this

[Shri Kamath]  
is not also in the Commonwealth Act—

'for declaring the provisions of the Constitution as citizenship law in relation to India, within the meaning of sub-section (8) of section 32 of the British Act of 1948.'

**Mr. Deputy-Speaker:** That is the citizenship law which applies to Indians. If we want our law to apply for the benefit of our nationals, we must apply. We do not propose applying until we have passed this law which will be in addition to the law of citizenship which is there already in the Constitution. Therefore, they say, until a comprehensive law which is contemplated in the Constitution is passed, we do not propose to apply. Because, they may say we have not made a final law regarding citizenship. It is open to them to accept or not accept it. Hon. Members might say that they ought to be no difference between the words here and those words with regard to the countries in the First Schedule. That is another point. But, with respect to this clause here, so far as approval is concerned, I find the same provisions have been adopted by us which they have adopted. They apply and we also apply.

**Shri Kamath:** It is far more stringent than our provision.

2 P.M.

I come to the other point to which I referred yesterday and I am sorry the Deputy Home Minister, either because he misheard me or for some other reason, read the provision from the wrong Act. He was reading section 6 of the Independence Act. Then I asked him to refer to section 18 and by mistake he referred to section 18 of the British Nationality Act instead of section 18 of our Independence Act.

**Shri K. K. Basu:** That is the privilege of Ministers.

**Shri Kamath:** I did not want to interrupt then because I had already interrupted the Prime Minister earlier

and I felt that if you got impatient, I might not get a chance to speak today.

**Mr. Deputy-Speaker:** I am myself taking up so much time.

**Shri Kamath:** You are more entitled to than we are. As in section 32(8) of the British Nationality Act, we have also said in clause 12 that the Central Government may by order notified in the Official Gazette, make provisions on a basis of reciprocity etc., etc. It is left to us to choose a particular day. As they have said in section 32(8) we can also say the same thing.

Now I come to section 18 of the Independence Act of 1948. How do Government propose to reconcile section 18 of the Act with section 6? I will not dilate upon that as I am running against time but the hon. Deputy Home Minister may look this up more closely and furnish us with some satisfactory answer.

I now come to the First Schedule. Shrimati Renu Chakravarty referred to one aspect of the matter, that is, putting the white nations on top of the non-white nations. That is not the end of the matter. I find on a reference to the British Nationality Act, 1948, that the official amendment, which seeks to change the original draft and even the schedules as embodied in the Committee's Report, is a slavish imitation or copy of sub-section (3) of section 1 of the British Nationality Act. That is the only answer I can find to this. Because that says it, we must also put the things in the same order.

**Mr. Deputy-Speaker:** The order may be changed provided hon. Members have no objection.

**Shri Datar:** Will the hon. Member allow me to just interrupt him for a minute? So far as the list is concerned, what has been done is that the names have been mentioned in the list in the order of their attainment of dominion status.

**Mr. Deputy-Speaker:** The hon. Member will be more satisfied by deleting that portion.

**Shri Kamath:** South Africa was at the bottom as most of us want it to be and now by this amendment it is being promoted in the list. (*Interruption*) I am prepared to reply provided the interruption is audible.

**Mr. Deputy-Speaker:** Why does he give time to others like this?

**Shri Kamath:** My friend, Shri Barman, the other day—he is not here now—referred to some Commonwealth Conference held some two or three years ago in which the South African delegate made a very offensive speech. I was not there myself and I take it that Pandit Thakur Das Bhargava endorses that it was a very offensive speech. When I asked him whether any other delegate took exception to that speech, Shri Barman said that our leader, the Speaker, did take exception. I am happy that the leader of our delegation took exception to that. Shri Barman said that no other country in the Commonwealth, including the so called mother country, the United Kingdom, took exception to the remark made by the South African delegate. Is that not so. Pandit Bhargava ji? Silence is tacit agreement, I take it. Therefore, I fail to understand why we should be at all enamoured of this Commonwealth when they have not got even that bit of sympathy with us. Not a single country, U.K., Canada, New Zealand, Rhodesia, Australia or any of these miscellaneous countries cared to raise a finger of protest against the South African delegate's speech. In spite of that we want to enact clause 11. But what is a Commonwealth citizen? Please turn up again the British Nationality Act, 1948. According to sub-section (2) of section 1 of that Act, it is nothing more and nothing less than a British subject.

**Pandit K. C. Sharma:** It carries no meaning.

**Mr. Deputy-Speaker:** It has been circulated to all hon. Members already. The hon. Member need not take notice of some of these observations. He only says that one term is used in one case and another term in another case and they are synonymous.

**Shri Kamath:** A Commonwealth citizen, according to this section, is nothing more than a British subject. Still we are enamoured of that subjecthood, in spite of their imperialism, colonialism and partitioning of our country seven or eight years ago. The Prime Minister yesterday laboured hard to convince the House about the necessity or desirability or even—what shall I say—the helpfulness of the Commonwealth link and that our independence has not suffered in any way. I shall cite one instance to show how our independence has suffered. Take the case of Cyprus. Government stands against colonialism; they stand for self-determination for Goa, even for Kashmir, but we have not raised our voice against this atrocity being perpetrated in Cyprus because it stands in the British life-line, the Middle East. The Cypriots stand for union with Greece. Our delegation at no time has protested against British oppression, imperialism, and colonisation of Cyprus. I do not want to refer to Kenya.

**Mr. Deputy-Speaker:** Does the hon. Member want to make this a debate on External Affairs?

**Shri Kamath:** This is one instance just to drive home my point.

**Mr. Deputy-Speaker:** Even if we are not in the Commonwealth, our external affairs' policy will depend upon enlightened self interest as to whether in every case in the whole world we must say it.

**Shri Kamath:** We have said that Formosa belongs to China and similarly we might have said that Cyprus belongs to Greece. However, I will talk more about this in the debate on External Affairs.

[Shri Kamath]

I will now refer briefly to my amendments to the other clauses. One refers to the rule-making power. I have sought to substitute "fourteen days" by "thirty days" and I have also sought to omit the words "during the session in which they are so laid" and to have the word "therein" instead. After the rules are placed on the Table of the House, modifications may be made in the rules by the Houses of Parliament, not necessarily during the session in which they are so laid.

Then, Sir, coming to clauses 13 and 14, I have sought to provide that refusal to grant an application for persons of Indian origin resident in India envisaged in sub-clause (c) of clause 5(1) should only be for reasons to be stated in writing and the applications in such cases should not be summarily disposed of. Also, in case of the Central Government's order refusing citizenship to such persons there should be a remedy by way of appeal to the Supreme Court.

Lastly, I come to the Schedules. To the First Schedule I have got an amendment which I have already moved by which I have sought to include two categories. In the present Schedule also there are two categories A and B—it is not entirely only Commonwealth countries. But, I have sought to put B on the top; that is, Commonwealth countries after A, and A will include The Republic of Ireland, that is, Eire; Burma, Nepal, Bhutan and Afghanistan. The Deputy Minister said the other day that Bhutan is regarded as an independent State, but we are negotiating with Sikkim about the status of the people of Sikkim *vis-a-vis* India and of Indians *vis-a-vis* Sikkim. The negotiations are in progress. I have sought to modify the Schedule by including more countries, our immediate neighbours about whom we ought to be more concerned than distant countries like Australia and Canada. I have sought to include Burma, Nepal, Bhutan and Afghanistan. Then I have

included The Republic of Ireland, that is Eire because so far as the freedom struggle is concerned, we had intimate contacts with Ireland and it had become a familiar name, almost a household name—Eire. Ireland and India came very close to each other in this freedom struggle. I have not got any race or colour prejudice and so I have put Eire on top of A category.

Then I come to the Second Schedule and that is with regard to the oath of allegiance. I only want to stress one amendment with regard to this and that is about the form of the oath. I have sought to bring it in line with the form prescribed in the Constitution itself. The Constitution prescribes a form of oath of allegiance for the President, Ministers, Members of Parliament and the Members of the legislatures. The form is "I do swear in the name of God" and then below the lines are: "solemnly affirm". That is the amendment which I have moved and I would command all these amendments to the acceptance of the House.

**Shri N. C. Chatterjee:** I would ask the Deputy Minister seriously to consider what is the point in having clause 11. Let us see what it says. It says:

"Every person who is a citizen of a Commonwealth country specified in the First Schedule shall, by virtue of that citizenship, have the status of a Commonwealth citizen in India."

What is meant by "Commonwealth Citizen"? You do not define it in this Bill. Look at any Act promulgated in the Commonwealth countries and you will find that everywhere a Commonwealth citizen is defined. I have taken the trouble of going through the different Acts. I do not want to take up your time, Sir, or the time of this hon. House by going through them, but look at Pakistan. It has enacted the Act after the agreement with the Commonwealth was made. As India was a party to that

so Pakistan was a party to that. In the Pakistan Citizenship Act, in section 2 they say:

"A Commonwealth Citizen means a person described as such in the British Nationality Act of 1948."

May I ask the hon. Deputy Minister, does a Commonwealth citizen really mean a person described as such in the British Nationality Act of 1948? There is no other Act.

**An Hon. Member:** Yes, yes.

**Shri N. C. Chatterjee:** If that is so, be straightforward and say we love the British Commonwealth, we love to be members thereof and at the same time have the credit of putting it down expressly. What I am pointing out is, what is the point of simply enacting clause 11 which says:

"Every person who is a citizen of a Commonwealth country specified in the First Schedule shall, by virtue of that citizenship, have the status of a Commonwealth citizen in India."

You do not say what is a "Commonwealth citizen". You do not prescribe the rights and duties of Commonwealth citizens. You do not say what is the 'status' of a Commonwealth citizen. You do not even specify or indicate what is the connotation of that expression. If you delete clause 11 there will be absolutely no harm.

**Mr. Deputy-Speaker:** I understood it to mean that a Commonwealth citizen has those rights which are given to him under clause 12, that is, registration as opposed to naturalisation. One view is that clause 11 itself is the defining clause. Whoever is a citizen of any Commonwealth country as listed in the First Schedule is a Commonwealth citizen for us. Clause 11 seems to be a definition of Commonwealth citizens. Whoever is a citizen under the law in any Commonwealth country listed in the First Schedule will be a Commonwealth citizen so far as we are con-

cerned and he shall have the rights of registration etc. as defined later.

**Shri N. C. Chatterjee:** Whatever right is there is by sub-clause (1) of clause 5.

**Pandit Thakur Das Bhargava:** Clause 11 is introduced only to show what is contained in clause 12.

**Mr. Deputy-Speaker:** Clause 12 follows 11. Clause 12 seeks to confer rights on the basis of reciprocity and so on.

**Shri N. C. Chatterjee:** What I am pointing out is that a Commonwealth citizen is not defined and there is only a reference to that. Clause 2(1) (c) says:

"citizenship 'or nationality law', in relation to a country specified in the First Schedule, means an enactment of the legislature of that country which, at the request of the Government of that country, the Central Government may, by notification in the Official Gazette, have declared to be an enactment making provision for the citizenship or nationality of that country;"

Now, look at clause 5(1)(e) which says:

"persons of full age and capacity who are citizens of a country specified in the First Schedule;"

Then for citizenship by registration there is a proviso.

What I am pointing out is, if you delete clause 11 even then there is no harm at all. Look at clause 12. Clause 12 stands by itself. It says:

"(1) The Central Government may, by order notified in the Official Gazette, make provisions on a basis of reciprocity for the conferment of all or any of the rights of a citizen of India on the citizens of any country specified in the First Schedule."

**Mr. Deputy-Speaker:** That is, a Commonwealth citizen.

**Shri N. C. Chatterjee:** What I am saying is that in clause 12 there is no mention of a Commonwealth citizen at all.

**Mr. Deputy-Speaker:** The words are not used.

**Shri N. C. Chatterjee:** As a matter of fact, there is no point in mentioning that. Even if you delete clause 11, clause 12 will have full force.

What I am pointing out is if the hon. Prime Minister is agreed and if my friends on the Treasury Benches think that we should be members of the Commonwealth, it is an expanding concept, it will help us and so on, then I am only pressing to delete at least the Union of South Africa. You know, I was a delegate of this country at a recent Commonwealth conference. I have already said that I did not like the South African delegate, not that he was personally offensive or disrespectful, but having regard to the antecedents of that country and the anti-Indian attitude. Therefore, we would like to have nothing to do with the Union of South Africa so far as our citizenship laws are concerned. If you want to make it a dynamic concept—the Prime Minister's answer was: "We are moving towards world citizenship"—if you really think it is a fluid something, a changing something, a progressive something, then why don't you have provision for adding some other countries in the First Schedule? Why simply concentrate on the British Commonwealth countries? Why don't you have provision to prescribe such other countries as may be notified from time to time by the Government of India or the Parliament of this country? You are not doing it. I am submitting that you should at least have the courage of conviction to have a clause like the one they have in the Pakistan Citizenship Act. It is perfectly correct. It is no good saying that the British Nationality Act of 1948 does not apply. Shri H. N. Mukerjee was putting to the hon. Prime Minister, namely, that in clause 19, you are simply saying that "the British Nationality and status of Aliens Acts, 1914 to 1943, are hereby

repealed in their application to India". But you are not mentioning the British Nationality Act of 1948. What the Prime Minister said or attempted to say was that it was done because of the Indian Independence Act. Sub-section 6 of section 4 of the Indian Independence Act says:

"No Act of Parliament of the United Kingdom passed on or after the appointed date shall extend or be deemed to extend to either of the dominions, as part of the law of that dominion, unless it is extended thereto by a law of the legislature of that dominion".

Technically it may be correct. But you know I read out in the House from the latest edition of Lord Simond's edition of Halsbury's Laws England where it is pointed out that the British Nationality Act of 1948 which came into force on the 1st January, 1949, is a measure on which general agreement was reached among Canada, Australia, New Zealand, South Africa, India, Pakistan and Ceylon. Therefore, it is no good saying that it need not be there in the Bill. You do not mention it, because you are really committed to that agreement and that was the result of some kind of agreement in London. Therefore, be frank and say that you are already committed to the acceptance of the British Nationality Act of 1948. As a result of international agreements, that Nationality Act has been followed by citizenship laws or similar laws in most of the countries. Therefore, the convention was not simply to adopt the general scheme of the British Nationality Act but also some kind of implied undertaking that the different States or the countries of the Commonwealth must also have similar statutes. Why do you not say that frankly? Why do you not say that you are doing it simply to implement that international agreement or that Commonwealth understanding? Be frank. Be candid. Take the Parliament into confidence and boldly say, "Yes; we cannot delete South Africa, or we cannot change the Schedule because of that agree-

ment of ours or that convention of ours". Do not try to camouflage it by simply saying that the Commonwealth is a dynamic concept and so on. South Africa has been perhaps more dynamic in its anti-Indian attitude than some of the countries which have stood by India in the struggle with Portuguese colonialism or French imperialism.

Now, look at the Second Schedule, which prescribes the oath of allegiance. It says: "...I will bear true faith and allegiance to the Constitution of India as by law established, and that I will faithfully observe the laws of India and fulfil my duties as a citizen of India". I do not think that "I will faithfully observe the laws of India" is necessary. Wherever you prescribe this formula, it is necessary only to say, "I will bear true faith and allegiance to the Constitution of India," to the State or to the Republic of India. The latest Czechoslovakian law says that and other countries have got similar laws. Without putting "I will faithfully observe the laws of India" the oath of allegiance will be all right. It is quite enough.

In the Third Schedule, residence, character, language and so on have been specified. But one thing has been omitted, which is generally found in all Constitutions and all citizenship laws, and it is this. That a citizen must satisfy the Government that he is getting the means to start or carry on an avocation without being a drag on this country. Otherwise, this country which is suffering from unemployment and other miseries may have people who will be coming in and accepting our citizenship laws and you are generous to extend our doors to them. But there may be derelicts or other people who will add to our troubles and economic distress.

**Pandit Thakur Das Bhargava:** I do not want to dilate upon my amendments. They speak for themselves. When the rules are laid on the Table of the House, it is only fair that there is a chance to make modifications in

the rules. But you say that in the same session the amendments should be made. It is too much. My humble submission is that this rule should be amended and we should not insist that the rules should be amended only in that session. Again, instead of fourteen days, we should extend the period to thirty days. Nothing will be lost because these rules will be of general application and will be enduring enough. It will not be temporary; it will be a permanent set of rules more or less. Therefore, the period should be thirty days. Therefore, the words "during the session in which they are so laid" must be amended. These words should be scored out.

**Shri Kamath:** I am in good company.

**Pandit Thakur Das Bhargava:** I should say so.

**Mr. Deputy-Speaker:** Reciprocity is necessary!

**Pandit Thakur Das Bhargava:** In the oath of allegiance, the words are "allegiance to the Constitution of India". I have given my amendment that instead of the word "Constitution" the word "State" be substituted. There is good reason for it. In the Representation of the People Act, in section 7(f), we have got these very words "disloyalty to the State". I can understand disloyalty to the State but I do not understand disloyalty to the Constitution. As has been said by many Members, the Constitution is a changing thing. There are many people who, even when they took the oath of allegiance to the Constitution, said in their minds that they are not bound by the Constitution but by the obligation to the State. We have got three amending Bills to the Constitution in this session and it may happen that the Constitution may change. The Constitution is not a living thing as much as a State is. One may be disloyal to the State and not to the Constitution. As we used these words in the Representation of the People Act, it would be better if we substitute "State" for "Constitution".

[Pandit Thakur Das Bhargava]

At the same time, I do not understand the meaning of the words "I will faithfully observe the laws of India". Everybody is bound to observe the laws, but to put this restriction here is meaningless. There may be laws which a person, in his conscience, may break. There is no reason why he should not break those laws and go to imprisonment and show to the world that he is faithful to himself and to his conscience and the country also.

**Shri Kamath:** You are in good company now.

**Pandit Thakur Das Bhargava:** "And fulfil my duties as a citizen of India" is quite enough. This is quite right. I do not understand the meaning of the words "faithfully observe the laws of India". Every person is bound to observe those laws. Otherwise, he will attract the consequences which will accrue.

**Shri Sarangadhar Das** (Dhenkanal-West Cuttack): Being faithful to the State implies that you observe the law of the land.

**Pandit Thakur Das Bhargava:** I am in good company. The oath should be as simple as possible and should be one which is acceptable to one. It is, therefore, enough if we keep these words: "faith and allegiance to the State of India and fulfil all my obligations to the State of India".

I should like to say a few words in regard to the clauses 11 and 12. Much has been said, and many Members have been eloquent on these two clauses. My humble submission is that now that we are part of the Commonwealth, how do we lose anything if there is clause 11? Suppose if all belong to the Commonwealth, certain rights will accrue to those people who are citizens of India. Then, I do not find anything objectionable in saying that all the Commonwealth citizens will be able to register themselves in all the countries of the Commonwealth.

**Shri Sadhan Gupta:** That argument itself is objectionable.

**Pandit Thakur Das Bhargava:** What is the objection? We are part of the Commonwealth. We are not British subjects. The British people can enact their own laws. They may say anything. We are not bound by them.

**Shri V. G. Deshpande:** If we put in, in our laws, "Indian subject", that would be reciprocal.

**Pandit Thakur Das Bhargava:** If there are so many interruptions, the point that I would like to say would not be made clear. I would like to be heard on this point. If we are part of the Commonwealth, I do not see any objection to being called a citizen of the Commonwealth. No person who belongs to a country which is part of the Commonwealth should feel ashamed in calling himself a citizen of the Commonwealth so long as he forms part of that Commonwealth. It is quite wrong to suggest that we are British subjects because the British nationality law says we are British subjects. We are not British subjects. Any person living in England is as much a citizen of the Commonwealth as we. We are Independent people and any Act passed by that British Parliament does not bind us unless we adopt their laws. We have not adopted their laws. On the contrary, we have got clause 11 which is perfectly justifiable. If you have clauses 11 and 12 as they are now, there is nothing wrong about them. If other parts of the Commonwealth extend certain privileges, we are obliged to extend similar privileges to them. It is a matter of mutual respect.

**Shri Kamath:** Call it the Indian Commonwealth not British.

**Pandit Thakur Das Bhargava:** It is not. It is the Indian Union. It is not Indian Commonwealth but a Commonwealth which is part of the Commonwealth of Nations.

**Shri Kamath:** But India, not Britain it the biggest country in it.

**Pandit Thakur Das Bhargava:** It is a distinct entity. There is no reason why we should fight shy of it. Either break off the connections or, if you do not break them off, it is perfectly justifiable to have clauses 11 and 12. The objection that has been levelled is more theoretical and according to me, it is not valid.

**Mr. Deputy-Speaker:** Now, the hon. Minister.

**Shri K. K. Basu:** It is now 2-30 and the Guillotine has to be applied. How can the Minister speak? He cannot.

**Shri Datar:** I have no objection.

**Mr. Deputy-Speaker:** All right; I will now put amendments Nos. 122, 123 and 124 to the vote of the House.

The question is:

Page 7, line 7—

omit "Commonwealth".

The motion was negatived.

*The Lok Sabha Divided : Ayes: 128 Nos: 26*

Division No. 3	AYES	2-40 P. M.
Achal Singh, Seth	Das, Shri B.	Joshi, Shri Jethalal
Achutha Shri	Das, Shri B. K.	Joshi, Shri M. D.
Altekar, Shri	Das, Shri K. K.	Joshi, Shrimati Subhadra
Azad, Shri Bhagwat Jha	Das, Shri Ramananda	Jwala Prasad, Shri
Banerjee, Shri	Das, Shri Shree Narayan Star, Shri	Kale, Shrimati A.
Bansilal, Shri	Deshpande, Shri, G. H.	Kasliwal, Shri
Barupal, Shri P. L.	Dholkia, Shri	Keshavsingar, Shri
Bassappa, Shri	Dhulekar, Shri	Kirolikar, Shri
Bhagat, Shri B. R.	Dhusiya, Shri	Krishna, Shri M. R.
Bhargava, Pandit Thakur Das	Dube, Shri Mulchand	Kureel, Shri B. N.
Bhatt, Shri C.	Dubey, Shri R. G.	Lingam, Shri N. M.
Bheekha Bhai, Shri	Dwivedi, Shri M. L.	Lotan Ram, Shri
Bidari, Shri	Echaran, Shri L.	Majhi, Shri R. C.
Birbal Singh, Shri	Gandhi, Shri Feruze	Malliah, Shri U. S.
Bogawat, Shri	Geutam, Shri C. D.	Malvia, Shri B.
Brajeshwar Prasad, Shri	Gupta, Shri Budhabh	Malviya, Pandit C. N.
Chatterjee, Dr. Sushiranan	Hasda, Shri Subodh	Matthen, Shri
Chaturvedi, Shri	Hyder Husein, Ch.	Mishra, Shri Lokenath
Chaudhary, Shri G. L.	Ibrahim, Shri	Mishra, Shri L. N.
Chavda, Shri	Jangde, Shri	Misra, Shri B. N.
Chettiar, Shri Nagappa	Jatav-vir, Dr.	Misra, Shri R. D.
Dabhi, Shri	Jens, Shri K. C.	Morarka, Shri
		More Shri, K. L.

Muhammed Shaffee, Chaudhuri	Raj Bahadur, Shri	Siddanjanappa, Shri
Murthy, Shri B. S.	Rajabhoi, Shri P. N.	Singh, Shri D. N.
Muthukrishnan, Shri	Ramanand Shastri, Swami	Singh, Shri H. P.
Nair, Shri C. K.	Ramaseswamy, Shri P.	Singh, Shri M. N.
Narasimhan, Shri	Ram Subhag Singh, Dr.	Singh, Shri T. N.
Nathwani, Shri N. P.	Rane, Shri	Singhal, Shri S.C.
Nehru, Shrimati Shivrājivati	Rao, Shri Seshagiri	Sinha, Shri S.
Nehru, Shrimati Uma	Raut, Shri Bhola	Siva, Dr. Gangadhara
Nesvi, Shri	Roy, Shri Bishwas Nath	Subrahmanyam, Shri T.
Palchoudhury, Shrimati Ila	Sahu, Shri Rameshwar	Sunder Lal, Shri
Pande, Shri B. D.	Saigal, Sardar A. S.	Suresh Chandra, Dr.
Paragi Lal, Ch.	Saksena, Shri Mehalal	Thimmieiah, Shri
Patel, Shri B. K.	Samanta, Shri S. C.	Thomas, Shri A. M.
Patel, Shri Rajeshwar	Sen, Shri P. G.	Tiwari, Shri R. S.
Patil, Shri Shankargauda	Shahwanz Khan, Shri	Tiwary, Pandit D. N.
Pillai, Shri Thanu	Sharma, Pandi Balkrishna	Tripathi, Shri V. D.
Prabhakar, Shri Naval	Sharma, Pandit K. C.	Tyagi, Shri
Radha Raman, Shri	Sharma, Shri D. C.	Upadhyaya, Shri Shiva Dayal
Raghbir Sahai, Shri	Sharma, Shri R. C.	Upadhyaya, Shri Shiva Das
Raghunath Singh, Shri	Shukla, Pandit B.	Zaidi, Col.

## NOTES

Das, Shri B. C.	Mascarene, Kumari Annie
Das, Shri Sarangdhar	More, Shri S. S.
Deshpande, Shri V. G.	Mukerjee, Shri H. N.
Gupta, Shri Sadhan	Nanadas, Shri
Gurupadaswamy, Shri M. S.	Rao, Shri Gopala
Hansda, Shri Benjamin	Rao, Shri Mohana
Kamath, Shri	Rao, Shri P. Subba
Khardekar, Shri	Rao, Shri T. B. Vittal
Maheta, Shri B.	Singh, Shri R. N.

The motion was adopted.

Clause 11 was added to the Bill.

Mr. Deputy-Speaker: The question is:

Page 7, line 13—

add at the end:

“other than Australia and the Union of South Africa.”

The motion was negatived.

Mr. Deputy-Speaker: The question is:

Page 7, line 13—

add at the end:

“or any other country which the Central Government may from time to time specify.”

The motion was negatived.

Mr. Deputy-Speaker: The question is:

“that clause 12 stand part of the Bill.”

The motion was adopted.

Clause 12 was added to the Bill.

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.

Mr. Deputy-Speaker: The question is:

Page 7—

after line 28, add:

“Provided that no application of a person of Indian origin, ordinarily resident in India, shall be refused except for reasons to be stated in writing and provided that no order refusing such application shall be made without reference to a Committee of Inquiry constituted as suggested in connection with section 10.”

The motion was negative.

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

Page 7, line 32—

add at the end:

"except in the case of an order refusing the application of a person of Indian origin, ordinarily resident in India."

*The motion was negatived.*

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

Page 7—

after line 32, add:

"(3) Any person of Indian origin ordinarily resident in India, aggrieved by an order of the Central Government made under this section may, within a period of thirty days from the date of the order, make an appeal to the Supreme Court of India."

*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.*

**Mr. Deputy-Speaker:** Clause 15. The question is:

Page 7, lines 33 and 34—

for "by the prescribed authority" substitute:

"by the Central Government of the prescribed authority."

*The motion was negatived.*

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

Page 7, lines 34 and 35—

omit "(other than the Central Government)"

*The motion was negatived.*

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

Page 7, lines 36 and 37—

for "to the Central Government" substitute:

"to the High Court which exercises appellate jurisdiction in the place where such person ordinarily resides or personally works for gain."

*The motion was negatived.*

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

Page 7, line 38—

for "the Central Government" substitute:

"such High Court."

*The motion was adopted.*

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

Page 8, lines 3 and 4—

for "the Central Government" substitute:

"such High Court."

*The motion was negatived.*

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

Page 8, line 6—

after "may submit" insert:

"and any other evidence, documentary or otherwise, which may be produced by any party to the proceedings."

*The motion was negatived.*

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

Page 8, lines 7 and 8—

for "the Central Government" substitute:

"such High Court."

*The motion was negatived.*

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

"That Clause 15 stand part of the Bill"

*The motion was adopted.*

*Clause 15 was added to the Bill.*

**Mr. Deputy-Speaker:** Clause 16. There is Government amendment No. 68.

The question is:

Page 8, line 11—  
for "section" substitute "section 18."

*The motion was adopted.*

**Mr. Deputy-Speaker:** Amendment No. 133 is the same as No. 68. It is barred.

The question is:

"That clause 16, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 16, as amended, was added to the Bill.*

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

"That clause 17 stand part of the Bill."

*The motion was adopted.*

*Clause 17 was added to the Bill.*

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

Page 8, lines 25 and 26—

omit "and the conditions and restrictions in regard to such registration."

*The motion was negatived.*

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

omit "in respect of applications, registrations, declarations and certificates under this Act, in respect

of the taking of an oath of allegiance, and"

*The motion was negatived.*

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

Page 9, line 21—

for "fourteen days" substitute "thirty days."

*The motion was negatived.*

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

Page 9, lines 23 and 24—

for "during the session in which they are so laid" substitute "therein."

*The motion was negatived.*

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

Page 9—

after line 24, add:

"(5) Every notification proposed to be issued under this Act, shall be placed in draft before both Houses of Parliament and shall not be so issued except with the approval of both Houses of Parliament."

*The motion was negatived.*

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

Page 9, line 21—

for "fourteen days" substitute "one month."

*The motion was negatived.*

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

Page 9, lines 23 and 24—

omit "during the session in which they are so laid."

*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.*

**Mr. Deputy-Speaker:** Clause 19.  
The question is:

Page 9, line 26—

for "1943" substitute "1948".

*The motion was negatived.*

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

"That clause 19 stand part of the Bill."

*The motion was adopted.*

*Clause 19 was added to the Bill.*

**Mr. Deputy-Speaker:** Schedule first. There is a Government amendment No. 155. I shall put that first.

The question is:

Page 10—

for the First Schedule substitute:

"THE FIRST SCHEDULE

[See sections 2(1)(b) and 5(1)(e)]

A. The following Commonwealth countries:—

1. United Kingdom.
2. Canada.
3. Commonwealth of Australia.
4. New Zealand.
5. Union of South Africa.
6. Pakistan.
7. Ceylon.
8. Federation of Rhodesia and Nyasaland.

B. The Republic of Ireland.

**Explanation.**—In this Schedule, "United Kingdom" means the United Kingdom of Great Britain and Northern Ireland, and includes the Channel Islands, the Isle of Man and all Colonies; and "Commonwealth of Australia" includes the territories of Papua and the territory of Norfolk Island."

*The motion was adopted.*

**Shri Kamath:** Asia and Africa last. Is it according to the Bandung spirit?

**Mr. Deputy-Speaker:** It is the order in which they were accepted.

The other amendments are not at all to this Schedule.

**Shri Kamath:** The other amendments are to the same Schedule.

**Shri K. K. Basu:** We would like amendments Nos. 139, 156 and 159 to be put together.

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

(1) Page 10—

after line 12 add:

"C. Afghanistan, Bhutan, Cambodia, Laos, Nepal, Peoples Republic of China, Republic of Indonesia, Union of Burma, Union of Socialist Soviet Republics, Viet Nam.

D. Any other country which may be specified by the Central Government by notification in the Official Gazette, which has developed close relations with India through acceptance of common principles for establishment and perpetuation of world peace or through economic agreements entered into on the basis of respect for and benefit of India."

(2) Page 10, for the First Schedule, substitute:

"THE FIRST SCHEDULE

[See Sections 2(1)(b) and 5(1)(e)]

A. 1. The Republic of Ireland, that is, Eire.

2. Burma.
3. Nepal.
4. Bhutan.
5. Afghanistan.

[Mr. Deputy-Speaker]

B. The following Commonwealth countries:

1. United Kingdom.
2. Canada.
3. New Zealand.
4. Pakistan.
5. Commonwealth of Australia.
6. Ceylon.
7. Federation of South Rhodesia and Nyasaland.
8. Union of South Africa.

**Explanation.**—In this Schedule, "United Kingdom" means the United Kingdom of Great Britain and Northern Ireland, and includes the Channel Islands, the Isle of Man and all Colonies; and "Commonwealth of Australia" includes the territories of Papua and the territory of Norfolk Island."

(3) Page 10—  
after line 12, add:

"C. Any other country which may be notified by the Central Government."

Those in favour will say "Aye".

Some Hon. Members: Aye.

Mr. Deputy-Speaker: Those against will say "No".

Some Hon. Members: No.

Mr. Deputy-Speaker: The "Noes" have it.

Shri Kamath: The "Ayes" have it.

Mr. Deputy-Speaker: Then, I have to ask the hon. Members to rise in their seats.

So far, the practice is that with respect to a matter of principle and importance we allow the House to divide, whatever be the volume of the voice, but with respect to other matters (*Interruption*). All right. If hon. Members want me, I will ask them to stand up in their seats. Those in favour will stand. They number 17.

Those against may please stand. By an overwhelming majority, the amendments are lost.

*The motion was negatived.*

Shri Kamath: The names should be recorded as to those who are against Burma and Afghanistan. This is the Bandung spirit!

Shri K. K. Basu: They have no spirit.

Mr. Deputy-Speaker: Now I shall put all the other amendments to the First Schedule to the vote of the House.

The question is:

Page 10—

omit line 11.

*The motion was negatived.*

Mr. Deputy-Speaker: Amendment No. 136 is the same as No. 73 negatived just now.

The question is:

Page 10—

after line 11, add:

" 9. Republic of Burma."

*The motion was negatived.*

Mr. Deputy-Speaker: The question is:

Page 10, line 12—

for "Ireland" substitute "Eire".

*The motion was negatived.*

Mr. Deputy-Speaker: The question is:

Page 10, line 15—

omit "and all Colonies".

*The motion was negatived.*

Mr. Deputy-Speaker: The question is:

Page 10—

(i) line 3,

omit "Commonwealth".

(ii) omit line 11

- (iii) line 12,  
for "B" substitute "8"; and
- (iv) after line 12, add:  
"9. Burma.
- 10. The Peoples' Republic of China
- 11. Nepal.
- 12. Indonesia.
- 13. Egypt.
- 14. Afghanistan."

*The motion was negatived.*

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

Page 10—

for line 11, substitute:

"8. Colonies of United Kingdom".

*The motion was negatived.*

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

Page 10—

after line 12, add:

"C. 1. Nepal.  
2. Burma.

"D. 1. Singapore.  
2. Malaya.  
3. British Guiana.  
4. Bermuda.  
5. West Indies.  
6. Kenya."

*The motion was negatived.*

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

"That the First Schedule, as amended, stand part of the Bill."

*The motion was adopted.*

*The First Schedule, as amended, was added to the Bill.*

**Mr. Deputy-Speaker:** I shall now put the amendments to the Second Schedule to the vote of the House.

438 L.S.D.

The question is:

Page 10, lines 21 and 22—

for "I, A. B.....do solemnly affirm (or swear)" substitute:

"I, A. B.....do swear in the name of God" solemnly affirm.

*The motion was negatived.*

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

Page 10, lines 22 and 23—

for "the Constitution of India as by law established" substitute:

"the Republic of India"

*The motion was negatived.*

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

Page 10, lines 22 and 23—

for "the Constitution of India as by law established" substitute  
"India"

*The motion was negatived.*

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

Page 10, lines 23 and 24—

omit "observe the laws of India and"

*The motion was negatived.*

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

Page 10, lines 23 and 24—

omit "and that I will faithfully observe the laws of India."

*The motion was negatived.*

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

Page 10, lines 22 to 24—

for "to the Constitution of India as by law established, and that I will faithfully observe the laws of India."

substitute "to the Indian State."

for "Constitution" substitute  
"State"

*The motion was negatived.*

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

Page 10, lines 22 and 23—

"That the Second Schedule stand part of the Bill."

*The motion was negatived.*

**The Second Schedule was added to the Bill**

**Mr. Deputy-Speaker:** I shall now put the amendments to the third Schedule to the vote of the House.

The question is:

Page 11—

after line 13, insert:

"(dd) that he possesses means to support himself and his family, if any, in India;"

*The motion was adopted.*

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

Page 11—

after line 16, insert:

"(ff) that he has adequate knowledge of the responsibilities and privileges of Indian citizenship;"

*The motion was negatived.*

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

Page 11—

after line 21 insert:

"(h) that he must know the concepts on which the Indian Constitution is based;"

*The motion was negatived.*

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

Page 11—

omit lines 1 to 4.

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

"That the Third Schedule stand part of the Bill."

*The motion was adopted.*

**The Third Schedule was added to the Bill**

**Mr. Deputy-Speaker:** Clause 11. Amendment No. 147.

**Shri Kamath:** Kindly read it.

**Mr. Deputy-Speaker:** Wherever it is an exception it will be excepted. Otherwise, it is included. I have given the substance to the House. The hon. Member wants to make it explicit that this extends to the whole of India. I have said that only where Jammu and Kashmir are not included an exception is made. Hon. Members will bear this in mind and vote for or against this amendment of Shri Kamath.

The question is:

Page 1—

(i) line 3, after "1" insert "(1)"; and

(ii) after line 3, add:

"(2) It extends to the whole of India."

*The motion was negatived.*

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

"That clause 1, the Enacting Formula and the Title stand part of the Bill."

*The motion was adopted.*

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

**Shri Datar:** I beg to move:

"That the Bill, as amended, be passed."

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

"That the Bill, as amended, be passed."

**Some Hon. Members rose—**

**Mr. Deputy-Speaker:** We have five minutes. How am I to divide it? Shri Deshpande.

**Shri V. G. Deshpande:** I rise to oppose this Bill at this stage because I am convinced that the Government is not putting all its cards on the table and is not straightforward in this matter. They have failed to explain why in clause 19 they are repealing the British Nationality and Status of Aliens Acts, 1914 to 1943, in their application to India. My contention is that the very fact that they are repealing certain Acts creates a presumption that these Acts did apply to India. Had they not applied to India, the question of repealing them would not have arisen.

The fact is that the British Nationality and Status of Aliens Acts, 1913 to 1943 were repealed by the British Nationality Act as enacted in 1948 but in so far as India was concerned, an exception was made that these Acts were not repealed, because it has been pointed out that in section 34 of that Act it has been provided that the law in force before the commencement of that Act relating to nationality shall continue to a person while he remained a British subject, that citizenship by virtue of section 13 of that Act would be available to him as if that Act had not been passed. And our position up to this time has been that until this law is passed that we are persons who are without citizenship but are enjoying the status of British citizens. And now the position is this that after this Bill is passed, these Acts will have no application to India and only the British Nationality Act of 1948 will apply. Therefore, these Acts have to be repealed as laid down in the British Nationality Act of 1948.

Our Government should have come forward with a very frank admission and confession of this legal position,

but they are rather shy of accepting the position.

Our hon. friend Pandit Thakur Das Bhargava said that they may call us British subjects, it does not matter, we are Commonwealth citizens, and it is a law of reciprocity. I say that by that reciprocity you should have also included them as Indian subjects, particularly in the case of English citizens. If you had the courage to include that in this Act then I could have accepted that you are straightforward. I understand that there are historical reasons....

**Mr. Deputy-Speaker:** I do not know if the hon. Member is not throwing this wide open and making every man an Indian subject.

**Shri V. G. Deshpande:** In one minute I am finishing.

**Shri B. S. Murthy (Eluru):** He wants to close the doors.

**Shri V. G. Deshpande:** My submission is this, that our Government should have come forward with the frank admission that on account of historical reasons and on account of certain commitments we have made, we do occupy an inferior position, may it be technical, but it is there, and since we are in the Commonwealth, and since we have not taken any decision, that Act has to be recognised, and this Bill is being placed before Parliament, and it has to be passed in the scheme of things which we voluntarily have chosen to be in. This fact is not admitted and all kinds of things are said, that this was our position before 1947 and therefore we are repealing it. I say that if they were passed before 1947 and they did not apply to us in the last eight years, how it is suddenly you awoke to the fact that these Acts applied to us only in 1955 after five years of our Constitution coming into force? Therefore I submit that this Bill is based upon certain commitments and on account of them countries like South Africa and Australia where you are not given honourable treatment, or Pakistan or Ceylon, are being offered Common-

[Shri V. G. Deshpande]

wealth citizenship by us. Therefore, I oppose the Bill.

3 P.M.

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

"That the Bill, as amended, be passed."

*The motion was adopted.*

**Shri Kamath:** Three cheers for London! Bandung buried.

—  
**INSURANCE (AMENDMENT) BILL**

**Mr. Deputy-Speaker:** The House will now take up the Insurance (Amendment) Bill.

**The Minister of Revenue and Civil Expenditure (Shri M. C. Shah):** I beg to move.....

**Mr. Deputy-Speaker:** On behalf of Shri C. D. Deshmukh.

**Shri N. R. Muniswamy (Wandiwash):** The hon. Minister of Finance is here.

**Shri Kamath (Hoshangabad):** The hon. Minister of Finance has got only a watching brief?

**Shri K. K. Basu (Diamond Harbour):** On a point of order. When a motion is in the name of a person, and that person is present in the House, can he authorise any other Member to move it on his behalf?

**Mr. Deputy-Speaker:** I think a Government Member can ask any other Government Member to move it.

**Shri M. C. Shah:** Shall I start?

**Mr. Deputy-Speaker:** Let me dispose of the point of order first. Under rule 2, this is what we find.

"'Minister' means a member of the Council of Ministers, a Minister of State, a Deputy Minister or a Parliamentary Secretary"; and

"'Member in charge of the Bill'

means the member who has introduced the Bill and any Minister in the case of a Government Bill;".

**Shri M. C. Shah:** is as much a Minister as any other Minister.

**Shri K. K. Basu:** My point of order is this. I concede the position that so long as the Minister in whose name the motion stands is not present in the House, any other Minister can move it on his behalf. But when he is present in the House, is it in order that he should authorise some other Minister to move it?

**The Minister of Defence Organisation (Shri Tyagi):** A Minister actually working in the same Ministry is also a part of that Ministry.

**Mr. Deputy-Speaker:** Our rule does not make any difference in the case of a Minister, between his presence and absence. The rule does not say that the Member in charge means the Member who has introduced the Bill and if he is absent any other Minister. There is no such thing. So, the presence or absence does not matter. Now, Shri M. C. Shah.

**Shri M. C. Shah:** I beg to move:

"That the Bill further to amend the Insurance Act, 1938, be taken into consideration."

This is a Bill to replace an Ordinance that was issued when the Parliament was not in session. We have already laid on the Table of the House a statement giving the reasons why it was absolutely necessary to issue that ordinance at that time.

As the House is aware, insurance companies have always been treated differently from other joint-stock companies. As such companies have for most of the time the moneys of the policy-holders who have very little say in their management, many more restrictions have been imposed on those companies and the control exercised over them also is more ex-

tensive in scope. These restrictions and measures of control are embodied in the Insurance Act. But even the provisions of the Insurance Act, have not been found sufficient to safeguard the policy-holders' moneys, or to bring to book persons who misappropriate such moneys or wrongfully cause losses to the insurance companies. It is only as each such case of disregard of the Insurance Act came to light that an endeavour was made to close the loopholes.

In a recent case of misfeasance we have found that the provisions of the Insurance Act are not adequate or effective. Section 106 of the Insurance Act which deals with misfeasance was found to be limited in its application. I may explain that the chief ingredients of section 106 are firstly that there should be a contravention of some provision or other of the Insurance Act, and secondly that that contravention must have caused a diminution of the life insurance fund. If both these conditions are fulfilled, then the directors and other officers of the insurer are liable under that section to make good the loss. Losses, however, may occur in other ways, but this section is powerless in such cases. For example, the loss may be caused by a criminal act, but without any contravention of the provisions of the Insurance Act. Or again, the loss may be caused by some person who is not in any way connected with the insurer. Section 106 does not cover such cases.

But the interests of the policy-holders demand that any loss in their funds caused wilfully should be made good by persons responsible for that loss.

There is another unsatisfactory aspect in the Insurance Act. Misfeasances may be omitted, and section 106 may enable court action to be taken. When a decree is obtained, there must be some way of executing the decree and realising the losses. No purpose

will be served if on obtaining a decree we find that the delinquent has disposed of his property or transferred it to other persons. In such an eventuality, the very purpose for which the section was enacted is foiled. It is therefore essential that the properties of the delinquent person or persons who may finally be found liable to make good any loss should be available for meeting the decree granted by a court. This can be done only by attaching all such properties at as early a stage of the proceedings as possible.

It is for these reasons that section 106 is being enlarged so as to include within its ambit all possible cases of misfeasance and to give power to the court to attach the property. As the powers are rather wide in scope it is also proposed that jurisdiction under that section should only be vested in the High Court.

Even this is not enough, for it is not always possible to detect misfeasance against any insurance company as soon as it is committed. In fact, several acts of misfeasance may be committed before there is any clue that something is wrong with the company. It may be that what has come to light is bad enough to warrant the appointment of an administrator under section 52A of the Insurance Act, but the administrator will take some time before he finds out acts of misfeasance committed so far as the losses suffered by the company are concerned. Once the administrator is appointed the delinquents may well feel that their game is up and that they would be brought to book for all their past misdeeds. In order to avoid having to make good the losses suffered by the company under their regime, they may fraudulently sell or transfer their properties even before the administrator is in a position to file cases. In order to prevent the delinquents from escaping the consequences of their misdeeds, it is necessary that the administrator should have some power to prohibit the delinquent persons from transferring

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their misdeeds, it is necessary that the administrator should have some power to prohibit the delinquent persons from transferring their properties to others until such time as he can bring up the matter before the court. Accordingly, it is proposed that any order of prohibition of this nature passed by the administrator shall be valid only for three months.

In other words, it is in the nature of a prelude to his filing of a case in a court of law within this period. Properties relating to which he can pass orders are those which the court can attach when he files a case under section 106. Once a case is filed by the Administrator, it will be for the court to decide whether the prohibitory order should continue or not.

The House may be aware that this Bill only seeks to replace the Insurance (Amendment) Ordinance, 1955, promulgated by the President on 1st November, 1955. As I have earlier stated, the reasons for this Ordinance were mentioned in a statement which was placed on the Table of the House. The special circumstances under which the Ordinance was promulgated are probably known to the whole House. There was a case when a large amount of policy-holders' money was missing from the coffers of an Insurance company. In tackling that case, it was found that these additional powers were absolutely necessary to safeguard the interests of the policy-holders. It was also found that these additional provisions should be incorporated quickly in the Insurance Act to meet the exigencies of that case, and so the Ordinance was issued. As the House is well aware, after the Ordinance was issued, we have been able to recover the loss that was caused to that insurance company by the delinquent person. The powers incorporated in the Ordinance are necessary to safeguard the interests of the policyholders in general, and to deal effectively with

delinquents. With these words, I commend this motion to the House.

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

"That the Bill further to amend the Insurance Act, 1938, be taken into consideration".

**Shri Feroze Gandhi** (Pratapgarh Distt.—West cum Rae Bareli Distt.—East): I rise to support the motion moved by my friend. This amendment to the Insurance Act was long overdue, and at least I am happy that it has come. Better late than never.

Now, we have an interesting collection of insurance companies in our country—a large number—and the names of some of them are really attractive. We have the Empire of India. We have the Free India. Then we have New India—I would like to draw your attention to how India is being exploited.

**Shri M. S. Gurupadaswamy** (Myrose): Even Jupiter is exploited.

**Shri Feroze Gandhi:** Then we have the Happy India Insurance Company, and we have the Mother India Insurance Company. Then our Devis and Devtas have also not been left out. They are well represented. We have the Lakshmi Insurance Company, and we have got the Saraswati.

**An Hon. Member:** Prithvi.

**Shri Feroze Gandhi:** Then our good friend, Hanuman, has also not been left out. We have the Mahavir Insurance Company.

**An Hon. Member:** Mahavir Tyagi?

**Mr. Deputy-Speaker:** I suppose the hon. Minister has nothing to do with it.

**Shri Feroze Gandhi:** In the end, we have the Bharat Insurance Company. Sir, there is a very interesting story behind this Bharat Insurance Company, and all the things that it has indulged in since it came into "the

clutches of what in this country is popularly known as the Dalmia-Jain Group.

But before I tell you how this company was acquired it is a very interesting story—the way in which it was acquired.

**Mr. Deputy-Speaker:** I hope all this story is necessary for the Administration.

**Several Hon. Members:** Yes, yes.

**Mr. Deputy-Speaker:** At every stage, I am anxious to know the relationship which will clarify this thing in the very beginning. I am allowing it freely.

**Shri Feroze Gandhi:** The concerns that I will mention and the names of people that I will mention will be directly or indirectly connected with the Bharat Insurance Company.

**Shri V. G. Deshpande (Guna):** And Jupiter also.

**Shri Feroze Gandhi:** I do not know.

Before I reveal to the House how the Bharat Insurance Company was acquired, I would like to give the House an insight into the mind of the man who founded, and is today running, the Dalmia-Jain group of industries. In 1949, Ramakrishna Dalmia visited America. He gave several interviews to the Press. I would like to read a part of it which appeared in a magazine called the *Magazine Digest*. This is how the career began:

"His first step in finance began, strangely enough, with an astrologer. There is a saying in India, 'A pauper goes to an astrologer, a wealthy man goes to doctors'. Seth Dalmia relates:—

'I went to an astrologer. He told me that in two months I would have \$30,000. I laughed at first, but then I was prepared for the inevitable. I said God's name

over and over again each morning, as I bathed in the Ganges. Then one day a cable came England advising me to buy silver'.

"The small problem of where to get the money with which to buy the silver was quickly overcome by Seth Dalmia. He borrowed \$30,000 from the astrologer."

He overcame the problem. This goes on:

"This speculation led to others in silver, jewels, cotton, linseed oil, sugar and so forth. Seth Dalmia went from boom to bust—this is American language—

"ten times....

**Shri V. G. Deshpande:** On a point of order. All this story of one person, however interesting it may be, is not relevant to the issue before the House. Only relevant things may be allowed.

**Shri S. S. More (Sholapur):** Why not relevant?

**Mr. Deputy-Speaker:** Order, order. The main thing here is with regard to the powers of the Administrator. In case Government or any authority which appoints the Administrator finds it necessary to take charge of the administration as a preventive measure first, he is authorised to issue the order not to transfer property. Within three months, it is open to the party to go to a court of law and have it set aside and so on. These are all necessary powers. It may be possible to say how necessary they are—there will be such and such things happening, the policy-holders will break down and so on. To show how necessary these exceptional powers are, it is mentioned that speculators have entered into it. Therefore, the history is being given. He mentioned the names of many insurance companies, a number of Devatas, Devis and so on—Hanuman including. Those persons in charge

[Mr. Deputy Speaker]

of insurance companies have proved a failure; only the titles and the names of Devatas have to save. That was how he started, and to exemplify it, he says they alone can save, because these people have failed to save. They have embarked upon astrology for the purpose of speculation and have indulged in speculation of the money of third parties who have contributed to safeguard against risks to their life—in case of accidental death and so on. That money is being speculated and to deal with that, the Administrator must be clothed with these exceptional powers. I think that is what he is driving at.

**Several Hon. Members:** Yes, yes.

**Shri Feroze Gandhi:** In any case, I know the rules of the House better than Shri Deshpande.

**Shri V. G. Deshpande:** No, no.

**Shri Feroze Gandhi:** Let me continue the quotation.

"Seth Dalmia went from boom to bust ten times before he decided that speculation led only to bankruptcy courts. He turned to industry fifteen years ago with great zeal".

And this, Sir, which I am going to read next is important because this interview was given sometime after the so-called partition of Dalmia Jains. It was given in 1949, August or September and the so-called partition took place—or did not take place, I do not know what happened—in 1948.

"Seth Dalmia's career has been fabulously successful and the zenith of his industrial achievement has not yet been reached, although his industries, the Dalmia-Jain group now employs nearly 50,000 people and is one of the largest in India."

Now, comes the very relevant portion.

**Mr. Deputy-Speaker:** The hon. Member ought not to say it lest others might say that it was not relevant so far.

**Shri Feroze Gandhi:** Whilst the interview was going on, an American newspaper woman was also there. The American newspaper woman, slightly overwhelmed by the list of Seth Dalmia's industries, probed further into the question. She asked: 'What position do you hold in these companies?' He says—and it is of very great importance to the Finance Minister—"No position".

Q. Well, are you not a member of the Board of Directors of these Companies?

A. No.

In a slightly exasperated tone she pressed. 'Mr. Dalmia, what is your connection with these companies?'

**Mr. Dalmia:** I am the lord of all I survey. I own them.

This is, Sir, just to give you an idea. I wanted to give the House an idea as to what kind of person he is who heads these insurance companies, banking companies, cement companies and I do not know what other companies.

Now, we will come to the present question. I would like to take this House along a journey, a hazardous journey; nothing to worry about; we will have crores and crores on the way. I would like to give you and the House an idea as to how the moneys of these insurance companies as well as the moneys of those companies in which these moneys were invested were misused.

**Mr. Deputy-Speaker:** Hon. Member is only suggesting that more and more detailed powers should be given to the administrator.

**Shri Feroze Gandhi:** Sir, I am suggesting the nationalisation of insurance companies and the sooner we do it the better.

**Shri M. S. Gurupadaswamy:** The hon. Member is a misfit in the Congress benches.

**Shri Feroze Gandhi:** In the year of grace, 1946, the tentacles of Dalmia-Jain reached out to Bombay. They seized two mills. One was called the Shapurji Barucha Mills and the other Madhoji Dharamsey Manufacturing Co., or Mills. These were purchased in October, 1946, for a fantastically high sum. It was Rs. 3½ crores. I hope my friend, Shri Shah will now start taking note of the crores. This was purchased for Rs. 3½ crores. I would draw the attention of the Finance Minister to the fact that it was in the year 1946 that most of these transactions, call them dubious, call them illegal, call them whatever you like, took place, apart from the ones that came to light later.

The Dalmia-Jains have a very sound method of operation. The method consists of this. Get hold of this company, get hold of that company, get hold of half a dozen bogus companies.

**Mr. Deputy-Speaker:** This is all very interesting. The only point is that if he brings in some insurance company I should like to take it as relevant.

**Pandit K. C. Sharma (Meerut Distt-South):** He is connected with insurance companies.

**Mr. Deputy-Speaker:** We are not concerned here with companies other than insurance companies.

**Pandit K. C. Sharma:** They are the mothers that produce the insurance companies.

**Shri Feroze Gandhi:** The favourite method was to jumble up the accounts of several companies. That was started in October, 1946, when they got these two new mills. In October,

1946, there came into the clutches of this group what is known as the Bennett Coleman & Co. This Bennett Coleman & Co., was purchased by the Shapurji Barucha and the Madhoji Dharamsey Mills. To what extent it is legal or illegal, it is for the Finance Minister to say.

**Mr. Deputy-Speaker:** Is Bennett Coleman Company an insurance company?

**Shri Feroze Gandhi:** This Bennett Coleman Company had very close connection with insurance companies and all the revelations that came out, came out as a result of these transactions. I will come to that later. I must clarify this so that you may not ask the question over and over again. I am not going to mention the names of any companies or any individual where the moneys of the Bharat Insurance Company have not been used directly or indirectly. I give you that much assurance.

Now, the two mill companies started purchasing the shares of Bennett Coleman & Co. But the shares were not in the hands of the original Bennett Coleman. The holding was something like this. Out of 38053 preference shares and 7750 ordinary shares, Dalmia-Jain had acquired 32,000 preference shares and 4800 ordinary shares some time in 1946. By October, 1946, these shares had been transferred to the names of J. Dayal Dalmia, Shriyans Prasad Jain and Shanti Prasad Jain. This deal was effected at cost of about Rs. 1½ crores. And the shares were held by these three gentlemen. Where the money came from, I do not know.

**Mr. Deputy-Speaker:** If the hon. Member does not know it, then there is no relevancy. He must at least say that it belongs to the Bharat Insurance Company.

**Shri Feroze Gandhi:** These shares, which were purchased and were held by these three individuals in October were passed on to the mill companies in lots. The first instalment, which was purchased by the mills, was

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16,350 preference shares of Bennett Coleman & Co. in December 1946; from October to December, 16,350 shares, that is, preference shares, passed into the mills. On the 31st March 1947, the Shapurji Barucha held 9,500 preference shares of Bennett Coleman & Co. at cost of Rs. 62,92,000.

**Mr. Deputy-Speaker:** I do not want to take the time of the House, but how are we all interested unless....

**Shri Feroze Gandhi:** These two companies became the proprietors of Bennett Coleman & Co.

**Mr. Deputy-Speaker:** Were they all started with Bharat Insurance money?

**Shri Feroze Gandhi:** Yes. It is all interlinked.

**Mr. Deputy-Speaker:** The hon. Member goes on stating that it is interlinked.

**Shri Feroze Gandhi:** If it is inter-linked, it is interlinked.

**Mr. Deputy-Speaker:** I am willing to give any amount of time to the hon. Member who has prepared his points, got a number of figures, etc., for the enlightenment of the House as to what attitude it should take with respect to the Bill. At every stage we are concerned with the abuse by persons who are in charge of insurance companies and how in one or two instances the top men who held a position have abused it to the detriment of the company. If he had said that the Bharat Insurance invested in the Bombay Company or Bennett Coleman & Co., or in the name of some other persons and so on, that there was no security, the money is about to be lost, etc., then all these will be relevant. At every stage, when he passes on to another incident, he must say how Bharat Insurance is there in the picture.

**Shri Feroze Gandhi:** I will say how Bharat Insurance is there when I come to the conclusion of one incident. As I told you, on the 31st March 1947,

Shapurji Barucha Mills held 9,500 preference shares at a cost of Rs. 52,92,000 on the same day Madhoji Dharamsey held 6,850 preference shares of Bennett Coleman & Co. at a cost of Rs. 37,67,500. The ownership of Bennett Coleman rested in these two textile mills. As I said, I do not know whether this was legal for the textile mills to invest in Bennett Coleman & Co. because the nature of business in which they were indulging was quite different. To the best of my knowledge, no machinery for the spinning of yarns was installed in Bennett Coleman & Co. till then—might have been installed later on.

Now I come to a very significant entry. That also is with regard to the purchase of shares, and I will show you how various other banks and companies were brought in to the rescue of Bennett Coleman & Co. for the purchase of their shares.

On the 2nd May 1947—a very significant date—a sum of Rs. 84,00,000 was withdrawn from the Gwalior Bank. Gwalior and Bombay are some distance apart, but on that very day, Rs. 84,00,000 or a little more than Rs. 84,00,000 was paid out by the mills for the purchase of 15,000 more preference shares of Bennett Coleman & Co. and they became the owner or the proprietor of Bennett Coleman & Co. What happened to the Gwalior Bank a few years later is probably known to Shri Deshmukh—it was liquidated.

**Mr. Deputy-Speaker:** Money was only withdrawn from it; was it liquidated for non-payment?

**Shri Feroze Gandhi:** As an ordinary Member I can find out only a few things and I am only pointing out the type of transactions that took place, which resulted in the liquidation of banks and companies.

**Mr. Deputy-Speaker:** Were they the bankers of Bharat Insurance Company?

**An Hon. Member:** He is coming to that.

**Shri Feroze Gandhi:** I will come to companies which had direct dealings with Bharat Insurance Company—Bennett Coleman & Co. and what is called the Dalmia Cement and Paper Marketing Company.

**Mr. Deputy-Speaker:** The hon. Member has not said what Bennett Coleman has to do with this; he has taken us right through various stages to Bennett Coleman & Co.

**Shri Feroze Gandhi:** I will show you what Bennett Coleman has to do, with this.

**The Minister of Finance (Shri C. D. Deshmukh):** There has been some connection between Bennett Coleman and Bharat Insurance and I do not know whether the hon. Member is assuming that the House will take judicial notice of it.

**Mr. Deputy-Speaker:** The hon. Member may not be able to link these transactions with the present one.

**Shri C. D. Deshmukh:** Perhaps he will give it at the end.

**Shri Feroze Gandhi:** I have given you the assurance that I will not mention the name of any company or individual which in one way or another, directly or indirectly, has not come into contact with the Bharat Insurance Company.

**Shri C. D. Deshmukh:** I think it is in his mind to portray the background against which legislation of this kind becomes necessary, when the finances of the public and industrial concerns and banks and insurance companies are inextricably mixed together by a person of extraordinary capacity to intermix them.

**Shri Feroze Gandhi:** I hope you will allow me to proceed.

**Mr. Deputy-Speaker:** The House is anxious to hear the hon. Member and I will not stop him.

**Shri Feroze Gandhi:** The total amount of shares of Bennett Coleman held by these two mills was about Rs. 1,75,00,000. Now the auditors of

these two concerns were getting worried and they did not like what was going on. The auditors are two of the finest in this country—one is called Fergusson and the other is called Billimoria. They refused to certify certain items on the balance-sheet which I would like to read out to the House because of the nature of the transactions. This is a report by Fergusson and Company and by Billimoria and Company. It states that the company from time to time during the year under report made advances to the following companies, there being some directors common to the company and to each of these concerns. Some of the directors were in Bharat Insurance Co.; some were in Bennett Coleman and some were I do not know where. The directors were common to many companies. The first item which the auditors refused to certify was an advance which was made to the Dalmia Cement and Paper Marketing Company of India, Rs. 10,32,616.

On 31st March, 1947 the company owed to Messrs. Dalmia Cement and Paper Marketing Company the sum of Rs. 23,53,000. Thereafter this advance was cleared up and the Dalmia Cement and Paper Marketing Company borrowed from the Company. Its borrowings stood on 30th November, 1947 at Rs. 1,53,56,799. This was one.

The second advance to Messrs. Madhovji Dharamsey Manufacturing Co. Ltd., of Rs. 9,00,000 was not certified. Regarding this on the 28th February, 1947 the book showed a receipt of Rs. 9,00,000 by the company from the Dalmia Cement and Paper Marketing Co. Ltd. This sum was deposited with the Bharat Bank Ltd., but on the same day a similar amount was withdrawn from the Bharat Bank Ltd., and paid through the company to Messrs. Madhovji Dharamsey Manufacturing Co. Ltd. On the 14th March, 1947 a reverse procedure was adopted with the result that the advance of Rs. 9,00,000 to the Madhovji Dharamsey Manufacturing Co. Ltd., was eliminated. A very beautiful process.

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The third one is this. The company received the following sum from the following concerns. One is a sum of Rs. 52,00,000 from the Bharat Bank Ltd. With regard to this the auditors have pointed out:

"As regards this item on the 27th December, 1946 a sum of Rs. 52,00,000 was received from the Bharat Bank Ltd. under a cash credit arrangement. This amount was transferred on the same day in the books of the company to the Dalmia Cement and Paper Marketing Co. Ltd. On 3rd January, 1947 the Dalmia Cement and Paper Marketing Co. Ltd., transferred a like amount and the cash credit was paid of."

This is how it was all done. This is what the auditors had to say about it. Both Messrs. Fergusson and Billimoria have said:

"The attention of shareholders is directed to the question whether these advances and investments made by the Company and the borrowings received by the Company are within the powers of the Company as expressed in the Memorandum and Articles of Association of the Company."

A few months later both the auditors resigned and left the company.

Now, Sir, we come to a rather interesting part of this whole transaction. That is, Messrs. Bennett Coleman & Co. had certain dealings with the Bharat Insurance Company about two years ago—or 2½ years ago. The Controller of Insurance then objected to certain investments by the Bharat Insurance Company with the firms of the Dalmia Jains and as a result of this objection, probably, the Company was asked to get back the money. They adopted a very clever technique. They sold the building of the Times of India, Bombay, at Bori Bunder and sold other building in Delhi and also one godown. These were all sold to the Bharat Insurance Company at a very high price and I will use the words

of the Finance Minister and not my own words to say, the deal was of a very dubious nature. That is why the Government objected. Before that the Controller of Insurance objected to the investments of the Bharat Insurance Company in the concerns of the Dalmia Jains which were varied in number and spread all over the country. When he objected to the investments this deal was brought about which, again, the Government objected. They said: this is dubious. As a result of this dubious transaction today about Rs. 1,00,00,000 is still due to the Bharat Insurance Company from Messrs. Bennett Coleman and Company.

I would like to point out to the Finance Minister that this money, inspite of the fact that it has changed hands in the last few days and therefore it is likely to change hands again in the next few days—what might be going on inside we do not know—of the Bharat Insurance Company is also in danger because of the doings of the proprietors and the managers of Messrs. Bennett Coleman and Company. In the year—this is the Bombay Gazette dated 2nd January, 1955—1955 there was an adjudication and the adjudicator's award is what I am going to read to you. This adjudication was between the employees of Messrs. Bennett Coleman and Company and the proprietors. Certain remarks of the adjudicator will be of very great interest to the Government and to the House. In the accounts which were produced before the adjudicator of Messrs. Bennett Coleman and Company there were certain remarks:

"The accounts have been audited by the Chartered Accountants and have been accepted by the Income-tax authorities for the purposes of assessment of the Company."

This is the Company's version to the adjudicator. This is from the General Manager, Mr. Jaya Chandra Jain. It is a very unusual name in this country. He said:

"The accounts have been audited by Chartered Accountants and have been accepted by the Income-tax authorities for the purposes of assessment of the Company."

Therefore, he said, that these should be taken as they are. But, labour is not very easy to deal with these days and they located something. They located an item which ran into several lakhs and the Finance Ministry should also be interested in it. The adjudicator's award says: "The next item of dispute is a payment by way of commission to a certain party. The Company—that is, Messrs. Bennett Coleman and Company—furnished a list of names of firms to whom advertisement commission had been given but in respect of one item running into some lakhs it did not give the name of the party. The amount of agency commission was far in excess of the previous years. The Union contended that this amount was paid to an organisation controlled by Dalmia who has the controlling interest in Messrs. Bennett Coleman and Company. At the time of hearing the Company did not admit or deny the allegation but it was stated on its behalf" by the General Manager Shri Jaya Chandra Jain: "....that is would be prejudicial to the Company's interest to supply this information and that while the Company did not wish to disobey the order of the Court if the Court directed that the information should be supplied, it would prefer that the Court may add the amount of this item to the gross profits." This is the condition of Bennett Coleman and Company. The amount runs into several lakhs. It goes on:

"The company has not supplied this information"—that is, to the adjudicator. It says that the "company has not supplied this information. When the company has without objection supplied the names of a dozen other parties to whom the commission has been given, the refusal to disclose the name of this party and the vouchers regarding the

payment to this party three years ago on the ground urged during the argument that to do so might prejudice the interests of the Company in the eyes of advertising agents and the Indian and Eastern Newspaper Society of which Shri Jaichand Jain is the President, is not convincing". The reputation of Jaichand Jain has to be saved. It was all right. Several lakhs they were willing to transfer to profit, and the Finance Minister must have gained something out of it.

**Shri C. D. Deshmukh:** I do not know.

**Shri Feroze Gandhi:** When I talk of the Finance Minister, I talk of the Government. I have pointed out to you that this one crore has yet to come back from Bennett Coleman and Company to the Bharat Insurance Company. I ask the Government the question: Why is this money not being recovered in one lump sum? What is this business of instalment? Why has it been handed over to them at such a low rate of interest. It is a very low rate of interest. The Bharat Insurance Company has a claim to this full one crore of rupees. It can be invested. It can give a high rate of interest in a good investment and the Bharat Insurance Company would be a gainer. Why do the Government not get this one crore back straightway? They have made an agreement with the previous owners of Bennett Coleman and Company, and I would suggest a probe into the affairs of Bennett Coleman and Company. The Finance Minister can send for the documents which are in the possession of the Press Commission. He can have a look into it. Look at the evidence given by both,—Shri Ramakrishna Dalmia and the general manager, Shri Jaichand Jain. I cannot mention anything but I would suggest that the Finance Minister look into it. If the affairs of that company are not being managed properly, why should not we immediately ask for this Rs.1 crore and get it back for the Bharat Insurance Company? That is one thing.

[Shri Feroze Gandhi]

Now, I would like to give the House an idea of the number of concerns, the names of concerns with which Dalmia Jain is connected, I shall just read out the names to give you an idea as to how widespread the operations of this group were. The Dalmia-Jain Group consists of a large number of companies some of which have benefited through the monies of the Bharat Insurance Company. It consists of the following; and the list is not complete. I warn you. There are many more companies. I might say that the list is only illustrative and I am giving the names just to give you an idea. It is not exhaustive. They are: The Dalmia Jain Airways; the Punjab National Bank; the Bharat Bank. It has been now turned into Bharat Nidhi. It is a very peculiar thing. I shall reveal to you how company after company disappears. To continue the list: Dalmia Cement, Rohtas Industries, Bharat Collieries, Allenberry & Co.; Dalmia Jain Aviation, Govan Brothers, Raza Sugar, Buland Sugar Mills. Indian National Airways Rampur Maize, Rampur Distillery,—all these are limited companies and I am omitting the word 'limited'—Shapurji Bharucha Mills; Madhovji Dharamsey Mills; Dalmia Cement (Bharat); Maheshwar Collieries; Kharkhari Coal Co.; S.K.G. Sugar Mills; National Safe Deposit and Cold Storage, Bombay, Oswal Co; Allen Motors;—There is one Allenberry and there is one Allen Motors, just to confuse—Lahore Electric Supply; Bennet Coleman; Cors-swords Ltd.; Bharat Journals; Civil and Military Gazette; South Behar Sugar Mills; Dalmia Dadri Cement; Dalmia Jain & Co.; Dalmia Jain & Co., Jind State; Universal Bank of India Ltd; Allahabad Law Journal Press; Patiala Biscuits; Dharangdara Chemical Works; Industrial Credit Co.; Sahu Jain; Dalmia Cement & Paper Marketing Co.; Sheoy Bauxite Products; Delhi Flour Mills; Rampur Engineering Co.; Indian Woollen Mills; Lothian Jute Mills; Albion Jute Mills; New General Jute Mills; Dehri Rohtas Light Railways; Dalmia In-

vestment Co., Gwalior Bank; Ashoka Marketing; Govan Agencies; South-East Asia Industries; Asia Udyog.

There were a number of companies floated for special purposes, the special purpose being just to make some companies disappear. If one disappears, then it is absorbed into the next one and palmed off to Gurgaon! Some of these companies which were floated for this very special purpose are as follows: Asiatic Stores Ltd.; Sunbeam Corporation; India Traders Ltd; Vastra Vyavasaya, Ltd; Jaipur Trust Ltd; Dalmia Jain Charity Trust; Raghunath Investment Ltd; Hari & Co.; Vishnu & Co.; These are two Gods and obviously these are named after certain persons such as Hari Vishnu Dalmia and so on. I am not quite sure. Vyapari Ltd.; Hindustan Vyapari Ltd.; Jaipur Vyapari Ltd.; Rhastrya Investment Co. Ltd; Saurashtra Investment Co. Ltd; Rashtriya Investments, Ltd; Rashtriya Finance Corporation, Ltd; Indo-Pakistan Trading Co. Ltd; Rashtriya Agencies Ltd; Premier Merchants, Ltd; General Marketing Co. Ltd; Dadri Marketing Co. Ltd; Rajputana Investment Co. Ltd., Bharat Ayurvedic Pharmacy Ltd.

**Mr. Deputy-Speaker:** You are reciting that with the zeal of one who recites the 1008 names of God!

**Shri Feroze Gandhi:** I am finishing. Only two are left. They too have played a very important role in this Dalmia Jain affair. One is the Yogiraj Trust and the other is called the Bhriguraj Trust. We will come to these two Trusts later.

In the year 1946, Dalmia Jain started an Airways Company, called the Dalmia-Jain Airways. Another company called the Dalmia-Jain Aviation was also started. I hope you will not get confused. One was called the Dalmia-Jain Airways and the other was called Dalmia-Jain Aviation. The Bharat Insurance Company was an important shareholder. I think about Rs. 25 lakhs, if I am not mistaken, were held as shares in the Dalmia-Jain Aviation. The Dalmia-Jain

Aviation and the Dalmia-Jain Airways were started for the purpose of starting airlines, but the Dalmia-Jain Airways never owned an aircraft. Never ran an Airline. Rs. 3½ crores were the paid-up capital of this company which consisted of about 25,000 shareholders. Instead of aircraft and flying aeroplanes, they started doing disposals work.

It was more paying.

4 P.M.

**Shri Matthen (Thiruvellah):** Bharat Jain Aviation had 18 lakhs.

**Shri Feroze Gandhi:** They are all interlinked; The Director-General of Supplies and Disposals in collaboration with the American officers left over here handed over to Dalmia Jain Airways disposal goods worth Rs. 5,86,32,500. The Dalmia Jain Airways started what they called—what was called in their books—as a joint venture with another Private firm of their own, Allen Berrys.

**Mr. Deputy-Speaker:** They had something to do with food products.

**Shri Feroze Gandhi:** I will tell you, if you all have the patience.

**Several Hon. Members:** Yes.

**Shri Feroze Gandhi:** In Allen Berrys, the Bharat Insurance held 30,000 preference shares and Dalmia Jain Airways with a paid-up capital of Rs. 3½ crores started what they called a joint venture. This joint venture was proving to be very profitable. I will read from the speech of the Chairman, Shri Ramakrishna Dalmia, Chairman of Allen Berry Company Limited, published in the *Statesman* of 13-3-1947. I have already told you that 30,000 preference shares were held by the Bharat Insurance Company in Allen Berrys. This was the speech:

"Your company purchased in co-operation and partnership with Dalmia Jain Airways Limited the entire lot of American surplus vehicles in India. I have already brought to your notice that we were able to get the best

vehicles ever disposed of as surplus by any army in India. The claim is substantially proved by the fact that during the past four months by a 10 per cent sale of your stock, your company has been able to move in 25 per cent of our investment...."

This point is very relevant, as I will show later.

"...Your company has captured the market and confidence of customers by steadfast good service. It is estimated that by the time your 50 per cent stock of surplus vehicles is sold out, your total investment will have returned. Your company's partners Dalmia Jain Airways Ltd., permit me to claim, will enjoy benefits of rich mechanical and technical resources of your company and shall have security and assurance for their sound investment which in future every business will seek and look for. Your partners will participate in the quick return which your company's business will bring and I hope they will be able to give dividends to the shareholders before any other Airways company will contemplate to do so. Experience has shown that the business of Air Transport has a slow and low tendency to arrive at maturity and offer return..." etc.

Leave alone the dividends; the Dalmia Jain Airways went into liquidation. After starting with Rs. 3½ crores—one day suddenly Rs. 3,10,47,345 were made over to Allen Berry and the shareholders of the Dalmia Jain Airways were ruined. This money never came back to them. I will draw your attention to this point—who were the directors of the Dalmia Jain Airways and Allen Berrys? They used to change from time to time; that was a very common practice.

**Shri Tyagi:** Did you say that Bharat Insurance had 30,000 shares in Dalmia Jain Airways?

**Shri Feroze Gandhi:** No. In Allen Berrys and another 30,000 preference shares were held by Allen Berrys. Don't ask questions; you will get confused. It is with great difficulty that I have kept these figures in proper order. I was saying that the directors were changing from time to time. There was Shanti Prasad Jain in Dalmia Jain Airways;—Shanti Prasad Jain, Director and Managing Director in Allen Berrys right up to 1948; the other directors were one Rajendra Kumar Jain and one J. N. Gupta. I would like to bring to the attention of the Government and yourself, Sir, that it was a total contravention of section 86 (d) of the Indian Companies Act. Dalmia Jain Airways was a public limited company and Allen Berrys was a private company; it was not a public limited company. This loaning, handing over its entire capital would be a total violation of section 86(d) of the Indian Companies Act. They did it. They could not have done it according to law. I will draw your attention to the speech of the Chairman which I have already quoted 10 per cent. of sales brought in 25 per cent. of the investment. If this is correct, I will make a small calculation. Since the matter of Allen Berrys is with the Finance Minister, these days, I am emphasising this point. If 10 per cent. of sales were to bring 25 per cent. of the investment, reducing it to rupees, annas and pies, it would mean that disposal goods worth Rs. 60 lakhs would yield Rs. 1½ crores; how much would goods worth Rs. 5,86,32,500 bring in, I leave it to the Finance Minister to calculate. There are too many zeroes.

**Shri S. S. More:** Let Mr. Tyagi do it!

**Shri Feroze Gandhi:** This venture of selling disposals goods was started by Dalmia Jain Airways as a partnership. The Chairman has said that the Company purchased in co-operation and partnership with Dalmia Jain Airways; but shareholders of Dalmia Jain Airways got nothing out of this. It got zero. The partnership was

suddenly dissolved one fine day and this amount of Rs. 3,10,47,345 was just shown as a loan. It was shown as a loan to Allen Berrys. All that the shareholders of Dalmia Jain Airways—25,000 of them—got was a receipt for that amount; they never saw that money again. It is a very peculiar thing. I would ask this question. Bharat Insurance Company was a shareholder in Allen Berrys; I think I can ask the Finance Minister what has happened to all the profit of Allen Berrys? Where has it gone? I have made quite a lot of research into this affair of the Dalmia Jains and I have come to the conclusion that almost all the monies that have been spent, in the East, West, North and South, have come out of this disposals affair, with which the insurance company was roped, with which the Dalmia Jain Airways company was roped. This is where the Government have to look into: disposals.

I will give you another illustration. The entry is in the possession of the Government and the Finance Minister can look into it, or he has already seen it. Out of Rs. 5 crores and 86 lakhs odd, Rs. 50 lakhs consisted of spare parts, motor vehicle spare parts, new parts. There is an entry in the books of Allen Berry, which entry I think is in your possession. This entry is as follows. 20,000 tons of spare parts were all sold by weight, not according to what each part would cost; just weight. One thousand tons out of 20,000 tons were sold for I am told about Rs. 94 lakhs. That entry is perhaps in your possession. One thousand tons were sold for Rs. 94 lakhs. How much 20,000 tons must have fetched, is for the Government to inquire and investigate. I can only lead them. I do not occupy those Benches.

**Mr. Deputy-Speaker:** The hon. Member is yet young.

**Shri Feroze Gandhi:** I am getting old now. This affair has made me at least five years older.

There is another question which is of very great interest. Who were the owners of Allen Berry? The Bharat

Insurance company held preference shares. In doing all this research, I located a trust. It is called the Yogi-raj trust. This trust was registered on the 7th day of March, 1949, after the so-called partition of Dalmia Jains. They had all parted in 1948. We will see how one of them comes in. I shall read it:

"The Declaration of Trust made at Delhi this the 7th day of March 1949, by Seth Ramakrishna Dalmia, son of Seth Harjimal Dalmia by caste Vaish, by occupation merchant, residing at Dalmia House, New Delhi, hereinafter referred to as the 'Founder', is as follows:

Whereas the Founder had dedicated therefor and endowed the same with Rupees Ten Thousand only and has handed over the said sum of Rupees Ten Thousand to the Trust to be called Yogi-raj Trust, subject to the terms and conditions set out herein:

The entire holding of this trust was Rs. 10,000 a very important point. We come to the objects of the Trust. What are the objectives? Very good intentions.

To promote the well being of humanity by establishing or assisting the formation or aiding of humanitarian institutions and to start, encourage, promote or support institutions and societies to harmonise social and economic interests of the peoples of the world and to unite them in such a manner as may best ensure peace and happiness of the humanity at large.

**Some Hon. Members:** Only Rs. 10,000?

**Shri Feroze Gandhi:** All this for Rs. 10,000.

**An Hon. Member:** To defraud the Government of income-tax.

**Shri Feroze Gandhi:** Then.

To open, found, build equip, take over, conduct, maintain, grant aids to, dispensaries, hospitals and lunatic asylums;

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To help widows, orphans and to give relief to the poor and distressed and also lunatics.

This is a very important provision:

To revive, investigate, promote and spread the ancient science of astrology;

Now, how to carry out all these nice objectives? This is what they will do. For the first time when I looked into it, I myself felt giddy. This is a very good method of having a joint stock company and calling it a trust. Why worry about, the new Companies Act? Make a trust. I am drawing the attention of the Finance Minister as to how these trusts have been misused and how their registration is accepted. I suppose the law is there, you go and register and the Registrar has no choice in the matter. A note can be taken now.

For the purposes of carrying out the aforesaid objects, the trustees may purchase or otherwise acquire any property rights, leases and assignments, concessions, etc....

purchase or otherwise acquire, start, establish, equip or close any business;

I have never come across this kind of power in the hands of any board of directors. I have never seen any articles of association or memorandum where this kind of power to close business is also there.

Purchase, acquire or undertake the whole or any part of property and liabilities of any person, firm or company;.....

In the lifetime of the founder, the founder being Ramakrishna Dalmia, any one not otherwise disqualified will be eligible to be nominated, appointed or coopted as a trustee. After his death, every trustee must be a vegetarian, non-smoker and a teetotaller. Then, this is very important:

The trustees shall have full power and discretion to acquire, hold, carry on and manage any trade or business or any part

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thereof and to employ the whole or any portion of the trust property or any funds of the trust in such trade or business or in running concerns or managing agencies or in securities or shares and debentures of public or private limited companies or other investments and realise or vary the same or any branch or portion thereof...."

These are the methods by which all these lunatic asylums were going to be established.

Now, as I told you, in 1948....

**Mr. Deputy-Speaker:** Is it the hon. Member's contention that even the charity has come from the Bharat Insurance company?

**Shri Feroze Gandhi:** I will just show how lakhs can be produced out of Rs. 10,000. Who were the trustees? The first trustee is Seth Ramakrishna Dalmia, Dalmia House, New Delhi. The second trustee, I cannot name.

**Some Hon. Members:** Why?

**Shri Feroze Gandhi:** It is not in the public interest to do so.

The third trustee I cannot name. Again, if anybody wants to know, it is not in the public interest to do so. That is the responsibility of the Finance Minister and the Prime Minister.

**Shri Tyagi:** Are they both trustees? Are the Finance Minister and the Prime Minister both trustees?

**Mr. Deputy-Speaker:** What is the connection between the two?

**Shri C. D. Deshmukh:** We never heard of this trust before.

**Mr. Deputy-Speaker:** Of course, this is very interesting but how is this connected with Bharat Insurance?

**Shri Feroze Gandhi:** I will show you how these trusts are practically the controllers and proprietors of all the ordinary shares of Allenberrys in

which Bharat Insurance has a holding of 30,000 preference shares. I will not mention anything not connected with Bharat Insurance because the monies of that company have always been misused.

Shri Tyagi did not hear me. I said it is the responsibility of the Finance Minister and the Prime Minister, not mine.

The fourth trustee is Shri Sital Prasad Jain, one of the high-ups in the Jains. He comes in as a trustee. I have not read the names of the two important trustees, but I would like to point out all the same the position that they had in this Yogiraj Trust:

"The power to fix the number of trustees from time to time, to vary the maximum or minimum number or to appoint new or additional trustees to fill up any vacancies, the conditions or which any of these trustees are appointed or the manner, if any, in which their successors are to be appointed shall vest in the founder."

That is, the two who are in between whose names I did not state were nowhere, they need not have been there.

Now, we come to another very important thing.

"After the death of the founder, the power to appoint trustees to fill up vacancies...."

**The Minister of Revenue and Defence Expenditure (Shri A. C. Guha):** This trust must be a registered body, and so this document he is reading from is a registered and public document. What is the necessity of withholding two names.

**Shri Keshavaiengar (Bangalore North):** What is public interest? It is for you to decide, and not for the speaker.

**Mr. Deputy-Speaker:** Order, order. Let us hear the connection between the two. All this is very interesting.

**Shri Tyagi:** It is a matter of Rs. 10,000. Why bother so much about it, when he is talking of crores?

**Shri K. K. Basu:** Let it be even one pie.

**Mr. Deputy-Speaker:** Hon. Members will kindly bear in mind that we are not going into the general discussion as to what Dalmia did. Dalmia Jain may have acquired property in a thousand ways, we are not concerned with it. We are concerned with the Bill here. An administrator is appointed under this Bill. He is clothed with powers to prevent alienation upon investigation. There are certain powers given. Instances can be cited as to how grave injustice has been done, how interlocking has been made and it has become almost impossible to trace these monies, and therefore the Administrator must be given powers. Incidentally he might point out this is the way in which a company which is holding shares in it has been started, with very little capital of its own and so on. All that is very interesting. But independently they might set up a number of lunatic asylums or milk societies, we are not worried here.

**Shri Feroze Gandhi:** May I proceed?

**Mr. Deputy-Speaker:** I would like the hon. Member to show, so far as this concern is concerned, how any amount belonging to Bharat Insurance has been used, or whether these people have got a hold over this.

**Shri Feroze Gandhi:** That is the point.

**Mr. Deputy-Speaker:** He must establish some connection.

**Shri Feroze Gandhi:** I have already pointed out that I suspect that crores and crores have been made to disappear out of Allen Berries and Dalmia Jains, a joint venture. In Allen Berries Bharat Insurance was a shareholder. Of course, you know this interlocking is horrible. If I have to explain it, I cannot. I can only lay the facts before the House which I am doing.

**Mr. Deputy-Speaker:** What are the assets of this company now?

**Shri Feroze Gandhi:** This trust had only Rs. 10,000. Let me finish it.

These two very important people were trustees and I have read out to you that the founder had the sole power to vary the maximum or the minimum number of trustees. That is, any time they can be chucked out.

"After the death of the founder, the power to appoint trustees and to fill up vacancies shall vest in the Board of Trustees on the express condition that three of the trustees shall always and perpetually be from the family of the founder, and the first appointment will be of the following persons:

(1) eldest son of the founder from his wife X;

(2) eldest son of the founder from his wife Y;

(3) eldest son of the founder from his wife Z.

Subsequently, every one of these three sons will be succeeded by the eldest, provided that....."

**Mr. Deputy-Speaker:** With all respect, I am not going to allow any more reading of this. This is all about a man who starts some charities with Rs. 10,000. We are more concerned as to what connection there is.

**Shri Feroze Gandhi:** I will bring that out.

**Mr. Deputy-Speaker:** I would like the hon. Member to satisfy me first before he reads the rest. It is not as if the time of the House is unlimited. We have heard something, that this is the way in which it has been interlocked by a kind of society or company, through Allen Berry, Bennet Coleman, newspaper etc., various ways in which it has been interlocked. It is very interesting, but he should show how this Rs. 10,000 has connection and then go on reading. With all

[Mr. Deputy-Speaker]

respect to the hon. Member, I would like to know the connection first, how much money has been invested, before he proceeds. Otherwise, it is such a small matter over which I cannot allow the time of the House to be spent.

**Shri Feroze Gandhi:** If you want to know the connection, I will let you know first. I want to draw the attention of the House to a very peculiar thing, that is, that there was one trust called the Yogiraj Trust, and two days later another trust was registered which is called the Brighuraj Trust. From first page to the last page they are exactly the same, and the trustees are the same except with one variation, namely that in place of S. P. Jain there is Premnath Mehta. Two shareholders are required in a private company, and these two trusts it is alleged became ordinary shareholders of Allen Berrys with each of them holding Rs. 8 lakhs worth of shares. In Allen Berrys Bharat Insurance money was there, and Allen Berrys' control came into the hands of the two trusts. It is not for me to answer how. I want to know. It is for the Government to answer as to wherefrom this alleged amount of Rs. 8 lakhs came in before they could purchase the ordinary shares.

**Mr. Deputy-Speaker:** Am I to understand the hon. Member to say that these trusts became shareholders?

**Shri Feroze Gandhi:** These two trusts became the proprietors, the controllers.

**Mr. Deputy-Speaker:** Did these trusts become shareholders as institutions?

**Shri Feroze Gandhi:** These two trusts became the holders of almost all the ordinary shares of Allen Berry & Co., Ltd.

**Mr. Deputy-Speaker:** The hon. Member must start with that and then go into the other details.

**Shri C. D. Deshmukh:** I do not know how much this will enable us to trace things, but the point obviously is that we may be able to trace something which could be called the property of Bharat Insurance through these transactions.

**Mr. Deputy-Speaker:** I agree.

**Shri C. D. Deshmukh:** Secondly, we may be able to find out what has happened to that property and if there has been any misfeasance or misappropriation in regard to that property. Certainly when we do trace the property, then we want to find out who is holding it. And there again, it is necessary not only to know the holdings which were formerly in the name of Shri Dalmia, but in the names of other concerns, trusts and others associated with it, because it is that property whether held directly or *benami* that we are concerned with.

**Mr. Deputy-Speaker:** I entirely agree. Had I only known that these two small trusts had Rs. 2 lakhs each, I would have allowed the hon. Member to go on with it. I only wanted to know what exactly is the connection.

**Shri Feroze Gandhi:** I cannot reveal wherefrom these Rs. 8 lakhs in each trust came; I do not know. I had mentioned earlier Allen Berrys. These were the trusts' holdings. Now, the picture is complete.

Now, what happens is that the Dalmia Jain Airways with a paid-up capital of Rs. 3½ crores is liquidated completely. The Dalmia Jain Aviation has also been liquidated. But under article 153 of the Companies Act, it has been either renamed, or I do not know what exactly has happened to it. Let me explain how the whole thing has happened. The Dalmia Jain Airways after a threat of liquidation or actual liquidation was sent into Dalmia Jain Aviation, and both—one company with a capital of Rs. 1 crore and the other with a capital of Rs. 3½ crores—were rechristened

as 'Asia Udyog', and registered not in Delhi, not in Bombay, not in Calcutta, but in Gurgaon.

There is another very significant entry to which I want to draw the Finance Minister's attention. There are several trial balances I am told in the possession of Government relating to Allen Berrys. Now a sum of Rs. 1.35 crores is shown in the books of the Dalmia Jain Airways as the amount to be realised from Allen Berrys. This is the sum which has to be realised from Allen Berrys to Dalmia Jain Airways. One day suddenly, this amount is transferred from the Airways to the books of the Dalmia Cement and Paper Marketing Company, I do not know how, but here is something which will be of very great interest to the hon. Minister and his investigating staff. The records of Allen Berrys in their possession will show that the secretary of the company has signed trial balances on 21st July 1951 saying that the sum of Rs. 1.35 crores which was to be realised from Allen Berrys remains as payable to Dalmia Jain Airways. This was a wrong entry, which I am told is in your possession. The trial balance of Allen Berrys for August, September, October, November and December shows that Rs. 1.35 crores is due to Dalmia Jain Airways. So, you will see that here is some bungling which has been caught. They probably forgot, or I do not know what happened. But it was a wrong entry. I cannot say how it happened, but it is a wrong entry that is I think in the possession of Government, and therefore this can lead on to something more.

Now, I come more or less to the last company in which the Bharat Insurance Company had some interest, or I should say, quite some interest. Peculiarly, it is called the Lahore Electric Supply Company Limited. Some of you might have heard of it. Probably, my hon. friend Pandit Thakur Das Bhargava has heard of it. This is the last company, and after this, I shall not torture the House

further. The Lahore Electric Supply Company had a paid-up capital of Rs. 50 lakhs. And before you ask any question, I shall straightway say that the Bharat Insurance Company was a shareholder in that company. It held preference shares in the Lahore Electric Supply Company. The Government of Punjab (pre-partitioned Punjab) did not want to renew the licence to this company for supplying electricity, and in compensation they were prepared to give them Rs. 1 crore in cash. Now, this sum of Rs. 1 crore was given by the Government of Punjab to that company. And the shareholders met at an extraordinary general meeting on 30th June 1944 and passed the following resolution unanimously. This is a resolution of the general meeting of the shareholders, but again I do not know how it was got rid of, and what they did to it; but they did not carry it out.

**The Minister of Natural Resources (Shri K. D. Malaviya):** What was the resolution?

**Shri Feroze Gandhi:** The resolution was as follows:

"Having considered at length the question of continuing the business of the Lahore Electric Supply Company Limited, in the event of the Lahore Electric undertaking having been acquired by the Provincial Government, the shareholders are definitely of the view and they do hereby resolve to take early steps to close down the business of the Company in accordance with the provisions of law and the prescribed procedure. In pursuance of that decision to ultimately close down and to wind up the entire business of the Company as referred to above the Directors are hereby authorised to sell and dispose of all the rights and interests in the various subsidiaries... Further the shareholders in pursuance of the same objective of eventually closing down the business of the Company hereby resolve that all the shares or other instruments with

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all the transferable rights or interests therein held by the Company in other companies or securities or properties, movable or immovable, be sold and disposed of by the Directors in the best manner and at the best available terms they deem fit.

The shareholders further resolve that the moneys so realised by the Company in consequence of the aforesaid sales and transfers or otherwise from any other source whatsoever including the Provincial Government in respect of the undertaking and any other assets, tangible or otherwise directly or indirectly held by the Company, be distributed amongst the shareholders after having satisfied all the liabilities against the Company and having defrayed all the various items of expenditure that the directors may deem fit, proper or essential, which distribution shall be in accordance with the provisions of law and prescribed procedure

At the time this resolution was passed the chairman of the company was a gentleman called Rai Bahadur Sohan Lal. He took action in pursuance of this resolution. As a result, some of the shares were sold away, and about Rs. 70 lakhs was brought into the funds of the company. The electricity work had ceased. On 2nd September 1946, the company was taken over by the Punjab Government, and a payment of Rs. 1 crore was made. Now, the company held about Rs. 1.70 crores in cash. By January 1947, the Bharat Insurance Company held in the neighbourhood of about 40 to 50 per cent of the shares, besides those shares which were held by the others—I think the directors were Sital Prasad Jain and some others.

Now, by January 1946, the Bharat Insurance Company held 40 to 50 per cent of the shares. The shares of all these directors, Rai Bahadur Sohanlal etc. etc. were brought out it is al-

leged by the monies of the Bharat Insurance Company. This is what I want to emphasise.

**Shri Tyagi:** What is the proof of that?

**Shri Feroze Gandhi:** How is it possible for me to give proof? I am just a private Member. You are in the Government. I am not the Government. You come and sit here, and let me come and sit there. Then I will give you proof.

**Mr. Deputy-Speaker:** This may be easily verified by looking into the accounts of the Bharat Insurance Company.

**Shri Feroze Gandhi:** Very easily. I have given everything. What more can I give? I am only a private Member.

Now, who are the directors? This is also very important, because all along I take the stand that there has been no real partition between the Dalmias and Jains. That is my point. In fact, there has been no separation. There is some sort of understanding—we have collected so much. You look after this, I look after this. You take this. I take this.

**Shri K. K. Basu:** That is income-tax arrangement?

**Shri Feroze Gandhi:** I am the master of all I survey.

Who are the directors? Take the Lahore Electric Company. I would like to read out their names and to show you that on the 1st of May 1951, according to the report filed with the Registrar, the following persons were the directors—it also gives particulars of the other concerns in which they were directors. First is S. P. Jain. Now I am in a mess. There are three S. P. Jains—I cannot say which one is the director here. But I have a vague suspicion that it is Sital Prasad Jain, because I have something in my possession where his signature does occur. Now, Sital Prasad Jain was the director of Lahore Electric Company, Indian National Airways Ltd., Dalmia Jain

Agencies, Ashoka Marketing Ltd., Dalmia Dadri Cement Company Ltd., Allen Motors Ltd., Govan Agencies Ltd., Raza Sugar Mills Ltd., Edward Keventer (Successors) Ltd., Govan Brothers Ltd., and—this is a very interesting company of the companies that are going round which would interest the Finance Minister—the Dairymen and Farmers Ltd., and also Bennet Coleman Ltd. This Sital Prasad Jain was director of Bennet Coleman Ltd., he was director in the companies of Dalmia, he was director of the companies of so-called Jains.

There was a second man called Ram Sarup Jain, Najibabad. He is an innocent man—I do not know—a zamindar from Najibabad. The third man is Virender Singh Chordia. He is director of Jaipur Agencies Ltd., Dalmia Jain Airways Ltd., Lahore Electric Company Ltd., Rajputana Investments Ltd., Dalmia Jain Co. (Jind State) Ltd., Dalmia Dadri Cement Ltd., Shapurji Bharucha Mills Ltd., Delhi Glass Works Ltd. and Jaipur Udyog Ltd. The Delhi Glass Works Ltd. is very near Delhi. How such a huge company like the Dalmia Cement and Paper Marketing Company which was the clearing house of the entire Dalmia-Jain group was sent into liquidation and later rechristened into Delhi Glass Works Ltd., I do not know—I have not been able to understand the process at all, how this is possible. The Dalmia Cement and Paper Marketing Company which dealt in crores—7 to 8 crores of rupees were the total dealings of the company—was turned into the Delhi Glass Works Ltd. Dalmia Jain Airways became the Asia Udyog Ltd., this became the Delhi Glass Works.

**Mr. Deputy-Speaker:** Is it producing glass instead of producing cement?

**Shri Feroze Gandhi:** This is something which would prove what you have been enquiring.

R. L. Chordia was another director in Lahore Electric Company, in Bharat Insurance Company, Bharatiya Vastra Ltd., Bennet Coleman Ltd., General Investors Ltd., and

Sunbeam Corporation Ltd.

There was another director called R. Sharma. He was director of Lahore Electric Company Ltd., Dalmia Jain and Company Ltd., Sahu Jain and Co. Ltd., Allenberry and Co. Ltd., C. Lazarus & Co. Ltd., Oxy. Acetylene Welding and Metal Cutting Co. Ltd. and Hindustan Industrial Agencies Ltd.

What I am trying to emphasise is that all the time you look into these people who are here, who are there, you find that they are in everything. Therefore, I say that Dalmia-Jain is just a false name. It is only some sort of an outward thing which is being put out, probably to convince the Government about something—I do not know what is the reason? But this is a fact.

Now, I come to this question of partition. I have given you several instances where all these directors are in the concerns of Jains as well as in the concerns of Dalmias. But, Sir, I have something to do with newspapers and I know that publishers sometimes get caught. Here is a book called *Who's Who in India* published by the Times of India, Bombay, owned and controlled—until a few days ago by Dalmia—now by Shanti Prasad. The very opening sentence about Shanti Prasad Jain says.....

**An Hon. Member:** What year is it?

**Shri Feroze Gandhi:** 1950. The so-called partition took place in 1948. The very first sentence is:

"Jain, S. P., B. Sc., managing director, Dalmia-Jain group of industries.....

Then, of course, there is something said about marriage etc.

**An hon. Member:** Is it not interesting?

**Shri Feroze Gandhi:** Then it says:

"Possesses wide experience, extending over 12 years, of the various industrial and commercial units of the Dalmia-Jain group of industries, owning collieries, banks, insurance companies....."

[Shri Feroze Gandhi]

The so-called Jains do not own insurance companies—I think there is one, the Bharat Fire and General Insurance Company or whatever it is called. But that is a general insurance company, and that has also disappeared.

**Shri Sadhan Gupta:** That does not belong to the Jains. That belongs to Jaidayal Dalmia.

**Shri T. N. Singh (Banaras Distt.—East):** Ownership is not yet clear.

**Shri Sadhan Gupta:** I said 'apparently'.

**Shri Feroze Gandhi:** But my point is that this publication is their own and is of the year 1950. If Shanti Prasad Jain had nothing to do with the Dalmia group, then a certain thing would never have appeared in this book.

Now we will come to Sahu Shriyans Prasad Jain. He is "controlling authority of the Sahu-Jain group of industries". I do not want to read the rest. I just want to emphasise that at one place it is Sahu Shriyans Prasad Jain, controlling authority of the Sahu-Jain group of industries and at another it is Shanti Prasad Jain, managing director of the Dalmia-Jain group of industries. This is only to emphasise that as between Dalmia and Shanti Prasad, I do not think, there is any real partition. The way the *Times of India* has been bouncing about is ample evidence. The day the Ordinance was issued, the day the Government issued the Ordinance, Mr. S. P. Jain made a mistake. The mistake that he made was—as many people do, and which I never count—that he issued a Press statement. People feel rather nice when they issue press statements. As soon as they have issued it they feel terrible because they do not know what is going to come out and what are the consequences. Mr. Shanti Prasad Jain, who was new to the newspaper business, handed out a statement. In the statement he said that the order of the administrator only concerns shares of the Bennett

Coleman Company to the value of Rs. 75,000. That is the face value.

Now, the important thing here is this. He said that he purchased these shares in July 1955, not in October after all this came to light. He purchased these shares in July 1955. I think they are ordinary shares of the face value of Rs. 75,000. That means about 7500 shares. That means virtually the control of the Bennett Coleman Company because the preference shares have no voting right. If this deal took place in July, then, apparently, Mr. S. P. Jain must have known about all this. Otherwise, why did it take place in July, I cannot understand. He came to the Finance Ministry and said, 'this is how I intend to pay. I will be purchasing Bennett Coleman Co.' But, that statement shows that this was done in July and the administrator's order only concerns those shares of the face value of Rs. 75,000. I have not been able to solve the mystery. Mr. S. P. Jain only can answer the question. Every side that I have tried to look into this Dalmia-Jain affair, whether it is Bharat Insurance or whether it is Bharat Bank—whatever it is—usually these concerns disappear. The Bharat Bank disappeared; the Bharat Bank and the Bharat Insurance Company had very close connection. What happened to the Bharat Bank? These gentlemen who adorn the gallery above you get things published, some day about the Bharat Bank, some day about this Company or some day about that company in their newspapers. The consequences of such publications are that the shareholders get nervous and they think the Bharat Bank is going to collapse, the Dalmia-Jain Airways is collapsing and so on. Whatever is happening, they want to sell out and the regular game of Dalmia-Jain was always to create nervousness in the minds of those who have invested their money. Then, after making them nervous, they take over their shares—buy them. I am giving you this information.

**An Hon. Member:** Others also do it.

**Shri Feroze Gandhi:** Yes, others also do it. I am not saying that these are the only people who do this thing. You will be shocked if I were to tell you that the Bharat Bank had a paid up capital of over Rs. 2 crores and there was no danger of its collapse. It was mismanaged. The Reserve Bank Report is there. But, when it was being mismanaged and the Reserve Bank reported, Government did nothing. They just left it to do what they liked. The result of that was, the Bharat Bank got converted into a company called the Bharat Nidhi. The Bharat Bank becomes Bharat Nidhi and still has a holding of Rs. 2 crores. This Rs. 1,80,00,000 has been paid to Government. How much of it has come from the Bharat Nidhi, the Finance Minister alone can reveal. I am told it is about nearly Rs. 60 lakhs or something like that. A big slice of Rs. 1,80,00,000 which you have realised has come from the Bharat Nidhi. I do not know how much it is. Mr. S. P. Jain has purchased the shares of those shareholders who have been holding shares of the value of Rs. 2/8/- for four annas and six annas and become the controller or the controlling authority—or God alone knows what—of the Bharat Nidhi. The entire money of the shareholders has been squandered, their shares it is alleged have been taken over for four annas. The shares of Dalmia-Jain Airways, worth Rs. 10 were purchased by Dalmia and Jain for Rs. 2 and Rs. 2/8/-. I would like to ask the Finance Minister and the Government, 'What are you going to do?'

I have only more or less brought out certain facts. The way Government are proceeding, I am afraid, will lead us nowhere. I do not think that by resorting to the ordinary process of law you are going to reach anywhere. It is a lengthy process and moreover the nature of the enquiry is such. As I told you, this Dalmia-Jain group spreads from north to south, from east to west and right

into the heart of India, in Bihar. What are you going to do? There are hotch-potch enquiries, one enquiry here and one enquiry there. Mr. Shah took 2½ years to get back the building money of the Bharat Insurance. For 2½ years, I have been asking him, 'Mr Shah, what is happening?' He said, 'I am consulting the Attorney-General'. After some days, I asked him what is the difficulty. He said, 'Constitution'. Good. Again after some days, I ask, 'Mr. Shah how far has it progressed?' He says, 'We are taking legal opinion.' Now, it took 2½ years. You will be surprised.....

**Shri M. C. Shah:** We got the money back.

**Shri Feroze Gandhi:** Yes, I am very grateful.

**Mr. Tyagi** was the Minister in charge when the enquiry began.

**Shri Tyagi:** The subject was Dalmia—and not me.

**Shri Feroze Gandhi:** He was in charge at the time of the enquiry. What I mean to say is this that the ordinary process of law cannot work with any effect. Perhaps, these laws were made for, if I may say so, decent criminals. By that I mean criminals who were willing to play the game. When they committed a crime they left something behind; they left a finger mark or something like that. It is not for people who never leave anything behind. They leave no trace. What are you going to do?

**Shri Tyagi:** From where did you get all this information?

**Shri Feroze Gandhi:** It cannot be revealed in public interests.

**The Parliamentary Secretary to the Minister of External Affairs (Shri Sadath Ali Khan):** I would, with your permission, ask one question. All this Dalmia affair emerged out of the Rs. 30,000 which Shri Dalmia borrowed from an astrologer. Did he pay back that money?

**Shri Feroze Gandhi:** You may table a short notice question. What I meant to say was that the ordinary

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process of law is going to get us nowhere. The facts are in our possession and Government have most of the things that I have said before the House or placed before the House. In fact, I have got them from several Government publications.

5 P.M.

**Shri C. D. Deshmukh:** Not the Yograj and Briguraj.

**Shri Feroze Gandhi:** That I got, but I am only saying that I got some of the facts from the Government publications. My suggestion to the Finance Minister is to proceed in a bold way and take a bold step. What you have now taken will not do. My suggestion is that you should appoint a Commission of Inquiry with full judicial powers to investigate the entire Dalmia-Jain affairs from 1945-46 or whenever it began up to date. A very big responsibility lies on the shoulders of Government. That responsibility is this. Just as our friend, Shri Shah—I seem to forget his official designation, he is Minister of Revenue and....

**An Hon. Member:** Civil Expenditure.

**Shri Feroze Gandhi:** Just as he has got back the money of the insured in the Bharat Insurance Company, I say that it is the responsibility of Government, and greater than Government, it is the responsibility of this House to get back the entire monies of all the shareholders of Dalmia-Jain Airways, of the Lahore Electric Company and of the Bharat Bank, all three of which total up to a tidy figure of about Rs. 8 crores or thereabouts. I say that these monies have to be returned. If you have to change the Constitution, change it; if you have to change the laws, change them. The House is with the Finance Minister and I can assure him that not a single voice either from this side or that side will be against it. Let him act quickly as years have passed, people are dying, some of the people who held evidence have died. Now what are you going to do? I

have also thought over this problem. Whichever side you look there are lawyers and they get you into trouble just as they get my friend, Mr. Dalmia, into trouble. Instead of going to the Attorney-General, for a change, come to us—that is what I say. We assure Government and assure the Finance Minister that the entire House will be with him in whatever he wants to do, but he should do it.

**Shri Deshmukh:** our Finance Minister, when he speaks, always recites something at the end. I have also more or less come to the close of my speech.

**An Hon. Member:** Then give an Urdu couplet.

श्री फिरोज़ गांधी : हुजूर वाना,  
अपने अर्थ मनी से मैं एक चीज़  
कहना चाहता हूँ। अब वक्त आ गया है  
कि जो कुछ योड़े से सुझाव मैं ने रखते हैं आप  
उन को कर डालें। जहां तक हमारा सवाल है,  
हम सब आप के पीछे हैं। आखीर मैं मैं आप  
से एक बात और कहना चाहता हूँ :

‘अयते हस्तो भगवान्, अयते भगवत्तरः।’  
आप के हाथ भगवान हैं, आप के हाथ  
भगवान से भी ज्यादा ताकतवर हैं।

**Mr. Deputy-Speaker:** This is the hon. Member's maiden speech, possibly—a fairly long speech—and it has been more than a maiden speech.

**Shri Tyagi:** Accompanied by overtures....

**Mr. Deputy-Speaker:** I think the hon. Member evidently supports the motion for consideration.

**Shri K. K. Basu:** In the course of his long speech, the hon. Member referred to many documents and two of them are important, as the hon. Minister said, as they are registered documents. I think they should be laid on the Table of the House because there is some serious implication in it. So far as the laws are concerned, he says that in the name

of two persons two trusts are created—it may be eight persons or twenty persons—and some back-door methods are found for circumventing the provisions of law. I would request that those two documents may be placed on the Table of the House as he has given many important facts in this connection.

**Mr. Deputy-Speaker:** As the hon. Member who referred to them said, he will certainly show, according to his own ideas, the documents both to the Finance Minister and the Prime Minister, and if they find that the documents have got any relevance, I am sure they will ask him to place them on the Table of the House. Unless particular portions extracted are read, I am not in a position to ask him to place them on the Table. He said that these are the persons who are connected and, therefore, it was up to him to place the documents on the Table and nobody prevented him from doing so. It was open to him to read out those names. We do not even insist upon the Government to place those papers. An hon. Member uses particular portions for his speech; it is not a published book or document, and therefore, let both the Finance Minister and Prime Minister see them and if they feel that the documents should be placed on the Table, then they can easily ask him to place them on the Table of the House and he will do so. Now it is premature for me to ask him.

**Shri K. K. Basu:** These two documents are registered documents, as far as I understand from his speech. Secondly, it is not for the Finance Minister to determine whether it is to be laid on the Table, not even for the Prime Minister; it is for you and for the Speaker to determine it because it is a document of the House. So far as the House is concerned, the Prime Minister, the Finance Minister and any other Member stand on the same footing. If the Speaker chooses to say that something should not be disclosed in the public interest, it is all right and let him say so, but it

should not be left to the Finance Minister or Prime Minister to determine whether it should be disclosed or not.

**Mr. Deputy-Speaker:** The hon. Member, who used those documents, himself deliberately withheld those names and said that the person in charge of this Bill, leaving alone the Prime Minister, has also the other matter under investigation, that is the Finance Minister. All he said before the House was that a kind of humanitarian society or trust was started with all the powers in the hands of the founder, with the right to nominate his son by any of his various wives. The investment was only Rs. 10,000. But that trust has invested some lakhs of rupees in another concern. Wherefrom could it come? We do not have those documents. We are not in a position to say where it came from and even the hon. Member did not say whether the money came from Bharat Insurance, or this company or that company. If any entry is there, we can certainly pursue it. After all, a big businessman may have many sources and this is not the only source. How can I insist upon the hon. Member to place the documents on the Table? If he is willing to place them, let him do. But from the material placed before the House, I am not able to insist upon his placing them on the Table.

**Shri K. K. Basu:** Here we are enacting a law. As you remarked earlier, we are not only trying to get hold of the persons who are directly involved in this, but we are also trying to get hold of those indirectly involved in these transactions like the benamidars, etc. They must also be brought in, and we are considering whether further powers should be given to Government for this purpose. There is absolute necessity for these documents and we want to know how these so called benamidars or trusts are created to circumvent the provisions of the normal law. In our legislation we should tighten up

[Shri K. K. Basu]

the provisions and allow no scope for any mischief to be played. Therefore, I suggest that either the Speaker or yourself might look into those documents and unless there is something there which goes against the Government policy, they should be laid on the Table of the House.

**Shri Jaipal Singh** (Ranchi West—Reserved—Sch. Tribes): Sir, I have one difficulty from the point of privilege and it is, I do not quite know if the Treasury Benches have a Cabinet responsibility, that is to say, if any one of them says something it is on behalf of the Cabinet as a whole. My hon. friend Shri A. C. Guha got up on his feet and said: "Well, it is public knowledge, why can't you give it?" The hon. Member in his own light and his own discretion said that it was not in the public interest. Now if Members on the other side insist that it should be divulged I want to know where we stand as Parliament here? The Cabinet as a whole, do they speak with one voice or with different voices?

**Mr. Deputy-Speaker:** There is no point in it. On a question whether the documents ought to be placed before the House the hon. Member brings in Cabinet responsibility, whether they speak with one voice and so on. So far as this matter is concerned the hon. Member when he was winding up has said that this kind of Bill is not good and a big Commission with judicial powers and other things ought to be appointed. Ultimately he said in such matters as these it is not the lawyers who can decide but it is the House that has to be taken into confidence. The hon. Member expressed so much of confidence in the hon. Finance Minister—on whom all of us, the whole House has confidence. As a matter of fact, wherever there was doubt as to how far this was relevant I was anxious to know the link with the earlier portions of his remarks. The hon. Finance Minister stated that the last portion will come which will give the intention. Therefore, the matter is very safe in the hands of

the hon. Finance Minister when particularly the hon. Member has placed practically everything before the House. He only thought, for his own reasons, that the documents ought not to be placed on the Table of the House unless he consults the Finance Minister. I think he is a Member who is an absolute democrat and if he thinks at any stage that they ought to be placed before the House I am sure he will do so. He will consult the Finance Minister. Let us not hustle the hon. Member who has not made a secret or withheld any of these matters from the House.

**Shrimati Renu Chakravarty:** May I seek a clarification on your ruling, Sir? In the past whenever anything has been quoted by Members of this House then the Chair has generally, almost on every occasion, asked that the actual document should be placed on the Table of the House. Now, by this ruling of yours does it mean that in future it would be left to the discretion of the Member who quotes to leave that document on the Table or not?

**Mr. Deputy-Speaker:** I will consider this matter. Now, so far as this is concerned I can easily give an answer. The hon. Member has quoted from a huge book containing correspondence and various other things. The portion which he quoted will be marked and given to us omitting the two names. Let us, therefore, wait and see. This is not going to be disposed of today. We are coming again and meeting here tomorrow. Let him take his time and let me also take time to consider the points regarding my rights and other things. Let us proceed now.

**Chaudhuri Muhammed Shafiee** (Jammu and Kashmir): Sir, may I know since when this 'light' came to the hon. Member?

**Pandit Balkrishna Sharma** (Kanpur Distt.—South cum Etawah Distt.—East): The documents from which the hon. Member quoted are two Trust Deeds which are registered documents and which, I believe, every member of the public is entitled to have. Therefore anyone can

get it and it is no use insisting upon their being placed on the Table of the House. That is what I have to submit.

**Shrimati Renu Chakravarty:** There have been quotations read out from books which have been published and at the same time they were asked to be placed on the Table of the House.

**Mr. Deputy-Speaker:** The hon. lady Member raised a question of practice and procedure. This Bill is not to be closed today. It will be held over till tomorrow. The hon. Member I am sure will attend the House tomorrow with his documents and if I consider that the documents ought to be placed on the Table of the House I have a right on behalf of the House to insist on their being placed on the Table or only that portion which is required. I will decide that tomorrow. In the meanwhile hon. Members will hold with patience. Let us proceed with the work now.

**Shri Raghavaiah (Ongole):** Unless the two members are members of the Cabinet.....

**Mr. Deputy-Speaker:** I am not prepared to hear anything more regarding the point that has been raised.

**Shri M. S. Gurupadaswamy:** Sir, I want to raise another point. The hon. Member has taken more than two hours and the total time allotted for this Bill is only 5 hours. Therefore, the time left is only about 2½ hours. In view of the large number of Members who want to participate in the debate may I request you, Sir, to either extend the time or we may sit longer?

**An Hon Member:** It will be extended.

**Shri Jaipal Singh:** Sir, you have overlooked completely the point that I raised. I was not concerned with my hon. Member from Uttar Pradesh being asked to place the documents on the Table of the House. That was not my point at all. All that I tried to remind you was that my hon. friend Shri A. C. Guha himself pointed out that they are public documents. So, why do the Government not put those documents on the Table? That was my point.

**Mr. Deputy-Speaker:** That is a matter between him and his chief. If they want let them do so.

So far as the question about time is concerned 5 hours have been allotted. Considering the fact that the hon. Member concerned was giving so many details and making the matter very interesting to the House I thought other hon. Members here would surrender their time in his favour.

**Some Hon. Members:** No, no.

**Mr. Deputy-Speaker:** Before starting I looked into the list of amendments. There were no amendments tabled so far. Under these circumstances I thought only one or two hon. Members will speak.

**Shri N. C. Chatterjee:** I may remind you, Sir, that the Speaker has already said that the amendments may be tabled tomorrow and we will be sending them tonight. Because the sequence in the order paper was changed and this Bill was taken without previous intimation the Speaker agreed to this arrangement.

**Mr. Deputy-Speaker:** I shall convey these views to the hon. Speaker and possibly in consultation with the Business Advisory Committee he may extend the time in view of what has happened.

Now, let us proceed with the work. Hon. Members may proceed with their speeches and each Member may take 15 or 20 minutes.

**Shri Sadhan Gupta:** This particular Bill has been necessitated by a very particularly outrageous incident regarding one company. It is that incident of the defalcation of a large amount of money belonging to policy-holders that has necessitated the particular provisions that are being sought to be enacted under this Bill. From that point of view, of course with certain amendments, we do support the principles which are involved in this Bill and the nature of the provisions that are being enacted in this Bill. I also agree with Shri Feroze Gandhi when he says that this kind of provision is very necessary

[Shri Sadhan Gupta]

in these kinds of cases. These people are so adept at evading the law that you cannot get at them through the medium of the ordinary Civil Procedure Code or through the medium of the ordinary Criminal Procedure Code. You can recover a stolen property from a thief but it is not possible to trace the money they take because they take it through so many devices and so many ways of concealing things they take they have though they can still retain them for their own use.

What I want to emphasise in this connection is that although this Bill has been necessitated by the coming into light of the affairs connected with the Bharat Insurance Company, yet it has a bearing on the insurance business in India as a whole. I do not know how far you are aware that the affairs of many insurance companies are similar to the affairs of this particular insurance company. We have a saying in Bengali that the science of theft is the greatest of sciences as long as it is not detected. That is the sort of saying which is applicable to many insurance companies, to many of the biggest insurance companies operating in this country. A big authority connected with a fairly big general insurance company once confessed to me that there was no general insurance company in India which did not indulge in malpractices.

[SHRIMATI SUSHAMA SEN in the Chair]

That was a very correct statement of affairs. If it is true of general insurance companies, it is equally or even more true of life insurance companies. I have been connected with certain insurance companies through the trade unions of the employees and I can tell you that I know many ways in which the money of the policy-holders, the money of the public, is utilised for the private gains of insurance authorities. In the case of one insurance company, it happened that the boss of the insurance company had all his private expenses met from the funds of the

insurance company. From the stenographer to the bearer, every one was paid by that particular insurance company. He had one of the most attractive houses in Calcutta at a nominal rent of Rs. 1,000 per month.

**Shri Raghavaiah:** May I point out, Madam, that there is no quorum in the House? If there is no quorum, the House may be adjourned.

**Mr. Chairman:** The bell is being rung. Now there is quorum. The hon. Member, Shri Sadhan Gupta, may continue.

**Shri Sadhan Gupta:** As I was pointing out, a gentleman concerned who was the boss of that insurance company, had his private expenses, all manner of expenses,—from the pay of his stenographer and his secretary down to that of the bearer,—met from the funds of that insurance company. He had the most attractive house at a most nominal rent of Rs. 1,000 per month, and although he had to pay a rent of Rs. 1,000, furniture was supplied to that house every six months to the value of some Rs. 1,000 or Rs. 2,000. When he went to Europe, he took a secretary with him and both his and his secretary's expenses were all paid by this particular company. When he retired, he retired from a post with a salary of Rs. 1,200, and then, after retirement, a pension of Rs. 3,000 was sanctioned to him, and that pension was later on increased to Rs. 5,000. Then, an honorarium was given. The pension and the honorarium together came up to Rs. 8,000 a month, and then that gentleman became a Minister but still the honorarium continued. That is the way that money is taken.

Then there is another aspect of it. When that gentleman went to U.S.A., we found in the account-books of that company that thousands of rupees were given to the Ramakrishna Mission in the U.S.A. You may think that it was a charitable thing. It was not. While in the United States, that gentleman had borrowed several thousand dollars from that institution and then he paid back not from his own pocket but from

the funds of the insurance company, and with the dollars, he engaged himself in transactions which brought him profit.

These are some of the ways in which the money of insurance companies, the money supplied by the policy-holders, is taken away for private purposes. But the most usual way and the most profitable way is to take the money of the insurance companies for speculative investments. When one speaks of speculative investments, it might be thought that it is really an investment which may be of profit or which may be of loss. It is true, but then the point is that in this kind of investment, when it is profitable, the shares are bought by the person concerned, the person who is in control of the insurance company, and when the investment leads to losses, it is left with the company itself. So, when there is profit, the shares are bought by the person concerned at a price which is either the face-value or which is nominal but it would be still very much less of what it would have fetched in the open market, and if there is loss, it is left to the company. That is the way in which the funds of the insurance companies are exploited. Life insurance is a very profitable business. You do not run risks as you run in an ordinary business. Your earnings are stable. They go on increasing from year to year and so, in spite of those thefts, life insurance businesses usually do not come to grief. It is a business which affords limitless possibilities of enriching oneself without drawing attention of the policy-holders, because, *prima facie*, the policy-holders do not lose. But what we are concerned about is that this kind of profit-making, this kind of trading with the money of others, even though it does not lead to disaster, even though it does not lead to the loss of the policy-holders' money should not be allowed to continue. If there is profit in the company, then let them take the share of the legitimate profits and let the further profits come back to the policy-holder in the shape of bonuses. The point

I want to make is that a situation in which the authorities in charge of the insurance companies are enabled to mint millions of rupees by simply arranging the investments and discretely buying off profitable shares should not be allowed to remain. In the case of the very insurance company I was talking about, they invested in a tea company. After sometime, the tea company began yield profits; after yet sometime, the tea company got so much profits that they issued bonus shares to the full value of the original shares. The authorities of the insurance bought these shares just before the bonus shares were issued and deprived the company itself of practically double the dividends which they could have earned in the subsequent years. In another case, the monies of these insurance companies were used to float which yielded no dividends for years and had no chance of yielding dividends. That is how insurance money is used. What I want is that the provisions of this Bill should be used not only to put a stop to malpractices through which money is removed; but it should be used also where money is removed under a legal cloak. If there is any legality in the cloak itself, that legality should be removed. I hope the Bill will be employed for the good of the insurance business and for the good of the policy-holders; but I must sound a warning. As it has been stated, this particular Bill was necessary because of the affairs of the Bharat Insurance Company; but we saw with great apprehension a report in the papers that Rs. 1,80,00,000 were accepted from Seth Dalmia, subject to the condition that if any further sum was found due, he would repay it. The question naturally arises as to how this voluntary contribution came about. Was there any inducement that if this voluntary contribution was made, he would escape any criminal punishment?

**Shri M. C. Shah:** In the ordinance it was provided that the property in his possession or in the possession of his benamindars would be taken. Therefore, this money was voluntarily

and unconditionally paid by him.

**Shri Sadhan Gupta:** But this voluntary and unconditional payment gives rise to some kind of suspicion. From what we know of human conduct, if one finds that even by paying Rs. 2 crores, he will not escape criminal liability, then he would not do it.

**Shri M. C. Shah:** It was made clear in the correspondence that criminal action would continue.

**Shri Sadhan Gupta:** We know that there are many ways of escaping criminal liability, even after making it clear in the correspondence. I will give one example. When I started practice, a case came to me where there was a bitter controversy between two enemies and apparently a false case was instituted. Finally, it was decided that there would be *rapprochement* and there would be a compromise. But my client said that if he was acquitted as a result of the compromise, he would lose the service in the Port Commissioner's office at Calcutta.

**Shri Raghaviah:** May I make a suggestion? In spite of repeated requests from the Chair, there is no quorum in the House. Of course, we are glad to hear the speech of the hon. Member, but he may continue tomorrow.

**Mr. Chairman:** I suppose Mr. Sadhan Gupta will be taking only two minutes more.

**Shri Sadhan Gupta:** Yes, Madam, I was referring to a case. We found out a formula in consultation with the Judge. The Judge agreed that we would bring out certain technical objections to the case, because we did not want him to suffer. So, certain technical objections were brought in; the lawyer on the other side also conceded it and the case was decided accordingly. So, in the Dalmia case, we apprehend that unless he had an understanding—not necessarily from the Government, maybe from any other party—that there will be no criminal liability, I do not see why he should pay that sum. I hope it will not be said later on that no case for criminal liability was found and

so the investigation was dropped. This thing, we want to avoid.

With these words, I support the Bill and I hope that it will be used not only against the Bharat Insurance Company, but against all kinds of malpractices in the insurance companies, wherever they exist.

**Shri M. S. Gurupadaswamy:** Mr. Feroze Gandhi made a very long excursion in the affairs of Dalmia and I must say that his marathon performance was really splendid. He deserves really Bharat Ratna title. The whole House has listened very attentively to what he has said, and we are really grateful to the hon. Member who has made a lot of research either on his own account or through the help of the Department.

This Bill was brought forward by the Minister partly to deal with the Dalmia scandle. Previously, this House has been very familiar with so many scandals done by Government or private agencies. On the other day, the mystery of Birla House also was exposed on the floor of this House, but anyway, Government did not take any action about that. I am very glad that at least on this occasion, Government has made bold to trap a man or to catch a man who was known for his rapacities and crooked dealings in the world of business.

In 1937, when the Insurance Bill came before the Central Assembly, the then Law Minister, Mr. N. Sarkar, said that the insurance business is very complicated and very difficult for the Members to understand. I remember he quoted the instance of Einstein. It is said that only a dozen people in the world know really the theory of Einstein, i.e. his theory of relativity. In the same manner, it can be said that only 7 or 8 people in India really knew about the insurance business. But, today, in 1955, the position is different. Many Members know the business of insurance and the activities of insurance men.

Some time back, a suggestion was made on the floor of this House—the Government also have been consider-

ing this question—for the nationalisation of insurance and banking. The party to which I belong has all along been trying to convince the Government that banking and insurance are two important institutions which should be nationalised immediately. The reasons are obvious. Today, our economy is a monetary economy and the whole economic life depends on the factor of money. Today, land, industries, trade, and business are not so important as the fact of money. Whoever wields the power of money, whoever possesses money, can control not only industry and business, not only the entire economy of this country, but can also decide the national destiny of this country or of any country for that matter. Today, as you are aware, industrial capitalism has given way to finance capitalism and even industrialists, businessmen and traders have to depend upon the financiers. Industrial capitalism and mercantile capitalism have been substituted by finance capitalism. Those who control money always can wield a lot of power not only over business and industry, but also over the Government. I have been seeing that. So, we must decide whether we should not control money and through money, we should not control the economy of the country.

Insurance and banking have been controlling money and by their operations, they can decide the entire economic pattern, and also; they can either throttle or pervert economic development. So, by controlling insurance and banking, people can manipulate business. Dalmia has been able to manipulate all these things because he had an insurance company, and a bank under his control. Birla today is able to spread his business and control even the policies of the Government, because he controls some of the insurance and banking companies. I place before the House the question whether the time is not opportune now to decide on the policy of nationalisation of insurance and banking. I was glad to read in

the papers a few days ago that the Government is considering the question of nationalisation. But, time is the essence of the matter. If you allow time to run, it may become too late and the financial resources may further be misused. We will be giving unnecessary scope to the capitalists to manoeuvre and manipulate. So, I would ask whether it is not the right and proper time to embark upon a policy of nationalisation of banking and insurance. We cannot separate the one from the other, because, as I said earlier, these two institutions deal with money. Whichever institution controls money will always decide the economic policies of a country, and the Government will be helpless. It has been helpless before the Birlas and Tatas today; it will be helpless hereafter. So, the Government should immediately take steps to consider whether insurance and banking companies should not be forthwith nationalised.

I may also state in this connection, the new Five Year Plan is coming and vast financial resources are required for financing the plan. I think we require near about Rs. 7,500 crores for financing the whole plan. Government is at a loss to find the money for financing such a large number of schemes and projects. May I submit that, if they take up the ownership and control of insurance and banking companies from private hands, they would be able to find the funds for financing the development projects. I would urge upon the Minister to think seriously about this matter. I thought that after the Dalmia affair the Government would be goaded at least now by the force of circumstances to deal with the question of nationalisation. I expected that the Bill that would come before the House would be a different Bill, a Bill for nationalisation. Unfortunately, the Bill is disappointing. Though it is welcome to a limited extent, it is disappointing in this way that we expected a better measure which would bring all institutions of insurance and banking com-

[Shri M. S. Gurupadaswamy]

panies under Government control and ownership. Unfortunately, Government are very halting. They are weak, they have not got the courage and the guts to bring all these companies under Government control and ownership.

I have nothing much to say on the provisions of the Bill. I generally endorse the contents. I would request the hon. Minister only that hereafter he must come out with a bold policy, as suggested by Shri Feroze Gandhi. He must set up a committee of enquiry not only to enquire into the affairs of Dalmia, but also into the affairs of Birlas, Tatas and others, so that this Parliament may know what is going on behind these Houses. And it would be in the interests of Government and also the country that such things are exposed before the public.

Lastly, I would appeal to the Minister to consider once again the plan for nationalisation of these banks and insurance companies.

**Shri D. C. Sharma** (Hoshiarpur): I welcome this measure not because it is a fiscal measure—I do not know much about things fiscal—not because it is a measure which has some legal consequences, (I do not know much about law and other things), but because it is a social measure of very great importance which affects the lives and fortunes of lakhs of families in India. It is a social measure brought forward to fight anti-social tendencies in our country.

As I was listening to the excellent speech of my friend Shri Feroze Gandhi I asked myself this question: "Am I reading a detective novel, or am I reading a tale of adventure, or am I listening to the tale of a big financial swindle perpetrated in this country or somewhere else?" I feel today it has been proved that truth is stranger than fiction, and the truth or the truths which Shri Gandhi brought out in his speech are startling and shocking and they reveal a very dreadful disease in the body politic of our joint stock companies whether those joint

stock companies have to deal with banking or insurance.

I have gone through this Bill twice, and I have asked myself this question....

**Shri Kamath:** Only twice?

**Shri D. C. Sharma:** You read it many times because you are not as intelligent as I am. I read it only twice and I get the hang of it.

**Shri Kamath:** I can learn from you.

**Shri D. C. Sharma:** You are the one person who cannot learn from anybody.

**Shri Kamath:** Not even from you?

**Shri D. C. Sharma:** I was saying that this Bill is fraught with grave consequences for our country and it deserves the widest possible support, but the question is: Are we, with the help of this Bill, going to be able to deal with this problem? I think there is a sentence in one of the plays of Shakespeare which says that desperate diseases require desperate remedies, and I feel that the Bill which has been brought forward is not in the shape of a drastic remedy. It is a toy gun manufactured to kill an elephant, and I do not believe that this toy gun will kill the elephant.

What has happened as a result of the revelations which have been made in the country recently? The faith of policy-holders of insurance companies has been shaken. It is not only the faith of the policy-holders but the faith of share holders of the company has been shaken.

On the one hand, we are extending the field of insurance. On the floor of this House I have heard about crop insurance. On the floor of this House I have heard of so many other kinds of insurance. A welfare State needs insurance, and insurance of all kinds, but I must say that these gruesome, scandalous and sensational revelations which have been made today by my friend Shri Gandhi have undermined the faith of the people in social insurance.

My friend Shri Gandhi said we should have a judicial commission to probe into the whole thing. But I would like to ask: How long will that judicial commission take to probe into the whole thing? And then, we know the fate of the reports which are brought out. Those reports take a long time in consideration. They are sometimes under consideration, and sometimes under active consideration, but very often their fate is very dismal and very tragic. So, I do not think a judicial commission will solve the problem. I do not think the problem can be given over to any criminal investigation agency. That may be one of the possible sources of information about this kind of swindle which is going on in this country, but I would say, as my friend Shri Gurupadaswamy said and as I think my friend Shri Gandhi implied, that the only solution to this problem is that the work of insurance should be taken away from the hands of unprincipled, unscrupulous adventurers and should be taken up by our own Government. In other words, I was afraid of using that word....

Mr. Chairman: Does he wish to continue.

Shri D. C. Sharma: Yes.

Mr. Chairman: He may continue to-morrow.

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REPRESENTATION OF THE PEOPLE (AMENDMENT) BILL

PRESENTATION OF REPORT OF SELECT COMMITTEE

Pandit Thakur Das Bhargava (Gurgaon): I beg to present the Report of the Select Committee on the Bill further to amend the Representation of the People Act, 1950, and to make certain consequential amendments in the government of Part C States Act, 1951.

The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, the 7th December, 1955.

6 P.M.

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## DAILY DIGEST

[Tuesday, 6th December, 1956.]

PAPERS LAID ON THE TABLE		COLUMNS	REPORT OF RULES COMMITTEE LAID ON THE TABLE	COLUMNS
	(1) A copy of the Articles of Agreement of the International Finance Corporation and Explanatory Memorandum as approved for submission to Governments by the Executive Directors of the International Bank for Reconstruction and Development	1421-422	First Report was laid on the Table	1422
	(2) A copy of the Notification No. S.R.O. 3441, dated the 9th November, 1955, cancelling the Ministry of Food and Agriculture Notification No. S.R.O. 3310, dated the 28th October, 1954, under sub-section (6) of Section 3 of the Essential Commodities Act, 1953.	1421	REPORT OF COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS PRESENTED	1422-23
	(3) A copy of the Ministry of Food and Agriculture Order No. F. 29/11/55-SV, dated the 12th October, 1955, in pursuance of an assurance given on the 9th May, 1953 during the discussion on the Industrial (Development and Regulation) Amendment Bill, 1953	1422	Forty-first Report was presented.	
	(4) A copy of the Notification No. 19/55, dated the 17th November, 1955, making certain further amendments in the General Regulations of the Industrial Finance Corporation of India, under sub-section (3) of Section 43 of the Industrial Finance Corporation Act, 1948.	1422	REPORT OF BUSINESS ADVISORY COMMITTEE PRESENTED	1423
		1422	Twenty-ninth Report was presented.	
		1422	REPORT OF SELECT COMMITTEE PRESENTED	1586
		1422	Report of the Select Committee on Representation of the People (Amendment) Bill was presented	
		1422	BILL PASSED	
		1422	Clause-by-clause consideration of the Citizenship Bill, as reported by the Joint Committee, was concluded. Clauses 3, 8 to 10, 12 to 15 and 17 to 19 and Schedules II and III were adopted. On clause 11, the Lok Sabha divided: Ayes 128; Noes 26. The clause was adopted. Clauses 5 and 16 and Schedule I were adopted as amended. Clause 1 was adopted and the Bill was passed, as amended.	1427-1523
		1422	CONSIDERATION OF BILL	
		1422	Motion to consider the Insurance (Amendment) Bill, was moved and discussed. Discussion was not concluded.	1523-1585