

**EMINENT PARLIAMENTARIANS  
MONOGRAPH SERIES**

**M. ANANTHASAYANAM AYYANGAR**

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## Foreword

It is only appropriate that the Indian Parliamentary Group decided to celebrate the birth anniversaries of eminent parliamentarians with a view to recalling and placing on record the contributions made by them to the country's parliamentary life and polity. As a part of this activity, a monograph series—known as the 'Eminent Parliamentarians Monograph Series' was started in March 1990 with a Monograph on Dr. Ram Manohar Lohia. This was followed by similar Monographs being brought out on nine other distinguished parliamentarians in connection with their birth anniversaries.

The present Monograph—the eleventh in the series—is a modest attempt to recapitulate the services rendered to the society by the late Speaker Shri M. Ananthasayanam Ayyangar who distinguished himself not only as an impartial and respected presiding officer of First and Second Lok Sabha but also as an eminent lawyer, forceful orator and a fervent advocate of India's rapid industrialisation and planned development.

The volume consists of two parts. Part I contains a brief profile of Shri M. Ananthasayanam Ayyangar and Part II of the Monograph contains excerpts from some of the important speeches Shri Ayyangar delivered in the Central Legislative Assembly, the Constituent Assembly of India, the Provisional Parliament and the First Lok Sabha.

On the occasion of his birth centenary we pay our respectful tributes to the memory of Shri Ayyangar and hope that this monograph would be read with interest and found useful.

New Delhi;  
February, 1991

RABI RAY  
*Speaker, Lok Sabha and  
President, Indian Parliamentary Group*

# **Contents**

**FOREWORD**

**PART ONE**

**SHRI M. ANANTHASAYANAM AYYANGAR**  
**A Profile**

**1**

(1)

**PART TWO**

**His Ideas**

*Excerpts from Select Speeches of  
Shri Ayyangar in the Central  
Legislative Assembly, Constituent  
Assembly (Legislative), Provisional  
Parliament and First Lok Sabha*

**2**

**ECONOMIC AND FINANCIAL MATTERS**

**Tax on Profits of Business**

(25)

**Devaluation of the Rupee**

(34)

**Tax Evasion and Black Marketing**

(40)

**Composition of Finance Commission**

(46)

**3**

**INDUSTRIAL DEVELOPMENT**

**Industrial Development**

(53)

**Industrial Finance Corporation**

(71)

**Road Transport Corporations**

(81)

(iii)



**4**

**LABOUR AND EMPLOYMENT**

**Trade Unions**

**(91)**

**5**

**LEGAL, CONSTITUTIONAL AND POLITICAL ISSUES**

**Preventive Detention**

**(97)**

**Codification of Hindu Law**

**(112)**

**Marriage and Divorce**

**(128)**

**Reorganisation of States on Linguistic Basis**

**(140)**

**6**

**TRADE AND COMMERCE**

**Foreign Trade**

**(147)**

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**PART ONE**

**M. ANANTHASAYANAM AYYANGAR: A PROFILE**

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## **Madabhooshi Ananthasayanam Ayyangar: A Profile**

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A scholar of distinction, a colourful personality renowned for multifarious activities, a seasoned lawyer and a skilful parliamentarian, Shri Madabhooshi Ananthasayanam Ayyangar was born on 4 February 1891 at Tiruchanur near Tirupati in Andhra Pradesh in an orthodox Vaishanava Brahmin family. His father, Venkata Varadacharya was a Sanskrit scholar and the family, though poor, was respected for its scholarly traditions. Having completed his initial education in the Devasthanam High School, Tirupati, Shri Ayyangar took his B.A. degree from the Pachaiyappa's College, Madras. Having chosen legal profession as a career, he obtained his law degree from Madras Law College in 1913. He married Choodammal in 1919.

### **In Legal Profession**

Shri Ayyangar was initiated into the legal profession, by Shri C. Doraiswami Ayyangar, a well-known advocate of his time. Though somewhat hesitant in the beginning he forged ahead as a professional lawyer and soon became "a walking digest of case laws". He had to suspend his legal practice for about a year during 1921-22 due to his participation in the national movement after which he joined the bar again at the Madras High Court.

Shri Ayyangar did not treat the profession only as a means to earn his livelihood. He was also deeply interested in improving the judicial system of the country to suit the needs and aspirations of the masses. He strongly advocated independence of the judiciary and urged the Government to raise the status of

the Federal Court to that of a Supreme Court. He was very much concerned about the humiliation as also the hardships faced by our masses due to the vesting of ultimate authority of our judicial system in the hands of the Privy Council in England. His concern in this area is clearly evident in the following statement made by him on 11 December, 1947 in the Constituent Assembly<sup>1</sup>:

I hope very soon we will have a Supreme Court established in this country and do away with the Privy Council. We ought not to be satisfied with this and prolong the agony of going to a foreign court. They may not understand many cases where religious matters are involved and what the kind of mark is put on an idol. Muslim Waqf cases go there. They do not know any of our cases. They want to hold supreme authority over us, and it is for that reason that, though the Judges there may be impartial, they do not feel one with the Community here. Therefore, he alone would be wise who understands the manner in which the social trends work in a particular community. Therefore, Sir, without the least disrespect to the Privy Council, I would urge upon our Minister and our Government to introduce a Bill immediately to raise the status of the Federal Court to that of a Supreme Court so that we may have independence in the matter of our own legal institutions at least as early as possible.

### **As a Freedom Fighter**

Shri Ananthasayanam Ayyangar was a man not to be circumscribed by the limitation of one's individual and family life. He was conscious of his duties towards the motherland. Consequently, from a very young age, he started taking active part in the activities of the Indian National Congress which was spearheading the national movement for the liberation of our motherland from the clutches of British colonialism. He took part in the non-cooperation movement of 1921-22. When the Congress withdrew its policy of boycott of Councils and decided to contest the elections for the Central Legislative Assembly in 1934, Ananthasayanam Ayyangar was elected to the House

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<sup>1</sup> C.A. (Leg.) Deb., 11 July 1947, p. 1726.

with an overwhelming majority. He took his seat along with stalwarts like Bhulabhai Desai, Govind Ballabh Pant, Moham-mad Ali Jinnah and Satyamurti, whose object was to fight the government from within. By his vigilance and innate ability he soon made a mark as a forceful debater. From the back-benches he moved on to the front benches and then came a time when not a single day passed without his saying something in the Assembly which was damaging to the Government. No wonder one European writer in the *Asiatic Review* befittingly referred to him as "the Emden of the Assembly", alluding to the German ship of that name which caused untold havoc to the Allied Navy in World War II.

Ananthasayanam Ayyangar enlisted himself in the individual satyagraha campaign started by Gandhiji in 1940 and was immediately jailed for eight months. Later he joined the "Quit India" agitation launched in August 1942 and suffered imprisonment till 4 December 1944.

Apart from taking active part in the fight for liberation of the country, Shri Ayyangar was also a staunch follower of Mahatma Gandhi's constructive programme for fighting social evils like untouchability which were prevalent at that time and were destroying our social fabric. He always advocated the upliftment of Harijans, particularly their right to temple entry and the abolition of untouchability.

### **As a Parliamentarian**

Shri Ananthasayanam Ayyangar would be remembered by posterity as a great parliamentarian. His career as a parliamentarian started long before independence when he took a seat in the Central Legislative Assembly in the year 1934. He proved to be one of its indefatigable members with a vast treasure of knowledge and experience. Apart from his ability and popularity, Shri Ayyangar possessed an abundant fund of humour which stood him in very good stead and helped changing the heated atmosphere of the House from time to time into something bracing and tolerable. As a dedicated parliamentarian, he always took keen interest in the business of the House. He

used to come fully prepared for parliamentary debates and discussions and his speeches in the Lok Sabha always gave new turns and twists to the discussion and provided real food for thought.

Shri Ayyangar was aware of the onerous task the members, as people's representatives, had to perform. Speaking about the responsibilities of the members of the Parliament, he stated<sup>2</sup>:

In my view, they (Members of the Parliament) ought to function as a two-way channel of communication between the people and the government. It is not enough for them merely to voice the interests and reactions of their constituencies, they have also to go back and interpret the policy and measures of the Government to the people so that they know what is happening around them and feel a sense of participation and partnership in the administration of the country.

In recognition of his long parliamentary experience Shri Ananthasayanam Ayyanger was unanimously elected Deputy Speaker in 1948. His un-opposed election on 30 May, 1952 as the Deputy Speaker of the First Lok Sabha was a signal tribute to his ability and popularity.

While thanking the members for electing him unanimously to the office of Deputy Speaker, Shri Ayyangar said<sup>3</sup>:

...Whatever – the position – may be, I still feel that it is not the position that makes it so important as the unanimous verdict of the House, the confidence that my Leader, whose opinion I value very much, yourself, Sir (Speaker) and the Members of the House, young and old repose in me. I hope that that confidence that they have reposed in me will make me strong and healthy and I shall try to do whatever work I am asked to do.

The Deputy Speaker's position is somewhat difficult and delicate. He has to perform two different roles. Sometimes

<sup>2</sup> "Prospects for Parliamentary Democracy", Inaugural address by Speaker Ayyangar at the Twenty-fifth Conference of the Presiding Officers of Legislative Bodies in India held at Hyderabad, January 21, 1960. *The Journal of Parliamentary Information (JPI)*, April 1960, p. 3

<sup>3</sup> *Parly Deb*. The House of the People, 30 May 1952, c. 932

he has to speak as the spokesman of his party and within a few minutes he may have to occupy the Chair. While playing this dual role of an umpire and a player, Shri Ananthasayanam Ayyangar discharged his duties to the satisfaction of all concerned.

After the sad demise of Shri Mavalankar, Shri Ayyangar was elected Speaker of Lok Sabha on 8 March, 1956 and again in May 1957 when the Second Lok Sabha met after the general elections. In December 1957 he resigned the membership of the Congress Parliamentary Party.

In 1952, Shri Ayyangar attended the Commonwealth Parliamentary Conference at Ottawa as a delegate. He led the Parliamentary delegations to China in 1956, and to the East European countries (Czechoslovakia, Romania, Bulgaria and Poland) in 1959. It was during the time, in 1957, that a Conference of the Commonwealth Parliamentary Association was first held in India and the Conference was a signal success. In the 1962 general elections, he was again elected to the Lok Sabha but resigned its membership on his appointment as Governor of Bihar in the same year. Shri Ayyangar discharged his duties as Governor till October 1967 with dignity and aplomb. Thereafter, he settled down in his home town, Tirupati. He passed away on 19 March, 1978 at the age of 87.

### **As a Speaker**

In 1956, after his election to the office of the Speaker, thanking the members Shri Ayyangar assured the House that he would serve to the best of his conscience. He said<sup>4</sup>:

...I will not let down this country nor this Parliament, nor the prestige of this House nor that of any member. I will stand by all the privileges that are legitimately due to the members. I will try to maintain the dignity of the House and I hope and trust that I will be able to do so with your cooperation.

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<sup>4</sup>L.S. Deb., 8 March, 1956. cc. 1967-68.



...I assure every section of this House, and every individual who does not belong to any particular group, that I will never let down their privileges. A member's privileges, as a member, shall be constantly before me. I shall try to stick to traditions, follow the older ones and whenever new ones have to be established you may take it from me that I will try to do that.

After a brief tenure as Speaker of the first Lok Sabha, Shri Ayyangar was unanimously re-elected the Speaker of Second Lok Sabha on 11 May, 1957. His re-election was ample evidence of his popularity and general acceptability as Speaker who was completely neutral and above all as one who treated all parties with the same amount of impartiality.

Congratulating Shri Ayyangar on his re-election to the office of Speaker, Prime Minister Nehru said<sup>5</sup>:

...You are not new to this office, Sir, and in electing you the House has not, if I may say so, taken a risk. We have—some of us who were also members of the previous Parliament—come into intimate contact with you in your capacity as Speaker and previously as Deputy Speaker of this House.

The Speaker occupies a very high position in accordance with our Constitution. But, if I may say so, the office of Speaker of the Lok Sabha has become by convention, by practice, something even higher perhaps than what the Constitution says... It is well known that under the system of parliamentary government, while the Constitution has necessarily great force and while we have bound ourselves by oath and otherwise to abide by the terms of the Constitution, the Constitution by itself is not enough. Conventions have to grow up, habits of behaviour have to grow up and a certain tolerance of each other has to grow up, a certain attempt to understand, to adapt oneself; in other words, a House like this, Sir, has in effect to become an example to the nation at large...

...This is a new Parliament assembling after the General Elections and we shall have to face difficult problems.

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<sup>5</sup>L.S. Deb., 11 May, 1957. cc. 28-29.

because we have ventured out into the high seas of national endeavour...It is necessary, therefore, that this House should undertake this burden and this tremendous responsibility —and joyful adventure—with good heart and under good leadership. You, Sir, who come here with your considerable experience in the past of occupying this office will, we all know, supply that good leadership and keep us all in order if we forget the right path at any time.

Thanking the members for electing him unanimously to the exalted office of the Speaker of Lok Sabha, Shri Ayyangar said<sup>6</sup>:

I came to this House in 1934 which was then the Central Legislative Assembly and ever since, I have been continuously a member of this House and I have seen through all its vicissitudes and changes. During the previous regime I had many opportunities of working in the Opposition under great leaders who fought for freedom both inside and outside the House. I know the difficulties of the opposition Benches. I shall do my best to protect the interests of the various groups and the liberties and privileges of the House as a whole.

Since 1947, I have had many opportunities of studying at close quarters the working of the Government. I was elected Deputy-Speaker of the House in 1948 and again in 1952 and was elected Speaker in March 1956. I had, therefore ample opportunities to study first-hand the working of parliamentary democracy. I can assure the House that nothing shall be wanting on my part to strengthen the foundations of democracy and to uphold the traditions and conventions of Parliament.

Ours is the biggest democracy in the world, I hope that this Parliament will develop traditions which may be welcome and acceptable not only to our Parliament but also to other Parliaments in the world. As an instrument of the peoples' voice in the matter of legislation and in the governance of the country I shall with your co-operation try to make it as effective as possible.

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<sup>6</sup>*Ibid.*, cc. 36—38.

The necessary existence of parties in a parliamentary democracy does not necessarily imply that they should be fighting in all matters. There can be large measure of agreement amongst the parties. I hope and trust that there will be co-operation amongst all parties and if ever they fight, they will do so without rancour and take defeat without bitterness. This kind of spirit will conduce to the growth of democracy in an ever-increasing manner.

We have done well during the First Parliament. I expect many far-reaching issues will come up for discussion during this Second Parliament which coincides with the period of the Second Five-Year Plan. I hope and trust that all Parties and Groups in this House will develop a spirit of cordiality and accommodation and work unitedly in the best interests of the country and the community as a whole.

About his membership of the Congress Party, Shri Ayyangar observed<sup>7</sup>:

...It may be that I am not resigning my membership from the Party, but I shall so conduct myself in this office as to infuse confidence in the minds of all Parties and be absolutely impartial and try to raise the standards, conventions and traditions of this House.

He also assured the members that he would do his best to uphold the traditions of parliamentary democracy and see that the expectations of the members are fulfilled.

As Speaker, Shri Ayyangar was quite aware of the heavy responsibility that a presiding officer had to shoulder. As he said<sup>8</sup>:

Under a dictatorship or an absolute monarchy there can be no guarantee of life or liberty to the citizens. The goodness of the dictator is the only guarantee. A democracy may also degenerate into a communal or linguistic dictatorship and begin to show favours to the members of its own community

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<sup>7</sup>*Ibid.* c. 38.

<sup>8</sup>"Pitfalls to Democracy—Their causes and cures", Speaker Ayyangar's address to the Twenty-sixth Conference of Presiding Officers of Legislative Bodies in India held at Bangalore from December 31, 1960 to January 2, 1961; *JPI*, Vol., VII, No. 1, 1961, p. 4

and oppress the minorities. Such tendencies have to be checked ruthlessly. The only person in such circumstances that can safeguard the interest of the minorities and prevent oppression is the Presiding Officer. A heavy responsibility falls on him. He has to be ever watchful as to what happens in the name of law and order and allow opportunities for exposure of all such cases of oppression, nepotism and corruption...He must be above party and safeguard the interest of one and all in the Legislature and through the Legislature, one and all in the country. The affairs of the Legislature should be so conducted that every citizen will look to it in the ultimate analysis for support when all other remedies fail for redress of his grievances.

Shri Ayyangar was deeply committed to parliamentary institutions and made a very distinguished contribution to parliamentary procedure and practice by his decisions and rulings as presiding officer. In fact, the country was fortunate to have him as a Speaker of Lok Sabha at a crucial time when newly devised procedures and rules and regulations were in the process of being practised and tested. He was charged with a great responsibility of building sound conventions for conducting the business of the House on the foundations laid by the first Speaker of the House, Shri Mavalankar. He discharged this responsibility with great competence and credibility for a considerably long period which was clearly manifested by his act of resigning from the membership of the Congress Parliamentary Party after being entrusted the sensitive office of Speaker.

During his tenure as Speaker, Shri Ayyangar established many healthy conventions which have not only helped in ensuring the smooth conduct of the business in the House but also raised the prestige of Parliament in general. One such convention related to Questions.<sup>9</sup> When presiding over the House he had to call every day certain members in whose name questions appeared in the order paper even though they had asked for leave for the entire session or had gone abroad. The Speaker felt that when it was known that the members

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<sup>9</sup> *Ibid.*, p. 10.

concerned would not be present in the House to ask these questions, there was no point in calling those questions for oral answer. Hence Shri Ayyangar as Speaker decided that questions of such members should be admitted for written answers only. The same decision would also apply to questions received from members under legal detention.

Under the Rules of Procedure of Lok Sabha a question not reached for oral answer can be answered at the end of the Question Hour only where the Minister represents to the Speaker that the question was one of special public interest to which he desired to give a reply. There was no provision for out of turn priority being given otherwise to an important question. With a view to ensuring that a really important question appearing in the list of questions for a day was not passed over simply for want of time, the Speaker decided that such a question might be taken up for answer a little before the close of the Question Hour, after ascertaining the general sense of the House.

Shri Ayyangar also started a new convention on 26 February 1960 when he requested the members to stand in their places to hear a message from the President being read out to them. The Speaker observed that it was only a proper gesture to observe in the case of a message from the Head of the State.<sup>10</sup>

Shri Ayyangar was also credited with having established a new convention regarding quorum. On 22 March 1960 the House was scheduled to sit till 6.30 p.m. When the discussion on the Demands for Grants in respect of the Ministry of Food and Agriculture was resumed, some members submitted that more time should be allotted to the discussion of those Demands, and for that purpose, if necessary, they were prepared to sit till 7.00 p.m. When some members expressed difficulty about the continuance of quorum after 5.00 P.M., Speaker Ayyangar observed<sup>11</sup>:

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<sup>10</sup> *L.S. Deb.*, Vol. XXXIX, No. 11, 26 February 1960, cc. 2942-43.

<sup>11</sup> *L.S. Deb.*, Vol. XLI, No. 31, 22 March 1960, cc. 7264-85.

We have adopted one convention that during the lunch interval, nobody will demand quorum, provided, of course, the discussion goes on, but nothing is brought up for voting. For voting, quorum is much more necessary; we shall not do without quorum.

Similarly, if the House agrees, within one hour of a count having been taken, we shall not ask for quorum, except when a division has to be taken, in which case there must be quorum. That would mean, if once a count is taken, within an hour from that, once again a count shall not be taken...

The practice during lunch interval has been adopted so long notwithstanding the fact that there is a provision against it in the Constitution. If that is right, this is also right. If that is wrong both will be wrong.... There is no need for a convention if the law itself works satisfactorily. Law cannot be changed every minute, but human practice goes on changing to suit changing times. I am not introducing the practice as a rule now. It will develop as a convention as we progress. Let us understand that if we extend the time, no quorum will be demanded, except where it is proposed to take a division. Let it be the general understanding.

Regarding the policy statements made by Ministers outside the House when the House is in session, the Speaker said:<sup>12</sup>

While the House is in session...as a matter of courtesy to the House all enunciations of policy or change of policy or enunciations of new policy must first be brought to the notice of the House before they are announced to the others. But whether a particular thing is a matter of policy or of detail, we are not here to go on giving advice to the Minister. I am sure the Hon. Minister himself is competent to decide whether it is a matter of policy or not.

As Speaker Shri Ayyangar gave decisions on many important matters regarding parliamentary practice and procedure, regarding adjournment motion, he said:<sup>13</sup>

<sup>12</sup> L.S. Deb., 23 December 1960, cc. 7334-35.

<sup>13</sup> L.S. Deb., 12 August 1958, c. 363.

An adjournment motion to discuss the call of armed forces in aid of civil authority in a State is inadmissible, being a matter of law and order in the State."

The Speaker also said that "adjournment motion to discuss a matter on which enquiry is pending is inadmissible."<sup>14</sup>

Giving his decision on calling attention notices, the Speaker said<sup>15</sup>:

Ordinarily under the Rules, not more than one calling attention notice can be taken up on any particular day. As these matters are important, as a matter of concession to the members, I wanted to establish a convention on the last day, if there are matters of any great importance I will allow a number of such notices to be taken up.

Shri Ayyangar also effected a change in the procedure regarding introduction of Bills in Lok Sabha. The decision was that copies of Bills should be circulated two days before the day on which they were proposed to be introduced. Appropriation Bills, Finance Bills and Secret Bills were, however, exempted from this requirement. This was provided by the following Direction from the Speaker<sup>16</sup>.

No Bill shall be included for introduction in the list of business for a day until after copies thereof have been made available for the use of Members for at least two days before the day on which the Bill is proposed to be introduced.

Provided that Appropriation Bills, Finance Bills and such secret Bills as are not put down in the list of business may be introduced without prior circulation of copies to members.

Provided further that in other cases, where the Minister desires that the Bill may be introduced earlier than two days after the circulation of copies or even without prior circulation, he shall give full reasons in a memorandum for the consideration of the Speaker explaining as to why the Bill is sought to be introduced without making available to members copies

<sup>14</sup> *L.S. Deb.*, 12 March 1953, cc. 5426-27.

<sup>15</sup> *L.S. Deb.*, Part II, 31 May 1957, c. 3209.

<sup>16</sup> Procedural Matters — Lok Sabha: Circulation of copies of Bills to members before introduction; *JPI*, Vol. IV, No. 1, April 1958, pp. 52-53.

thereof in advance, and if the Speaker gives permission, the Bill shall be included in the list of business for the day on which the Bill is proposed to be introduced.

Before this procedure came into effect, copies of Bills were circulated to members only after introduction.

On the question of the number of supplementaries that could be asked on a Question, Speaker Ayyangar observed on 31st July, 1957<sup>17</sup>:

With regard to the number of supplementaries, the importance of the question and various other considerations are taken into account... If I am satisfied that enough has been asked in respect of a question, I cannot allow more supplementaries.

The limitation is not on account of the number of supplementaries but on account of the importance of the question. It is open to the Speaker to find out whether a particular question is of sufficient importance or significance and has been answered sufficiently. If it has not been answered sufficiently, he may allow more supplementaries. If a question is completely answered even on the first supplementary, then I proceed to the next question. It is for me to decide whether a question has been answered sufficiently or not.

Shri Ayyangar did whatever he could to enhance the power and prestige of Parliament and to make it the supreme forum for expression of people's will. Paying tribute to the retiring Speaker, Shri Ayyangar on 30 March 1962 the last day of the Second Lok Sabha, Prime Minister and the Leader of the House Shri Jawaharlal Nehru said<sup>18</sup>:

It may be that this is the last time that you preside over Parliament as Speaker. It is always a little difficult to say words of parting. Parting cannot be, of course, because, whatever high office you may occupy, you will be near us; you will be working for the same cause for which you have worked throughout your life. Only you will be working in a different way. Still, we have become so used to your sitting in that high

<sup>17</sup> *L.S. Deb.*, 31 May 1957, cc. 6110-11.

<sup>18</sup> *L.S. Deb.*, Vol. LXII, 30 March 1962, cc. 2788-90.



Chair that we shall miss you very greatly and miss even the things which we, in private, sometimes criticised, because whatever you have done here you have done in goodwill and friendship, meaning ill to none in this House and that is an important thing. Whenever we shall think of Speakers, your name will always come up before us, first of all. And so all we can do now is to offer you our thanks and our congratulations on your period as a Speaker of this Parliament and to hope that you will continue to serve the cause at heart, for long years to come... We shall have with us your good wishes and if you are not sitting in that Chair, I have an idea that your shadow will be somewhere near about it, guiding us, and wherever you may be, you will be thinking of how the Lok Sabha is functioning.

### **As a Socialist**

Shri Ananthasayanam Ayyangar was a good socialist and believed that only a socialist government could bring salvation to this country. The concept of a mixed economy had his backing; he was for an industrial policy that demarcated certain items which would be exclusively owned and managed by the State. Consequently he favoured State intervention in certain industries. Shri Ayyangar defied all arguments that profit was the only motive for industrial production. He was of the view that it was a disgrace to human intelligence to say that all things are done for profit, and wanted democracy both in polity as well as in economic field. Thus, he favoured an active role on the part of the State. He said<sup>19</sup>:

A Government really exists not merely for policing purposes, but for social reconstruction to increase wealth, provide employment and make every man to feel happy and contented. That is the primary function of the State. I therefore feel that a united effort, a central effort, an organised effort, must be made at the Centre for the purpose. The moment we have won freedom the other things have to be attacked.

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<sup>19</sup> C.A. (Leg.) Deb., Vol. II, 5 December 1947, p. 1341.

Shri Ayyangar was deeply interested in India's economic and financial policies. He was so thorough and systematic in his approach and arguments that very often he cornered the Finance Minister and the latter did not know what to do.

Underlining the importance of planning in agriculture and industry for a better growth of economy, Shri Ayyangar pleaded that<sup>20</sup>:

A Board of Agriculture and a Central Planning Commission for Agriculture should come into existence. All major projects will have to be taken over by the Centre. Waste lands should be converted into cultivable lands. Ryots should be helped by the Centre either by loans or subsidy and power should be taken to their very doors. Wells have to be dug, canals have to be dug. In addition to that I would suggest various other supplementary kinds of food have to be given. Gardens have to be grown. Therefore it is necessary that there must be a Planning Board centrally devoted to agriculture... It is no good merely enunciating policy. I would say so far as industries are concerned, our basic industries should be taken over by the State. Even for that purpose planning is necessary, priority is necessary.

He favoured the achievement of socialism in stages and was happy that our country had gone for a socialist democracy based on the best of the capitalist and communist systems. Expressing his satisfaction at adopting the middle path and making the State both democratic and socialist, Shri Ayyangar said <sup>21</sup>:

This combination will give greater opportunities to the individual to grow to his full stature. People in the world at large are watching our experiment. Some are of the view that Plans cannot be worked and implemented in a democratic State, but require a totalitarian form of government to enforce them. There are others who feel that a socialistic pattern of society in economic field is inconsistent with democracy and the freedom it stands for. Fortunately we have succeeded so

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<sup>20</sup> *Ibid.* p. 1342.

<sup>21</sup> "Pitfalls to Democracy — Their causes and cures," *op. cit.* p.7.

far with both. Our people must really feel proud that not only the Government have undertaken the responsibility of running a socialistic pattern of society but that they are also living in a free and democratic State. A democratic way of life has not only to be developed but a socialistic spirit has also to be engendered amongst the people. The best method of doing so is to work the economic institutions undertaken by the State to the best interest and advantage of the public so that the public may feel that the socialistic pattern of society does them greater good.

### **As a Democrat**

Shri Ayyangar was proud that he belonged to a country which had adopted parliamentary democracy as its political system. To him, democracy was not confined to its political connotation. It was a way of life, for democracy to be effective, every citizen must be able to feel that he was a limb of the government and the government was his representative. He opined that to bring the government close to the people, it was necessary that the federal system of division of powers was carried to the village level. Shri Ayyangar also believed in the decentralisation of economic power along with the decentralisation of political power. He was satisfied that the democratic institutions in India were working pretty well. However, he was unhappy at the factional fightings within political parties leading to instability in some States. He observed<sup>22</sup>:

Factions have arisen inside the parties in the Legislatures themselves and are leading to instability of governments. People may soon become sick with the changes in the government caused by the manipulations of support for persons or groups to gain or regain power. The sense of security may consequently disappear from the people's minds. If there is a constant fight for power, the people will get nothing from the government of the day. The ruling party as a whole may get into disrepute on account of the factions. The only remedy to this situation seems to be a convention

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<sup>22</sup> *Ibid*

that once a leader is elected, he ought not to be disturbed, except for gross misconduct, so long as the party which elected him continues to have a majority in the Legislature. This convention will alone contribute to the stability of the governments in the various States.

In a democracy each and every citizen has the right to dissent and express his own opinion. Shri Ayyangar was conscious of the role of Opposition in a democracy as it not only generated public opinion on different issues but also guarded against the follies of the party in power. Emphasising the importance of healthy Opposition in democracy, Shri Ayyangar said<sup>23</sup>:

The party in power should try as far as possible to carry the Opposition with it on all important issues. Larger and freer consultation with the leaders of the various groups on vital matters can remove the sting and make the members of the Opposition feel that they also count in the affairs of the country. It should not be forgotten that every member of the Legislature whether in the Opposition or in the Government is as much the representative of the people as any Minister or the Head of the Government...The Government must accommodate the Opposition as far as possible and every attempt should be made to carry on the Government with a large measure of agreement amongst all sections in the Legislature. Unanimity, if possible, must be the rule, and carrying a measure by a simple majority must be an exception.

As a democrat, Shri Ayyangar was totally opposed to violence as a means to redress grievances. As he said<sup>24</sup>:

...We have earned democratic freedom in this country...The cult of violence is unnatural to our country...The cult of violence ought not to be allowed to spread in this country. Is it for this that Lord Buddha was born in this country? Is it for this that Mahatma Gandhi was born in this country? This foolish method of idolising violence ought to go.

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<sup>23</sup> *Ibid*

<sup>24</sup> *Party. Deb.*, 4 August 1952, Vol. IV, 1952 c. 5325.

Shri Ayyangar was deeply disturbed at the prevailing tendency of using religion as a means to spread discord and misunderstanding rather than promote religious harmony among people of different religions. Stressing his feelings in this regard, he said<sup>25</sup>:

...Religion has played out its part in the world. All honour to the old prophets who came at a time when there were warring elements in the country and they brought all the warring elements under one banner. Religions, as they originally started, were merely to remove differences between man and man and to inculcate the doctrine of brotherhood in man and to elevate man into a divine being. But today, those very religions unfortunately symbolise the outer crust, the inner spirit has disappeared, and those very religions are disturbing factors in society. We have now, therefore, to find new points of everlasting and enduring benefit to humanity. Students of religion should not talk today of nationalism, internationalism etc., but should talk of humanity and the common good of the entire humanity should take the place of individuals and warring religions. I wish that all persons who are really interested in their own religion, in Islam, in Christianity or in Hinduism will really try to imbibe this spirit of real Islam, real Christianity and real Hinduism. Even these prophets of religion have advised their respective followers and all humanity as a whole to bring all people together and enjoined on their followers that they should bring about peace and happiness on earth and not create cause for discord which does not serve the tenets of God, or his dictates.

Shri M.A. Ayyangar also understood well the evils of practising communalism and sectarianism as it would take the country backward. Cautioning the people he observed<sup>26</sup>:

The practice of communalism and sectarianism is also a disturbing force in many States...There are tendencies visible in many parts for people once again to lapse into the old caste and communal divisions and bring in these divisions into public and political life. This is a danger which ought to be avoided...

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<sup>25</sup> *L A Deb* Vol. VII, 31 October 1946, pp. 333-34.

<sup>26</sup> "Pitfalls to Democracy—Their causes and cures", *op. cit.*

Shri Ayyangar firmly believed that public men should work with a spirit of sacrifice and public spirit rather than selling themselves to the Government at a bargaining counter. Expressing his distress over the prevailing situation in public service, he said<sup>27</sup>:

...We are purchasing men in the country thus rendering the whole country immoral. We value people's services in terms of money...I do not want public men selling themselves to the Government at a bargaining counter. Let the top-most men work in a spirit of sacrifice and public spirit.

Shri Ananthasayanam Ayyangar was an epitome of virtues like honesty and integrity. He was highly critical of corruption within the government or its officers as it affects the working of the whole system. He said<sup>28</sup>:

Government must be absolutely above suspicion. Corruption in any shape or form leads to demoralisation and detraction from the respect and regard for the popular rule. If corruption is in the administration, the people lose regard for the Government and if it is in the Government, they begin to revolt...All charges of corruption must therefore be examined with care. The Government must not only be above corruption but also should appear to be above corruption.

### **As a votary of Peace and World Federal Government**

Never to be confined to the frontiers of a state, Shri Ayyangar well realised the importance of an increasingly inter-dependent world where no country could be left alone or afford to stand in isolation. Maintenance of international peace and security and promotion of international cooperation and brotherhood, to him, were the cornerstones of a better future for humanity. Therefore, he felt that foreign policy of any country must aim at the maintenance of peace and security of all the nations of the world. Shri Ayyangar was deeply worried about the cold-war between the two blocs spearheaded by the USA and the Soviet

<sup>27</sup> *Parly. Deb.*, Vol. Xi, 4 May 1951, cc. 8084.

<sup>28</sup> "Pitfalls to Democracy: Their causes and cures", op. cit.

Union. He was for taking concrete steps for the purpose of securing peace and establishing permanent security in the world. He said<sup>29</sup>:

...Capitalist democracy is accusing communism of an imperialistic outlook and an expansionist policy. The communists on the other hand say that imperialism persists in the democracies and capitalism is likely to engulf the world. Each is afraid of the other. This kind of fear should go. The world is large enough to accommodate both the ideologies and both experiments can go on side by side, both living at peace with one another. Therefore, I suggest that this kind of fear complex must be removed and this suspicion of each other must go. Each ought to be asked to eschew the atom bomb as a weapon for ever. Then there should be a kind of disarmament. Every country which belongs to the UNO must be asked to disarm itself and keep only such forces as may be necessary for the maintenance of peace and order within its own territory, that is sufficient for police purposes.

Shri Ayyangar laid much emphasis on the need for strengthening the United Nations, so that the prospect of war could be removed. Thus, he observed<sup>30</sup>:

...From the beginning of humanity no war has put an end to war completely. Other means have to be devised and I consider that the only means of doing so is the strengthening of the United Nations ultimately with a view to the establishment of a world order and a world federal government. That can be the only ideal and unless one such government is established there will not be peace nor security in the world.

### **Tributes on his passing away**

Speaker Ayyangar was a veteran parliamentarian with a deep knowledge and vast experience of parliamentary life. He passed away on 19 March, 1978 at the age of 87. Touching tributes were paid to his memory in both the Houses of Parliament in which leaders of all parties and groups participated. Expressing

<sup>29</sup> *Parly. Deb.*, Vol. VI, Part II, 7 December 1950, cc. 1320-21.

<sup>30</sup> *Ibid.*, c. 1321.

his sorrow at the passing away of Shri Ayyangar, the then Prime Minister, Shri Morarji Desai said<sup>31</sup>.

He had a colourful personality. He was a person with independent views and expressed them independently too. His services to the country were varied. He took part in the non-cooperation movement and was deeply devoted to Parliament and its procedures and to democracy. In his death the country had lost a great patriot.

Offering his condolences, the Leader of the Opposition, Shri Y.B. Chavan said:

Shri Ayyangar was a scholar of distinction and very skilful in parliamentary debate. He rendered great services during the freedom struggle. Active till his last days, he always thought of the problems of the country and was clear in his views. His death was a great loss to the Parliament and the country.

Indeed Shri Ayyangar by his high qualities of head and heart made for himself a permanent place in the history of India as a great parliamentarian, freedom fighter and a statesman who provided a real and effective perspective to solve the problems and develop understanding both at the national and international levels.

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<sup>31</sup> *L S Deb.* Vol. XI, 20 March 1978, cc. 1-7.



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## **PART TWO**

### **His Ideas**

*Excerpts from select speeches of Shri Ayyangar in the Central  
Legislative Assembly, Constituent Assembly (Legislative),  
Provisional Parliament and First Lok Sabha.*

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## ECONOMIC AND FINANCIAL MATTERS

### Tax on Profits of Business\*

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I do not believe in industrialisation of this country by these industrialists. I believe that the salvation of this country depends upon the Government which must be a socialist Government. That alone can industrialise this country. Under some pretext the rich do not want to pay and the poor cannot pay. Then, from whom is this money to be got? As regards the industries themselves, let us see how far these industrialists have improved them in this country. In the Income-tax Act year before last a clause was introduced to make provision for researches. How many of these industrialists have started research laboratories for their own purposes? Our industrialists, I am afraid, are more like *Banias*; anxious to make cheap money; they do not start new industries.

They do not push the industry. They have not started industries from one end of the country to the other. Take the case of Henry Ford of America. He started as an ordinary man; he went on applying his mind and had number of engineers. Ultimately, he became one of the multi-millionaires of America. Our people only get these profits from the poor men and make themselves rich. Therefore, I do not believe in leaving it to these people to improve the industry of the country. The Government alone must do it. I can certainly support the Government in drawing upon the resources of the rich but the Government has not got a plan of industrialisation from end to

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\* Participating in the debate on Business Profits Tax Bill, 1947, *Legislative Assembly Debates*, 31 March 1947, Vol. IV, pp. 2770-71; 2792-93; 1 April 1947, pp. 2822-24. •

end. This morning the Honourable the Finance Member in his reply mentioned the plan that he has, but he has not really got a plan. No doubt, he has a department through which some applications for capital issues go through, but has he not got a cut-and-dried plan by means of which he can organise industries to make all the commodities in this country? He has not got such a plan. At all events, it has not been placed before us. My suggestion to him, therefore, is to keep the money raised by this taxation as a fund and not fritter it away. We know that we had a number of revenue reserve funds. Sir James Grigg, when he was the Finance Member, created a revenue reserve fund in anticipation of the fall in revenue. I would say that an industries fund ought to be created from this money. All the money that he has got should be accumulated and when there is need and we are afraid of the depression which may come, then we can spend money from this fund and start industries. I do not approve of the number of schemes for which the Honourable the Finance Member very graciously and munificently has donated 111 odd crores. It would have been very much better if he had withdrawn the money from the circulation in the country and thus decreased the inflation. You once again throw money into the market and create all sorts of difficulties. It may be a novel suggestion, but let him withdraw the money and see its effect. The road development and other things can wait. A number of industries can be started only when we come upon depression. There is no urgency now. In the budget the Finance Member has made provision for a number of works and has offered subventions and subsidies to various provincial Governments for starting various schemes. They are not all industrial schemes and they are not all for the purpose of producing and increasing the wealth in this country. I am not in sympathy with my Honourable friend Sir Cowasjee Jehangir who thinks that if one more pie is taken away from him, he would be ruined. Certainly not. He is like an elephant and if he sits down he will not become like an ant or a cat: he will still remain of the size of a horse. Therefore, he has to come down from the seventh storey to the first storey. He has to find some money. I could urge upon the Honourable Member to draw as

much as possible from these gentlemen. During the war, they did not serve the country properly. The E.P.T. was no doubt there, but the previous Finance Member, out of generosity removed that tax and have the industrialists served the consumers in any way since then? No. They did not reduce the cost of consumer goods. Did they improve labour conditions? Did they give better wages to labourers?

The answer to all is no. Did they introduce new industries? No. They have brought about ruin to the country. What is the scheme before the country? Our friends the industrialists appeal to our sense of patriotism. They profess to be the only saviours of the country, they say they are going to industrialise the country otherwise we cannot stand comparison with other countries. I am all for industrialisation. But they have not done anything in that direction. Unfortunately the Government also is halting... The failure of some banks was referred to. Under the E.P.T. banks were also liable, only the insurance company profits were not liable under E.P.T. Why should there be so much difficulty felt by banks under the B.P.T.? Under E.P.T. Act, 8 per cent or 10 per cent was being allowed as a deduction for dividends. Eight per cent has been reduced to five per cent in this Bill. My friends said there has been run on A.B.C. Banks. By the way they are not congress banks. There is no congress or non-congress among banks. When securities fall no doubt there is scare and there is run on banks. Securities do fall in value if the rate of dividend is lowered and it is exactly because industrial concerns have also been brought within the purview of the Business Profits Tax it comes to this that this bill should not be applied to banks and even industrial concerns. Then what is left in the Bill? In the beginning people may not understand the scope of the Bill and there may be a scare. Really there may be other reasons for the run on the banks, as banks only suffer along with other concerns under this Bill. They erroneously blame the Finance Member for the mishap. I have closely watched the arguments of my friends about the failure of banks or about the fall of securities. The Honourable Member need not have created a flutter in the

dovecot by saying that some other Finance Member might renew this tax next year. Let him say here and now what his intentions are. That will remove all doubts. I come from a constituency covering five districts. There is eternal famine there. I appealed to the Member for Industries and Supplies to start some spinning mills there. We grow cotton there. But the Industries Member left it to the provincial governments to start mills. I would ask the Finance Member to give us some money out of B.P.T. so that the provincial governments may start some spinning mills in my part of the country. Therefore, I say let all the money realised from this tax be funded, let it not be frittered away on useless schemes started by provincial governments.

It is not true that the after effects of the war are over. Did you not have deficits during war years? Still we are in the process of adjusting. There is a Resolution for effecting retrenchment coming up before the assembly. The Honourable Finance Member might find various ways and means to effect economy in expenditure. He can also collect the 52 crores which are arrears of income-tax. There is no objection to borrow. Sir Cowasjee Jehangir will pay both for myself and for himself also. He must pay for the entire country because he thrives on the profits of the poor. The Finance Member is not expected to draw money from his pocket. I am glad the compromise has been arrived at and there was no necessity for me to come here by air to take part in the division lobby. He need not think that he will get only 12 crores from this tax. He is sure to get more. This is only on trial for one year. If still there is deficit we can make it up next time. After all the industrialists like Sir Cowasjee Jehangir are not going to run away from this country, we can still catch hold of them with both hands. All credit to the Finance Member for having arrived at this compromise.

Some of the features of the Bill are good. The E.P.T. exempted individual earnings by their personal skill but the B.P.T. did not. A leading lawyer of Madras complained that under B.P.T. he will get only half anna back in the rupee of his earnings. Out of Rs. 1,75,000 of his income he will get one lakh and odd back after payment of the Tax. I am sure that lawyer

need not have been so sorry for being deprived of some of his *vakalats*. Let some juniors also thrive. To this extent the Finance Member has done some service. He has tried to distribute the work amongst various people. I need not shed tears for those gentlemen who earn more than one lakh. I do not know how the industry will suffer. There is a lot of clamour. I feel there is much more clamour than is really necessary. If the Assistants behind the Finance Member had been Indians, I would have taken their version without question. Not that I dislike Sir Cyril Jones, the author of this Bill but I have greater confidence in my own countrymen. If the finances of my country are handled by Indians throughout and if the Finance officers invited Sir Cowasjee Jehangir and Mr. Vadilal Lallubhai and convinced them how the industry would not suffer on account of this tax, and if still they were unreasonable, I would have told the Finance Member to get along with this proposal without caring for their criticisms. I hope the Finance Member will still reconsider the appointment of an Englishman over an Indian in his department. He can not brush aside our objections as coming from imagination.

Sir, yesterday the Honourable the Finance Member in accepting the amendments that have been suggested said that the compromise measure, as it has emerged, will give him a revenue of only Rs. 12 crores as against Rs. 30 crores which he expected under the original Bill.\* I wonder why when there was a suggestion that the Excess Profits Tax Act may be continued for this year he did not accept that suggestion at all. The Excess Profits Tax would certainly yield Rs. 30 crores which the Honourable Member wanted. I find him shaking his head evidently against the suggestion and in disputing the correctness of the statement I made. I would like therefore the Honourable Member to give us the particulars of the amounts that were collected by way of Excess Profits Tax in the previous years so long as the Act was in force. The Honourable Member's predecessor Sir Archibald Rowlands wanted to abol-

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\* *Legislative Assembly Debates*, 1 April 1947, Vol. IV, 1947, cc. 2792-2793.

ish the Excess Profits Tax. We took exception to abolishing it prematurely. We wanted it to be continued this year also. Then the industrial magnates were not in favour of the continuance of the Excess Profits Tax lest that should interfere with the growth of industry. But now I find that the industrialists themselves would prefer the Excess Profits Tax to the Business Profits Tax. When they are now willing to have it we are not willing; when we wanted it they were opposed to it. It is a rather curious kind of circumstance. We were not for abolishing the Excess Profits Tax last year. Had it only continued I do not think this Bill, the Business Profits Tax Bill, would have come at all or would have been thought of. We wanted its continuance. Now that its continuance is accepted by the industrialists themselves we want to go back and bring another measure. It is rather strange. Why should people blow hot and cold? The Honourable the Finance Member was sitting in front of us though he did not hold last year the capacity which he now holds. I do expect an explanation as to why he goes over the suggestion that the Excess Profits Tax may be continued. It is true in some cases that the Excess Profits Tax favours more the richer kind of businessmen and does not favour the poorer section. If it is so, the Excess Profits Tax may be suitably amended so as to give the exemption upto Rs. 1 lakh to the poorer section also. That could have been easily done. I am waiting for an answer to the question as to why he did not prefer the Excess Profits Tax which would certainly have yielded greater revenue to the exchequer which even the industrialists accept, and with a suitable or small modification, even the smaller businessmen who started business after 1936 would have been satisfied. They would also get the benefits which are sought to be conferred under the Business Profits Tax Act.

There is another point from which this measure may be looked at. The Excess Profits Tax, if continued, would have avoided the amendment made in the present Bill. Under the present Act, capital includes borrowed capital also. Barring the interest that is paid on borrowed capital the excess over that is allowed by way of deduction under the present Bill. I do not find

in the Excess Profits Tax Act. The industrialists themselves are in favour of the continuance of the Excess Profits Tax and not the introduction of the B.P.T. with modification.

I was at a distance during the progress of the Finance Bill. From my part of the country I found in the papers volumes of encomiums heaped on the Honourable Member for having introduced a poor man's budget and so on. If that is really so, I wonder at one of the features of the Bill. The Honourable Member agreed to raising the limit of exemption in favour of joint Hindu families from one lakh to 2 lakhs in this Bill. I do not consider that a Hindu joint family which gets an annual income of one lakh of rupees needs such kind of support or help but he must have done something under the ordinary Income Tax Act. He might have raised the lower income limit from 2,500 to 5,000 there. If he had only yielded to that, our friends would not have pressed for the raising of the figure from one lakh to two lakhs so far as the B.P.T. is concerned. He yields where he ought not and he sticks on where he should not. I cannot congratulate the Honourable Member on the Bill as it has emerged but anyhow all of us must be glad that there has been a compromise and we are trying to sail without much difficulty and with peace.

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Sir, all wars in the world's history have been fought at the instance of women. And I am sure that at the instance of our Honourable lady friend (Miss Maniben Kara) the war will be relentlessly fought with capitalists. She somehow thinks that on the third reading of the Bill, people have suddenly become socialists on this side, and though they have had opportunities of putting their professions into practice they have not done so. I want to remind my Honourable lady friend that many steps have been taken in that direction. It is only this morning we inquired whether all forms of insurance—fire, life and other forms of insurance—ought not to be nationalised. The Honourable Commerce Member said that he had appointed a committee to go into this question and will soon find out what steps are to be taken. We have seen that in other departments also. So



far as airways are concerned we appealed to the Honourable Member and passed a Resolution: he said he would take time to consider what forms of national transport—highways or byeways—should be taken up immediately, how the whole machinery is to be taken up, whether all at once or piecemeal. With regard to other forms of industry also steps are being taken. Take banking. With regard to the Reserve Bank the Finance Member has already given an assurance and has, I believe, introduced a Bill to nationalise that Bank. I do not know with what greater speed my Honourable friend Miss Kara wants us to run.

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We do not want to kill the goose that gives us the golden eggs. At any time we can take away their capital. If today Sir Cowasjee Jehangir escapes the payment of taxes where does he take that money away? He does not throw it into the Arabian Sea. He keeps it with him and next year when we want money we will certainly take it from him. But why is my Honourable lady friend in such a great haste. Before I know what I have to spend it on am I to spend away this money? Sir, this reminds me of a small story. Soon after I took my degree I was a teacher in a school where there was also a science teacher. All of a sudden and quite unexpectedly he got from Government a grant of three or four thousand rupees for the purpose of buying instruments and other equipment for his laboratory. The poor man had no plan and so he purchased 30 sets of saws and hammers and screw-drivers, and so on. My Honourable lady friend, if she were the Finance Member, would collect all the money from Sir Cowasjee Jehangir and make him a poor man. Of course I have no objection to that because Sir Cowasjee can afford to be a poor man, just as I am a poor man. But for what end? It will be thrown into the sea without any plan. That is exactly what my Honourable friend Mr. Gadgil objects to. The Honourable Finance Member does not have all plans with him. He must take time to consider what plans are good and what are not good. As a matter of fact we got the biggest asset we can ever have; we have long ago nationalised the railways

which are our biggest national asset. We have one of the ablest administrators at the top there, but he still finds himself unable to make the railways work properly. Even a small thing he is unable to do. To go 1,300 miles to Madras it takes us 52 hours. He has been corresponding with various administrations. My Honourable lady friend has no responsibilities—that is my fear—either at home or abroad. So she does not know that it is not so easy to put things in practice.

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With regard to every Bill we want to take time. I am glad the matter has been gone through with elaborate patience and the Finance Member has considered both sides. As a matter of fact my Honourable friend does not want us to become Fascists. It is a sign of democracy that as soon as a Bill is introduced in the House there are various persons who are interested come forth with their objections or suggestions. Does the Finance Member claim perfection or absolute correctness for any measure that he introduces? He thinks one way and places it before the House; the Assembly and the people affected must take time and give their suggestions. To say that the people affected have influence with the members is wrong; the boot is on the other leg. I am glad my Honourable lady friend drew me out; otherwise I would not have talked on the third reading. She wants an assurance that none of us should talk on the next Bill or lay our views before the House for consideration and the Bill should be accepted, as brought out. It is not as if she or any other Member has got complete plans and they should be accepted without any criticism or scanning.

Sir, I support the motion that the Bill be passed.

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## Devaluation of the Rupee\*

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I hope the time limit is not retrospective! When I left my house to attend this session, I came making up my mind that I should have a straight fight with the Honourable the Finance Minister. But after what I heard yesterday, I am convinced to a large extent that he could not have done otherwise than what he has done. But anyhow, I do not try to defend him as he himself has been so apologetic in the step that he has taken, which he was obliged to take under circumstances and world conditions over which he had no control. But I would remind him of one or two circumstances where with some greater care many of these things could have been avoided.

He would agree with me that devaluation is only a temporary remedy after all and it would not be a permanent remedy for meeting our balance of payments difficulties. (*An Honourable Member*: "It is not a remedy; it is a calamity!"). Very soon the world prices will adjust themselves in relation to one another and unless we increase our production and reduce our prices the same old disequilibrium in the balance of payments will continue or re-start after a period. It is not therefore a permanent remedy. The permanent remedy is this. Let us see if this Government has addressed itself vigorously to this aspect. When did we discover that there was an adverse balance of trade so far as we were concerned in the whole world? During the five years of the war, we wiped out all our sterling debt and in addition we accumulated sterling balances to the tune of nearly £ 1100 million but unfortunately for us, after the war a large portion of that has been put into a blocked account by the

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\* Intervening in the debate on a motion regarding devaluation of the rupee in terms of gold; C.A. (Leg.) Debates, 6 October 1949, Vol. V, 1960-63.

U.K. Government and only a small portion has been released. We built up these reserves with large hopes that we would be able to utilise them. Those resources were accumulated through our blood, sweat and starvation and at the sacrifice of 3 million of men in Bengal who died of famine conditions artificially created. We hoped that they would be useful for us to build up, restore or replace worn-out machinery and also worn-out workmen in factories which had worked two shifts and three shifts during the war. Unfortunately, England was more anxious to rehabilitate herself before rehabilitating us and America came to her rescue. The dollar loan of 3750 million which England took from America was given the first priority over our needs and the equally big loan that was due to us, namely, our balances, was thrown into the background. That was the position. The creditor had to go as a mendicant to the debtor begging with outstretched hands to release a portion of the balances for multilateral convertibility. Our position after the war was to reduce our adverse balance. Some of our friends have suggested that so far as food is concerned, we must stop import of rice progressively within the course of two years or less and from what we heard from the Prime Minister yesterday even before 1950 food imports should be curtailed or stopped absolutely. I would only wish that we had addressed ourselves to our economy even before the War. *i.e.* 1939. Then we were importing rice to the tune of 1½ million tons from Burma. Has that situation altered? Has our population come to a stand-still?

We were exporting to Burma? Probably we were re-exporting to Burma the quantities the Burmese people originally did not want. On the whole I assure my friend that we were only importing from Burma rather than exporting to Burma. The Nattukotai Chettiars from the South who had invested large amounts in Southern Burma, took over the lands there, took labour from India to Burma, cultivated the lands and sent us the

rice. That situation is now altered. Burma is not able to give us anything. The same applies to Indo-China and the other eastern countries. Our trade channels have become altered. We are looking more and more to the west for even our foodgrains, let alone for supplying us capital goods. Neither England nor America to whom we look for the purpose of recouping ourselves, for rehabilitating our industry, had been able to supply us with capital goods. On the other hand we are going to them even for our foodgrains. That is a very big item and affects our balance of trade adversely. Normally, so far as private merchandise is concerned, even to this day, we have no adverse balance of trade. There is this adverse balance of trade because Government is purchasing food on Government account. This situation has been there for years. What steps have this Government taken to meet this situation? There is no co-ordination between the four corners of the government between the Finance Minister, the Commerce Minister, the Industries Minister and the Minister of Food. I have been repeatedly urging that there should be a Super-Minister to control all these Ministers, say, a Minister for Economic Affairs, somebody in the nature of a personality like the Honourable the Leader of the House or the Deputy Prime Minister. On behalf of the House and on behalf of the whole of India, I would thank the Deputy Prime Minister for having stopped political disturbances in the country, and for having integrated the 560 odd States. It is now for him to clothe and feed the millions of starving and naked persons in this country. I suggest that none other than the Deputy Prime Minister will be able to meet the situation and bring about co-ordination.

I am only suggesting this for improving the position. I am not here for making any complaint against any Minister or Ministers, either individually or collectively. All that I say is that there is not that collaboration which is necessary. I will give one instance. When our former Finance Minister went to England and asked for some more release of sterling he was twitted that even the sterling that had been released to us for that particular year were not utilised. Then it was in the interests of England who

was interested in its export drive without which she could not live to twit us that way. I was a member of the Standing Finance Committee then and we said that the Honourable the Finance Minister should have taken facts and figures with him so that he could be in a position to insist on only such of the capital goods as we needed being sent to this country. Instead of that, he came here and was a party to throwing open the floodgates for all types of lipsticks, paints, varnishes, brushes and other things by the system of open general licence. Can any industry flourish in this country under such conditions? Before orders were placed under that licence system there was another general licence, restricting the old licence and so on. The Honourable the Finance Minister went to the Commonwealth Ministers Conference where he was asked to cut our imports by 25 per cent, which we must have cut down ourselves. With that cut of 25 per cent, our imports are reduced to 75 per cent of the original figure but today the 75 per cent imports by devaluation, have to be purchased for 106. Therefore he is thinking of a fourth system of licence. Whatever he does, his friends also must agree to. Our Industries Minister ordered cloth from Japan. Even to this day a battle royal is going on as to how to dispose of that. Therefore I want that there should be co-ordination between several sections of the Cabinet and there must be a Minister for Economic Affairs with a plan and a programme. In England, Sir Stafford Cripps is able to say, "Before the end of this week, or before the end of this fortnight, I will do this" and he is able to show that he has done it, but unfortunately there is no Minister here who can say so. For one thing, we have no statistics. These difficulties will be there until we have one world economy and one world currency. Whether you value the rupee in terms of gold or dollar, or sterling, it all comes to the same thing. I would say that so far as devaluation was concerned, there was no hurry to do it immediately. The Finance Minister could have waited for some time. The argument of the Honourable the Finance Minister was that devaluation was inevitable, since 75 per cent of our trade is with the soft currency areas or the sterling areas—I did not

hear him say which—, but I have got the latest figures and it is only 51 per cent and not 75 per cent.

If England is to register an export surplus, either it must reduce its prices or it must ask the tariffs in America to be reduced or ask them to build up stockpiles of rubber and other things for which they already have substitutes. My point is that so far as we are concerned, if we had not devalued immediately, the world would not have fallen. Even for these 51 per cent imports, we could have diverted the purchase of these articles elsewhere. Then regarding our imports, now they will cost us more. Take Pakistan for instance. We have no control over Pakistan cotton and jute. On cotton alone we will have to incur a loss of ten crores. We do not know what Egypt or America will do about cotton prices. Then on jute we will be losing about 30 crores. These are the essential commodities. There is an attempt to grow jute in Travancore and Orissa but it will take time. Take again hides and skins on which the South Indian tannery industry depends. Even for this, we have got to go to Pakistan. It has started not merely a political war in Kashmir; but it has also started an economic war. But unfortunately, we have an unfortunate tendency that if even our cosmetics are stopped, we feel we have lost everything.

My suggestion is this. I have already said that there must be a Minister of Economic Affairs. I would urge upon the Honourable the Minister for Finance to immediately set up a Standing Committee to advise him upon the various matters which he has envisaged. He said he is going to take action on eight points. If the American Dollar has appreciated in value, we can reduce our imports. We can expand our exports. In regard to expanding our exports, on such of the articles over which we have got a monopoly, we can impose an export duty. These are the various suggestions, and I welcome them. These suggestions have been made in the various papers and various journals. He has gathered all of them and has not left any. To that extent it is very good. But, where is the agency which will advise him and insist upon his taking action in these matters. That is what is wanted more than a chronicling of a number of

events or items. For this purpose I suggest that he may appoint a Standing Committee of this House with four Ministers including himself, the Minister of Industry and Supply, the Minister of Commerce and the Minister of Food, and in addition seven or eleven members from this House. Let him choose these persons, some from the Standing Finance Committee, some from the Standing Committee for the Ministry of Commerce, some from the Standing Committee for the Ministry of Industry and Supply. The one Committee which is already in existence cannot do all this business. I do not want the Standing Finance Committee to exclusively deal with this because it does not contain members from the other Committees. As there was a Committee for the Bretton Woods Agreement, for the International Monetary Fund, to decide whether we should be members of that body, what should be the exchange value of the Rupee and all that, let there be a Committee for this purpose. I do not even want this Committee to report to this House. It is enough if they along with the four Ministers look into the matters and advise them on what articles imports should be cut, what articles could be exported and how the prices could be brought down. Unless we take all these steps, I am afraid, we will be forced to devalue the Rupee further... (*Interruption*)... I have only one minute more. I am only appealing to the members, that the danger is not yet over. The Honourable the Finance Minister referred yesterday to the insistence of the International Monetary Fund. Whether any particular institution insisted or not, the danger has started and we are going down the sliding scale and unless we keep the value of the Rupee properly, by exporting some more goods, we may be obliged by circumstances to devalue the Rupee further and further, and I do not know where that would lead to. I hope the Honourable the Finance Minister will accept my suggestion in the spirit in which it is offered. We have no intention to quarrel.

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## **Tax Evasion and Black Marketing\***

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The need for putting down both black-marketing and tax evasion cannot be over-emphasized but as the hon. the Finance Minister has observed, there is ample provision under the existing law to deal with these.

So far as tax evasion is concerned, the Finance Minister just now said that he is contemplating to introduce a Bill where false statements given to Income-tax authorities will be punished more severely than they are at present and brought on a line with offences set out in the Indian Penal Code. The Penal Code makes this offence punishable with imprisonment for 7 years. If imprisonment is made compulsory, even a period of 7 years is not necessary. Even a period of 3 months will be sufficient. When that measure is under contemplation by the Government I do not think this Bill is necessary. That will be a more comprehensive Bill.

So far as blackmarketing is concerned, it is regrettable that we have not been able to catch many blackmarketeers, though there is more than ample provision made in the several Acts. Let me take only three instances. Take the Act 24 of 1946. That is an Act to provide for the continuance during a limited period of powers to control the production, supply and distribution of and trade and commerce in, certain commodities. It says:

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\*Participating in the Debate on "Punishment of Tax Evaders and Black Marketeers Bill" moved by Shri K.G. Shah; *Parliamentary Debates*, 25 March 1950, Vol. III, Part II, pp. 2121—2124.

In this Act, unless there is anything repugnant in the subject or context,—

(a) essential commodity means any of the following classes of commodities:—

- (i) foodstuffs,
- (ii) cotton and woollen textiles,
- (iii) paper,
- (iv) petroleum and petroleum products,
- (v) spare parts of mechanically propelled vehicles,
- (vi) coal,
- (vii) iron and steel,
- (viii) mica, etc.

Now, with respect to each one of them, a Control Order has also been issued, wherever it was found that this general Act was not enough. Let us examine the provisions of this Act. It empowers the Government to frame rules relating to the prices at which articles should be sold, the quantity beyond which no person could have in his possession, the time within which he must dispose of his stock, etc. That is, if he sells an article beyond a particular price, he will be guilty of an offence; if he does not sell the commodities in his possession before a particular time, he will be guilty of an offence; and if he holds beyond a particular quantity, he will be guilty of an offence.

Then take the investigation into these offences: Special provisions have also been made for this purpose. Part (j) of sub-section (2) of section 3 of this Act provides:

for any incidental and supplementary matters, including in particular the entering, and search of premises, vehicles, vessels and aircraft, the seizure by a person authorised to make such search of any articles in respect of which such person has reason to believe that a contravention of the order has been, is being or is about to be committed the grant or issue of licences, permits or other documents, and the charging of fees therefor.

It is a very comprehensive Act. If any investigating officer thinks that a contravention of the order has been, is being or is about to be committed, he can enter any premises and seize any articles with respect to which an offence is contemplated under that Act.

Now, a person apprehended by the investigating officer cannot escape by saying that some other person has committed that offence. Section 9 of this Act says:

If the person contravening an order made under section 3 is a company or other body corporate, every director, manager, secretary or other officer or agent thereof shall, unless he proves that the contravention took place without his knowledge or that he exercised all due diligence to prevent such contravention, be deemed to be guilty of such contravention.

That is to say, each one of them shall be liable individually, unless, he proves that he has had absolutely no knowledge of the offence committed or that he was in England or America when it was committed. Therefore nobody can escape.

Then as regards the burden of proof, under section 15 the burden has been imposed, not as in ordinary criminal cases on the prosecution, but on the man prosecuted. Under ordinary criminal law, every man is presumed to be absolutely innocent until he is proved to be guilty. Now, this procedure is reversed so far as these Control Orders are concerned. Section 15 says:

Where any person is prosecuted for contravening any order made under section 3 which prohibits him from doing an act or being in possession of a thing without lawful authority or without a permit, licence or other document, the burden of proving that he has such authority, permit, licence or other document, shall be on him.

Therefore, the burden has also been fixed on the man prosecuted.

Now, what are the punishments? Three years is the term of imprisonment. It may be a fine or it may be both. Later,

forfeiture also was included by Act No. LXIV of 1948. It provides:

(a) where the contravention is of an Order relating to cotton textiles, the Court shall—

- (i) sentence any person convicted of such contravention to imprisonment for a term which may extend to three years and may, in addition, impose a sentence of fine, and
- (ii) direct that any property in respect of which the Order has been contravened or such part of it as the Court may deem fit shall be forfeited to His Majesty's.

That means that the articles with respect to which the offence has been committed may be forfeited. A fine also may be imposed. In addition, there may also be imprisonment.

Now, with regard to false statements, section 10 says:

If any person—

- (i) when required by any order made under section 3 to make any statement or furnish any information, makes any statement or furnishes any information which is false in any material particular and which he knows or has reasonable cause to believe to be false or does not believe to be true, or
- (ii) makes any such statement as aforesaid in any book, account, record, declaration, return or other document which he is required by any such order to maintain or furnish,

he shall be punishable with imprisonment for a term which may extend to three years or with fine or with both.

Now, in the case of the magistrate who has to try the case, it might be said that this power may be there, but the party concerned may cause to have one thousand witnesses to be examined and thus gain time. But under section 12 a magistrate can try the case summarily.

Therefore, I do not think that this Bill is going to improve the provisions of the already existing Draconian Act which I have just referred to and which we have already passed. It is not as though very stringent provisions are not already there on the Statute Book. The fault lies actually in the administration. I

know that with respect to both the Provincial and the Central Governments, there is an Anti-Corruption Department attached to each Ministry. I know that in the Commerce Department of the Government, a retired Accountant-General who did not have anything to do with the Department was appointed as the Anti-Corruption Officer, and all complaints relating to import and export permits and licences were placed before him and he used to go from place to place. Likewise, with respect to the Communications Department. In the Posts and Telegraphs Department there was an Anti-Corruption Officer who was independent of that Department. Likewise, I am aware that in the Province of Madras, there is an Anti-Corruption Officer. What is necessary is to tighten the administration. I do not think we need another Act, because I do not think we can improve upon the existing legislation. This will be only another piece of legislation, except that instead of three years imprisonment and/or fine and also forfeiture of property, you can impose a death sentence or transportation for life. I do not know, but you may be able to terrorise people to some extent with this, but it will not work. If you want to impose the death sentence for selling salt or pepper or whatever the controlled commodity may be, at 12½ annas instead of 12 annas which is the controlled rate and thus making a profit of ½ anna, it will remain merely a paper threat. It will only mean some more bribing of the Anti-Corruption Officers. I am not against Anti-Corruption Officers. So long as human institutions exist, there will be a certain amount of corruption, but that does not displace the necessity for providing against evasions of law as far as possible. I fully agree with the object of the Bill, but there are already provisions on the Statute Book to deal with such cases and which are very rigorous, and there are also anti-corruption agencies in the various Departments.

Abetment is also an offence. I would also refer to another matter, that is the general morale of our country which should also be raised. Unfortunately we ourselves go to the black-market when we find that we are short of anything. If a guest comes suddenly, we do not tell him that he must go to a hotel.

Immediately we send our servant—we do not tell him that he should go to the blackmarket—but ask him to manage the thing somehow. He pays perhaps half a rupee more and gets the thing. If there is no sugar we are not prepared to put up with it. We think we were born with sugar and we will be buried with sugar. If enough sugar is not there, we do not put up with it. We try to coerce the Government and also coerce ourselves, pay something more and try to replenish our stock. Therefore, while appreciating the object of the Bill, I would respectfully say that there is absolutely no need for it. It is not going to improve the existing law. And machinery also is already there. I would request the Government to tighten up that machinery and see to it that the law is administered irrespective of consequences, irrespective of who the person involved is. The taller the man, the better it is if he is found guilty and punished. Even a day's imprisonment is enough in the case of a big merchant. Let him be caught. The whole thing lies in the process of catching. You must appoint proper officers. On the other side, also, I would say, let us not escape the responsibility of being witnesses. If I purchase an article in the black market, let me come forward and say that I purchased it, even if I should be guilty of that offence. This is an offence which could be committed both by the public and by the merchant. The merchant is certainly responsible to a larger extent. To catch him the law is there already and I do not think this new piece of legislation is necessary. It is not going to improve the present position and therefore I am not in favour of the reference to the Select Committee.

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## Composition of Finance Commission\*

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I would like to say only a few words. First, let me begin with the qualifications that have been laid down for the appointment of the Chairman. My hon. friend Pandit Kunzru said that it ought not to be laid down in the statute itself that the Chairman shall be well versed in public affairs. I do not agree with him. Nor do I agree with my hon. friend Mr. Jaspat Roy Kapoor that a High Court Judge will do much better than a man of public affairs. This is not a matter for a High Court Judge. As far as I am able to see, a High Court Judge is not a person well versed in or who has had, in the ordinary circumstances, anything to do with financial implications between State and State. It is a public man, well versed in public affairs, an outstanding personality, who can hold the scales evenly and infuse that amount of confidence between the States whenever a quarrel arises between the States and the Centre, and level out the differences. On account of his age and experience, a man of public affairs will be able to do justice to all social undertakings and see that the public utility works either at the Centre or by the States are not starved. Therefore, I welcome the qualification that is required of the Chairman. It ought not to be laid down that he must be a High Court Judge. The Chairman may be a High Court Judge. If it is possible for me to lay down, I would say that a High Court Judge shall not be the Chairman of this Commission. I say, there is a craze here. I am a lawyer myself and under this law, I am competent to become the

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\* Intervening in the debate on Finance Commission (Miscellaneous Provisions) Bill, 1951; *Parliamentary Debates*, 4 May 1951, Vol. XI, 1951, cc 8078-8085.

Chairman. I have practised for more than ten years. But, by that alone, I feel I am absolutely incompetent to become the Chairman. Because, I know that these gentlemen deal with ordinary affairs, between citizen and citizen; they deal with private rights; not public rights and with financial affairs between one State and another State. I know many of these Judges; without any disparagement to them, most of them are absolutely innocent and ignorant of all these matters.

He (Chairman of Finance Commission) must be a man of public affairs. He must have firstly an over-all picture of our resources, secondly the needs of our community and the priorities with regard to these, and how the resources have to be allocated from time to time. It is not a mere giving an *ipse dixit*. He may make a separate recommendation; he should be watching the things from day to day. Therefore, advisedly, even in this Committee's report, it is recommended that it would be best if one or more were public men with wide experience. All that the hon. Finance Minister has done is to insist that the Chairman of this Commission should be a man with large experience in public affairs. I am confident that with his alacrity, he would choose an outstanding personality who will be able to infuse confidence in the units, level up the differences of the various States, and bring about a fair distribution of the resources without starving either the Centre or the States. I have no quarrel with a High Court Judge being there if otherwise he is found competent in these matters. That is why provision is made for a place for the High Court Judge also.

So far as recruitment is concerned, I do not agree with the recommendation of the Committee. That recommendation states that the States must set up a panel from which two persons may be chosen and the Centre must set up a panel from which two persons may be chosen and that the Chairman shall be appointed by the President. Advisedly, that has been found unworkable and therefore has not been taken in here.

I know that many of these recommendations are unworkable. Is it the opinion of any hon. Member here that merely because



a committee is appointed and it makes a report, it is obligatory upon the Government to accept every word of what that committee says and that the Government must give up all their powers in favour of that committee? Why not then make the Committee the Finance Minister here? I am afraid we are suffering from a sort of inferiority complex.

The committee is only an advisory committee. Whatever the name of a committee be. It is not necessary that every one of its recommendations should be accepted by the Government—from A to Z. It all depends on the manner in which the recommendations are made and what recommendations are made. Of course, if Government does not accept any of the recommendations and simply brushes them aside, then certainly there will be a case for complaint as to why when such a committee had been appointed for a particular purpose, none of its recommendations had been accepted. However, what I would suggest is, whether it be in the Statute or not, a person who is a Finance Minister of a State or an ex-Finance Minister of a State should be a Member of this distribution and allocation of revenue from the Centre to the Provinces or States, also grants-in-aid from the Centre to the Provinces or States. Therefore, an outstanding Finance Minister of a State may be there on the Commission as one of the members. I am not insisting that this should be put in any of the clauses of the Bill, but I hope the Government will bear this in view. Otherwise it is likely to be a one-sided picture that we get. The Commission may lack experience of the needs of the States. I would leave this suggestion at this stage and not insist upon it being introduced as a specific clause in this Bill.

And then, as regards the selection of the members, I would like to state that a selection committee should be appointed to advise the President which may consist of the hon. Finance Minister, one Finance Minister of a State and a Member of Parliament. That is my suggestion. There must be a selection committee of the nature that I have suggested, because various influences may be brought to bear on this question and some one quite innocent of everything may be put in. Sometimes a

person quite innocent of all these things is appointed Governor of the Reserve Bank.

I am not accusing any particular individual, but we have to make certain references. It is possible that the person put on the job may learn. But we are putting him there for being coached up. By the time he is sufficiently coached up, he is too old to continue and he retires. Are we to place institutions in the hands of such persons, merely because they have to be provided for? I regret to say this but this state of affairs should not be there. I do not want that such influences should be brought to bear on the selection. However high a personality he may be, we have to see his fitness for this particular job. I may be a lawyer, but as a chemist I am quite useless, also as an accountant or auditor. After all we have to see if a particular man is fit for that particular job. He may be a good administrator, but in this particular job he may be useless. He may not be good enough to be the Director of the International Monetary Fund and so on. Therefore I want to sound this note of warning at this stage. There must be a sort of *ad hoc* committee consisting of the Finance Minister, one of the Finance Ministers of the States and an outstanding personality of Parliament who should recommend to the President a panel of names from which the President can select the names. That is my individual view and I hope also the views of most of the Members here. I want the Finance Minister to be kept above all these influences that may be brought to bear. That is my suggestion.

Next I would like to know from the hon. Finance Minister how far this recommendation of this Committee has been given effect to, I mean the one regarding collection of materials for the Commission, so that the Commission could apply itself immediately to the work. In paragraph 66 the report says.

Between now and the setting up of the Finance Commission, we recommend that the Central Government should take steps in consultation with the provinces, to collect, compile and maintain statistical information on certain basic matters such as the value, volume and distribution of production, the distribution of income, the incidence of taxes, both Central and Provincial.

the consumption of important commodities, particularly those that are taxed or likely to be taxed etc. The Finance Commission, when set up would then have some basic information to go upon, and would no doubt call for such further information as it may need. It would also, to the extent necessary, arrange for continuous examination and research in respect of all important matters.

I would urge on the Finance Minister to appoint immediately a taxation enquiry committee. That is very necessary and it has been promised on the floor of the House from time to time. But for the reason that another committee was engaged on the work of investigating into the national income, this committee has not yet been set up. But that committee has finished its deliberations and also submitted its report, if I mistake not—that is what I learnt to the best of my information and under these circumstances, the appointing of this Taxation Enquiry Committee should not be delayed. That will help enormously the decision of the Finance Commission and it will place before the Commission materials on which they can proceed in the matter of a fair distribution and allocation of the income, expenditure, the resources and other things between the Centre and the States.

As regards the functions of the Finance Commission, I do not think it is necessary to re-state them as they are fully set out in the Constitution itself. But one function which has been recommended by this Committee has not been incorporated in the Constitution and I would suggest that it may be incorporated in this Bill. It is this.

The Commission has to allocate the revenues. That is No. 1. It has to consider applications for grants-in-aid, that is No. 2. And any other matter referred to it by the President, that is No. 3. In addition to that the Committee has recommended that if in the course of their investigations any other matter comes to their notice they should be able to take up that also and examine it and submit their recommendations on that. It must be open to them to take up this also and not feel that it is not one of the terms of reference of the Commission. We can put it in the Bill as one of the functions of the Commission, it may be

said by the Finance Minister that it is always open to them to make any recommendations they like and it may be accepted or not accepted by the President. But all the same, I would like to clothe them with the authority to make such other recommendations as they may think are proper and are in the interest of such allocations, as may come to their notice in the course of their investigation.

I would like to make one more suggestion. Hitherto these committees have been of an *ad hoc* nature. Till now even in tariff matters, they were *ad hoc* commissions—there was no continuity. When protection was given there was no agency to see whether that protection was proper or not and whether it should be continued or stopped. Likewise here the Finance Commission can be established for five years. In the Bill and also according to the Constitution any member of the Commission may be appointed, not necessarily for five years, but even for less than five years and the President may appoint a member as a full-time member or otherwise also. What I want is that these Members should not be such who meet for an occasion and then go. There must be continuity about it. At least one or two of these Members should be there for the full period of five years. It must be the duty of the Commission to find out the results of their recommendations. They should watch the results of the distribution or allocation that they have recommended and from time to time they should review the decision and make recommendations to the President who may place them before Parliament. Though it is stated in the Constitution that the Commission should be appointed once in five years, it may be taken up merely as an *ad hoc* Commission because it has been said here by the Committee that there may not be work for all the year round. With this remark, I do not agree. At least they must be able to watch the progress and the way in which the grants-in-aid are working, whether they are working under any hardship or not. So that by the next budget they will be able to make recommendations altering the allocations or grants to Provinces.

I would suggest that at least the first Commission should be appointed for not less than three years. Under this Bill they can

be appointed even for one year only. There should not be a change within such a short time, because they will not be able to gain the experience and knowledge as would enable them to give effective advice to the various States.

As regards salaries I have my own doubts. It is said that some people will come only on a certain salary. I do not want that there should be any difference in salary between people. Salaries not exceeding a certain amount may be fixed in the Bill itself. We have unfortunately imbibed the spirit of the previous Government, which was not a national government and was able to purchase loyalty only by money. They had no other source to appeal to. They could not say, "your country and my country are the same". They could not appeal to the sense of patriotism or the spirit of public service. Unfortunately, we are getting into the same psychology. We are purchasing men in the country thus rendering the whole country immoral. We value people's services in terms of money. This attitude which is prevailing among the ranks there is unfortunately creeping into our ranks. We have an absolutely good record of service and hundreds and thousands of our men and women have sacrificed their all. But today that other mentality is creeping even into public service. We sell ourselves. Every public servant thinks that unless you give him Rs. 4,000 he will not work. The minimum standards must be set under those circumstances so that there may be no bargaining in the matter. There must be a maximum limit also set. The old standard of Rs. 500 may be very low today but a reasonable standard ought to be fixed. Some day we must say that this is all we give to our people, if they have a sense of patriotism or a spirit of service, which they are able to place at the disposal of the Government. I do not want public men selling themselves to the Government at a bargaining counter. Let the topmost men work in a spirit of sacrifice and public spirit.

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## INDUSTRIAL DEVELOPMENT

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Industry is the backbone of economic life in any country. Almost all countries in the world have industrialised. It is only an industrialised country that can raise the standard of life of its citizens. In America more than 50 per cent of the population are engaged in industry. So is the case in regard to other countries. But in this country the standard of life of the ordinary man is very low on account of the fact that we have for nearly 150 years been pinned to an agricultural economy, being producers of raw materials for the mills and the machines in Lancashire, Manchester and other places. Fortunately, the stranglehold has been removed and we have come by our own. We have to industrialise our country immediately. There are a number of factors necessary for this. As in private industry, the entrepreneur, the managerial staff, the machinery, power technicians, labour and raw materials are necessary, likewise in an economy where a portion of the industry is taken by the state and the other portion is reserved for private enterprise we have to allocate these resources between the two.

First of all I shall address myself to the need for an economic planning in this country, a need to which I have already referred in my speech on the budget a few days ago. There have been stray attempts to plan with respect to industries here and there, but no co-ordinated plan has yet been evolved. An Industries Conference took place two months ago and Members of this House must be obliged to the book that has been printed and

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\* Moving a Cut Motion on the Demand for Grants in respect of the Ministry of Industry and Supply. *C.A. Deb.* 5 March 1948, pp. 1658--1663.

circulated to the Members, containing a lot of information regarding the plans that have already been evolved. At page 38 of the brochure from the Ministry of Industry and Supply relating to the Conference on Industrial Development in India it is admitted that with respect to some industries no plans have been evolved at all. With respect to some others for which Panels were already constituted they did not go into the matter as they were still under consideration. I would like that a Planning Commission should immediately be appointed to co-ordinate all the plans. A policy must be evolved by the Government at an early date indicating what industries the Government proposes to take under state ownership and state management, what others are to be under joint participation of the state and private enterprise, and thirdly what ought to be given as field for private enterprise absolutely. Without that kind of policy nothing can go on and no stepping up of production is possible. Having enunciated that policy the next step is to carry it out in a period of say, five years. I am glad that the Honourable the Finance Minister found that even five years was too long a period having regard to the context of world circumstances in which we are placed; he thought three years would be enough. Therefore with a plan running over a period of three years we should work out a programme for each year from now. This we can no longer delay and all the efforts of the members, including the Finance Minister, must be devoted to this one purpose of immediately enunciating the Government's policy in this direction, to chalk out a coordinated plan having regard to all the reports furnished till now on various industries and ask the other Panels to submit their reports also, co-ordinate them and draw up a programme and see to it that the programme is executed year after year. That is the first desideratum. Inasmuch as we are leaving a number of industries to private enterprise and our first necessity is that they should step up production, we must insist upon their doing it. In

the case of any default in this direction I want that officers of the state must take charge of the industry and run it.....

Suppose in the case of a private motor car the driver does not drive it the owner will certainly take charge and say "I am not going to be stranded in the streets because the driver does not drive the car; I shall certainly drive it myself".

There is no danger ahead; the danger is only in the rear. It is for that purpose I have been suggesting and I do suggest again that a Commercial and Industrial Service should be started by the Government of India. We have started the Administrative Service for all India to keep up the level of administration and to run it as a harmonious whole and a single unit. Likewise in the case of commercial and industrial undertakings which are not run properly or consistently with the interests of the country in stepping up production, Government must be prepared to step in at a particular time. It is no novel suggestion I am making. The principle has already been accepted. In piloting the Industrial Finance Corporation Bill my Honourable friend the Finance Minister accepted the principle that in certain circumstances where loans have been granted to industrial concerns and they are not managing them properly the Corporation should intervene. Power has been given to the Industrial Finance Corporation in such an event to take charge of the management and itself run the industry. If perchance certain industrial concerns default in repayment and the Honourable Finance Minister is obliged to take charge of the management himself, where is he to go for men? It is necessary therefore, having regard to the statute which we have already created, that an institution or an industrial bank should be brought into existence to run such concerns efficiently. Whenever it is necessary to take over their management we must have this industrial service.

I am glad to note that, as anticipated, the establishment of the Industrial Finance Corporation has been followed up by similar Corporations in the Provinces. The first attempt was envisaged by the Bengal Government. In his Budget speech the Finance Minister of Bengal said that they were also thinking of establishing an Industrial Finance Corporation for Bengal to



cater to the needs of smaller industries, as the Central Finance Corporation will address itself to the needs of bigger industries. With the managerial staff and the entrepreneur section the Government itself should provide facilities for bringing into existence such a service.

The next thing is finance. The Finance Minister ever since he took charge of his office has been openly declaring that he was prepared to subordinate all other interests to the one main interest of stepping up of production so that we may have both consumer goods and also speeding up of defence industries wherever necessary. I agree that that is the main consideration to which all of us should address ourselves. He has not spared any pains and he has brought into existence an Industrial Finance Corporation for big industries. In the matter of giving relief by way of taxation he has tried to reduce the Business Profits Tax. With respect to smaller companies also he has tried to hold them by reducing the tax. But I would urge upon him to have a watch and see to it that these facilities were used to the best advantage. If necessary, he may patronise or help by way of subsidies such industries which fit into the scheme of planning that I have already thought necessary. The plan must envisage priorities to various industries and he must give help by way of reducing import duties and other subsidies also.

Next come coal and power. So far as machinery is concerned, some machinery may be released by Japan. Some men have been sent to find out what machinery is available for us by way of reparations from Japan and from Germany also. In addition some machinery has been ordered from foreign countries. Apart from that, some efforts must be made immediately here to utilise all the war surpluses. A number of pieces of machinery were sold away without regard to their being switched over to civilian industries. Now I wish that the Government appoints a sub-committee to go into this matter and find out what pieces of machinery may be used or switched over for civilian purposes.

I have already submitted that import duty may be reduced to some extent and the merchants or industrialists may be

helped that way. Then coal and power are absolutely necessary for running these machines. Coal is no doubt produced in some large quantities, but transport is the bottle-neck. Though large quantities of coal are produced at pitheads, they have not been removed quickly and it is not possible for removing them from time to time quickly. The day before yesterday I suggested that during the war the wagon miles was 77 per day but it has got reduced now to 33. Some kind of penalty may be imposed on those people who take four or five wagons and do not utilise them immediately either by unloading or reloading them. Some penalty—per hour or per day—may be imposed in such cases. Mere demurrage is not enough if a man does not use the wagons properly, the number of wagons allowed to him must be reduced. Coal alone would not solve the problem and railway transport alone must not be locked to. I would still insist upon the Honourable the Industries Minister and the Honourable the Commerce Minister, both of them jointly chartering some ships so that coal from the collieries close to Calcutta may be taken over on the sea route to Bombay if necessary to give additional facilities for transport. Not only coal, but other methods of introducing power will have to be started. In South India, Sir, some inducements were given some time ago by the Electric Supply Corporation and by the Madras Government, under the Mettur project, to start industries on the inducement that they would supply power cheaply. But they have increased the rate that they originally offered to charge for power supply. That makes a set-back in the productive industries. Recently I find western countries, particularly those concerns in America which are oil kings and are in charge of oil production in the Middle East, have reduced the quota of oil supplies to our country. Fuel and oil are other bottle-necks. I would say that we must enter into negotiations with Russia if America would not come to our rescue. I read in the papers some time ago that Batavia was found to be a useful source of oil supply. Australia entered into a contract with Batavia. We and Indonesia are good friends and we can explore that source and enter into a longterm agreement for the supply of fuel and oil to our country. As regards raw products, I do not know what steps have been taken. As yet no steps have been taken in regard to the

reduction of freight for the carriage of raw products from one province to another province or to the mill from the place of production. Early steps should be taken in that direction. I ask the Honourable Minister for Industry and Supply what steps have been taken to implement the resolutions and the reports of the various committees that were appointed. One among them is the report of the Textile Committee. Control over textiles has been removed to some extent, but control is still continued over stores which are required for textiles. Bobbins and spindles are still controlled. Persons in foreign countries are not allowed to utilise them. I shall read a few lines from the Report of the Committee on Textile Industries appointed to advise the Conference on Industrial Development in India last December regarding card clothing, bobbins and shuttles. They say:

We note that the Textile Commissioner is operating a measure of control over these with a view to ensuring that imported supplies, which are mostly from the U.K. are fairly distributed among mills. We recommend that where any importer can obtain supplies from soft currency areas other than the U.K., he should be allowed an import licence against such an offer, and Government should leave the distribution of the supplies thus secured to the discretion of the importer. We consider that this will encourage importers to tap new sources of supply.

Sir, having removed control on cloth, I do not think it necessary to continue control on storage and other materials. I commend my cut motion to the acceptance of the House, and I support the cut motion regarding disposals and others which my friends have moved.

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\*The Honourable Minister referred to me as a consumer, otherwise I would not have stood up at almost at the fag-end of

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\* Participating in a Motion moved by Dr. Syama Prasad Mookerjee on the Industrial Policy of the Government of India; CA, (Legislative) Deb., 7th April, 1948, Vol. V, pp. 3423—3426.

the day and tried to encroach upon your time when I know as a consumer myself that I would be anxious to take not one cup but two cups of tea. Sir, both capital and labour forget that there is an employer or employers and that is the community; unless he purchases the goods that are produced or minted out from the factories both the employers on the one side, however rich they may be, and labour on the other side, would have to go starving. I have with great pleasure listened to all the criticisms that have been made on the Statement of Policy enunciated by Government. There was the previous Government which was avowedly for absolute capitalism as such. Even they started in 1945 enunciating a plan. Either following that or in anticipation of that the capitalists of this country started with a plan, a 15,000 crore plan. Many other plans have come in. After this Government took charge it was necessary to state what policy they are going to adopt, what plan they are going to have and what programme they are going to enunciate so that the plan may be effective, the policy may be given due force and due weight. Sir, I claim for this Statement of Policy that it is a landmark in the history of the economic life of this country. I do not agree with my socialist friends here; I am in my heart of hearts as good a socialist as any of my socialist friends here. I myself come from a very poor family and I still stand for the poorest of the poor in this country. My Honourable friend Prof. Shah and others are still doubting whether this does not contain the essential seeds of a socialist economy; with the cooperation of all sections of this House it will grow into a huge banyan tree and cover the entire economic structure of this country. Till now we started with private enterprise as the *summum bonum* of existence. Any one who thought of cooperative or collective enterprise was pooh-poohed. The age of capitalism in western countries has gone but it still continues to exist in this country. This is the first time that we have definitely enunciated that defence industries and key industries shall be both owned and managed by the State. The field for private enterprise is narrowed down and limited. That demarcation has been laid down; *prima facie* all these industries must belong to the State and be managed by the State. In regard to

the others some field has been left for private enterprise. Now and then my friends are a little too impatient. Are we in a position to take up all these industries straightaway? I also like that they should be taken up now but which is the more important of the two? We are technically taking away those industries that are State concerns and producing in those factories those goods which we are short of. We cannot get them from foreign countries and therefore we have to produce. That is the consideration which weighed with Government in demarcating certain items. The field is there, both category No. 1 and category No. 2 although both belong to category No. 2. These industries must be taken by the State and owned and managed by the State; and out of them three industries straightaway belong to the State. The railways are a State concern, the armament factories are State concerns.

So far as the others are concerned, it has been laid down that steel, shipbuilding, iron, aeroplanes, etc., etc., must be the concern of the State. It is only the other day that the Honourable the Prime Minister went to Vizagapatam and launched the first ship made in India, called the "Jala Usha". In other countries which have improved their industries, and which are ranking as the top-most industrialised countries in the world, it is easy to switch over from one work to another, as in the case of the United Kingdom. Even there they have not done so much. So we will take time. We do not want to disturb the economy of this country. We stand for a socialist economy in this country. Gradually the field for private enterprise will be narrower and narrower. Isn't it that this statement of policy has made the worker, who was considered a servant elsewhere, a partner with the capitalist? The Industries Conference in December was well attended and all parties took part in it and evolved an agreed decision. I had the pleasure of hearing the speech of G.D. Birla. He said that he had consulted his Counsel at Bombay with regard to all the Acts relating to factories and labour and he summed up to the effect that falling short of making the labourer claim the hand of the daughter of the capitalist every other privilege had been conferred on him.

Unfortunately I was not there. I had no opportunity of replying. It is true that the object of labour legislation is to make the labourer the son of the capitalist. He is really the son-in-law, if by law the labourer becomes the son of the capitalist. Hitherto, it is because he and his son-in-law have been fighting over it that the son has gone to the wall and the country has suffered. It is unfortunate but I have found various writings of these great men who are all captains of industry. It was somewhat annoying and rather unpleasant.

On the other hand I read an article in the *Hindustan Times* by Birla. He said that profit is the only motive for industrial production. I find from his writings about Mahatma Gandhi that he is one of our good and pious men. I am surprised at the statement. The old adage is "*Tyagay Sambhrtarthanam*" I am sure he would have read this and learnt from it that whatever property is acquired is for the purpose of giving to others. It is not for hoarding a man should acquire. A man is not counted as the topman in this country by the wealth or the possessions in his hands, nor by the amount of income-tax that he pays nor the land-rent that he collects. He is put in the third rank in this country. But the man who gives is the best man. If he makes up his mind, he can be a captain of industry in this country. It is wrong to say that a father has some profit motive if he rears his children or that a wife has some profit motive if she looks to the welfare of the husband.

The huge temples that were built were not built for profit. It is a disgrace to human intelligence to say that all things are done for profit. On the other hand, I assure my friends that the greatest inventions in this country, the greatest contributions to knowledge have not been made for motives of profit. All the poets have been poor. The greatest scientists have been poor. It is because they were born poor that they contributed so much to knowledge. I do find that these industrialists are mere financiers in this country. But there is a large field in industry for every one. There is no need for scrambling. It is not as if every opportunity has been taken away by the industrialists. Let us not fight. Our culture, our religion is essentially one of peace.

We have heard the statement of policy laid down by Government. Labour has been satisfied, or if not, they must be satisfied because they have been made partners of industry. All that is expected is that for Heaven's sake for a short period do not enter into a quarrel. Let there be no bi-lateral or triangular fight. So far as the industries are concerned ten years have been given for most of them and unlike the Economic Committee you must fix a ceiling date. That has not been done. A uniform scale for all industries will not be conducive to the growth of industry, and the Industry Minister has laid down that an *ad hoc* committee will be appointed to say what ought to be normally returned to capital.

I find that this statement of policy is reasonable both to the capitalist and to labour and there is an invitation not to fight hereafter and to carry out that truce, and they entered into the *bona fides* of this truce last December. Unfortunately, after December, some of our own Ministers went about saying that such and such is not intended. I am appealing to our Ministers and persons in charge, not to go by their words or actions any kind of suspicion to labour or capital, or to say that they do not stand by this or to water down the policy that has been enunciated. One result is that the market goes down, not that the market merely goes down on account of this.

I will state one thing more and I will close. I find Sir, after making enquiries, that some of these capitalists themselves are responsible for the strikes. One capitalist tries to cut the throat of another capitalist. The strike in the Binny Mills in Madras were due to the activities of some merchants in Lucknow. Of course I do not attribute this to Sir J.P. Srivastava. The fact is that one textile mill is anxious to bring about a strike in another textile mill. What is the use of quarrelling with labour?

Lastly, I appeal to the members here. We have found two eminent men speaking on the floor of this House, one a capitalist, Sir J.P. Srivastava and the other a socialist, Mr. Masani. They can both put their views before the public and then they can live as the father-in-law and the son-in-law in the same family. Now Prof. Shah can say that there ought to be

absolute socialism in this country. I agree with him. But Srivastava may say that there ought to be no socialism. It is all idle talk. Let us go back to capitalism. But still, all of us can live as members of a family, as the father-in-law and the son-in-law—Srivastava and Masani. That is the object of this resolution.

I hope in the U.K. they have done so. In the U.K. they may write books, but when it comes to a question of preserving the national economy, labour and capital come together and agree with the Government that they would produce so much, though they may not agree on the question of more wages. They come to a truce.

So let us in the name of everything grand and great in this country try to put this young State on a solid economic footing. We do want democracy in economics and in politics also. It is quite easy to quote the example of Russia. In Russia there is dictatorship. It is people like Sir J.P. Srivastava and others who condemn management by the State of railways and other such enterprises and if they go on persisting that such managements are not efficient, I will say that they are driving democracy into the background and they shall have another dictatorship. A dictator can be a slave-driver.

Under these circumstances, let us accept this as a truce. It may not satisfy all views completely and entirely. All the same this is the best solution to the question. Let us work together and let all sections contribute to the growth and prosperity of this country. I wholeheartedly recommend the statement of policy to the approval of the House.

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\*We have all heard with rapt attention the opening speech of the hon. Finance Minister. After reviewing the situation

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\* Participating in the discussion on the Demands for Grants for Industry and Supply; *Parliamentary Debates*, 16 March 1950, Vol. III, Part II 1950, pp. 1642—1646



prevailing this year and the prospects in the coming year regarding the lowering of prices and the reduction of inflation in the country, the one panacea for all these ills suggested by him is increased production. I entirely agree with him. It is not only true in the field of agriculture, but in the field of industry also. If primary products are produced in abundance in the country, that production alone will bring down prices and also the inflationary tendencies. Agriculture we discussed the other day. Impetus has no doubt, been given and Government are taking the necessary steps. So far as industries are concerned, we know that under the policy enunciated by the Government and approved by this House on the 6th April 1948, the entire field of industries has been divided into two sectors, one reserved for State enterprise and the other for private enterprise. Before I proceed further to say how far during the year under review the Ministry of Industry and Supply has progressed either in the first field or brought about changes for increased production in the second, and the prospects of yielding more in the coming year. I would like to lay down a proposition in general, for acceptance or for being followed by the Ministry. There are a number of industries and it is not in a negative manner that the Ministry ought to work in this field. In the sector reserved for State enterprise, it is an obligation, it is the duty of the Ministry itself to take charge of them and push these industries as much as possible. Even in the field of private enterprise, I would urge upon the hon. Minister to take industry after industry, first of all to address himself to the needs of the community, see what imports are being made into this country from various sources, and try if private enterprise is not forthcoming, to induce private enterprise by various means to manufacture those articles that are imported into this country from various foreign countries. Sir, this Ministry must be able to say that this new industry has been started this year, or that it helped the growth of this particular industry and helped producing these articles locally, those articles which were being imported. I do not say that every article being imported into this country ought to be manufactured locally irrespective of the cost of production. But to a large extent, this ought to be the attitude of the Ministry

and this duty, I find, the Ministry has been discharging to some extent. But greater initiative and enterprise are necessary in the field. Now, Sir, let me review as briefly as possible the work that has been done so far, that has been undertaken during the past year in the field reserved for State enterprise. I wish to make a few observations with a view to see that the pace is accelerated. Sir, generally speaking, articles produced in the State sector do not directly bring down prices or the inflationary tendencies, because they are not consumer goods. In an indirect manner they have some effect on inflation. Let me consider the Sindri factory first. It is a good enterprise. But there are figures given for estimating the work done so far. I would like to suggest to the hon. Minister and also to the Finance Minister that along with the Budget proposals, there must be a separate section or a book devoted to the manner in which or the way in which private, public or State industries are started, the time of starting, the original estimate, what was spent each year, what progress was made during the year, and how much more is necessary for the completion of the enterprise. Such information is lacking, though to some extent, this information has been furnished to us in the brochure that has been circulated by the Ministry. I say that it must be a regular feature in the future, as we have a separate Budget prepared and placed before this Parliament for Railways which is an important subject. There is the possibility of various State enterprises, one after another growing in importance, just as the Railways and detailed budget figures are therefore necessary.

The Planning Commission may lay down plans. But year after year an account should be given to Parliament of the progress of work done by a particular state enterprise. Instead of this, if only the expenditure incurred in a year in any particular concern is given to us, we may have no data to compare with the original estimates and the amounts spent previously. It is true that as regards the Sindri factory some figure has been given that the ultimate expenditure would be Rs. 22 crores. I do not know what the original estimate was. This is a very valuable factory and the sooner it comes into existence the better.

No doubt on account of various circumstances we have not been able to complete the construction and start production. We are told that in August this year the factory will be completed and that thereafter it will take one full year for starting production there. I would ask the hon. Minister to accelerate the pace as much as possible while at the same time remembering the need for economy in expenditure. Of course it is a fact that whatever money is spent on this will be usefully spent, because the products of this factory will improve the volume of production in this country in the field of agriculture.

In this connection I wish to refer to another factory, *viz.*, the agricultural fertilizer factory at Alwaye. Wherever there is private enterprise in this industry the State must help. I am sorry to learn, however, that in the case of a pioneer fertilizer industry, which was started under the patronage of the Government of Travancore and followed up with help by the Madras Government, in Alwaye, the Government of India have not offered much help. I learn that only half-hearted support has been given to the application of this concern to the Government to take shares to the tune of Rs. 50 lakhs. In view of the fact that the other partners of this concern are the Governments of Travancore and Madras, this Government could have participated with capital, making the factory the joint concern of all the three Governments. I do not know why they have not done so and why they have not even granted the loan asked for. As their loan application is still hanging fire, they were obliged to seek the help of a foreign bank for helping them with finance. I want to say that that factory is doing very useful work and their products are sold out then and there. Its production capacity is enormous and it is now producing only half its capacity. I am sure the hon. Minister will take greater interest in this matter and the hon. Minister of Finance will try to expedite the grant of such loans or subsidies as may be necessary in the interests of greater production.

I next want to say a few words about the two steel factories for which survey has been made by three or four western and competent engineers in this country. One is to be located in

Madhya Pradesh and the other in Orissa. I welcome the erection of these two factories as early as possible. The Parliament will remember that this industry is reserved for State enterprise and that the Central Government have been authorised to grant permission to Tatas at Jamshedpur to expand their factory within a period of ten years, if they wish to do so. I do not know why Tatas are not being encouraged and nothing has been done in the direction of encouraging other private concerns. I am aware that with respect to the Bengal Steel Corporation five crores of rupees have been granted. Tatas wanted fifteen or twenty crores of rupees to increase the steel output for which Government considered the establishment of a factory at a cost of Rs. 87½ crores. If this sum of rupees twenty crores is granted to Tatas they would produce a million tons more of steel. Let us not be sticklers to this or that pet theories. In the short period at our disposal, we must try to increase production one way or the other. We must treat the established private industries as our own and help them. It is open to us to lay our hands on them at any time. Therefore I would urge upon the Minister to see that Tatas are also helped to produce much larger quantities of steel.

In this connection I would state that the allocation of the products of steel factories has not been made with a view to greater production of agriculture. I am afraid the hon. Minister seems to be more anxious about industries and has left the Agriculture in the cold. He has allocated only a very small proportion of the steel output for agriculture. Out of 9,00,000 tons of steel produced and out of the 4,00,000 tons imported into this country, only 1,00,000 tons are allotted for the manufacture of agricultural implements. Look at the enormous difference between the production figure and the quantity made available to agriculture! I shall quote the figures given at page 7 of the brochure. If I wrongly quote figures the hon. Minister may correct me.

In the third quarter of 1949—50 the allotment increased from 14,367 to 39,412 tons. The total for the year was 9,45,15 tons.

The House is aware, Sir, that the Central Government is granting subsidies for the sinking of 1,000 wells at the rate of

Rs. 500 for each well, but the number of crow-bars made available is only 25. How can 25 crow-bars do for digging a thousand wells? All the 25 may be necessary for digging a single well. That is the way in which what is given by the Central Government with one hand is, for want of co-ordination, taken away by the other. Therefore I request the hon. Minister to see that more iron and steel is allotted for agricultural purposes for making implements. I was told that 50 per cent of the production has been allotted for agricultural purposes. But today I find that it is not 50 per cent but only 1/10th of the production that is distributed for this purpose.

Referring again to the Sindri factory, I want to suggest that the factory instead of being managed directly by the Ministry of Industry might be entrusted to a Corporation. If this is not done there will be a lot of delay in the various offices in pushing through the programme laid down. But the Corporation ought not be on the model of the Damodar Valley Corporation. We must gain by experience. When a Corporation is established, it gets over the head of Parliament claiming that it is autonomous and people who were till yesterday taking instructions from us assume power, go to America and other places and try to negotiate on their own. Such things should not happen. We may create a Corporation for the Sindri factory but its annual statement must be as much open to our scrutiny as the other enterprises managed by us today. Subject to this condition we must create a Corporation for the Sindri factory.

Now let me say a few words about the machine tool factory which is going to be established in Mysore. In the course of my recent tour to Calcutta I found a number of machine tool factories springing up there. The Engineers' Association made a representation to us. They said that a machine tool factory can never manufacture precision tools for all kinds of machines in the country. They can specialise only in particular patterns of machines. If these tools are required for defence purposes I have nothing to say. But if the intention is that these factories should make tools for all kinds of machines and all kinds of

precision instruments, as the Engineers' Association represented to us, before large sums are invested in the industry, the Ministry should go into the matter further.

There are two more matters of great importance, which the State is dealing with directly. They are the Hindustan Aircraft Factory and the Vizagapatam Shipbuilding Yard. The Hindustan Aircraft Factory has enormous possibilities. When I went there the other day I found that it was not working to its full capacity, for want of prototypes. On account of delay on the part of the Defence Department in sending the prototypes they were not able to start work. I learn that they have since been sent by the Defence Department.

I might also mention that a number of railway coaches could easily be built by this factory but it is reduced to the position of running about from department to department to secure the order for manufacturing the coaches, so that they may be able to keep their labour going. I do not understand why the Railway Minister should place orders with a firm other than the Hindustan Aircraft Factory. I was told that a Swiss firm was engaged side by side, within the same compound of Aircraft factory. It does not matter whether it is engaged inside or outside the same compound. But why should a Swiss company be brought into existence at all? I saw the coaches built by the Hindustan Aircraft Factory and they were quite good. The model was approved and it was also shown in various places. I do not know why we should have been anxious to get a Swiss firm, though under the same roof. They may carry on the work and ultimately walk away with a large portion of the profits that they make. I want further information regarding this matter.

I am nearing the end of my time limit. I am sure many hon. Members will refer to textiles, controls and other matters. so I shall confine myself to the shipbuilding yard at Vizagapatam.

Thanks to the Scindia Steam Navigation Company, they have been the pioneers in the industry. It is a very difficult industry and is of national importance. They are not able to find the finance to continue the industry. This year they came to the

Government to obtain 1½ crores for building three ships. Next year the same difficulty will arise and they will have to be given another 1½ crores by way of subsidy. My suggestion therefore was that a corporation should be established in which the existing capital and assets of Scindias must be taken to be their share capital and the Government's 1½ crores contribution should be taken as Government's share capital. In that way we may take it up directly, increase the number of docks and thus run the industry on more economic lines. It is said that this matter is to be considered hereafter. My quarrel is that they did not do it earlier before contributing the 1½ crores. At that time they must have brought the corporation into existence in which they should have taken shares to the value of 1½ crores as being their contribution to the capital. These are my suggestions.

I am to a large extent satisfied with the manner in which the Ministry has been working. Being a member of the Standing Committee of this Ministry I must congratulate the hon. Minister on the number of meetings he has convened. In all important matters he took our advice, though in some matters he did not agree to abide by our advice. I do not expect that an Advisory Council can always insist upon their advice being accepted, willy nilly, whether the Government approves of it or not. On the whole I have much to congratulate the hon. Minister, though in some details I differ from him.

I would like to make one more suggestion and that is regarding capital expenditure. You have put the demands, and they refer only to the Industry and Supply Ministry. The capital expenditure comes to nearly six or seven crores. Why should not that also be brought as a demand directly and taken into consideration I am unable to understand. It should hereafter be made one of the Demands. The details are given in the Explanatory Memorandum but the Demand itself is not placed separately for the consideration of the House.

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## Setting up of an Industrial Finance Corporation\*

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Sir, I do not agree with my Honourable friend, the previous speaker, nor with Mr. Khandubhai Desai that this Bill is to be scrapped and a new Bill introduced. I am very sorry that both my Honourable friends have overlooked this matter that for a long time before the advent of the British in this country we were one of the most highly industrialized countries of the World but after that we had practically been the producers of raw materials and importing machines from foreign countries. Our economy has become absolutely agricultural and that is why our standard of life has been very low. Our national income is not more than Rs. 100 per year, per head. Are we to be still waiting until a new plan is set up? My Honourable friends are not aware that plans are already there and recently a Committee was appointed over which Mr. Neogy presided who co-ordinated all these plans and evolved a plan. I am sure that this is the plan which is being adopted by the Government for the purpose of industrialization of this country. The Honourable the Finance Minister referred to the Policy Committee which was enunciated on the 25th November 1945 by the then Government. There is not much to change. It is true if my honourable friends said that the whole of the United Kingdom is also swinging towards the left and introducing nationalization of industries and if that is their intention, I would certainly agree with them. But what are the industries that ought to be

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\* Intervening in the debate on the Industrial Finance Corporation Bill; *Constituent Assembly (Legislative) Debates*, 21 November, 1947, pp. 474—479.



nationalised? It is agreed in this Policy Committee report that the Defence industries must be nationalised. I am sure that all the defence industries in this country are in the hands of the State. There are other industries which come under the Provincial control. But even there the Policy Committee lays down that some industries by their very nature have to be taken charge of by the Centre because they have got an all-India importance and they are largely used in various provinces. One single province may not sustain or support a particular industry though there may be branches in various parts. That is why they have divided industries into two viz. central and provincial. So far as central industries are concerned they have laid down in paragraph 5 that:

they attach particular importance to the development of these industries which constitute the foundation of modern industrial life, such as the iron and steel industry, the heavy engineering industries, the machine tool industry, heavy chemical industry and so on;

they also do not forget that so far as consumption goods industries are concerned they must also be helped to a large extent, but while the development of these industries must take high priority it must form part of a balanced plan in which due place is given to consumption industries also.

Now, therefore the policy of Government is clear. These industries which the State itself has taken, are running; there are other industries which the State may promote by advancing its capital and taking a large share in the management. And so far as single industries are concerned, like the shipping industry, our Government is contemplating bringing into existence a separate corporation for that industry alone, because it requires a separate corporation to manage its resources. It is not only in the field of industry; we have, for instance, got irrigation projects to increase the agricultural output of the country. The Honourable Minister for Works, Mines and Power said the other day

that the Damodar Valley Project Corporation is being sponsored by Government. Therefore both in relation to agriculture and in relation to industry wherever a particular industry or a particular source of irrigation has to be tapped, if they are very big, instead of having a centralised corporation of this kind which must cater to lesser industries, they will bring into existence particular corporations to deal with particular sets of industries. That is the policy of Government. Therefore they are also attempting to have a corporation for the air transport industry—transport from this country to foreign countries.

Then after these State-owned and State-managed industries come those other industries which will be left to private enterprise and management but in which Government is rightly interested, and on account of the hugeness of an industry they establish particular corporations to manage that industry. The basic industries necessary for the growth of the country as a whole are the iron and steel industry and the heavy chemical industries. If finance is not available for these the State may have to advance finance. Honourable Members are aware that the existing banks, including the scheduled banks and the Reserve Bank, have been so incorporated that they cater to short-term loans and by their very foundation do not advance long-term loans. A Banking Amendment Bill is also on the anvil of the legislature. It may come up during the budget session after the Select Committee has reported. One of the important clauses of that Bill is that no bank shall engage itself directly or indirectly in any trade and it shall give only short term loans. Take a commercial bank. The definition of a bank shall be applied only to such institutions as admit demand liabilities. Therefore the essence of a bank according to the Banking Act is fluidity. And so various restrictions have been imposed on the manner in which money can be lent. It can never be contemplated that money can be lent for a period of more than three years or five years; and even if immovable property is purchased it shall never be owned by an ordinary bank. Therefore commercial banks as they are constituted were modelled on western banks whose essence is liquidity, who

depend mainly on demand liability and current liabilities. Such banks do not cater for long-term loans for industrial concerns. It is to complete that part and to fill up that deficiency that this Industrial Corporation is being sought to be brought into existence. There is an analogy in this respect with respect to agricultural banks. To improve agriculture in this country and to finance agricultural enterprises cooperative societies have been established under the Central Cooperative Societies Act and also under the provincial Cooperative Societies Acts. The cooperative credit societies are working; there are provincial cooperative central banks. The Reserve Bank has a particular department to cater to this and give advice from time to time and also to give financial aid. It is not generally large and I believe that is why Government instead of making this Industrial Finance Corporation merely a branch of the Reserve Bank have thought it wise to introduce and establish a separate industrial bank. I know of course as I hear Prof. Ranga saying that the Reserve Bank unfortunately has not done all that was expected of it, so far as agricultural finance is concerned. That is an argument for separating that portion and starting an apex bank for agricultural needs as one part of the Industrial Corporation that is sought to be introduced here. Honourable Members are also aware that to give long-term credit for agricultural operations like digging wells or repairing irrigation sources there are land mortgage banks established in the various provinces. For short-term credits the ordinary cooperative credit societies are there; and for long-term credits there are these land mortgage banks. So far as agricultural credit is concerned, we have got these two institutions. No doubt at the apex for cooperative purposes on an all India basis there is no central bank which is specially devoted to agricultural purposes. I am sure my Honourable friend Prof. Ranga with his enthusiasm will induce the Finance Minister to bring into existence some such corporation. So far as the present Corporation is concerned it is long overdue. It is good and it can certainly be improved in the Select Committee. I therefore do not agree that this ought to be taken back. Once it is taken back we do not know how long it will be kept away and once gone it will be put into the waste

paper basket. This does not stand in the way and I would like the Honourable Finance Minister to make a statement. I have already read in the Policy Committee Report that this will be utilised. Therefore to say that this relates only to big business is not true. We want big and small business. I am not an industrialist nor even a capitalist. There appears to be a kind of apathy in two opposite sides and there is a warfare between big and small business. I am sorry to see the repercussions of it in the share market. It goes against the good of industry. I believe that the imposition of the excess profits tax had its own reactions on the growth of industry in this country. We must make up our mind that if the State takes various industries, avoid big business. If on the other hand the State takes up a particular kind of industry, allow a sufficient margin for other industries to grow up. The want of a definite policy has made all these industrialists hard. They are not coming forward to start these industries. I know that there are floatations but they are only in the air. In the monthly statements and statistics of various joint stock companies, especially in the monthly statements of August and September, if 25 companies came into existence, 20 companies have closed down.

It is not a question of material. The money is not forthcoming. For large scale industries, there ought to be a Corporation of this kind. For small scale industries provincial Government may start provincial Corporations. Therefore when we are starting one kind of Corporation in big industry, there is no need to say I will help only smaller industries. They will have their own turn. Till now cottage industries have not been helped. From the time an application is made for aid, by the time the budget comes when the application matures, the cottage industry closes down. As far as the Cottage Industry Act is concerned in the provinces, the Finance Minister will have his eye on various aspects of the industrial structure. It is true that he must have a federation. As a matter of fact Mr. Santhanam suggested that there must be a federation. The bank must have a federation of various units. I hope the Finance Minister will have this in mind and try to add many more units to this federation.

As regards the persons that are allowed to be shareholders in this Corporation: I do not agree that the shares should be reduced to Rs. 100 or Rs. 15 and should be sold in the market along with other shares of various joint stock companies. The object of this measure is to provide capital wherever it is not available. In the day to day work there are other departments, to help the industries concerned. For enlarging the scope of it, purchasing capital goods and buildings which do not repay immediately, a long-term loan is necessary. A central institution should be made to be the shareholders of an institution of this kind. For other loans there will not be sufficient money coming forward. If the Provincial Governments want to bring into existence smaller corporations to cover smaller industries, and if the ordinary man is also tapped, from where can you get the money? When provincial loans are floated then they have to be under-written. Money does not easily flow. Therefore it is not for the purpose of competing. It is not the intention of this Bill to make this institution compete with the others in the open market. As a matter of fact, insurance companies do not know what to do with their monies. Therefore for insurance companies there will be an outlet. They depend on their statement of policy when they settle the premium which has to be paid. They say one of the important elements is the amount of interest they can get on their investments. Insurance companies and financial corporations are those who are tapped for the purpose of subscribing to this Corporation by way of shareholders. I do not agree that the share value ought to be lower. It is not as if some big business or industrialist will capture. The institution will capture. Let there be no alarm with this institution. It has come into existence. It must come into existence early.

Then as regards the volume of business. I agree with Mr. Santhanam. I find that the textiles themselves—some of the important industries—have a capital of 80 crores: iron and steel 40 crores: sugar 20 crores. In all the volume of their share-capital and the debentures they have floated come to 700 crores. If that is the amount that is floating in this industry, what is this amount of 20 crores for which my honourable friend the

Finance Minister, is responsible in calculating. It was originally in the hands of a gentleman who was not a financier himself.

It is because we are still in a Dominion that I am feeling that we are not yet independent! I am glad to see that I am correct in assuming that they are really Ministers! The Honourable the Finance Minister is eminently suited for this task. No doubt he did not want to waste time. He is very suited for this business because he is an industrialist himself and he was at one time President of the Tariff Board. I am sure he will modify it.

I would make one or two suggestions. It is necessary that an industrial planning commission ought to be established immediately, otherwise the money here may be frittered away in cosmetics. A cosmetic or tobacco or cigarette industry may be established. The persons who are in charge of this Corporation may be interested in getting quick returns in that industry which is first established. For instance, cosmetics and tobacco sell much more freely than foodstuffs and they yield larger profits. I would ask that he should immediately plan out and have a plan which would suggest to this Corporation what those industries have to be, otherwise this money may not go to that field or industry which is really in need of it. In that way he must prescribe priority.

I would also urge that the scope of this measure is a little small. It has to be enlarged. It is not merely financial but technical advice also that has to be given. I shall now read for you the scope of a similar institution in Australia. Under the Commonwealth Bank Act of 1945 of Australia the functions of an industrial corporation of this kind are as follows:

- (a) to provide finance for the establishment and development of industrial undertakings, particularly small undertakings;
- (b) to assist in the establishment and development of industrial undertakings; and
- (c) to provide advice on the operations of industrial undertakings with a view to promoting the efficient organization and conduct thereof.

It seems as if they have not only efficient technical men such as engineers, etc. to give them advice as to stability but also persons who have enormous experience in industry to advise them as to whether a particular industry would prove useful to the community.

Then again there is a suggestion in the statement of the Government's industrial policy that in a particular place alone all industries should not be located. That was referred to by my honourable friend Prof. Shah. I agree with him. One way to avoid is by introducing a system of licences, whereby the location of these industries will be distributed in places where raw materials and the men are available. The Industrial Corporation must have such a plan before it and try to help the establishment of industries according to localities. Let there be industries whether by Birla or the Tatas. We have absolutely no industries in this country. Today from a pin to aeroplanes we have to depend on foreign countries. I request these industrial magnates to start industries. After all 98 per cent. of the people are poor like myself and Prof. Ranga and ultimately it is up to us to deprive them of their property and take it over. Therefore let us not have an eternal bias or prejudice against these people. Let us take advantage of them as much as possible.

I also want this institution to come into existence to train up the men for purposes of administration. We are having a centralised civil service. We should pick up the best of men for industries. I was very anxious during the war that the state itself should take up all these mills and run them because even though there is a shortage of cloth the mills are producing 500 and odd varieties to make money. Who are to man these mills? The I.C.S. man may be the best product of the university and he may be a double graduate but is he competent immediately to take charge of a mill? Therefore it is equally essential that we must have men who are competent to give advice to industry. Let us not have the eternal impression that there is an undeclared war between us and the industrialists. They are bringing in the money and the country as a whole will benefit by it. It is only a question of distribution. I therefore welcome this

measure and I also want that the scope of this Corporation ought to be enlarged in the terms that I read out from the Commonwealth Bank Act 1945 of Australia.

I would like to make one or two other suggestions. I want that before this Corporation lends to various industries they must make sure that the industries are run properly, that labour is paid properly and treated properly, their wages are decent and are provided with housing accommodation etc. As regards the prices of the commodities manufactured by the industries they must have a controlling voice. Not that they must strictly control it but they must have an influence or voice in it. They must also see, when they are gathering public money, that the industries do not pay exorbitant dividends to their shareholders. After all industry is a risky concern. It is not a savings bank. All industries which are to be helped should not pay more than nine per cent dividend to their shareholders. Only those industries should be helped. When industries are developed in this country we should be equally careful that they do not exploit the ordinary man. The man that pays is the poor consumer ultimately. Therefore these are all the things that the Industrial Corporation should address itself before helping an industry. They should also see that the consumer is equally well protected.

As regards audit, I want that the Government itself must audit. There is a provision that two auditors appointed under the Company Law should audit such a big concern as that Government audit alone will satisfy the public. Enormous funds of the public are invested in a corporation of this kind.....

As regards management there seems to be alarm that the management of this concern will be in the hands of big business. I find that they have not calculated the number. Under clause 7 two directors are nominated by the Central Government, three by the Central Board of the Reserve Bank and that makes five. The total number is eleven. Three directors are elected by the banks that is scheduled banks and two directors by the shareholders of the Corporation, other than the Central Government the Reserve Bank etc. Thus there are



five against five. The Managing Director is a person who is appointed by the Central Government.

The predecessor of the Honourable the Finance Minister, who was called the Finance Member then, said that he was going to introduce legislation very soon in this Assembly to nationalise the Reserve Bank. I expect that the Reserve Bank will be soon nationalised. There is no meaning in having small shareholders and run a shareholders' bank. Similarly the Bank of England was also nationalised. I expect that all these reforms will be introduced by the Honourable the Finance Minister who has had experience in this direction. Sir, I welcome this measure and I feel that it can be improved in the Select Committee.

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## Road Transport Corporations\*

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I welcome this measure as a first step towards nationalization of the road transport service. The biggest asset that the Union Government possesses is the rail service. Side by side the transport service also requires some control and co-ordination. It was with that view that the Act was passed in 1938, which law still governs motor transport in the various parts of the country. The traffic boards were brought into existence for the purpose of effecting co-ordination between road and rail service. Hon. Members here may be aware of the fact that alongside the railway line roads also run and very often instead of exploring the possibility of diverting or getting traffic from various villages to the nearest railway station, advantage is taken of the existence of those roads parallel to the railway lines and bus services are run there. I have seen instances where the buses get into the railway compound just 15 or 20 minutes before the train arrives and pick up passengers and go away with the passengers to the nearest place. Unhealthy competition in the matter of fare has also existed and so much so the railways had to be protected against such unhealthy competition. It was with that view that traffic boards were advised not to give permits or licences for passenger services for longer distances over 50 miles and for vehicular traffic for more than about 150 miles. I think that the rule still holds good and is being adopted. Then it was found that this alone was not

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\* Participating in the debate on the Road Transport Corporations Bill, moved by the Minister of State for Transport and Railways Shri K. Santhanam; *Parliamentary Debates*, 25 November 1950; Vol. VI, Part II, 619—628.

sufficient. All the roads are maintained by the local authorities and certain roads which are highways have been taken charge of directly by the Transport Ministry at the Centre. The transport operators indirectly contribute by way of motor vehicle taxation; something is collected from them as set off against the maintenance of those roads which cost heavily to Government exchequer, both of the Centre as well as the State Governments. Thus the whole thing is borne by the Central Government or the Provincial Governments. Under those circumstances, it was found necessary to have a kind of co-ordination so that the village roads may be extended and the goods and motor traffic of the villages may be brought to the railway station and thus avoid competition. It was thought also that individual operators have one or two buses and the service is not so much their concern as profit. Hon. Members also might have had this experience that alongside the road the bus drivers catch hold of passengers' luggage and insist upon their getting into the buses and in the midway, some 20 miles off a tyre bursts. There is not even a pump to come in useful and the passengers are made to wait till some other private owner of a car passes by.

...Private enterprise is devoted to profit. Public enterprise is devoted to service. I am not a whole-hogger so far as this matter is concerned. Until we are able to manage those things more efficiently—the State by itself either directly through the department or indirectly by their corporations—there is place for private enterprise. I am only trying to submit to the House as to what the place is for private enterprise. I would not have intervened in this debate but for the fact that almost every newspaper has come forward with editorials saying that this nationalization is absolute nonsense and ought not to be undertaken. If it is possible to distribute all the functions of the Central Government also to various private enterprises, they

would be only too glad. I am not prepared to accept this kind of support for private enterprise. Merely because they are controlling the papers, they ought not to forget the best interests of the community and the country at large. There is a place for private enterprise, but this is not the way. We have seen that private enterprise had led to cut throat competition with Railways. If the Railways lose, who loses? The community as a whole loses. We have invested 2,300 crores, apart from any competition and indirect interference with the revenues of the railways, which are our primary asset to our country. Are we satisfied that there is no overloading in our buses? Everywhere all along the road the buses carry 20 or 21 passengers in excess even though the engines may not be able to pull them. It is rather unsafe to get into these buses. They dash and overtake at breakneck speed. Recently, I had to travel by a bus from Chittoor to Madras, a distance of about 100 miles, as I missed the train. The driving was very rash and even in the turnings, he was driving at 50 miles an hour. As soon as the drivers hold the steering rod, they think they are the masters of the situation. Let us not be carried away by a false sense of sympathy towards these people. Nobody wants that these people who are operating the buses should be killed. Another thing that the hon. Members forget is that this is not a national industry at all. Is a single bus manufactured in this country? No. we are expecting to produce cars hereafter. Now, we pride ourselves in having purchased motor cars from foreign countries, Italy, America, England. We exploit ourselves, pay one per cent. to ourselves and pay 99 per cent. to the foreigners. No doubt, this service has provided employment to a number of people. Even if the State should take over, do you mean to say that the hon. Mr. Santhanam and his elderly colleague Mr. Gopaldaswami Ayyangar will be, one the driver and the other the conductor? There is a cry that all these drivers and conductors will be thrown out of employment. How will they be thrown out? The same drivers and conductors if they are honest and efficient, will be employed. The only question is regarding the proprietors. There again, hon. Members will have to see whether it is desirable whether a proprietor must have only one

bus and carry on service. If per chance a tyre bursts or something happens, on the way, should the passengers be put to all sorts of suffering? There was a wholesome provision in Madras that any person who wants to operate a bus service must have at least a fleet of twenty cars. Now, circumstances have changed. We are charitably disposed and this provision has been thrown overboard. What was intended for the benefit of the passengers and for better service, has been given up and we have operators who have only one bus. During the time when Sir Edward Benthall was the Member for Transport and Railways, he attempted to bring into existence a corporation of this kind. We were then in the Opposition as members of the Congress Party. We thought that they were trying to create a kind of monopoly for various people and we had our own apprehensions. Later on, the provincial Governments themselves took up this transport service. In the Punjab, they started a nationalised transport service. In the United Provinces I understand they have a fleet of 1200 cars. In the city of Madras, they are running this service as a State department. In Travancore, it is, I am told, a profitable concern. At first, the gentleman who was in charge of the administration had some doubts in the matter. Now, it is a profitable concern. It is a source of income in Hyderabad also.

Therefore, I would support nationalisation of transport services on the following grounds. Our provinces are struggling for want of funds. This will certainly put some money into their hands. Of course, this is not money of the proprietors: it is money belonging to the passengers. Government has a right to take over this service and augment their revenues.

Secondly, it cannot be denied that when once Government undertakes a thing, the service is better; better buses are put on the road. They do not feel ticklish about it; if a tyre bursts or if some part is worn out, they are certainly prepared to substitute good parts. As regards the employees, the conditions of service would certainly be better. They will have provident fund benefits and their service is secure, whereas now, they are completely at the mercy of the proprietors. The Highways

belong to us. These Highways may be earmarked for the nationalised transport services.

Even if the States may undertake to run these services, I think it would be better if this is left to the Corporations. If the State should take this as a department under it, even for a small tyre, or tube or some thing else, they will have to wait for the orders of Government and on account of all this red-tapism there may be delays. Under these circumstances, it is thought advisable to have a Corporation. We would have had a Corporation even previously but for the form of Government that existed then. We had no control over Government and therefore, we opposed this and I was one of the Members who opposed that measure, because we were under the impression that some persons were in view of that particular Government and that they were trying to create a sort of a monopoly as against the small proprietors. We were the protagonists of the small proprietors. I have changed my mind. As between the country on the one side, and the small proprietor on the other, I think we must throw in our weight in favour of the State and service to the public. Therefore, this Corporation is a welcome institution.

At the same time, I would like to point out the defects in this also. If a certain thing is directly under State management we can question their actions here. Take the case of the Railways. There is a separate Budget for the Railways and we spend seven or eight days in discussing the affairs of the Railways. The moment you create a Corporation, God alone knows what is happening there. Take the Damodar Valley Corporation. I heard this morning that they have ordered the appointment of an Engineer in charge of that paying him a lot of money, as if there are no Engineers in this country and dams have not been constructed. An Engineer has been brought in; he has to be paid in dollars, over a number of years. What I find in the newspapers is this: that the Damodar Valley Corporation has been advised not to embark upon indenting foreigners at heavy prices without consulting previously the Government of India. I do not know if it is correct or not. If it is true, I would

like that the Corporation must be answerable to Parliament. Wherever Corporations are brought into existence, they must be constantly under the control of Parliament though in the day to day administration, it is not right that either the Government or Parliament should interfere. As far as joint stock companies are concerned, there are the shareholders who meet once a year or more often, if necessary; they appoint the directors and they may remove them. It is not so with respect to a State Corporation. The money comes from the State; the officers are there; not a pie of the officers is involved in the setting up of the Corporation. Except as officers they have no more interest. That is the defect with respect to State Corporations. A suitable provision must be made whereby the Corporation should be made to send an administrative report to Parliament and some time must be allotted for its discussion. Some means must be found out whereby it should not be too autonomous or too restricted and subordinate to Government. I hope some suitable provisions will be made here as I am not able to find a similar provision here.

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Then, the hon. Minister stated that we are not compelling the State Governments to take this over and that this Bill merely clothes them with the necessary power. This is only an enabling measure. Unlike in the case of the Electricity Act where it is enacted that within a couple of years, Electric Supply Corporations must be installed in every place, here, the State Governments may or may not take this up. Even though there may be a compulsory provision, we have absolutely no means of enforcing that. Therefore, advisedly, I think, this is made an enabling measure. The State may run the services either as a State enterprise or entrust this road transport to a Corporation. I find one of the functions of the Corporation is that they may embark upon having a workshop and making some spare parts though as a whole the motor car industry may not be taken up. I consider this a proper and necessary provision so far as efficient working of the service is concerned. In these

corporations also there is the possibility of having one or two defects. I recently attended a conference which was held in Delhi under the presidentship of our friend Shri Deshbandhu Gupta and I was asked to open that conference. I said there that I should not be asked to commit myself to any particular course of action. It was there pointed out that the corporation could take up a particular route and go to the traffic board and apply for that particular route. And then the private operators who are already operating on that route would be thrown out. In such a case the suggestion was made that the whole of their enterprise or undertaking may be purchased by the corporation, after paying proper compensation. So far as these compensations are concerned, there are provisions in a similar Act in the United Kingdom as to the principles which ought to be adopted in working out the compensation. They wanted to insist upon such provisions also being incorporated in our Act. They are told that instead of having detailed provisions here, it would be better to leave it at that, saying that compensation shall be paid, details to be worked out later. Compensation always means fair compensation and it is not possible to lay down any rule applicable to all kinds of vehicles. The price of a particular vehicle may differ from that of another, according to its make or according to the service already rendered by it and so on. What is necessary is that a compromise should be arrived at which is good and in the interest of both parties. So, instead of crystallising the principles and keeping them rigid, it is better to give the discretion to the tribunal before whom the parties come, to decide this matter. That is a wholesome principle and I am sure the hon. Minister—and I understand he has already done it—will accept it and thus set at rest all the doubts and suspicions that may be in the minds of operators.

The second thing that the operators want is that the whole of the undertaking should be purchased by the corporation. Their fear seems to be this. There may be a fleet of a hundred buses running in various routes and the corporation might undertake to run only one route and they may think it is no good purchasing all the buses for this one route. But in this matter



also the tribunal may be clothed with the power to find out what portion of the undertaking can be cut out from the rest so that it may be kept as a separate unit and may be purchased without disadvantage to the operators. If the Major portion is purchased and a few routes or buses are left to the operators, without the corresponding routes, then the operators will suffer, and it should, therefore, be a matter for adjustment and I am sure the tribunal may be clothed with the necessary power in this question also to decide whether the undertaking should be taken in as a whole or in part.

The third item that is insisted upon in general, is with reference to the workers in the undertakings purchased or acquired by the corporations. It is said that these workmen ought to be absorbed in the new services and I am sure that so far as the workmen are concerned, they will certainly be so absorbed and retained as drivers, conductors and other kinds of employees, provided they have had good sheets regarding their conduct and capacity. The difficulty, if any, arises only in the case of the proprietors and how they should be absorbed. Some provision is asked for in respect of the proprietors also. A few individuals may have a large number of buses, but in other cases they may be owned by middle-class men and some of them might have been with us in the freedom movement also. In these circumstances, to deprive them of their only means of occupation or livelihood will be unjust. Therefore, suitable occupation and means of livelihood should be provided for them. It is suggested that in these corporations, such proprietors may take shares and be directors or other persons of responsibility. Also, there may be necessity to have inspectors and managers and persons of that category in these corporations and for these jobs, such persons can very well be used. After all a corporation is not a living thing, it has to function through living persons, through the agency of such persons and their experience and knowledge of the work will be of great value in running the services efficiently and well. I am sure the corporations will not impose rigid conditions of service, like age restriction etc. that a man should go out the moment he attains

the age of 55. On the other hand, if a person is even 60, provided he is able and keeps fit and efficient, such rules should be relaxed and advantage taken of his experience and knowledge. So also in the matter of qualifications. In his own line, a person may be very good, though he may be without any academic qualifications like university degrees etc. He may not be a B. Com. or knowing commercial law. These qualifications need not be insisted upon. Why I refer to this question is because sometimes we are overenthusiastic about degrees got from colleges and other places, forgetting the fact that the qualification gained by experience in a particular line over a long period of time is sometimes far more valuable than any such academic qualifications. It is the duty of Government to see that no able-bodied person in the country goes without employment and therefore in our overenthusiasm for nationalising things, we should not deprive these experienced persons of their employment and provide opportunities for others who may be stragglers in the streets. I do not want anyone to be thrown in the street. That kind of hope and promise should be there. These proprietors whose routes have been taken away may also be used for exploring the possibilities of extending the services through the villages to the nearest railway station. Alternative routes may also be given to them. Indeed, there are various ways in which they can be useful and I am sure the corporations will make use of them in the proper way and that these corporations will be worked in a spirit of service to the country and also in the spirit of helping these people who are already in the field and who had contributed enormously to the growth of transport in the country. In the first few years of any service, there are great difficulties to be overcome and these pioneers in the line have worked hard and overcome the natural doubts of passengers whether such and such service will be punctual or regular and so on. Therefore, I say these persons must not be thrown out. These are of course, matters of detail and I am sure the corporations that will come into existence will bear them in mind.

I welcome these corporations, but I would like to sound a note of warning. These corporations are likely to overemphasise the service aspect of the thing, and to be indifferent to the economic aspect. The private owner is more anxious about the commercial side of it but not so the corporation, for in the latter case there is the tendency to overemphasise the service aspect. There must, I think, be a happy middle course between the two and these corporations must be able to work as good commercial concerns and also be quite efficient and give good service. If a new tyre gets punctured by a horse-shoe, the man under the corporation may pronounce it to be useless and ask for another; but the private owner will take it up, repair it and put it back on the road as far as it can go. The corporation, or all those who are in charge of it must see to it that great care is taken in this direction, that it is public property and that it ought to be utilised to the greatest advantage and to the greatest profit subject of course to the efficiency of the service.

Nobody need be afraid of this measure, or think that it is a revolutionary Bill. This measure will not throw them out of their employment. There are sufficient provisions to guard against that and I am glad to learn the Minister has been very sympathetic and has accepted most of the amendments that have been suggested and all the necessary amendments will get through without controversy but by means of compromise and on an agreed basis.

I support the motion for consideration.

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## LABOUR AND EMPLOYMENT

### Trade Unions\*

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

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\* Participating in the Indian Trade Unions (Amendment) Bill, 1946, moved by Shri Jagjivan Ram; *Legislative Assembly Deb.*, Vol. VII, 31 October 1946, pp. 331-334.

workmen to safeguard the interests of the industry. There may be individual workmen who may be entrusted with an important piece of machinery and they may not care for the industry. Collectively they will be interested in the industry. It is to the interest of the employer himself to see that organised labour is there to take care of the industry, in order to see that sabotage at the sweet will and pleasure of an individual is prevented. There must be for each industry a labour union in a particular place. All labour unions must join together in a federation, to whatever denomination they may belong. There must be branches in the villages, taluqs, districts and there must be a central organisation for the country as a whole for each industry at the centre. There will be an organisation of all labour unions, embracing as widely as possible all persons who are employed in labour.

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

organisations that the employers have been able to have their own way till now in dealing with them. Therefore, every member, every worker shall be compulsorily a member of that organisation. I would also urge that so far as their disputes are concerned, the provision in the Bill is a good one and I welcome it.

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

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

I do want this Industrial Court to decide or let there be compulsory arbitration for that matter. It ought not be optional either to the workman or to the employer to jointly agree to arbitration. At the instance of either party, the dispute ought to be referred to arbitration and before any strike is organised, all means of settling the matter ought to be exhausted. There is a

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

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

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

That Chapter refers only to recognition of trade unions. Chapter IIIB relates to unfair practices and clause 7 refers to penalty for unfair practices. Therefore, whenever an employer is

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

Now, I come to the motion for circulation to elicit public opinion. Sir, my Honourable friend who is now sitting on the other side himself recognised, and so must all other persons who are interested in this country, that religion has played out its part in the world. All honour to the old prophets who came at a time when there were warring elements in the country and they brought all the warring elements under one banner. Religions, as they originally started, were merely to remove differences between man and man and to inculcate the doctrine of brotherhood in many and to elevate man into a divine being. But today, those very religions unfortunately symbolise the outer crust, the inner spirit has disappeared, and those very religions are disturbing factors in society. We have now therefore to find new points of everlasting and enduring benefit to humanity. Students of religion should not talk today of nationalism, internationalism etc., but should talk of humanity and the common good of the entire humanity should take the place of individuals and warring I wish that all persons who are really interested in their own religion, in Islam, in Christianity or in Hinduism will really try to imbibe this spirit of real Islam, real Christianity and real Hinduism. Even these prophets of religion have advised their respective followers and all humanity as a whole to bring all people together and enjoined on their followers that they should bring about peace and happiness on earth and not create cause for discord which does not serve the tenets of God or his dictates. Therefore I would urge upon my Honourable friend that under this common platform of labour



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

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## LEGAL, CONSTITUTIONAL AND POLITICAL ISSUES

### Preventive Detention\*

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The House has heard with very great patience the charges and counter-charges relating to incidents which almost made the blood curdle in our veins. We tried as far as possible in the Select Committee to bleach this so-called 'Black Act' thrice, and what remains of blackness still is only a shade of the black acts that are perpetrated outside. I cannot say that there is anything inherently black in the so-called 'Black Act'. I wanted to convince myself and I was about to be convinced, that there was no longer the need for this so-called 'Black Act'.

Now I shall be taking the position of the leader of the Communist Party. I really wanted to know how my children who are sufficiently aged ought to be brought up in the new atmosphere, to share the responsibility of the freedom. Whether the credit for that goes to us or not, whether that is admitted or not, we in our age took a heavy part in sending out the Britishers and in restoring the freedom of our country.

That is the inheritance which we are passing to our younger generation. If they are going to maintain it and if they do maintain it, what will be the net result of their undertaking and their maintenance? The plans for the masses, of goodness or convenience, would they be dissolved in the amount of terror that is struck into the minds of the masses in this country by

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\* Intervening in the debate on the Bill to amend the Preventive Detention Act, 1950; *Parliamentary Debates*. 4 August 1952, Vol. IV, 1952, cc. 5322-5366.

these young men? That is an honest doubt which has arisen in my mind, and I am trying, as far as possible to dissolve that doubt and see to it that the young friends who are going to take charge of this country for its betterment really apply themselves to the betterment of the conditions of the masses. I do agree with them that enough has not been done and is yet to be done so far as the economic life of our country is concerned. We have just started on the path. There are differences of opinion as to how the approach has to be made. In some countries individual private enterprise is allowed and of whatever earnings are made by them a very large portion is taken off for the purpose of distribution by way of social services to the rest of the community. There is another experiment going on, and it is a vast experiment, in two big chunks of Mother Earth,—where the means of production are taken charge of by the State directly and distribution in their own way is going on. The question is, in the long run which of these is going to give the greatest amount of benefit to the masses? In between we have started our own experiment, a middle course, a course where private enterprise is not absolutely taboo but to a large extent all the means of production are in the hands of the Central Government. This is an experiment we are entitled to go on with. All that the Congress Government wants from the hands of the inheritors of this freedom for which the elders have shed their life-blood in this country is a peaceful period of five years within which they try to make this country flow with milk and honey. If that is not possible, by all means remove them. The elder people have not been made *Chiranjeevis* in this country, their days are numbered, and the sun is likely to set on them. Those persons that started the freedom struggle in 1920 were not old, 60 or 70 years old. We also were not born 60 or 70 years old from the wombs of our mothers. We were also young. When Gandhiji appealed to the youth of the country, we were all young and we threw ourselves lock, stock and barrel, irrespective of the consequences into the freedom struggle. At that time we did not know that this freedom would come and that the Britishers would walk away handing over the reins of

Government in our hands. We did not know when the struggle would end and we thought possibly we would all have to die in jails with all those hardships we had undergone. My young friends who are narrating incidents and the difficulties they had undergone in jails, these are not new to us, we also suffered a longer number of years. The Leader of this House is a prince of detenus amongst us. Can any-one in this country claim to have been for twelve long years in jail not under our own Government but under a foreign Government? And while he was in jail he lost his wife. He refused to come out even at that time to have a look at his dying wife unless as an ordinary convict he was released and he was absolutely set free. He denied himself even the pleasure of having a last look at his wife. From such a leader, from his hands why should we expect any 'Black Act'? Even if he is forced to have these shreds of a 'Black Act', let us have an introspection into what is in the other side also. Let us look into our own conduct and see to it that we do not set ourselves upon the wrong path. If he is wrong, let us tell him and correct him. On the other hand, if we are wrong let us correct ourselves. That is the attitude which I expect from my young friends. It is not a pleasure to ask after freedom has been won for extending the period of the Act by two more years. Every one of us knows it is an unnatural law, it is not necessary. But I honestly am convinced that the necessity for it exists.

I am so sorry that a man who eats mutton does come with the entrails round the neck. Here I find Prof. Hirendranath Mukerjee—I do not know whether he is a Professor of Biology or Professor of Jurisprudence—he comes here and says: "The blackmarketeer is not arrested by the Government. Therefore I must take the law into my own hands. I must shoot him". Yes, an individual, like Prof. Mukerjee, without any law, without any evidence, except what he comes to know, must have the right to shoot! But the Government, if it comes to know that a particular person, X, Y or Z, has gone underground and is trying to dissolve the Government by violence, that man ought to be tried in a court of law in public by a set of jurors.

assessors and so on. Is this a law, is this a right which any Government will give to any individual? Ultimately, in any Government, whether it is a democratic Government or a dictatorship, I ask Prof. Mukerjee to tell me whether any right of this type will be allowed to an individual? I ask him if it is open for an individual to redress grievances by taking the law into his own hands, however much he may like to do it? He can only appeal to the law and to the Government for redress. Still he prides himself in the cult of violence. That is rather disappointing. He is a Professor. I do not know what the students will learn under him. I may tell you Sir, but for the fact that even now there is no change of heart in these young friends here and outside. I and some hon friends would not have been a party to this Act the continuance of it for a longer term, particularly those friends who from these Benches say that such Acts ought not to be on the Statute-book. I understand reliably—subject to correction—from one of my friends who was also present at the Aligarh University recently that Prof. Mukerjee went there and said to the students, "You friends, you are not treated properly in this country, Muslims". This is not the way to get on in this country. In this country we are trying to consolidate this nation. Those of this country who said they belonged to a different race, they cut both the hands of Mother India.

Rightly or wrongly we have come into power. I wish one day—we are passing away—the younger men, younger sons, must take charge of Mother India: Mother India will not also disappear along with us to *Vaikuntam* or heaven or hell. We will leave this earth behind for them. If they take charge not by force of arms, then once the majority takes a decision the minority cannot go on burrowing, they must obey what the majority passes. We have been voted to power here. We are here for a short period of five years and within that period why do they go about trying to undo what we have done? We have earned it to our credit. We have earned democratic freedom in this country. Now, this cult of violence is unnatural to our country. We have fought for the freedom of our country. During this struggle from 1920 onwards I have not come

across a single case where a European as such was murdered by any of our people. Possibly there may have been a stray case which has not come to my notice. We have not done it in the heat of our passions when most of us were taken away from our hearths and homes, taken 500 or 600 miles away, and wherever we went and we wanted to agitate, we openly said that we stood for this then took the flag and underwent all the trouble and turmoil. The cult of violence ought not to be allowed to spread in this country. Is it for this that Lord Buddha was born in this country? Is it for this that Mahatma Gandhi was born in this country? This foolish method of idolising violence ought to go.

In 1941 some of our young friends who were then belonging to the Communist Party were with us in the Trichinopoly Jail. Brahmins in South India are all absolute vegetarians. Some of my young friends, Brahmins, began to eat mutton because they thought if they did not eat meat, they would not get used to violence. They must get accustomed to violence!

One of my friends who recently returned from Czechoslovakia—he belonged to the Embassy there—said there was an association, age-long association for propagating vegetarianism, for converting people to the vegetarian cult. That was taboo and the association was liquidated because it produces a kind of spiritualism which makes people soft. If we adopt this cult then we must go back many years below evolution and then become all barbarous animals. Is that our culture? What is good for Russia or China may be good for those countries. Let us here evolve our own creed. We have obtained results by it. This has brought us victory even against a foreign Government—non-violence, by which we stand. Why should not my young friends the Communists by non-violence try to influence our people towards a co-operative commonwealth or whatever they want so far as economic life is concerned? It is still open to them. But if they go about preaching violence let them take the consequences. They must suffer if they preach violence either for redress' of individual grievances or for the overthrow of the

State. If they want to establish a dictatorship of the proletariat, or to establish communism they have a right to do so and by all means let them do so, but if that propaganda is based on violence and it is said so,—you know Sir, as a lawyer that that by itself makes an assembly an unlawful assembly and for that alone any Member is liable to be prosecuted or arrested. That we have not done—we have been charitable. We have allowed these people to go about saying that democracy is not fit for this country, dictatorship alone is suited. If the masses are with you by all means do that. But in addition to saying that you want to say that if the masses are not with you you will terrorise them, the police inspector will be murdered. I say, “Halt, do not do that”. And if you want to do so and carry arms as you are doing in Nalgonda in Hyderabad, without surrendering them..... This kind of bamboozling even on the floor of Parliament will not do. Today any Government stands for collective violence as opposed to individual violence. It is certainly so. We have got a right in the interest of the community to do so. Every Government is based on violence. We, as far as possible, are trying to avoid that kind of violence, but we will not allow—no Government, whether of the brown pattern or of the white pattern, will allow any individual to take the law in his own hands. And for that I believe that this Detention Act is necessary not only for two years but for two hundred years. Let us be frank about it. What I would say is this. This state of affairs pains me, it pains every one of us. We want to establish a democracy and we want to establish peaceful life. We will do so whether our young friends like it or not. They are prematurely anxious to establish leadership in this country. But let them not do so by killing. Did we kill a single individual? Whatever suffering was offered was taken by me in a spirit of service and renunciation so that I may convert the other people. But these young friends want to kill their fathers. That is the difficulty. They want to kill the persons who have brought wisdom and freedom for this country. This will not do. So long as they do not abjure this violence..... It is all wrong. It is said that it is due to police excesses. I do not say that every policeman is good, but if there are police

excesses there is sufficient argument for the Government to take action, it must be impelled to take action. But does that justify the murder of policemen? It only confirms me and confirms every honest thinker in the belief that these people are trying to show off whatever has been done by saying with a false pride that so many excesses have been committed and therefore, the people voluntarily came forward.

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All that I say is this. Openly our friends have the hardihood of saying "Yes, the cult of violence must spread from day to day". On the other side it is our responsibility, as persons who have been responsible for establishing freedom in this country to maintain law and order at any cost. So, it does not matter if a few friends have to be inside the jail. We are not killing them, they will be kept out of harm's way. Some Members showed their hands and feet saying, "This hand was broken in jail". We also have been in jail. Obey discipline in jail. If you never obey any of the jail rules how is the jail to be administered? We also were in jail and we opposed that Government much more than these young men who were all outside the jails at the time and supported that Government. (*Interruption*) I am sufficiently aged to speak the truth not only here but to speak it outside also. We were in the Amraoti jail. What was the placard outside the Amraoti jail? "These people are in league with the enemy, Japan. They are sending them messages. Keep them permanently here". Such were the placards or the notices that were issued on behalf of various associations.

It is unfortunate that while the youngest of our race ought also to have taken part in the freedom struggle, they not only kept out but actually, according to our light and our understanding, were eulogising their helping some other person. Let us forget it—I really wanted to forget it, but today forgetting it will lead us into absolute peril because still they place their faith in violence. It is like my young friend carrying a pistol in his pocket all along and embracing me and the moment I am taken unawares shooting me. I only ask him, "Either avoid your



pistol, gentleman or avoid me altogether", but he will neither avoid the pistol nor avoid coming in my way and he would like to cling to me and then wait for an opportunity to shoot me. Is this reason. I say, in the name of democracy? My democracy is of a different pattern from theirs. England and America also have democracy but there the masses are able to take care of themselves. Our masses here are not alive to their responsibilities. They are afraid of the policeman, and much more of the communist. The father is afraid of the communist son. You do not know what is happening in this country. So much of literature is being freely distributed. Marxist books you can get in any number for half a rupee each. I do not know how many of our young men, if they read them, understand their marginal utility or their materialistic history and revolution...

The blessed name of Pandit Motilal Nehru has been brought here and extracts were read by my hon. friend whose eloquence unfortunately, has been more wasted than usefully spent in his regard. He referred to Pandit Motilal Nehru. I stand by every word that he quoted. But he did it out of the context and out of the relevant circumstances. What did Pandit Motilal Nehru say? He said, "My hands are clean. My cards are open. Whenever I launch *satyagraha* I give you notice in advance. There is nothing underhand. I am not going to kill anybody. I am not going to shed a single drop of blood". You remember, Sir, that Lala Lajpat Roy protested against the visit of Lord Simon. He was hit on the chest and killed and India lost one of her greatest men in this century. We people were prepared to suffer and sacrifice. That is why Pandit Motilal Nehru said, "My methods are open. I act openly. Why do you have this underhand law? Use it for underground gentlemen, and not for us. We never adopted underground tactics. Why do you impose this law on us?" To use that for the present occasion,—well, I do not know how to describe it. I ask you to come into the open. If you have courage, preach your creed openly and come out with your arms openly and be arrested by all means, and succumb to it. If that is the way of your conversion, I have no quarrel. But you go underground. We do want an underground

Act for underground people. What is the harm in it? An underground set of people require an underground Act. What is the good of quoting democracy? Our citizens are not able to stand on their own legs, and this Act is necessary to protect them.

I have heard with some impatience the remarks made by some other friends. I have got regard for my young friends. I know the risk I have undergone. They are also free to undergo similar risks. Are they prepared to sacrifice? Through their sacrifice, let the country prosper. But they are not prepared to take risks. People who sit in arm-chairs and merely try to exploit the sacrifices of others will never do any good to this country. Let these young friends follow our ancient methods. Let them follow the non-violent and honest way and at a later date they may have a chance of assuming power. But I am surprised at so many arm-chair politicians here—a retired High Court Judge, another editor of a paper and so on. Have they shed a single drop of sweat in the cause of the country? They sit in the arm-chair.

### न हि बन्धया विजानाति

Whether Ravana rules or Rama rules, they do not care. They have got themselves to themselves. These are the gentlemen who talk to us from the pulpit. They preach to us and ask us to do this and that. All for what? So that there may be chaos and they may enjoy? Communists are under the impression that they will one day become the Government and the lawyer friends of their party think that they may become the Law Minister and the Advocate-General, irrespective of age. I do not wish to go into personal matters, but this is the way in which they think. They do not realise the situation in the country, because they have not earned this property. Therefore, they do not know the worth of this property and the value of maintaining it. Here is a Maharajadhiraja. He has lost his kingdom but he wants his title. Still, he is the "defender of the civil liberties". I am referring to the Maharaja of Patna. The man loses his all and yet he wants to call himself Maharaja. Why do you want this title? I am really surprised at this mentality. Take

these jagirdars. I have very great regard for them. With one stroke of the pen we have achieved a revolution in this country. Such a revolution has not taken place in any other country in the world. All the Maharajas have allowed themselves to be liquidated. All glory to them. But unfortunately some of them are trying to come back and by force of arms are trying to take back their old territory. Are we to help them?

When allegations are made against Mr. Gopalan of terrorism my hon. friend Dr. S.P. Mookerjee says, "Ask him". Why should I ask him? You are an elder. Do you take the trouble to look into those facts? Are you able to say, "This is wrong,"—If he takes a wrong step, do you advise him to avoid it? That is the attitude which I expect but unfortunately all his knowledge, all his eloquence, all his experience goes on this side, because these friends are sitting here and they cannot unfortunately sit on the other side. Therefore, all my hon. friend's eloquence is used only for these other purposes (*An Hon. Member*: You are also on the same side of the House.) I am here by force of circumstances.

Now, as regards my hon. friend Shri Sarangdhar Das and other friends of the Socialist Party, they have done things in their own way. Do you know what they did in 1948? In Calcutta they tried to start a strike to stop the water supply, electric supply, tram cars and every other thing which was so essential to the life of a civilised community. They wanted all of it to be brought to a standstill. They were defeated there. Straight they came to Delhi. You do not know perhaps what they did or what they had behind their backs. They started the D. T. S. strike. Unfortunately, their attempt was foiled. They tried to stop the Electric Supply Corporation from functioning. Again, they failed. From here they then ran to Bombay and started organising the strike of cloth mills, etc. I ask you: should strikes be used for the purpose of bringing about political revolution in this country. Honest trade unionism will never be suppressed in this country. We are in favour of trade unionism. We want that the workers should get into their own and that their legitimate grievances must be redressed and that there should be collective bargaining. We have passed so many wholesome measures which no other Government before had done. But in the name and cloak

of trade unionism my hon. friend Dr. Lanka Sundaram goes to Vizagapatam and tries to set the dockyard people against the authorities and urges them to do this and not to do that merely to put political pressure, so that he may become the king of this country or the Prime Minister of India. I will not allow him to do so. Am I wrong, Sir? So far we have seen that this cloak of trade unionism has been used for the purpose of overthrowing this Government by apparently lawful means. If my hon. friend Dr. Mookerjee had continued as the Minister of Industries who can imagine that he would allow this course of action to be followed? Unfortunately, he differed on a separate issue. Even with regard to that issue, I may say something. I am a Hindu. That does not mean that I am a Hindu first and something else next. I am all simultaneously an Indian. I have no compartments in my life. I feel that life is one whole and indivisible. If I can speak here on the floor of the House with truth, according to the oath of allegiance I have taken, that is enough. My friends here have subscribed to the same oath. They have sworn in the name of democracy. We stand by democracy. They say they also do, but they preach to their younger brothers to cry for dictatorship. Outside what is the good of this? Why can you not tell them, "this Government has a guaranteed life of another five years. We shall wait for five years". If after the five years, you find that this Government has failed or that this experiment in democracy has failed, then shout from the housetops, "A new experiment is necessary". Why are you impatient and go on fomenting strikes and lockouts?

My hon. friend Dr. S.P. Mookerjee says, "Why did you not run in advance and arrest the goondas in Rajasthan and Saurashtra?" Assuming that Dr. Mookerjee is taking sides, and there is a report that he is taking sides on communal matters, is it easy for anybody to arrest a heavy gentleman like him? Absolutely not. Of course. I am also heavy. Do you mean to say that the Bengal Premier will have the courage to arrest him? (*Dr. S. P. Mookerjee: Why not?*). To say "Why not?" is easy. If he were in the seat of power and I were there, he would easily authorise a policeman to arrest me, but I know he

will not do it, because he is so fond of me. But in his case, it is not easy. We must be realistic. I know that my hon. friends are very anxious that this country must progress from strength to strength. I know how Dr. S. P. Mookerjee went as the leader of the delegation or as the representative on behalf of India to the ECAFE Conference in Ootacamund three or four years ago and did wonderfully well. We had expected large concessions from America, but we were disappointed. He is a bold fighter. Unfortunately, he disagreed on some point. After all, we should remember that at that time we were at the edge of a precipice. We did not know the position. Perhaps he knew something from the inside. Outside, we thought he was getting on well. There was tension between Pakistan and India and at any time there might have been a flare-up. Dr. Mookerjee may have thought, "Pakistan is a small country. I am a huge giant. I will crush." But we know the experience in Korea. It is a small country. The moment the fight started and bombing took place, the two power blocs entered the arena. Are we to enact a similar thing with Pakistan? After three years of world war we had 62 lakhs of refugees in addition to famine in Rayalaseema and other places in the country. Nobody was safe. I belong to a religious centre where marriages are celebrated every year. The husband and wife get into a train. They want to go to Bezwada, but in between they go to heavens. This was in 1948. My hon. friend Mr. Punnoose was embracing Mr. Chacko and told him "you and I were friends. why was I arrested and you were left out?" Because, in 1948 Gandhiji was murdered, the R. S. S. was there, there was no safety for any person to come to Delhi otherwise than by air. In Sullurpet fifty miles from Madras, two carriages capsized and 98 persons died. Are they not our own kith and kin, of our own blood? Do we not weep over it or can anybody exult over it saying "I was responsible for so many murders"? I am not talking of my friend whoever did it. *(Interruption)*. Did the devil do it? There must have been human beings....

It was not only in the South Indian Railway. It was there in the Eastern Bengal Railway and other places. Go into those

details of 1948. Then the Prime Minister said, he pointed out as early as in February 1949 what the activities of this party were. The strike, as the Prime Minister pointed out in the Constituent Assembly on the 28th February 1949, had nothing to do with improving the conditions of the workers or with the normal activities of trade unions and the like. It deliberately sought "to create famine conditions by paralysing the Railway system.....the object being to create a general background of chaos, a breakdown of the administration and mass uprisings .....The permanent way was to be damaged! The Locomotives were interfered with, and general sabotage of vital installations telephones, telegraphs and power stations was aimed at". This is what he said, contemporaneously, after those happenings and not for the purpose of the Preventive Detention Act. This was after the murder by some foolish communalist of Mahatma Gandhi. These were done not by our friends, we all are hon. men (many of them were in detention). Otherwise many things might have happened perhaps. But other people were alert who cut telegraph wires and other things. And their plea was "You taught us these things". A man who was recruited to the army just at the close of the war, never expected the war would close but he had learnt to shoot. So he goes to his mother and says "Mother, I have learnt to shoot, therefore show me your chest". I ask my friends, am I to show my breast? Is it for this that we all went to jails, that the leader of our party and all of us went through all the turmoil and suffering? It is to hand over the country to you in good condition. If we do not make this land flow with milk and honey and grow in prosperity in five years take charge of it. The people are there. You have succeeded in some places. I do not deny. The mirasdars of Tanjore did not vote for my friend Santhanam because they were all up against a report that if a person possessed hundred or two hundred acres of land, it would be split up and twenty-five acres would be given to one person. They were the people who voted for my friends the Communists. It is the landlords who voted for the Communists. All reactionaries voted for them. In this House the Opposition consists of groups of men. Is there a common thread? They are

wondering at our discipline here. They want to have discipline. Sometimes even morality is a curse. There is a Telugu proverb that for settling disputes in a bazar the prostitute is the biggest guide. I am sorry, I am not casting any aspersions against womanhood. There are, and there have been persons who have no common thread, no common ideology and the one common purpose was to defeat the Congress. In Godavari in the delta area the farmers had plenty of stocks of grain. They wanted to sell them at high prices. But the Congress was not for removing control. If Rajaji had come on the scene earlier perhaps things would have been different. (*Interruption*). It is easy to challenge. I also succeeded in may part of the country. Why do they want that Dr. Katju should stand in Shri Nambiar's place? All right. Go to Dr. Katju's place and measure your strength.

Under these circumstances I say there is absolute necessity for continuing this measure. One or two things we have done. We are aware that this Act ought to go on for some time. Some of the suggestions are that it may be applied to particular areas. Apply it to those areas which have not given a good account or have given a bad account of themselves. On the face of it there is an emergency which has to be got over. Then extend it to the rest of the area where it might be necessary. It is enough if you do it by notification, you need not come before the Parliament every time. Leave it to the good sense of the Government and let it be done.

We have taken one remarkable step in the Select Committee, and that is this. Hitherto, once a man is put into lock-up he could be kept on endlessly in the jail for the antecedent acts by serving him with fresh detention orders and his sin will never be washed. We have put a stop to this and have provided that all the acts on the grounds of which a detention order has been passed must be taken to have been wiped off within one year. Normally within one year it cannot be wiped out. But they are our children, the children of our own land and we must get on with them. So there cannot be perpetual incarceration. That is the improvement we have made. So this is no longer a Detention act. It is a helping and blessing Act, so far as they

are concerned. I honestly feel that it is not intended to kill them but to keep their health and preserve them.

Then so far as the Advisory Board is concerned we have said that the presiding officer must be a judge, whether in active service or an ex-judge. Do you mean to say that any one of us has got less regard for Mr. N.C. Chatterjee who is an ex-Judge. Why should they be against ex-Judges? Some have got the good fortune to be made Governors! Where there is a feeling that some more provisions may be made, some of them may be done. But on the whole let us wait patiently. This will not be abused. I also want that a circular may be sent by the home Minister to all the Departments that the power that is given in the hands of the Magistrate ought not to be abused and that any excesses will be severely dealt with by him. It will not be easy to make a provision in the Act. The provision in the Act in the negative way is already there. But I want him to do it in the positive way also that wherever it comes to his notice and wherever the Board makes a criticism that an officer has recklessly acted and wanted to put any man in jail, that must be corrected. That will infuse confidence in the public mind. I do not say that the Preventive Detention Act alone will cure all our ills. Many other things have to be done. But this is one of the things that has also be done. Therefore, on the whole the balance of convenience is in favour of keeping it for a short time, and meanwhile use it sparingly and without excess. That is the advice I would give to the Government. I support the motion for consideration.

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## **Codification of Hindu Law\***

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At no stage of the bill hitherto have I had the good fortune to take part in the debate. You, Sir, were absent in the earlier stages and I had to take the chair. I have always tried to keep my opinions to myself, but the time has come when I should express my opinion regarding this matter. Let me first of all declare to the House and to the hon. the sponsor of this Bill that I am not wedded to whatever is ancient merely because it is ancient nor opposed to whatever is new simply because it is new. Merely because something is old, let us not cling to it, nor decry something that is new because it is new. It is up to us, as wise men, to consider both the pros and cons and accept what is good and reject what is bad. I shall try therefore quite dispassionately to go through some of the points that have been urged. I shall not go over the ground and make this a speech on the second reading of the Bill, but whatever is relevant in general I shall address myself to.

I shall, first of all, try to dispose of some of the amendments that have been placed before the House and the objections that have been raised in regard to them by the sponsor of this Bill. It is said in one of the amendments that because this Bill has far reaching consequences it must be only enabling measure. It is said that option should be given to any individual to declare that he will be governed by the provisions of the Bill from the date of registration or declaration to this effect. The hon. the Law Minister said that down from the earliest times when legislation was embarked upon in this country by the Britishers, there has been no precedent whatever for a measure being passed and option being given to any individual or class to

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\* Participating in the debate on the Hindu Code Bill; *Parliamentary Debates*, 7 February 1951 Vol. III, 1951; cc : 2517-2531.

accept or reject that measure by declaration. I am afraid his memory is too short. Now, let us take the Cutchi Memons Act of 1920. Indians who got converted to Islam were very often governed by the Hindu law, the law in which they were born. So the Cutchi Memons had the joint family law and they also made adoptions among themselves. But later on it was urged by some reformers that the Shariat, i.e., the law of Islam, should apply to all persons embracing Islam. Islam has its own code of laws regulating inheritance, marriage, succession, divorce, etc. The Hindu faith has attached to it its own law made by the *smrithikars* relating to the same items which are also regulated by the Islamic law. For those persons who got converted to Islam, an enabling provision was made in this Act whereby any Cutchi Memon who wanted to adopt the Hindu law could by declaration before a prescribed authority do so. He could either ask to be governed by the Hindu law or by the customary law which prevailed before his conversion.

Under the Cutchi Memons Act, as amended in 1923, there are the following provisions:

Any person who satisfies the prescribed authority —

- (a) that he is a Cutchi Memon and is the person whom he represents himself to be;
- (b) that he is competent to contract within the meaning of section 11 of Indian Contract Act, 1872; and
- (c) that he is resident in British India

may by declaration in the prescribed form and filed before the prescribed authority declare that he desires to obtain the benefit of this Act, and thereafter the declarant and all his minor children and their descendants shall in matters of succession and inheritance be governed by the Muhammadan law.

Now, the argument of my hon. friend Shri Raj Bahadur cuts his own case, because this was not a law intended for the whole of India but was a law specially to safeguard the interests of a particular community. This section is an enabling provision.

Cutchi Memons are not the only Musalmans in this country. The majority of Musalmans far outweigh the Cutchi Memons. When 99.9 recurring per cent of Muslims follow the Shariat, why should a special provision be made for the Cutchi Memons? Therefore, this interjection from my hon. friend, far from helping him, helps the other side. Even if there is one instance, it is enough. Now, is it possible for you to enforce Buddhism on me or for me to impose Hinduism on another man? This law of inheritance, marriage, succession, etc. is based upon the same tenets. But if a person who got himself converted wanted to be governed by the ancient law which prevailed before his conversion, he was given an option to change over to the other law. Though he got himself converted, he had to convert himself voluntarily to the new legal institutions, changing one from the other. There was no coercion whatever. But without the suggested amendment, this Bill will be a piece of legislation which is of a coercive nature, bringing various other persons into its fold. So far as Hindus are concerned, if you want to marry out of the ancient law, there is the Civil Marriage Act. It was originally intended to apply to persons who had to declare that they were neither Hindus nor Christians nor Jains nor Parsis. Later on, it was changed. No two Christians could marry unless they disavow their religion. No two Muslims could marry unless they disavow their religion under the Civil Marriage Act. But we are always progressive. We are self-denying. We are all-embracing even to the point of self-destruction. We have amended this Act by saying that Hindus need not disavow their religion. Hindus, however they are married, may adopt the Civil Marriage Act. That is what we have done. What more is necessary? Now you want to convert those people who follow the ancient law at the point of the bayonet to your way of thinking. Why do you want me to change my religion? I have already quoted an instance where a special piece of legislation was made for the Cutchi Memons, a microscopic minority. It is because Dr. Ambedkar feels that a majority of us are archaic—to use the mildest word—that he has brought forward this piece of legislation. It won't be wrong for me to say that he is still finding it difficult at the age of sixty to know to what faith he has to belong. But he is asking me to

decide overnight that I should change. If I may raise my voice—let me not be misunderstood—I am as fit to be in the society as other members can claim to be. I am not ashamed of my religion. I am speaking not only to the men and women in this country but also to the outside world that we have everything to be proud of the tenets by which we are governed and proud of the law that our ancients gave us. If only the other nations of the world followed our religion and the principles we have adumbrated there, there won't be these constant wars and all would be peace and peaceful. We are always accustomed to adopt things which are found wanting in the western countries. A motor car which has been discarded in Europe becomes a model of a car here; an institution which has been discarded in the west becomes a model in our country.

In 1937 we passed a law in this House that in the case of converts to Islam, their customary law according to Hindu system would prevail in regard to adoption, etc. Similarly, in the South the Moplahs of Malabar had adopted certain of the Hindu customs, though they were Muslims. It is not even a question of adoption: they were born with such customs. Therefore, they followed one rule so far as their inheritance and succession was concerned and another rule so far as their faith was concerned. We passed in 1937 what was known as the Shariat Law. This is for all India and all Muslims. Section 3 of the Shariat Act says:

(1) any person who satisfies the prescribed authority—(a) that he is a Muslim, (b) that he is competent to contract within the meaning of contract within the meaning of section 11 of the Indian Contract Act (IX of 1872), (c) that he is a resident of British India—may by declaration in prescribed form and filed before prescribed authority declare that he desires to obtain benefit of this Act and thereafter provisions of section 2 shall apply to the declarant and all his minor children and their descendants as if in addition to matters enumerated therein, adoption, wills and legacies were also specified.

Therefore, there is absolutely nothing novel in my hon. friend Shri Jaspat Roy's amendment. This is a measure which

ought to be accepted cautiously. A majority of the community do not want this, and not only do they not want it, but also they are able to take care of themselves. Is this House particularly under the leadership of my hon. friend, entitled to tell and advise people outside that what they are following is wrong and that they should change their method? I am not basing my argument on the ground that this Parliament is not entitled to do that, though my personal view is that this Parliament cannot enact legislation in the way it was doing during the British days. We are now guided by a written Constitution. My own personal impression is that the personal matters of an individual, and the practice by which he is governed so far as his marital relationship is concerned are governed by his fundamental rights and should not be touched by anybody. So long as the practice which I follow and the procedure I adopt in regard to marriage is not opposed to public morality and is not obnoxious, or indecent, it is my own business and nobody has any right to interfere with it. Therefore, we have to go slow in this matter.

So far as the progressive elements are concerned, we have made a number of enactments now. The Hindu Widow Re-marriage Acts are there. My hon. friend referred to the Child Marriage Restraint Act. True, it has put down child marriages. But it has put down marriages also. Everywhere a new problem has arisen: there are armies of unmarried girls today. There will be no dearth of girls if only you want to enlist them in the army as nurses or doctors. This is a new problem that you have created—have you heard of it before? Our friends, including Pandit Thakur Das Bhargava, cried hoarse, that by early marriage girls became widows. But is there any guarantee that a man will continue to live, the moment he marries a girl of fifteen. I do not think God in his wisdom has arranged that a man marrying a girl of fifteen will live long, and that a man marrying a girl less than fifteen would die early. Therefore, nobody can stand guarantee on this matter. It is a question of balancing the convenience.

We have not heard of any marriage except in the human kingdom. Animals don't marry; there is no law of divorce among

them; they don't have family life. It is only with respect to human beings that the institution of marriage is prescribed as one of the *purushatras* with a view to avoid inconvenience. As the Maharishi said, of the four *purushatras*, the three, that is *moksha*, the other word *dharma* maintenance of society, and *artha*, politics or economics, depend upon a happy family life. This is one thing which all our ancients laid emphasis, whereas in the Western society individualism has been all along in *excelsis*. Here family is the unit of our society. I do not mean to say that any human institution is so perfect as to obviate any inconvenience. So far as our marriage laws are concerned, no woman remains unmarried unless she chooses to remain a *sanyasin*. A Sanskrit *sloka* says that no woman is entitled to freedom. But it has been misunderstood. A woman is not born twenty-five years old. She is born out of a mother's womb, has to become an adult, marry and become old also. Both of them, whether a man or a woman, when they are in their teens and are minors have to be under the guiding hand of some other person. So long as the girl remains a minor the father has to maintain her. When she becomes old is there any better person to look after her than her son? Therefore at the dawn of life as well as at the close of life both man and woman depend upon the father or the son respectively. The only question is during coverture. If God has created both man and woman, either the woman should go and live with the man or the man has to go and live with the woman. In a happy marriage the woman must live with the husband or the man must live with the wife. Is there a middle course....Therefore either the man's voice dominates in the house, or the woman's. Let us assume there is a difference. If the man's voice prevails there is not trouble. Or the man must get himself submerged in which case also there is no trouble. But if there is a difference between the man and the wife as to whom the girl should be given, when is the marriage to be celebrated? I am only thinking aloud of the inconveniences. It is not as if man produces sons and woman produces daughters. In all seriousness I am addressing this House. What I am submitting to the House is this. Some people have misunderstood, merely because some of our sisters are

going about with regard to their share and their sufferings—on account of the experiences that they possibly have had—and the corresponding chilliness on the part of our friends here, that it is a woman's Code. It is something like a husband and wife quarrelling "to whom does this child belong?" It is not either to the one or to the other. Therefore, if this Code emerges, it will belong both to the men and women of this country. Let us therefore look at it dispassionately.

We have been brought up for three thousand years in a particular institution of jurists who came from the West and who were attracted by the institutions that prevailed here. Some of them even became converts and Max Mueller created an *ashram* also. You have their opinions. They have their opinions. They have compared their own institution with that which was prevailing in this country. They wanted to be converted but for their social habits and customs which weighed strongly with them. As they got enamoured of our institutions we are also now getting enamoured of their ways.

Let us examine whether it is useful or not. Let us see what the authors, the Members of the Hindu Law Committee said. Mr. Rau himself said that this is a concurrent subject and as regards such of the chapters the Provinces may be left some voice as to whether this portion should be applied to this community or not. The territory to which it should be applied, whether it should be enacted at the present time or should be postponed—all these are matters which any reformer, the sponsor of the Bill including, ought to take into consideration, so that there may be no impression left in the mind of any person that his conscience or religious faith or scruples have been trodden over. We have to gradually take people along. It is not as if we are declaring a war on Hindu religion. It is not an immediate question like deciding whether we should join America or not in declaring China as an aggressor. Here and there an inconvenience might have been felt by some people. I am asking this House, through you, Sir, to see the balance of convenience. It is not as if any human institution is perfect.

Without going into details, taking the question of marriage, it is a proved fact that till the Sarda Act came into being, the majority of our women—99 per cent of them—were married. Do you want to say, let women remain unmarried, let men remain unmarried, let there be children who have no parents—like forty thousand war babies to be taken care of by others? Is it right for you to do so in our country? You will be creating a new problem. Is it right? So far either the man had to obey the voice of the woman or the woman had to subordinate her voice. Otherwise where is the house and the household? That is exactly why the woman is not under the law. The modern woman who is educated in a foreign system, who has lost moorings in her own faith, wants that she should inherit the property of her father and not her husband. She is indifferent. She wants to have the money in her pocket and feel "Why should I be subordinate to a man?" I know the difficulty in every household, but if I am saying these things I am saying so with experience. Girls refuse to marry now because they feel "Why should I subordinate myself to a man? Give me a portion of the property". Does my daughter expect me to live perpetually? It is not money alone that makes for happiness. Suppose there is a rich man and his daughter inherits his property. When she is married does it prevent the other man to belabour her and to beat her? What prevents him from doing that? Many people speak supporting this Code. I am not referring to Members of Parliament—they know everything. I am only suggesting what many people outside are saying. Today under the Hindu Law the girl is not absolutely taboo. If a man dies leaving no children behind, the widow inherits the entire property. Apart from Deshmukh's Act, under the ancient Hindu Law she is the heir of all the property of the husband in the cases where there are no children. Secondly, if there is a daughter and the mother predeceases the father and there are no other children, she becomes the heir to the entire property. There is absolutely no difficulty. What is sought to be done here is that simultaneously with the son the girl also must have a share. The responsibility of maintaining the household is that of the boy. We are not rich



millionaires. The *zamindars* have also been liquidated. *Rajahs* have gone. Only the middle class people are there. I am addressing myself only to them. There are the poorest people where both the husband and wife eke out their living by working as coolies. And what happens to the majority of middle class people? The husband may be working as a clerk getting Rs. 100 or Rs. 200 a month. He educates his boy and expects that when he comes of the age of 21 or 25 he would take charge of the family at a time when he is himself fifty or fifty-five. When he retires there are a number of children to be taken care of. The property that he has accumulated is so small. I know in my part of the country persons who have any holdings over five crores are only ten or five per cent. of the entire persons holding land. Land is the wealth in our country. There may be a few industrialists in Bombay and a few in Ahmedabad. But generally people have neither industry nor land. The only industry for a middle class man is to become a clerk and earn some money, and by the sweat of his labour he earns it. The responsibility of looking after the family is thrown upon that boy. He may get a small land or a thatched house as patrimony. The society expects him to take charge of his younger brothers and sisters and also to maintain the old parents. When the Britishers were ruling us the officials in the Railway Department, station-masters and others, used to get passes sometime in the year to go round. The pass is for the family. I am sorry to note that the same practice is still continuing as regards the description of the family, namely that the family means himself, his wife and children. What about the old parents? This may be in consonance with the western system where as soon as the boy comes of age he marries and goes away. the girl also marries and goes away. The old people have to be looking at each other's face! Do we want that kind of animal life in our country? I have no quarrel with the rest. It is a misfortune that their individualism is in *excess*. The husband and the wife are one unit and they ought to protect the old people. Our joint family system was brought about by our ancients many years ago and that is a natural unit and there the father, mother, the son and grandson all of them go together. I

say that this is a happy unit where unemployment never existed. People who talk of socialism and communism pay lip sympathy and I say that this tendency is the germ of the Socialism. The husband in a particular family works for the maintenance of his own children on the one side and for the maintenance of the older people on the other side.

In Madras after this marriage-divorce law was passed 38 applications were filed. Boys alone can marry and no girl can marry a boy. Out of these 38 applications for divorce, 30 applications were filed only by the husband...

Most of them were from middle-classes, most of them were educated men, unfortunately in western style. As I said, the majority of the petitions were from husbands. I think there was only one case where a woman was said to be sterile. I would bring that under this Code. One other case was the husband, an educated lawyer and he is employed in Bombay. He gets Rs. 100 as salary. The girl is employed somewhere as a Doctor getting Rs. 400. The girl wants the husband and the husband wants the wife. The only pull was that the wife wants the husband to come and live with her and the husband wants the wife to come and live with him. After marriage this trouble has been going on between the husband and wife for three years. The husband said: "How long am I to be without her company" and the Court found that it was a case of desertion by the girl and they dissolved this marriage... The Widow Re-marriage Act was passed long ago but still it requires a lot of persuasion.

There was an hon. Member of the Assembly—he was a Member from Bengal—and he brought a single clause Bill which stated that no widower shall marry a spinster. His idea was that a widower may marry at least some widows and when some of our friends pooh-pooched the idea, he withdrew the Bill and said that he committed a mistake. When once a man has learnt that a woman has been divorced, would that woman be touched as a wife and married again as a wife? I do not want the society to be disrupted in that manner to suit the few conveniences here and there of some individuals. There are difficulties but the other difficulty is far more appalling than this difficulty.

I was told this morning that some delegation is coming from Pakistan for the purpose of recovering abducted women. Have you ever heard of an 'abducted man'? Nature has so made us that without the husband and the wife there is no unity in this world. Even among the Patagonians the wife is as tall as the husband. In any other community the male is taller than the woman. Is it good if I talk like a woman with a squealish voice and a woman goes on talking like a man. Therefore, I must be a man and a woman must be a woman. I see I am evoking laughter of my friends but I feel that God has made the best arrangement by creating a happy family in which the parents will be protected, the minor children will be protected. The affection is not as a result of wealth. Love and affection must flow of its own and it does not depend upon money at all. Most of us are poor and we marry and get a son and in our old age he takes charge of the management of the household and we feel that since we have discharged the responsibility to the aged parents, similarly he will maintain us in our old age. Sanction has the mighty force. That old law has much greater sanction than any other law which has prevailed so far for the last 3,000 years.

When I become a Member of Parliament you do not allow me to sit here unless I take the oath of allegiance, but so far as this marriage is concerned, I ask you all, are you to displace these old customs such as taking hold of a woman, taking her hand and placing her feet upon straw and saying that "our hearts are placed together like the Ganges and Jamuna"? This is not such a drab affair. Is it for the purpose of conjugal facility that a man is marrying and a woman is marrying? Our ancient scriptures enjoined it for the purpose of a happy married life and for the purpose of a good progeny. It is not open to me to leave a legacy of blind, lame and dumb children to the rest of the community and ask them to take charge of them. Even among race-horses we talk of pedigree and for humanity alone any man can marry any woman and still expect the children to be perfect angels. The new marriage that is proposed will be like tying a race-horse to a lame donkey.

Jayaswal, an able commentator of Hindu law, said that our ancients had big herds of cattle and they were also anxious to have first-class progeny so that they may take charge of the rest of the community. That is an honoured practice of our country. Hitler also wanted a good progeny for his country. Even Mussolini got a number of marriages celebrated in his country.

We say in our *Sastras*: "*Aputrasya gathimashthi*"; "*Punnamno Narakadyasmath thrayathe pitharam suthah*". That is, the son saves the father from the Naraka called puth. It is that sanction that has produced a lot of children in our country. Otherwise, we would have had to give a hundred pounds to every mother to get children. Are we to pooh-pooh this culture? What makes me say all this is that it is unfortunate that the Chairman of the Rau Committee is a gentleman who did not marry according to the Hindu law. Many of the members of the Select Committee were not married according to the Hindu Law; some were bachelors who did not marry at all.

Let it not be said outside that that is quality opinion; it is only a question of personal opinion. I am as much aggrieved about this. Am I to bow down when it is said of the *Smritikartas* that they had absolutely no business to go on changing the *smritis*? What else are we doing? We are passing a law in the morning; we are amending it in the afternoon. The *smritikartas* wanted to change the *smirits* according to the changed circumstances. They are tabooed as archaic persons. If they have changed they are equally condemned for having changed. Why are there so many *smritis*? Each is addressed to particular branch of law. My point is this. The reverence that is due in a change of law of this magnitude is not there. We are looking at the question from a different point of view. I submit that by means of this legislation Hindu society is cut vertically, horizontally, diagonally, into bits and bits. You say, let a man say, "I do not belong to Hinduism." Even the wording "professing the Hindu religion" is obnoxious. Why do you call yourself a Hindu? What is there in Hinduism? There are certain things; there is the doctrine of *Karma* which even the Buddha and the Jaina believed. The *Vedas* are not peculiar to me. I believe in the hoary antiquity of the *Vedas* as an inspired document. Do not the Muslims believe

that there is a Veda. Even the Sikhs who belong to a reformist religion worship a Book. Why should I be ashamed of my Vedas and of calling myself a Hindu? Whether I am a *Brahmo samajin* or *Arya samajin* or a *Vaishnav*, if I do not believe in the Vedas, I am not a Hindu.

Unfortunately, in this country, religion has entered into politics also. It is said that on account of these vicissitudes of castes and creeds, so many Muslims became converts. I ask, was there not one religion in China, Buddhism; was there not one religion in Indonesia, Buddhism? Where is Buddhism in Indonesia today; Where is Buddhism in Malaya? Were not a number of people converted to Islam in China? Again and again, wherever there is any difficulty you attack Hinduism and say that it is this ancient system that is responsible for all this. I say, the remedy is elsewhere. Apart from its disadvantages it is the Hindu system of marriage and not allowing a divorce, of property not being dissipated by division amongst daughters also, who have no responsibility to maintain the family, etc., that has been the source of strength to the people. I would ask a simple question. If the daughter gets married, do you ask me to live with my son or my son-in-law? It is said: "*Jamatha dasamo grahah*" the son-in-law is the tenth planet. I must be supported by somebody in my old age. Why not live with the son instead of the son-in-law? What happens if you give a share to the daughter? Of course, she will say, "come and live with me". But, my fate will be that of King Lear. I am appealing to all mothers and sisters to anxiously and seriously consider the situation. Let them not be under the impression that I have not consulted my partner at home. We have deliberated for a long time.

In these circumstances, I say, let us go slowly. Whoever wants to have liberal views, let him have his own way of life. Incidentally, I may say that *sati* is opposed to morality; that was rightly put down. You say this is an enabling provision. Why don't you say that a brother may marry a sister? That would also be an enabling provision. Up to certain limits we can go; beyond limits, we ought not to go. We should not allow incest. The question is whether the marriage should be beyond three degrees or seven degrees. I have also read some books on genetics. New things are being discovered. They say there

are three kinds of blood and that one does not agree with another. I have also read astrology in the old school. They say that before marriage you must consult the *Rajju*, *Sarpa*, and *Gana* agreement. This *Gana* seems to have been discovered by the westerners. The late Dr. Rabindranath Tagore was a great poet; but we recognised him as a great poet only after the westerners recognised him. Similarly we want somebody from the west to come and say that marriages should be only of a particular order and that the points in the old *smritis* are very good. I am a conservative in the sense that I do not want to leap before I know that the other ground is steady and strong. I would only urge upon this House to stick on to whatever has endured you for such a long time.

Before I finish, I would like to refer to one other aspect of the question, that is the *Marumakkattayam* law. They are all intellectuals; practically in the Secretariat, every Secretary is a Menon, coming from Malabar. I am proud of them. They have got a different way of life. Ask them if they are more happy. Why don't you impose this law on them also? Take the *Aliyasanthana* Law. You may think that it is opposed to all nature, where a man visits his wife and the wife remains in her house, where the children are maintained by the mother and her brother, not by himself. To you it may appear strange. Natural affection is different. Would I embrace my sister's sons with more affection, than my own? Well, that is their law and we are allowing them to continue under this law. But, when my hon. friend Pandit Thakur Das Bhargava says that there are certain customs in the Punjab, you say that they should be thrown over-board because my hon. friend is not so vociferous. After all, it is a wrong principle of jurisprudence. Law does not go in advance of custom. It is a human institution. It is something like saying that grammar does not go in advance of language. A child learns to speak first and then comes in grammar. It is a wrong principle of jurisprudence to say that custom is a wrong thing. It is said that a custom, to have the validity of a custom, must be ancient, must be moral, must be definite, etc. These are principles under which customs will be recognised in courts of law. I say it is wrong to say that,

notwithstanding the validity of any established practice, we abrogate that because we have come to a different conclusion. What right have you to say so? It is not that I am questioning the competence of this Parliament to go into this matter. I am only saying to my hon. friend, let him not force this law on the community. It may become a dead letter. Let the people come forward and ask for these reforms. I would like to have statistics as to how many persons have married under the Civil Marriages Act. We may call the people ignorant; after all, time will judge whether they are ignorant. Therefore, I would appeal to hon. Members not to jump before you are sure of the ground. Let us have piece-meal legislations. We had the Widow Remarriage Act. We had the Act to give women the power to inherit property. We had the Act to restrain child-marriages and so on. Therefore, I say, let us wait and see. Let us go slow. Nothing will be lost thereby. Nothing will be lost because we do not allow divorce. Allow it to those who want a divorce. Let those who have solemnised their marriages under the civil authority, to jointly make a declaration that they will be governed by the Civil Marriage Act. If there is a volume of opinion against a measure, let us try to change that volume of opinion. Let hon. Members consider the question coolly and deliberately. Let us not displace the existing system merely because something is novel or strange so that you may go with the rest of the universe. We understand what is meant by Christianity. Germany is a Christian country, but were there no fightings in Germany? Do not Christians fight with each other? How can we say that because of castes and creeds in our country the nation went to the Greeks? Why give a platform and a point to every other man to abuse us? We have progressed, and progressed considerably. In Switzerland they say no woman has a vote. Then why not our women go there and ask them to demand votes? There is no use giving a lurid picture of our society and of our women. Our women have produced Sitas and Savitries. They followed their husbands. Perhaps we have now to follow our wives. Let them write our puranas and say that men should follow their wives, if that would bring domestic peace. Today we are husband and wife. Tomorrow I go to a cinema and see a woman well made up with powdered face and all that. Am I to come home and beat my wife, just because she is not as pretty as the one I saw in

the picture? And the next day, am I to apply for a divorce? No. Woman is the weaker sex. Perhaps they may quarrel with me for saying so . But you cannot get rid of these institutions unless you pray to God to have only women in the world or only men. These institutions are very necessary. They are necessary for the proper balancing of domestic life. They are necessary in the interest of economy, in the interest of solidarity and in the interest of avoiding unemployment and in so many other interests. If the husband dies, there is the brother-in-law to take care of the widow. We have also the maintenance laws to give atleast a temporary strength to the widow, to stand by herself. I am only opposing those ladies who want to take away a chunk of their father's property and leave the husband alone. May God save us from them and from having an army of unmarried women.

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## Marriage and Divorce\*

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Much has been said on all the aspects, and we have to consider this matter rather dispassionately. Marriage is essentially a human institution. We do not have marriages among animals. This, after all, since the dawn of civilisation—at any rate, for five thousand years in our country —has been on a balance of convenience and advantages. Marriage as an institution is useful for bringing harmony in society, happiness inside a house, a sense of security to either spouse, and lastly, in the interests of the progeny, a marriage or the continued existence together of husband and wife, is necessary. All These four items have been taken into consideration from time to time by all law-givers. It is wrong to think that our law-givers, as many as hundred or 120 in number, who were responsible for our *smritis*, have stuck only to one principle for all time. Hindu religion does not believe in the last of the prophets: As Lord Krishna said:

यदा यदा हि धर्मस्य स्तानिर्भवति भारत ।  
अभ्युत्थानमधर्मस्य तदात्मानं सृजाम्यहम् ॥

"Whenever there is some difficulty, then I will appear in any shape or form". Therefore, I believe in a progressive course. Our *Manu Smriti* did not stand for all time. After *Manu Smriti*, *Parasara Smriti* came into existence, then *Narada Smriti* and others, from time to time according to nature and conditions of society. Therefore, if anybody says that Hindu law ought not to be changed and we must only stick on to what was good to an earlier condition, it will be

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\*Participating in the debate on Hindu Marriage and Divorce Bill; Parliamentary Debates, 12 May 1954, Vol. V, 1954, cc. 7205—7221.

reading Hindu law wrongly and the approach which our ancestors had with respect to this matter.

As a matter of fact *Manu Smriti* was changed into *Parasara Smriti*. A number of Maharshis went to Vyasa and told him: "This *Manu Smriti*, the *acharas*, *vyavaharas* and *samskritis* and others are so rigid that unless we have a life of a thousand years we may not be able to complete them. Therefore, give us some other *smriti*." Then, Parasara gave a different *smriti*. Therefore, this House is quite competent. It is also said in the *Thaithiriya Upanishad*: "Whenever you do not have a written text regarding a particular matter, take hold of three elderly men of righteous conduct and ask them what ought to be the course in a particular matter, and take it as your *dharma*." Therefore I fully believe in the capacity and the authority of this House to decide from time to time what ought to be the social structure, and if necessary, to modify the social structure. I would only say that the initiative might have been taken by the various *Mutts* and the *Muttatipathis* and religious institutions, but unfortunately the present generation does not move with the times as our ancestors. They are too reigid on one side and too revolutionary on the other. A middle course has to be adopted. A quarrel between a husband and a wife as to whom the child belongs is never-ending. It belongs to both. Therefore, it is neither actionary nor reactionary. I do not know what is meant by actionary and reactionary. Both actionaries and reactionaries are necessary. I can immediately say I am not ashamed of being called a conservative. I think every one is a conservative. So long as an institution is not proved to be false or immoral and no other institution is much better than the institution that I have been adopting, I am not prepared to leave it until there is a necessity for a change. I do not think a revolutionary also has got any different view. Therefore, let us not accuse one another as 'actionary' or 'reactionary' but apply ourselves to the position. Five thousand years ago, in the *Rig Veda*, in the tenth *mandal*, a marriage ceremony has been described. Marriage is not a small partnership on a document or a stamped paper which is engrossed in the presence of two witnesses. But it is a

holy alliance, where two persons absolutely unconnected by blood enter into a partnership for all life and carry on a business, and when the children have to come, they feel, we have no right to leave a legacy of *langda bachchas* or blind children or other children with all sorts of defectes and deformities and throw them as a responsibility on the future generation...

I do not want to be proud of any institution which has been wrong. At the same time, let us not be too critical of our ancestors. What they did at a particular point of time was absolutely right. Marriage as an institution in our country has worked well. We have not till now an army of unmarried women on the one side, an army of unmarried men on the other side, and an army of children without parents on the third side...

So far as the army of widows is concerned, I would only say that as long ago as 1856, the Widow Remarriage Act was passed. But I would ask hon. Member to be realistic and say how many widows have been remarried since then. Social evolution must be there through the ages. What is the mere good of saying there are so many widows?...

However much they may talk on the Platform, men are not willing to marry widows; they only want untouched girls. This is the main point. In 1939, when I was a Member of the Central Legislature, one gentleman from Bengal introduced a legislation whereby he said that even in a single case, no widower shall marry a spinster. What was wrong with that? If widowers are not to marry the widows, where then is the possibility of implementing this Widow Remarriage Act of 1856? I ask those hon. ladies here, who are my sisters, and who have got their daughters to marry, to think over this matter, whether, per chance they ask for *talak* or divorce in our country, there is any chance for these young women, while another husband is alive. If she gets a divorce, is it likely that she will be touched by any other man? I am asking them to be realistic. While I am cent per cent in favour of monogamy, I am a little hesitant about the introduction of *talak* or divorce so early. Let us make an experiment for some time. We have to look into the question

from various points of view. Suppose a man marries a woman, but all the time he lives with his wife like a cat and dog, then their life will be miserable. So, any institution which makes their life happy at home, even if they should be poor and earn their livelihood by working from day to day with their own hands, is preferred to something which leads to a life of fight as between a lamb and a lion inside the house. According to the western institutions, the marriage takes place after the ages of twenty or twenty-five. Each looks at the other, but does not look into the other, and does not know what exactly the mind of the other is. And yet, they would not allow the parents to decide the marriage, and they will come out saying, oh, curse that child marriage system. The parents know better; it is not every child that is given as a *bali*, or *ahuti* or sacrifice, and the parent is interested in the inside and outside of all his relations, and he brings about a marriage between proper persons. At the age of twenty-five or thirty, how is it possible for the boy or girl to know each other? If the boy wants to marry a girl who is a high court judge's daughter with a lot of patrimony, he will pretend to be the finest young man for a period of one year, until the marriage is celebrated. If the girl has a deformity, she will put on appearances, and try to marry the best man, but immediately thereafter, they go to the divorce court saying, come along, we did not know that this boy was useless, and similarly the other party will say, nor did I know that this girl was useless. These are the difficulties that occur, if there is divorce,—not that I am against it. Even with respect to the question of evolution and monogamy, there has been an institution in our country. My point is that I am against divorce, and I am in favour of monogamy. Whatever I say may be referred to this.

Marriage as an institution is both economical and social. There was a time when women were married to the entire community, and later on, men were also married to the entire community; there was thus polyandry on the one side, and polygamy on the other. But polyandry was stopped, except in some hill stations, and even there, it will be affected by this Bill.

So far as polygamy is concerned, even from ancient times, not only here, but in other countries as well, especially in the Christian countries, polygamy has been allowed. That is true. As Shrimati Subhadra Joshi said yesterday, there was marriage with a second woman, if the first wife had no children. But they had some sense of religion, and some kind of a piety. But today what happens is this. A young man goes into the cinema-house, looks at the cinema star the previous night, and when he comes home, he starts beating his wife the next morning, and wants to marry another girl, because this girl is not as beautiful as the girl whom he saw in the cinema. The unfortunate thing today is that the moral background is gone, and the religious background is gone. It is absolutely lost today, and the man, if he has got only some money, can go on changing like a bee which changes from flower to flower. This is the unfortunate thing that is happening. I have also come across certain cases—possibly others do not know—where persons who have come and settled here have sent their wives back to their homes for confinement, and by the time, the lady comes with a child, she finds another mistress in the house. How is this to be tolerated?...

These are exceptions, I agree. But what are these other women to do? I would say that a time has come when there is no longer the idea of having some children for the purpose of performing '*pithrutharpana*' and all that. Those things have gone to the background, and people nowadays do not think much of it ordinarily, except in certain rare cases. Therefore, it is not for purpose of getting progeny that people marry now; of course, it is one of those things which is still alive, but unfortunately, the other considerations are prevailing so much that it is not necessary to continue this system. A time has come when a man ought not to marry more than one wife. You may have heard that some accusation is made against the Islamic religion on the ground that it allows four women to be married to a man.

The poor Prophet had this difficulty evidently—a person could marry any number of wives. He reduced it to four. Perhaps, if

the Prophet would have been alive today, he would have reduced it still further from four to one. Some friends have said that Islamic religion has not been modified. If I choose the right path for me, I would not wait until some other man treads that path. So that is the misfortune. If at the time we return home we find some other husband at home, we would commit suicide. Likewise, why should we not be charitable? How can a woman allow any other woman to share the affections of her husband? I find some of our sisters applauding my speech. So far as this matter is concerned, I am only saying that notwithstanding this Bill, there are many things, many irregularities committed, and we do not find any condemnation by any association of those irregularities. Some of these young girls are M.As. Six Masters of Art, all young and beautiful girls, have run after one single man, merely on account of his wealth. I challenge. What is it that the women's organisations have done? It is not the man that marries this beautiful girl, it is the girl that marries because of the wealth...

We have lost the courage of our convictions to get up and restrain that man or woman who is guilty of that conduct. We must condemn that person irrespective of the consequences in the interest of society. Therefore, the time has come when we should say 'one man, one woman'. But I am not in favour of one man and woman at a time. This is Polyandry *cum* Polygamy...

I would like monogamy to be there. It is in keeping with the age of Ramachandra whom we all adore even to this day. The time has come when we should without hesitation follow it. That is my humble submission.

Now, so far as divorce is concerned, I am afraid even with respect to monogamy there are some difficulties. My friend, Mr. Khardekar, said it has become an economic institution. People say in the whole of India, men and women are equal in number. But take Orissa; there are more women than men. In Pathankot, there are more men than women. Therefore, will you say that there is a Pathankot male and there is a female in Orissa and they balance each other? What is the good of that

marriage? I know there are communities where there are a large number of females living absolutely all through life without conjugal happiness and also without any economic help. There must be some other person to support because the parents must die in advance of those children. Therefore, for support, sisters marry the same man. I would have liked for some time that with the consent of the woman, he can marry after ten years and so on. But that consent can be coerced. Under the circumstances, do not make it optional for the husband. Let us try this experiment of having monogamy and not allow the husband or the wife to change during their lifetime.

So far as divorce is concerned, even the *Parasara Smriti* allowed divorce to some extent.

So far as the five are concerned, they are already in existence. *Nashte* is there. Then we have *Mrite*—if the husband dies, the woman can marry another husband. Then we have *Pavirajate*—that is, if he becomes *sanyasin* or if his whereabouts are not known, then *Klieve*—impotent, and then *Pathete*, i.e. if he changes religion. Under these circumstances, it allowed divorce. But it so happens that during the latter period this has not been adopted. Now, hon. Members will consider, particularly in the Select Committee, whether the time has not come when immediately we should introduce some such thing as this.

Now women want equal rights with men. What are those rights? Till now, a woman was not entitled to have many husbands simultaneously, but the husband could have many wives simultaneously. Now, both man and woman want equal status. Let them continue for a period of five years or ten years; let us watch what exactly is going to happen. I am only requesting the lady Members of this House to consider. If a divorce takes place immediately and power is given, who will be in a disadvantage? Let them not delude themselves that beauty will continue for ever. A woman may be beautiful today, but may be stricken with small-pox tomorrow and what is to happen with respect to that? So there is no good just banking upon these things; they are all effemeral. Ultimately what abides is

something different. You may be surprised to find a beautiful looking woman marrying an ugly man; ultimately they are in so much love with each other that their hearts have mixed up like the Yamuna with the Ganga...

So long as there is a loophole, we will go on changing from one to the other. It is definitely said that we have to hold together; at any rate, before day-break all quarrels end.

I would urge upon hon. Members of this House and people outside also to consider these matters. Let us for a period of five or ten years work this monogamy system both for the husband and wife. Let us not get out of it.

Shrimati Subhadra Joshi spoke very well and in a very touching manner; she narrated the difficulties undergone by a number of young girls and she appealed to the good sense of this House and asked: 'Will you allow this?' Even if there was a single case of hardship on account of various considerations, she said, the wife must be separated from the husband, as you have made a provision in the Penal Code even for a single case of murder. I am sorry the analogy is not appropriate. I would only say this: if in a village there are a number of houses and one house catches fire, will you destroy all the other houses, so that they may not catch fire? You must consider it from this point of view also. Under these circumstances, it does not matter if one woman is not able to get out of the hands of the husband, but even there we have made a provision. It appears our friends are forgetting what all we have done. So far as this matter is concerned, we have made provision three or four years ago for separate living and maintenance, under circumstances for which she will be entitled to judicial separation. Judicial separation—what is that? Why does not the girl remain separate even if he should be guilty of adultery? Our *Shastras* have gone so far. Unfortunately we think our ancestors were fools. I do not know what we will be called by our succeeding generations later. Now Manu or Yagnavalkya did not want us to drown ourselves in the Ganga or the Jumna. This is most unfortunate. I went along with you Sir, to various countries. Each country is proud of its own achievements and



culture. This is the unfortunate country where everything is wrong from start to finish, and we say that our ancestors have been wrong in having produced us! I want to appeal to the hon. Members of this House, and particularly, to the lady Members to realise this, namely, that marriage is not a unilateral affair. I also find one lacuna here. It can say that marriage must be between two Hindus of opposite sexes. It must be there. Of course, nowadays we do not hear of such nasty, unnatural offences—incests and so on. Nothing of the kind. Let us realise that we have got a message to give to the rest of the world. We are one of the most ancient civilizations in the world. Let us realise this. If a husband must behave badly, I do not want a wife to go on surrendering to him. But there is a provision already made in that regard. You may say, let her live separately and comfortably, away from him. But there is one other point. What is the good of living, even with maintenance and a separate residence? And even if the girl gets separated, I might ask: is she not likely to have a marriage? Normally, about the exceptional beauties, I cannot say. As Mr. Khardekar said one beautiful lady may be liked by many. I do not know if one beautiful lady will allow a hundred men to just rush at her! It is very wrong. After all, appetite grows by what it feeds on. It is a desire, a mental one. But one can curb those desires. The greatest man both in this world and outside, and beyond this world, is the man who has controlled his passions. It is such a quality that our ancients have developed and we have to develop. Human agencies have developed to that extent, and so, we do not rush after any such thing, unlike animals. We have to restrain our desires, and thus we attain a position in society. Therefore, I am not in favour of this divorce. The Select Committee should try to avoid this divorce for a period of five years. If perchance, divorce has to be given, it should not be for the purpose of getting rid of contact with a disease, say, leprosy. A person may develop leprosy in his fiftieth year. But I understand it is not obligatory under the provisions. The wife is not bound to give him up. But take the other case. A woman also unfortunately falls a prey to leprosy. Do you mean to say diseases make a difference between man and man? A woman

also may be a leper. Instead of keeping her somewhere and attending upon her, should we throw her away to the streets, in which case we might like to become *parivarjakas* or *sanyasis* or become outcastes. If divorce has to be kept as an indissoluble factor along with this, confine it at present to that aspect. Instead of judicial separation, she can live separately and then have maintenance. Even if the man should be guilty of adultery, the woman should have maintenance under the Hindu law. Our ancestors have said you cannot kill a man merely because he commits adultery. Then, why should we chastise our women? We must maintain her and give her such great comfort as to bring her back into the normal condition. That is what I would say so far as this is concerned.

I would now appeal to the hon. Members to realize the fact that from the dawn of civilization down to the present day, marriage has been facilitated and divorce had been made difficult. I want all possible methods for inducing persons to marry. Marriage must be allowed so that no child could be called bastard. Our ancestors had eight forms of marriage, so that even if a person should carry away a woman and then a child is born, that child would be said to have been born out of legitimate marriage. That would be a legitimate child. We are progressive as against them. There is no such provision here. You must have only a particular form, by force or compulsion. Then, what is to happen to that child? Under these circumstances, I would say this: let us progress, and let customs continue. Tonight you marry, and tomorrow morning you make a divorce, and then make divorce also, as a customary form, difficult, as Mr. Jangde so wisely put it. The problem there is, the woman gets away and the husband looks on, whereas in the other case, the man is master of the situation. Let there be justice between both. I say I want to be proud of my country, of my ancestors. Of course there are ways which we have a right to set up. In the 10th Chapter of the *Rig Veda*, marriage is described. It was 5,000 years ago, as the European scholars grudgingly put it. I would put it at 15,000 or 50,000 years ago. There, a marriage took place between Surya's daughter and

the moon. What is moon? The light which comes out from the sun illumines the moon. This is an astronomical fact. The moon by itself has no illumination and it does not by itself illumine the other bodies. This was discovered by the Europeans only recently. But our ancestors discovered it 5,000 or more years ago. Well, the girl is bathed and is given a new *sari*. The very words of these descriptions are preserved in *cadjan* leaves—the words which have since been used over a continuity of several civilizations. Is this wretched or immoral life? I would commend the House to consider this aspect. Then, the girl is taken to her husband's house. *Panigrahana* takes place. She is handed over to her husband, to take charge of the household. She is told: you are no longer a member of my family. You are a member of your husband's family. So, on the right of inheritance, I would urge upon all the Members, especially our sisters, in the House to make it impossible for the husband to check her out. As soon as this woman is married, let her become an equal sharer in the husband's property. It is said in the *Puranas*: do not allow a single teat to drop from the eye of the woman. How many of the husbands now follow this direction? On the other hand, they make them weep. Let us rise and give a proper place to those women. Let no one of us treat them as slaves. '*Saha dharmachari tava*'. That is what our ancients have said; it means, you have a co-equal partnership along with your husband after the *panigrahana* takes place.... She becomes the queen of the house. I am proud of such a tradition. The wife should maintain the younger children and the older parents in the household. Whether he is a socialist, whether he is a communist—all of us have got experience of a social structure in society. Do not disturb it. Let us create a broad mentality. After all, by virtue of your motherhood, you have to give the country the future heroes and heroines. So, do not make this marriage or this divorce so cheap, and so easy for men and women to marry and get divorce. Do not make this *talak* or divorce cheap. Let us continue the existing order for some time. God is there. We make a law today and we can amend it tomorrow. Five years is not too much. I appeal to the

Members of the House, particularly to the lady members, to realise that divorce is not indissoluble from marriage. Let nobody be under the impression that divorce is indissoluble from marriage. We are largely following the ancient marriage system. Why should you make a marriage between divorce and marriage? Divorce can stand separately. Let us have monogamy. I am a product of the old culture. I am now changing into the new culture. I may be called conservative or liberal. But I feel that there is something in our ancient culture which has to be preserved.

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## Reorganisation of States on Linguistic Basis'

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This resolution has my theoretical support. But from a practical point of view, I think the resolution, if it is accepted, cannot be implemented immediately. And the grounds are very serious. So far as the desirability of it is concerned, that was accepted long-long ago and I agree that at some time or other this country must be divided on a linguistic basis. The majority of the States in this country are already on a linguistic basis though, no doubt, here and there some small adjustments have to be made with regard to boundaries. Assam is a linguistic area. West Bengal is a linguistic area, Bihar is a linguistic area, the whole of Uttar Pradesh has one language, in Rajasthan there is one language, and in the Punjab they have got their own language, and so far as Orissa is concerned Oriya is the prevailing language. Therefore, so far as these States are concerned they are already on a linguistic basis. But a small difference in adjustment has to be made in the South and in Bombay. Bombay consists of Maharashtra, Karnataka and Gujarat. I do not know if Gujarat can be joined with Saurashtra—Gujarat and Saurashtra can go together and they can have a Maha Saurashtra or Maha Gujarat. Even otherwise it will add only one more State to the total number of States. Today the only States to be interfered with in that manner and split up are Bombay, Madhya Pradesh and Madras. There are already so many States in existence and if only we add two more to the

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\* Participating in the debate on a resolution regarding linguistic states; *Parliamentary Debates*, 12 July 1952, Vol. III, 1952, cc. 3688-94.

total number we will have the whole of India divided on a linguistic basis. Let us not be under the impression that we are going to add a number of States and divide the country into a number of *chhota* States and bring our country to the same position as existed long ago—Anga, Vanga, Kalinga, Vidharbha, etc.—there were fifty odd States long ago. But even if there should be readjustment on a linguistic basis we may not be adding more than one or two, at the most three new States in our country. Take, for instance, Bombay. The portion of Karnataka may be tacked on to Mysore and Coorg to form a homogeneous Karnataka State in which case Mysore being already a State we will not be adding to the total number of States. So far as Maharashtra is concerned it will be a new State. I hope they will give up Maha Vidharba for some time—I hope Maha Vidharba will go with Maharashtra because the language is common. My friend, Dr. Deshmukh is under the impression that he has got the right immediately to split it up—let him not be under that impression. The solution of the problem of the rest of Madhya Pradesh means mixing water with water—for instance. Bundelkhand goes with Uttar Pradesh. But my difficulty is this: It appears easy to us to sit and divide the country on a linguistic basis, but look at the differences between brother and brother, between one Hindi-speaking area and another Hindi-speaking area and the trouble that might come out of it. I had supported my friend, Seth Govind Das when he said that a portion of Uttar Pradesh may be added on to the northern portion of Maha Koshal so as to form an equally big Hindi-speaking State like Uttar Pradesh.

We from the South are afraid. If the whole Maha Koshal will join Uttar Pradesh then Uttar Pradesh will become such a big State that all of us will be overshadowed by it. Even though it may be one linguistic State, we are terribly afraid of a linguistic State bulging out so big and overshadowing the other *Chhota* States in the South.

In respect of Kerala there is only one district, Malabar, which is in the Madras State and it can easily be joined to Travancore-Cochin and made part of a homogeneous State.

Now I come to Andhra. The claim of Andhra stands on a different footing altogether from the rest. Formerly Orissa was separated on the one side from Bihar and on the other side from Andhra, but still Koraput and some area on the border which is claimed to be Telugu and where the majority of the people are Telugu-speaking, have been tacked on to Orissa. So this trouble is still going on. Take, for instance, the border between Bihar and Bengal. I agree with the demand of Bengalis that that portion of Bihar towards the east must go to Bengal, it is a legitimate claim. If in a large chunk of territory the people speaking a particular language want to have their own administration, what is the meaning of their imposing their will against a small linguistic minority and insisting on their continuing there notwithstanding the fact that they speak a different language altogether? It is inconsistent. Therefore, let us be true to our professions. If we want to divide the areas on a linguistic basis let those small chunks of territory adjoining the border which have an altogether different language be separated, let us not try to grab them and enforce our will upon them merely because that territory is necessary to make our territory big. That is the consideration both with respect to Orissa and Andhra on the one hand and West Bengal and Bihar on the other.

I shudder to think of the many problems that we may have to face in the solution of this question. Difficulties will arise if immediately we undertake the splitting of this country into linguistic areas. I know some time ago there was a desire on the part of Kerala people from Malabar for an Aikya Kerala, a United Kerala. Travancore was independent and so was Cochin even though with much smaller resources but now when once they have been joined together eternal differences almost to the extent of fighting each other and leading to a rebellion are developing between Cochin and Travancore. They say Cochin is not properly represented, that Cochin is facing a lot of difficulties. I have tried to study the problem. Cochin was an independent State, they had their own problems they had their own Ministers and so on. But sufficient representation is not

given to them in the Travancore-Cochin Assembly and therefore trouble is brewing there.

Likewise, my fear is that if we start today on this linguistic division there will be enormous trouble brewing. Therefore, what I suggest is that you must allow this idea to go round with respect to all the other States in the country, and allow it to percolate in people's minds. This is one of the steps that we have taken in this regard. There is so much support for the resolution. On the other side, whoever opposes it does not oppose it on the principle that division on a linguistic basis is not proper or desirable. But we have to consider the conditions that are obtaining in the country today. We are trying to consolidate the whole country into a nation; after its division on a religious basis if we divide it on a linguistic basis—is this the proper time for that? On our border there are so many problems. The international situation is also not so clear; one week it appears as if the war clouds have disappeared; another week it appears as if they have gathered again. If a conflict should arise, should we be going on struggling against smaller things like this, putting one district here and one there and dividing the country on a linguistic basis? That way many more troubles may be created. Therefore, I appeal to the hon. Members who have tabled this resolution to consider these factors. At present it is unlike the British regime when we used to pass resolutions which may be accepted or may not be accepted. If today this resolution is passed by a democratic Parliament like this it will have to be accepted by the Government. If it is passed they must either accept it and implement it or else they must go out of office. Therefore, the hon. Member who has tabled this resolution will kindly think it over and also kindly consider whether the time is propitious for this business of linguistic division. Actually it may come to pass much sooner than we expect. While many of our older people live we may have the country divided on this basis and set at rest many of the difficult problems. I have absolute sympathy for the Telugus in Orissa and for the Bengalis in Bihar. It is a



matter which must be adjusted some day, but today the time is not propitious for it.

Let me say a few words on Andhra lest I should be misunderstood as not being in sympathy with the Andhras. I presided over an Andhra Mahasabha so early as 1938 and demanded the formation of a separate Andhra Province. The Andhra Province can be easily formed. In a joint Hindu family, brothers live together in amity and without difficulty and do not want to separate from one another until their wives begin to quarrel. And remember that day when the pot is placed on the hearth, the rice is half-cooked, the younger brother will come and break the pot. That is the position as between the Andhras and Tamilians in South India today. The elder brother breaks the pot, I agree: not the younger brother.

This agitation for an Andhra Province is nearly forty years old. The Andhra Province, if it is carved out will be an economic unit, even apart from having Vishal Andhra by taking a portion of Hyderabad and attaching it to Andhra Province. This has been conceded on various platforms by the Congress, and the Madras Legislative Council also passed resolutions many a time and the Andhra Province was on the point of coming to fruition two years ago. It broke down on the question whether Madras city should form part of Andhra or whether it should be broken up into two parts one part going to Tamil Nad and another part going to Andhra. The other alternative was to convert Madras city into a separate Chief Commissioner's Province. We the Andhra Members in Parliament agreed that we need not worry ourselves with Madras city for the time being. It might be carved out of the Madras State, which is a composite province consisting of Andhra portions, Kerala portions and Kannada portions and Tamil Nad. We said, let that composite province remain and from it, the Andhra districts may be taken out and converted into an Andhra Province. Unfortunately, some friends fasted and their fast did not help the matter but disturbed the situation here. Some other friends went to Madras and said, "Madras city is ours; Madras city is ours."

Some Andhra gentlemen went about the streets of Madras saying the Madras city is theirs. Tamilians' voices are not wanting which will cry more hoarsely that Madras city is theirs exclusively. That is the difficulty. We wanted to go into this matter and get the province as early as possible, and take the question of Madras city later. Madras will not go anywhere. Will it disappear into the Bay of Bengal? If the Andhra Province is formed, we shall be in a better position than with our own Governor, with our own Ministers, to put pressure upon the Central Government and say that a portion of Madras should come to us or that Madras city should be formed into a separate Chief Commissioner's Province. But our friends there had no patience.

In the interval, the districts of Rayalaseema were affected by famine. For the last four or five years, famine has been raging there. It has become notorious. The people there have become a little agitated over this matter. Therefore, they do not want a separation of the Madras Province, because if the Andhra Province is formed it will become a very small unit and the Rayalaseemites fear that sufficient money for the development of Rayalaseema may not become available. Further, Madras city is so near Rayalaseema and if Madras city does not become the capital of the new Andhra Province they will have to travel a distance of 200 or 300 miles from one extreme corner to Bezwada, from Anantpur, etc. There are influential opinions here and there against the immediate formation of Andhra Province although I do not say that the Rayalaseemites will not ultimately agree. This matter has to be settled not by one man undertaking a fast. This matter has to be settled amicably. Even Rajaji the other day said that he was not against an Andhra Province. The Prime Minister has stated that Andhra Province stands on a different footing for the reason that this agitation has been going on for a longer time. Let us the Andhra Members here and outside—put our heads together and try to evolve an agreed formula and not insist upon Madras city coming into the Andhra Province immediately. Let us not ask that the whole of Madras city should become part and

parcel of Andhra Province. It can never become. So if Madras is partly Andhra and partly Tamilian, it would be better or it may be converted into a Chief Commissioner's Province or the third alternative is that it may be relegated to South India or Tamil Nad. Dr. Lanka Sundram does not accept the third proposition. (*Dr. Lanka Sundram: Yes.*) Then let us explore the possibility of the other two alternatives. If that is done. I am sure the Prime Minister will pay heed to our request and form the Andhra Province apart from the general question of carving out linguistic States.

The present resolution is in general terms and I am sorry I shall not be able to agree to it being passed.

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## TRADE AND COMMERCE

### Foreign Trade\*

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I welcome this Bill but give it not a very whole-hearted support for this reason that I am not satisfied at all about the working of controls in practice though I find the necessity for this Bill. These controls have not worked properly at all and unless some guarantees are given and stricter steps are taken to make proper use of the power that is sought to be conferred upon the Government under this Bill, we will only be putting austerity standards upon poor sections of the community allowing the richer sections to have their own way. If to-day there is an adverse balance of trade it is more due to the high style that the richer sections live. It is no doubt true that during the past year or two we have had to import even cereals from foreign countries but that deficiency was there even before 1939. Before 1939 we were importing 1½ million tons of rice from Burma. The Southern part of India particularly Madras and other areas were living on imported rice from Burma, Siam and other countries. That was before partition. After partition this situation has become much more serious and critical so far as food is concerned. The wheat in Punjab and the rice in Sind have been cut off. Other raw materials like long-staple cotton produced in West Punjab have also been taken away. Very valuable commercial crops grown as a monopoly in Eastern Pakistan have also been taken away from us. Our position has

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\* Participating in the Debate on the Imports and Exports (Control) Amendment Bill, 1950, moved by Commerce Minister Shri K.C. Neogy; *Parliamentary Debates*, 22 February 1950, Vol. I, Part II, pp. 722—728.

become worse since partition. So far as at least cereals are concerned unless they were imported, numbers of people would have died of starvation during these years. The Government has to be congratulated for the bold step it has taken even at an enormous cost of giving subsidy for cereals. About 130 crores worth of cereals have been imported yearly these years and 25 crores were granted by way of subsidies by reducing the cost to purchasers in this country of these imported cereals. The hon. the Prime Minister has said that after March 1951 he would not allow any rice to be imported into this country. We will assume he sticks to that. It will mean that even though rice may not be sufficiently produced in this country he wants that the people should restrict their consumption. The poorer sections eat more rice or cereals whereas the richer sections live on other articles more delicate and so the poor sections alone will suffer. What have the richer sections done in return for this sacrifice by the poor. Is it necessary that we should import those articles for the benefit of the rich which are apparently necessary articles but must also, for some time to come, be put as luxury articles until we are able to balance our payments. In 1948-49 our imports were 518 crores, exports were 422.82 crores and the balance was adversely against us to the tune of 95.17 crores. Under food we owed 4.43 crores, raw material 28.29 crores and manufactured articles 59.73 crores. On all these items we owe to foreign countries more than what we were able to export. Taking the countries individually our sea-borne trade in 1948-49 with U.K. was from April-September 152.13 crores imports and 90.26 crores exports and we owe a balance of 53.87 crores. We imported from the Commonwealth as a whole during the same period 245.78 crores as against our exports to Sterling and soft currency areas of 218.35 crores and even there there is an adverse balance of 27.43 crores.

Let us take all foreign countries together. Even there we have an adverse balance of 95.18 crores in 1948-49, from April to

October 1949. I got these figures from the bulletin published by the Reserve Bank. They bring these figures only to the end of October 1949. I searched in vain for the chart showing monthly figures which used to be hung in the Library containing statistics prepared by the Economic Adviser to the Government of India working evidently under the Department of Commerce. That is not available now.

Overseas figures are for April to October 1949, exports 212 crores and imports 370 crores and so the adverse balance is 157.25 crores. In 1948 itself trade with Pakistan ended in an adverse balance of 41 crores against us. I have already referred to figures from April to October 1949 which was exclusive of Pakistan. From Pakistan in 1948 we had a favourable balance of 20.43 crores in overseas trade. In April to October 1949 it had reduced to 2.23 crores. Today we have practically no balance with them. We will assume that food is not imported. Even then unless we put ourselves to austerity standards, unless we consume less and export more, unless this is written largely from head to foot as in the Railway Department from Station-Master down to Porter, it is not possible. I wish every member of this Assembly, the Commerce Minister and all his subordinates should go about with placards saying consume less, produce more and export more. I ask you, 'Do you know the position in the country? I went to Muzaffarnagar, Muradabad and other places recently. I found that in the morning the children are given *chapatis*, in the mid-day also *chapatis*, evening *chapatis*, and night also *chapatis*. And *chapatis* made of what? Made of *Jawar*...

What is it that they get in addition to these *chapatis*? Do they get anything like vegetable or *dal*? I don't know. That is what exists in these parts. In our parts, in the South, we take cold rice, cooked rice put in cold water, and nothing else but a pinch of salt. Children sit round their mother and show their outstretched hands with palms formed like cups. They have no cups; in the north, you may have some. And so this is all that the children have, cold rice with a pinch of salt. That is the

delicacy of the poor man in our areas. The mid-day meal consists of some cooked rice, and the same thing in a cold condition is given once again in the evening. That is the standard they have. And now we are asking these poor people to put themselves on austerity standards! How can that be done? Inside the jails we get 16 oz. to eat, but outside we get only 8 oz. Still, in spite of this, the ordinary man in the village keeps himself alive; he works hard and manages to keep body and soul together without dying of starvation. I know of many poor families, and even many middle-class families where the father and mother have to go without meals so that their children may have food. The parents deny themselves this luxury of having a meal! If they eat, then the children would have to starve. Children are no longer the wealth of the nation in our country though they are the pride and an asset in various other countries. I do agree that so long as we are not able to produce sufficient quantities of food, we have to consume less and less. But what attempts are being made to improve the position? You come before this House and ask us to put ourselves on austerity standards. I ask you, cannot we do away with so many motor cars? Take the number of motor cars we have. Recently when some Americans came here to see things for themselves, see us and our conditions, and see conditions about the import of any new foreign capital into this country, it is reported they said, "There is visual or visible opulence in this country. There are riches everywhere." We are more dandy-like. A rich man has got four motor cars and lives in a palace. But in other countries even the rich men are putting themselves to austerity standards. Whereas here a rich man has four servants, in other countries for instance an erstwhile viceroy of this country, lives in a cabin in England and has no servant. He serves himself and asks his guest to serve himself too at the dinner table. That is the position in the West. Cannot the richer sections of our community also do away with some of their servants, with some of their motors cars? Should we have so many motor cars? In spite of the adverse balance of trade, I find that the figure for motor cars is very high. For instance for cycles, we have the figure of four crores.

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For motor cars the figure is 2.14 crores, lubricating oils and other oils, 90 lakhs, fuel oils 806 lakhs, other lubricating oils 465 lakhs and in all 13 crores. Paper comes to 6 crores 31 lakhs of rupees and books—all and sundry books, even trash produced in any part of the country come to us. And it seems we cannot dispense with these things for some time. Can we not really do without them? True, the bloody war was over, but a different and a very real war is now raging. Hunger and famine are stalking this world everywhere. All know it, except probably the rich man. And the poor man has no voice. The rich man is living in complete comfort and seems to have his own way. What do we find? The open general licence is a sort of invitation for foreign countries to export to this country. For generations you have heard that the United Kingdom never had a favourable balance of trade in commodities. That is a well-known fact. England has been exporting less and importing more by way of food and commodities, but they have been maintaining themselves. They have been making up the deficit by investments in foreign countries, by different services, as banking, insurance, shipping and other things. These are invisible exports. That is how they have been able to make both ends meet. During the war she had to give up one possession after another and now ultimately it ended in an adverse balance. But on account of the enormous activity and enterprise of Sir Stafford Cripps and his Government, they have now converted the adverse balance into a favourable balance. Exports have been increased. To achieve this end they have all along been anxious that there should be greater and greater exports to this country. But instead of exporting capital goods which we so badly want, they have exported other things so that they can rehabilitate themselves. I have ascertained this from the Ministry of Commerce, probably it was from the Finance Minister himself that the open general licence was allowed so that the customs duty and import duties may increase and go to produce a balanced budget. That is to say, we purchase from foreign countries things out of our valuable



sterling and dollar reserves so that in return we may get a fraction, about a tenth, by way of customs duty. Sir, this reminds me of a story current in my part of the country. On the *Vinayak Pooja* day, that is, on *Chaturthi* one made a *Vinayaka* or God *Ganesh* out of *gur*, and in order to offer *nivedyam* to him, he pinched a bit from the buttocks of the image and offered it to him. That is the sort of thing that we do here. It is really surprising how we are frittering away our dollar and sterling earnings accumulated at the cost of our sweat and blood during the years of the war, all for earning customs duty. Sir, what do we find? In the last four months there have been four kinds of licences. There was the open general licence, and then a slightly closed general licence and then there was the closed licence and finally there is the reopened licence! Really it is no wonder that the poor merchant, does not know where he stands, what he can get and what he does not get. There is another saying, in our parts—Pardon me for indulging in a small story, Sir. There was a *zamindar* who was in the habit of giving pieces of land by way of gift, and to him went a Brahman. But this *zamindar* was also known for withdrawing his gift after some time. Well, this Brahman went to him on horse-back and after receiving the gift, he did not go in the normal way. He sat on the horse facing the tail and while it turned round and went back, he kept on looking at the *zamindar*. The latter naturally asked him. "Why are you looking at me?" And there came the answer. "I have heard that what you give by the right hand, you take away by the left; and to see whether you are withdrawing your gift, I am looking on at you." These licences have come often in quick succession but there does not seem to be any policy or any programme or anything whatever. It is time that we should sit tight over this. I do want a kind of austerity to be imposed not on the poorest, but from the top to the bottom and the waste that goes on in Delhi and everywhere in entertainments, all these must be put an end to. If we mean business, let us do so. Otherwise I am not in favour of these controls. For whom are they really intended? Are they intended for the beggar in the street without even a loin cloth and do you want him to go naked? If you mean business, start it from the top;

otherwise, do not come forward. In the working of this control, we have noticed how much nepotism there is. There are suggestions made that the State should trade for some time. Then somebody says that if the State should trade, private industries will go. I say that Government may take up trades for a short period as the U.K. started a corporation. Burma is trading in rice and other countries have been undertaking new projects and some in bulk cotton and so. For the sake of 150 demi-gods in this country who are capitalists the whole country has to suffer and all our people have got a capitalistic outlook in our hearts and each man hopes to become a capitalist one day, and therefore they have now started having a capitalist outlook.

A committee is appointed which is going on indefinitely and it remains to be seen what this Committee is going to do. All the big departments of the Government said they were incapable of managing the show. Why not we hand over the Government of India to a private corporation and ask them to manage it. I only refer to all this to show what abuse is made in this export control. I will give only one instance. Export permits are given, say for *lungi*, handloom cloth, which is manufactured to a large extent in the southern presidency. It was stated that persons who are already in the trade should be given permits. One man was given a permit for trade with Burma. But that man had never traded with Burma. Another condition is that he must pay the income-tax. He said that he was exempted from payment of income-tax. He never traded with Burma, but his brother was said to have been there and even he fled away as early as 1941. When I pointed this out to the Ministry it was said "we exempted him from paying income tax; his brother was in Burma and therefore, there is justification". When I further wrote to the Minister or somebody in his Department—I want to be a little cautious—he told me that they discovered that the fellow has fabricated other permits. A forged signature of somebody and that was under investigation.

I remember that Dr. Ambedkar on a prior occasion said that it was necessary that we should have controls, but at the same time we should see that these controls were worked properly. He

suggested a kind of tribunal before whom complaints of any irregularity could be brought up. In the working of controls there is an element of discretion and in exercising discretion, sometimes they act rightly and sometimes they act wrongly. Sometimes *bonafide* and at other times *mala fide*. Therefore to keep at the head of the administration, everything open and above board and absolutely pure, some agency should be devised. Controls are inevitable but you must screw up the manner in which these controls are exercised. I do not know why even today some such thing has not been done. I know the hon. Minister will tell me that one retired Accountant General was appointed as a complaints officer. That man was creaking in his shoes the moment I sent him a complaint. He says: "Tell me, what is the good of this complaint, Sir." Any man who has all along been in this line should be terribly afraid of the name of the Minister or the Departmental Secretary. He can do nothing. An independent officer of high rank, preferably a Judge of High Court, should be appointed.

These are all the difficulties in the way and I do not want to say that we are all above board. The rules and regulations are framed to avoid temptations. The hon. Minister may say that I should take charge, because I am criticising the paper pipes and when I quarrel with his tune it is not right for him to offer the pipe to me and ask me to sing. I therefore say that due notice must be taken of all these and all loop-holes must be safeguarded and if we make any reference here it is not against my hon. friend the Minister against whose integrity, whose capacity, whose sense of patriotism nobody could say anything. He is one of the most experienced men that we have ever seen in this House. My only fear is that he is a little too good.

There was a predecessor of his who has since gone away to Pakistan and who started all these. There was a rate of commission exacted for each permit. There is a temple in my place where I can have the *darshan* of the Lord for seven rupees and for doing another form of worship ten rupees and so on. That gentleman was the predecessor to my hon. friend; he was not an immediate predecessor. I know that there was a

practice such as this. To get a permit for a film the film actor had to go to his house. There have been such abuses and these controls tempted these people to start all kinds of bad practices. Therefore, this is a heritage that has fallen upon the shoulders of my hon. friend, the Minister.

I do not want to make a very serious subject more serious than it is now and I am really sorry that we are not putting ourselves to that kind of restraint, that kind of austerity. England has been adopting such austerity measures. I have heard recently from friends that for a whole week they did not get more than one egg there. One of our friends went to England and he lived in a hotel. He had some extra coupons for sugar left with him. The coupons were offered by him to his motor driver, a European, but he said: "No, we are on rations". That is the kind of conduct we should follow. There a higher sense of responsibility is prevailing. Such a feeling does not unfortunately exist here and therefore the Government must take greater care to inculcate this spirit. How can I go and tell some other man that he should go with his only cloth when all the cloth available in the Delhi Cloth Mills is not enough for me and for my family? When I went recently to the Imperial Hotel, I found there was morning breakfast, mid-day lunch and evening tea and so on. Wherever we go, we may get morning breakfasts, mid-day lunch, then tea and night dinner and we have no time to read and much less time to digest them. That is so in all capitals. Where is that austerity except on paper? Where is the difficulty in the country or the adverse balance except in the overseas bulletins and in the statements of the Reserve Bank of India? Where is that scarcity except in the huts and cottages in villages where people are hungering for food? Is this all for the poor sections, who form 90 per cent of the population of this country? If that is so I am not going to give my vote for this Bill. If it is not a mere paper Bill but a law which in all seriousness will be implemented by proper officers in charge of it, if we are going to have a tribunal to see that complaints there and then are accepted and if the hon. Minister is going to see that no nepotism prevails, then I am in favour of

this Bill. In that case it may continue for five or even ten years till we make ourselves self-sufficient. It is easy to do that. It is not difficult if we grow more food in this country and to that extent we cut off our imports. Is it not necessary for us to set an example at least in cloth? I have been trying to persuade the Industries Minister to see that for two or three years only 20 varieties of cloth are produced which all men and women in this country must wear. Do not import 12 crores worth of long staple cotton from Egypt, because Pakistan has stopped its supplies. But without voiles no rich woman can live in our country and without fine shirting cloth no man will live! Can't we try to see that they do live without them?

Another point. Unfortunately, there is no coordination between the Industries and Commerce Ministries. The hon. Minister may say that he and his colleague come from Bengal and as such meet very often. That is not what I mean.

You impose austerity standards but in what ways either by financial or other help such as giving the raw materials do you substitute those things in this country? Cannot we get along without lipsticks? Can't we get on without canned fish in the country? Can't man get on without milk powder in this country? Then why do you get them? Why do you get canned fruits from Singapore and Australia? Why don't you prevent this? Simultaneously why don't you have a canning industry in this country. On the one hand you can restrict your imports and on the other you can help develop local industries.

Our Trade Commissioners are sent abroad to foreign countries. It is said again and again that our arts and crafts will find a market in foreign countries. But what is the liaison? A Trade Commissioner is a subordinate of the Commerce Ministry? The person who has to produce the articles is the Industries Minister.

...With respect to licences let us see how these two gentlemen work together. Caustic soda is being produced in this country in plenty, enough to dump the market and the industry in this country. I do not want to multiply instances. I want that

both these Ministers should be rolled into one or there must be a super-Minister bringing these Ministers together. But there is unfortunately a tendency for each Ministry to become self-sufficient. One Minister wants houses, clothing and every thing else for the hospitals under his charge. Another Minister likewise wants for the Industries Ministry and a third for the Public Works Department. Each Department puts up its own factory for the production of everything that it wants...

So that kind of co-operation is lacking. A tribunal ought to be set up for the purpose of enquiring from time to time that so long as controls exist they are not abused. I would urge, subject to the findings of the committee to be appointed, a State Trading Corporation for these monopoly commodities. As soon as we are able to develop our trade in foreign countries to an adequate extent the State might withdraw from that sector and leave the trade to private hands. I wish that the hon. Minister with the power that will be granted under this section will bring about such radical change in the country as to allow only those articles which are absolutely necessary in the country to come in and export as much as possible, not to Czechoslovakia or the U.S.A. but to our own surrounding countries—Burma, Siam, Indonesia, Afghanistan, Iran and other countries. Our Eastern countries in Asia will be our market. Our home market is sufficient. Our imports are not absolutely indispensable.

Again and again it is nauseating to hear that we are going to ask America for capital goods. Let their capital be with them. We have tried that experiment before and we have liquidated our sterling balances in a vain attempt to get capital goods from the U.K. Neither the capital goods have been sent here nor basic industries have been established. On the other hand, they have established a soap factory and a match factory. These are the ways in which the sterling balances which we had accumulated at enormous cost have been frittered away. Let at least the balance remain. Let us now impose these restrictions. I wish the Bill all success in the future. But the test of the pudding is in the eating of it.

**CORRIGENDA**  
**TO**  
**MONOGRAPH ON**  
**"M. ANANTHASAYANAM AYYANGAR"**

<u>Page</u>	<u>Line</u>	<u>For</u>	<u>Read</u>
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95	10 from bottom	warring	warring religions.
108	14	fla e-up.	flare-up.
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