

Wednesday,  
18th February, 1948

THE  
CONSTITUENT ASSEMBLY OF INDIA  
(LEGISLATIVE) DEBATES

Official Report

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(17th February to 4th March, 1948)

SECOND SESSION

of the

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)  
1948



# CONTENTS

Volume II—17th February to 4th March 1948

	PAGES •
<b>TUESDAY, 17TH FEBRUARY, 1948—</b>	
Starred Questions and Answers	795—809
Election to Indian Oilseeds Committee	809
Resolution re—	
State Recognition of Homoeopathic System of Medicine—Adopted as amended	809—34
Representation of Rural Population in Services—Not moved	824—26
Socialist Economy for India—Withdrawn	825—36
Abolition of entries of Caste and Religion, etc. from Government Registers, Forms and Records—not concluded	836—56
<b>WEDNESDAY, 18TH FEBRUARY, 1948—</b>	
Starred Questions and Answers	857—68
Change in Time of Meeting of Assembly and Extension of Lunch Interval	868
Dainodar Valley Corporation Bill—Passed as amended	868—914
<b>THURSDAY, 19TH FEBRUARY, 1948—</b>	
Starred Questions and Answers	915—30
The Railway Budget—General Discussion	930—31
<b>FRIDAY, 20TH FEBRUARY, 1948—</b>	
Starred Questions and Answers	983—97
Unstarred Question and Answer	997—1001
Cancellation of Meetings of the Assembly fixed for Saturdays during the Current Session	1002
Railway Budget—List of Demands—	1002—1040
Demand No. 1.—Railway Board	1002,1004—40
Inefficiency in Railway Administration	1004—19
Passenger Fares based on Uneconomic Rates Structure	1019—24
Grievance of Third Class Passengers	1024—36
Reorganisation of Railways	1036—40
Demand No. 3.—Miscellaneous Expenditure	1002
Demand No. 5.—Working Expenses—Repairs and Maintenance	1002—09
<b>MONDAY, 23RD FEBRUARY, 1948—</b>	
Starred Questions and Answers	1041—78
Postponed Starred Questions and Answers	1076—79
Transferred Starred Questions and Answers	1079—85
Electricity (Supply) Bill—Extension of time for the presentation of Report of the Select Committee	1085
Railway Budget—List of Demands	1086—1131
Demand No. 1.—Railway Board	1086—1101.
Late Running of Trains	1126—31
System of Selection obtaining on the Railways	1086—96
Application of Pay Commission's recommendations to the Members of the Railway Board and Officers of Railway	1096—1101
Demand No. 5.—Working Expenses—Repairs and Maintenance—	1126—31
Manufacture of Locomotives and Machine Tools	1101—12
Demand No. 15.—Construction of New Lines—Capital and Depreciation Fund	1101—12
Construction of new lines and restoration of dismantled lines	1112—26
<b>TUESDAY, 24TH FEBRUARY, 1948—</b>	
Starred Questions and Answers	1133—58
Postponed Starred Questions and Answers	1158
Budget as corrected of the Railway Revenue and Expenditure—Laid on the table	1159.
Railway Budget—List of Demands	1159—96
Demand No. 4.—Working Expenses—Administration	1159
Ground Elevators and special facilities for Working and Movement of Agricultural Commodities especially Foodstuffs	1159—67

# CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Wednesday, 18th February, 1948

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

## STARRED QUESTIONS AND ANSWERS

### ORAL ANSWERS

#### AFGANISTAN SUBJECTS INTERNED IN INDIA

**313. \*Shrimati G. Durgabai** (on behalf of **Mr. R. K. Sidhva**): Will the Honourable the Prime Minister please state:

- (a) whether any subjects of Afghanistan have been interned in India;
- (b) if so, how many;
- (c) when they were interned and the reasons for their internment; and
- (d) whether they are being detained under International Law?

**The Honourable Pandit Jawaharlal Nehru:** (a) No subject of Afghanistan is now interned in India or placed under any kind of restriction.

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

**Mr. Tajamul Husain:** May I know, Sir, whether these were interned by the order of the British Government or by the order of the present Government?

**The Honourable Pandit Jawaharlal Nehru:** The Honourable Member is referring to the past, because nobody is interned now.

#### ISSUE OF LICENCES FOR NON-CAPITAL GOODS

**314. \*Shri Deshbandhu Gupta:** (a) Will the Honourable Minister of Commerce be pleased to state whether it is a fact that import licences were issued for non-capital goods in spite of the declared intentions of Government?

(b) If so, what are the goods, their value, quantity and origin of their import into India for the quarters ended 30th September 1947 and 31st December 1947?

(c) In view of the necessity of foreign exchange, what action do Government propose to take to discourage import of luxury goods?

**The Honourable Mr. C. H. Bhabha:** (a) The Honourable Member which appear to be under a misapprehension. The Government of India have at no stage declared that imports of non-capital goods would be totally stopped. As will be seen from their Press announcement of the 16th May, 1947, import trade control policy was stiffened with a view to making the best possible use of India's foreign exchange resources and to restricting imports of certain consumer and other non-essential goods which had arrived in the country in very substantial quantities. There are many non-capital goods which are not manufactured in India and which are considered essential for the country's economy, imports of which cannot, therefore, be totally stopped.

(b) The time and labour involved in the collection of these particulars will be scarcely commensurate with the results that are likely to be achieved.

(c) The attention of the Honourable Member is invited to Government's announcement published in the *Gazette of India Extraordinary*, dated the 12th December, 1947, a copy of which has been placed in the Library of the Legislature. Imports of purely luxury goods have been prohibited during the January-June, 1948 shipping period.

#### ACTION ON COMMUNICATION BY SECRETARY OF INDIAN AND EASTERN NEWS PAPERS SOCIETY

**315. \*Shri Deshbandhu Gupta:** (a) Will the Honourable Minister of Commerce be pleased to state whether Government have received a communication dated the 8th January 1948 from the Secretary of the Indian and Eastern Newspapers Society embodying the unanimous decisions reached by the meeting of the committee of the Society held in Madras on December 29, 1947, asking the Government to include certain additional items of printing materials of essential use to newspaper publishers in the list embodied in the Open General Licence IX which has been issued by the Chief Controller of Imports?

(b) If so, what action have Government taken on the same?

**The Honourable Mr. C. H. Bhabha:** (a) Yes, Sir.

(b) The Society have been informed that Open General Licence No. IX has already been cancelled with a view to enabling Government to keep a watch on their exchange commitments, and that it is not possible to accede to their request. They have, however, been informed that shipments of goods which were covered by that Open General Licence and which are made up to 31st March, 1948 will not require a licence and that licences for the import of printing machinery and materials falling under Serial Nos. 67(1) and 67 (2) of Part V of the Import Trade Control Schedule will be issued freely from all sources.

#### APPLICATION FOR REVALIDATION OF IMPORT LICENCES BY CHIEF CONTROLLER OF IMPORTS

**316. \*Shri Deshbandhu Gupta:** Will the Honourable Minister of Commerce be pleased to state:

(a) whether it is a fact that applications received for revalidation of import licences by the Chief Controller of Imports before the 15th June 1947 have not yet been disposed of;

(b) if so, whether Government are aware that this delay in dealing with licences for goods under Open General Licence Nos. VII and VIII is causing inconvenience and loss to the trading community of the country; and

(c) what steps Government propose to take in this matter?

**The Honourable Mr. C. H. Bhabha:** (a) and (b). No, Sir. On the contrary, all applications received by the Chief Controller of Imports for revalidation of old licences or for the grant of fresh licences for orders covered by Open General Licences Nos. VII and VIII have already been disposed of.

(c) Does not arise, in view of my answer to (a) and (b) above.

#### REHABILITATION OF REFUGEES FROM PAKISTAN IN AJMER MERWARA PROVINCE

**317. \*Pandit Mukut Bihari Lal Bhargava:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state the number of refugees who have migrated into the province of Ajmer-Merwara from: (i) Sindh, (ii) East Punjab, (iii) other parts of Pakistan and (iv) the States adjoining the Indian Union, during the period 1st August 1947 to 31st January 1948?

(b) What is the number of refugees who have settled in the city of Ajmer, the towns of Beawar, Nasirabad and Kekri and other parts of the Province?

(c) Has any official record regarding the communities or the religious sects to which such refugees belong, been kept by the local Government?

(d) Have the Provincial Government taken any steps for the resettlement of such refugees and have Government of India appointed any Relief and Rehabilitation Officer in Ajmer-Merwara?

(e) If so, on what date was the officer appointed and what are his duties and functions and is he under the direction and control of the Government of India or the Provincial Government?

(f) Do Government propose to appoint a Provincial Advisory Board consisting of a majority of non-officials to assist the Relief and Rehabilitation Officer and the Custodian of Evacuee Property in the discharge of their duties and functions?

(g) If so, what will be the constitution, powers and functions of such a Board, and if not, why not?

**The Honourable Shri K. C. Neogy:** (a) The total number of refugees in Ajmer-Merwara is about 50,000. Information regarding number of refugees from various parts referred to by the Honourable Member, has been called for and will be laid on the table in due course.

(b) and (c). The information has been called for and will be laid on the table as soon as it is received.

(d) and (e). The Deputy Director of Relief and Rehabilitation was appointed with effect from 30th October, 1947. He is in charge of registration and rehabilitation of refugees and also registration of their claims for property left or lost in Pakistan. He was also looking after the Evacuees Property. He is under the control of the Government of India. A Custodian of Evacuees Property has also been appointed.

(f) and (g). The question of appointing an Advisory Committee consisting of Officials and Non-Officials is under consideration.

#### ORDERS OF CHIEF COMMISSIONER AJMER MERWARA PROVINCE *re* EXTERNING OF SIKH REFUGEES AND BANNING ENTRY OF OTHERS

**318. \*Pandit Mukut Bihari Lal Bhargava:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether it is a fact that the Chief Commissioner, Ajmer-Merwara passed any orders externing all the Sikh refugees from the Province? If so, on what date were such orders passed and for what reasons?

(b) Were the aforesaid orders modified or cancelled? If so, for what reasons?

(c) Has the Chief Commissioner passed any orders banning further influx of refugees from Sindh and other parts of Pakistan? If so, on what date and for what reasons?

**The Honourable Shri K. C. Neogy:** (a) No.

(b) Does not arise.

(c) Yes. The Chief Commissioner banned further influx of refugees on the 14th December, 1947, when local resources in respect of shelter to the refugees were stretched to the maximum.

#### REGISTRATION OF REFUGEES IN AJMER MERWARA PROVINCE

**319. \*Pandit Mukut Bihari Lal Bhargava:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether any steps have been taken so far by Government to register the refugees migrating to the Province of Ajmer-Merwara? If so, what progress has been made in this matter?

(b) If not, do Government propose to ask the Provincial Government or the Relief and Rehabilitation Officer to take expeditious measures to register the refugees settling in various places in the Province?

(c) What progress, if any, has been made in registering the claims of these refugees?

(d) Is it a fact that all refugees are required to come to Ajmer, from various towns in the province to get their claims for property etc., registered?

(e) If so, do Government propose to ask the Provincial Government to afford facilities to the refugees to get their claims registered with the S.D.Os or any other appropriate officer, at the places where they ordinarily reside?

**The Honourable Shri K. C. Neogy:** (a) and (b) Yes. Upto the 1st February, 1948, the total number of families registered was 4,191 comprising of 24,901 persons. The registration was confined to Ajmer, Beawar, Pushkar and Deoli.

(c) The total number of claims registered upto 1st February, 1948 was 1,257 and the amount of the claims registered was nearly 6 crores.

(d) All refugees submitting claim applications have to make certain declaration in writing that they have not registered their claims elsewhere. These declarations have to be attested by a Registrar or an Assistant Registrar of Refugee Camps, by a Magistrate or any other responsible gazetted officer of the Government. In the earlier days of registration, complaints were received that considerable difficulty was being experienced in getting the claims thus attested. Instructions were, therefore, issued that members of the Provincial or Central Legislatures including Hindu and Sikh members of the West Punjab and N.W.F.P. and members of the Advisory Committee of the Ministry could also attest the Claim Forms.

(e) Provincial Governments and States have been requested to arrange to register locally the claims of refugees, residing within their jurisdiction and it is understood that they have taken the necessary steps in the matter.

**Shri Sri Narain Mahtha:** May I know if any claims have so far been compensated by the Government of India or the Pakistan Government?

**The Honourable Shri K. C. Neogy:** No, Sir. The object of getting claims registered is to obtain an idea, among other things, about the extent of the property left behind by the evacuees from Pakistan. The question of compensation is the subject matter of negotiations between the Government of India and the Pakistan Government.

#### GOVERNMENT HELP TO REFUGEES AT DEOLI CAMP AND INHABITATION OF A NEW TOWN

**320. \*Pandit Mukut Bihari Lal Bhargava:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state when the refugee camp at Deoli in the Province of Ajmer-Merwara was opened and what is the present number of refugees in that camp?

(b) What is the number of refugees who are being supplied with food ration or clothing at Government cost and what is the amount that is being spent every week on such refugees?

(c) Are Government aware that a number of refugee families are being accommodated in each barrack, and if so, do Government propose to have the barracks converted into small rooms by putting up temporary partition walls of bricks or wood?

(d) Are Government aware that at Deoli, there is at present a large number of pucca quarters lying vacant, sufficient to accommodate a large number of refugees and with arrangements for electric light and water supply?

(e) If so, do Government propose to consider the advisability of building a new town there, for the benefit of the Sindhi refugees who have already migrated or are now under the process of migration to the Province?

(f) Will the Honourable Minister consider in consultation with the Ministry of Transport the question of expediting the proposed B.B. & C.I. Rly., Broad Gauge new open line scheme connecting Kotah with Ajmer, thereby facilitating the inhabitation of a new town nearby the Deoli detenué camp?

(g) What arrangements, if any, have been made for (i) the education of the children of the refugees; (ii) proper medical aid to them; and (iii) the protection of their life and property?

(h) What help, if any, has been given by Government to the destitute refugees by way of grant or loan and by the supply of food rations, clothes and blankets or quilts? How many refugees were thus helped and what was the amount spent thereon?

**The Honourable Shri K. C. Neogy:** (a) The Deoli Camp was started on the 24th December, 1947. The number of refugees in the camp on 10th February, 1948, was 2,625.

(b), (c) and (d). The information has been called for and will be laid on the table as soon as it is received.

(e) The question of building a new town is under consideration and will be examined by the Rehabilitation and Development Board.

(f) Yes, the matter is being considered by the Ministry of Railways.

(g) It is proposed to start one or more primary schools in the Camp as early as possible. There is a Government dispensary in Deoli town which is supplying free medical aid to the refugees in the Camp. A separate dispensary will be provided in the Camp if and when the number of refugees necessitates it. Arrangements have been made to provide a police Guard for the Camp.

(h) Arrangements have been made to provide free food and clothing to the destitute refugees residing at Deoli Camp—2,000 cotton blankets costing Rs. 12,000 have been despatched. The information regarding the total number of refugees who have been helped and the expenditure incurred on free food, clothing, etc., has been called for and will be laid on the table as soon as it is received.

#### CUSTODIAN OF EVACUEES' PROPERTY AND TOWN EXPANSION SCHEMES IN AJMER MERWARA

**321. \*Pandit Mukut Bihari Lal Bhargava:** (a) Will the Honourable Minister of Relief and Rehabilitation be pleased to state whether Government have appointed any custodian for the property of the evacuees from Ajmer and other places in the province of Ajmer-Merwara?

(b) How many shops, houses, etc., of the Muslim evacuees have been occupied by the refugees at Ajmer and other places in the Province?

(c) Do Government propose to help the Municipalities with funds by way of grants or loans in their town expansion schemes for accommodating these refugees? If not, why not?

**The Honourable Shri K. C. Neogy:** (a) Yes.

(b) The information has been called for and will be laid on the table as soon as it is received.

(c) Government of India have not received any requests for grants or loans from Municipalities for their town expansion schemes. Such requests when received will be considered.

#### IMPORT AND EXPORT OF CLOTH DURING YEARS 1942-1947

**322. \*Dr. P. S. Deshmukh:** (a) Will the Honourable Minister of Commerce be pleased to state the quantity of cloth imported and exported in each of the years 1942 to 1947?

(b) Do Government propose to permit any export of cloth during the year 1948? If so, what quantity?

(c) Are Government aware that India is deficient in cloth? If so, what is the reason for permitting any export?

**The Honourable Mr. C. H. Bhabha:** (a) The quantity of cotton piecegoods imported and exported during each of the official years 1942-47 was as follows:

Year	Quantity Imported.		Quantity Exported	
1942-43	13,131,225	yds.	881,473,734	y
1943-44	3,752,361		544,414,748	"
1944-45	5,204,497	"	487,123,099	"
1945-46	3,186,815	"	496,813,933	"
1946-47	16,209,781	"	363,032,296	"

(b) Yes, Sir. The question of what quantity should be allowed for export during 1948 is under consideration.

(c) Yes, Sir. It is, however, considered necessary to permit export of limited quantities of cloth to foreign countries in view of the imperative need for foreign exchange and in order to retain, in the interests of future export trade, markets which have been dependent on us for their cloth supplies during the past as well as those where we have been able to establish ourselves during the last war.

**Dr. P. S. Deshmukh:** Do Government scrutinise the transactions in regard to this export of cloth?

**The Honourable Mr. C. H. Bhabha:** Yes, Sir; these transactions are scrutinised before a permit is given.

**Dr. P. S. Deshmukh:** Are Government deriving any profit or does the whole profit go to the private companies?

**The Honourable Mr. C. H. Bhabha:** These export licenses are usually given to private individuals, but at the same time certain export permits are given to our sister Ministries like the Food Ministry which exchanges cloth for foodgrains.

**Dr. P. S. Deshmukh:** Is the Honourable Minister aware that the price paid by foreign countries for our cloth is three or four times the price of cloth that obtains in India?

**The Honourable Mr. C. H. Bhabha:** That is so. There is no price control on the export of cloth excepting for a few destinations.

**Dr. P. S. Deshmukh:** Have Government taken any steps to benefit the State so far as these excess prices are concerned?

**The Honourable Mr. C. H. Bhabha:** The only step taken in the past few months has been the levy of an export duty.

**Dr. P. S. Deshmukh:** Will Government freeze all this cloth that is to be exported and see that the whole of it is exported through Government agency?

**The Honourable Mr. C. H. Bhabha:** That is not being considered.

**Dr. B. Pattabhi Sitaramayya:** May I know whether there is any embargo on the export of *khaddar* from one province to another?

**The Honourable Mr. C. H. Bhabha:** That question does not arise in this connection, but there is no such embargo.

**Shri Deshbandhu Gupta:** Is it a fact that these export licenses have been on sale in places like Bombay and the licensees have been profiting by such sales?

**The Honourable Mr. C. H. Bhabha:** Several cases of the nature complained of by the Honourable Member have been brought to our notice and suitable action has been taken against such persons.



**Shri Khurshed Lal:** Are these permits given to manufacturers only or are they given to middlemen?

**The Honourable Mr. C. H. Bhabha:** These are given to two types of traders,—one called established shippers, and manufacturers sometimes happen to be established shippers; and then there are other traders who are newcomers in the trade.

**Shri Deshbandhu Gupta:** May I know what the Honourable Minister means by 'suitable action'? Has anybody been prosecuted?

**Mr. Speaker:** I am afraid, this information was asked for on a previous occasion on similar questions. It is no use repeating them.

**Shri T. T. Krishnamachari:** Will the Honourable Minister consider the desirability of establishing a State corporation similar to the U.K.C.C. which existed during war time for the purpose of canalising all these exports, in view of the definite advantage that we seem to have in the matter of price over other countries?

**The Honourable Mr. C. H. Bhabha:** This question will be considered.

#### RULES *re* COMPOSITION OF BOARD OF DIRECTORS OF FOREIGN COMPANIES IN INDIA

**323. \*Dr. P. S. Deshmukh:** (a) Will the Honourable Minister of Commerce please state if there are any rules and regulations governing the composition of the Board of Directors of foreign companies in India? If so, what are they?

(b) If not, do Government propose to frame any rules?

**The Honourable Mr. C. H. Bhabha:** (a) No.

(b) Government have under consideration a revision of the Indian Company Law and the matter referred to by the Honourable Member will be considered in that connection.

**Shri Deshbandhu Gupta:** Sir, may I be permitted to put my questions now?

**Mr. Speaker:** I can make an exception just for this occasion but this will not be treated as a precedent. Honourable Members must take care to see that they are present here in time. The Honourable Member may put his questions this time.

**Shri Deshbandhu Gupta:** I was busy at another meeting in Dr. Rajendra Prasad's place.

**Mr. Speaker:** That is no excuse.

#### SCHEMES OF DEVELOPMENT AND PLANNING AND DEVELOPMENT DEPARTMENT

**324. \*Shri Mohan Lal Saksena** (on behalf of **Shri M. Ananthasayanam Ayyangar**): (a) Will the Honourable the Prime Minister be pleased to state whether the various proposals and schemes of development initiated by the late Planning and Development Department during its existence are being given effect to and if so, to what extent?

(b) Do Government propose to lay on the table of the House a detailed statement showing the present stage of the various schemes chalked out during the last two years and also the further action proposed to be taken on these plans and schemes?

(c) Is there any proposal before the Government of India for the creation of a separate Ministry or Department for Planning and Development?

(d) If the answer to part (c) above be in the negative, do Government propose to consider the desirability of creating a separate Ministry, or at least a department to look after Planning?

(e) If the answer to part (c) above be in the affirmative, when will it be given effect to?

**The Honourable Pandit Jawaharlal Nehru:** (a) and (b). A summary of the Central and Provincial Government's Five-Year development plan is given in Appendix 1 to the Report of the Advisory Planning Board. The execution of development schemes by the Central and Provincial Governments commenced in 1946 and will be a continuous process over a number of years. Annual progress reports on the schemes under execution have been called for and are being received. When complete information has been received in respect of the year ending 31st March, 1947, it is proposed to prepare a consolidated report indicating the progress made. The report when ready will be placed on the table of the House.

(c), (d), and (e). The question of establishing a suitable Central machinery for planning is under consideration. In the meanwhile the recent establishment of the Rehabilitation and Development Board is a step in that direction.

#### COMPENSATION TO INDIANS FOR LANDS IN BURMA

**325. \*Shri Damoder Swarup Seth:** Will the Honourable the Prime Minister be pleased to state:

(a) whether it is a fact that the Government of Burma do not propose to pay the Indian landowners full compensation but would pay only a nominal rent for any land owned by Indians when it is brought under Government control;

(b) whether it is a fact that the value of the land owned by Indians in Burma is nearly 30 crores of rupees; and

(c) if so; whether Government propose to take up the question of the payment of full compensation with the Government of Burma?

**The Honourable Pandit Jawaharlal Nehru:** (a) The Tenancy Standard Rent Act, 1947 and the Disposal of Tenancies Act, 1948 recently promulgated by the Government of Burma have the cumulative effect of giving the Government of Burma power to regulate or control lease of agricultural land and to require the owner to lease out agricultural land in excess of fifty acres to whomsoever Government might wish, the owner being entitled to receive from the persons to whom such land is leased only twice the land revenue which he has to pay to Government. As land in excess of fifty acres is not proposed to be acquired by the Government of Burma, the question of compensation does not arise, although the legislative measures referred to affecting, as they do, the income from land, may adversely affect the compensation payable to land-owners, when the Burma Government give effect to their policy of nationalization of land.

(b) Indians in Burma own over 2.5 million acres of land. The estimated value of that land is not known.

(c) The question of payment of compensation will arise when the Government of Burma decide to nationalise land in Burma. Meanwhile the Government of India have asked their Ambassador to make suitable representations to the Burma Government about the severity of the effect of their recent legislation on Indian landowners.

#### INDIANS SETTLED AND WILLING TO SETTLE IN U. S. A.

**326. \*Shri V. C. Kesava Rao:** (a) Will the Honourable the Prime Minister be pleased to state the total number of Indians who have settled in the U.S.A.?

(b) How many of them have been naturalized?

(c) Are there any Indians who have expressed their willingness to go to the U.S.A. and settle there?

(d) If the answer to part (c) above be in the affirmative, what facilities do Government propose to give to such persons?

**The Honourable Pandit Jawaharlal Nehru:** (a) Approximately 2,405. This includes immigrants from Pakistan but excludes a number of students and casual visitors, including businessmen, which may be estimated at over 1,200.

(b) Forty-eight up to the end of 1946. Figures for 1947 not yet available.

(c) and (d). Yes. The selection of immigrants to the United States of America is made by the United States Government and, therefore, the Government of India cannot give any facilities in this behalf.

**Shri V. C. Kesava Rao:** May I know, Sir, whether the Indians settled in the United States of America are given the same facilities as are given to the European settlers?

**The Honourable Pandit Jawaharlal Nehru:** Presumably the Honourable Member is referring to those who have been naturalized. If they are naturalized, they have the same rights and facilities as other citizens of the United States. If they are not naturalized, then they naturally have not got the rights and facilities of the citizens of the U.S.A.

327. \*[Withdrawn.]

#### DISABLED EX-SERVICE PERSONNEL TRAINED AND UNDER TRAINING

328. **\*Shri V. C. Kesava Rao:** Will the Honourable Minister of Labour be pleased to state:

(a) the total number of disabled ex-service personnel who were given vocational training during the years 1946-47 and 1947-48; and

(b) the number of such personnel who are still receiving such training?

**The Honourable Shri Jagjivan Ram:** (a) The Training Centres for the War Disabled were in the process of formation in 1946-47 and no trainee completed his training during the year. The number of trainees who completed their training in 1947-48 upto the 31st January, 1948 was 254.

(b) The number of disabled ex-Servicemen undergoing training on the 31st January, 1948 was 966.

**Shri V. C. Kesava Rao:** May I know, Sir, whether these disabled ex-Servicemen who are trained are given any financial aid after completing their courses?

**The Honourable Shri Jagjivan Ram:** No. They are not given any financial aid after completing the course.

**Shri V. C. Kesava Rao:** May I know, Sir, whether the Government is prepared to give any loans to those people to set up vocations for their training?

**The Honourable Shri Jagjivan Ram:** There are schemes for the formation of Co-operative Societies of the trainees and the Regional Directors have been asked to see that Co-operative Societies are formed for them.

#### DUTIES OF LABOUR ADVICE OFFICERS

329. **\*Shri V. C. Kesava Rao:** Will the Honourable Minister of Labour be pleased to state the duties of the Labour Advice Officers?

**The Honourable Shri Jagjivan Ram:** There are no officers known as "Labour Advice Officers" under the Ministry of Labour. The Honourable Member is probably referring either to the Conciliation Officers of the Chief Labour Commissioner's Organisation attached to this Ministry or to the Labour Welfare Officers functioning in individual Central Government undertakings, e.g., Mints, Ordnance depots, etc. The Conciliation Officers are generally responsible for industrial relations in establishments falling within the 'Central sphere' and they have been vested with statutory powers under the Industrial Disputes Act, 1947. A statement indicating the duties and functions of Conciliation Officers as well as Labour Welfare Officers is laid on the table.

*Officers and Labour Welfare Officers***(I) Conciliation Officers.**

(i) Maintenance of continuous touch with the state of relations between employers and workers with a view to preventing industrial disputes and, where industrial disputes arise, their settlement by conciliation.

(ii) Assistance in the formation and maintenance of voluntary negotiating machinery in individual establishments.

(iii) Examination of welfare measures and advice to employers, employees and Government.

(iv) Administration of Labour Laws to the extent to which their administration is the responsibility of the Central Government.

**(II) Labour Welfare Officers (or Labour Officers).**

(a) Maintenance of cordial relations between the management and the workers generally by functioning as the recognised medium of contact between workers and the management. In particular a Labour Welfare Officer is expected :

(i) to maintain close contact with the management on one side and the workers and their recognised trade unions on the other and interpret to either side the intentions, aspirations and needs of the other;

(ii) to keep himself in readiness at all times to consider the grievances of the workers and to strive for their redress, and

(iii) to watch industrial relations and take all possible steps to prevent the occurrence of disputes and where they occur, to maintain close touch with the Government Conciliation staff.

(b) Maintenance of proper working conditions and securing of full co-operation between the management and the workers. Especially, the Labour Welfare Officer is required to see :—

(i) that all statutory and contractual (explicit or implicit) obligations as regards working conditions are fully implemented;

(ii) that workers, particularly new-comers to industrial life, are assisted to adapt themselves to their environment by proper treatment and advice;

(iii) that workers received their proper dues, particularly statutory benefits like the Workmen's Compensation, maternity benefit, etc., and

(iv) that arrangements for first aid and otherwise for dealing with accidents are properly understood and maintained.

(c) Adoption of welfare measures calculated to raise the standard of living of the workers. In particular, the Labour Officer is to advise the management as regards welfare needs inside the factory (e.g., canteens, shelters, creches, etc.), as well as outside the factory (e.g., housing, water supply and drainage, medical aid, educational facilities, recreational facilities, etc.), and ensure that the welfare amenities provided by the management are properly used by the workers.

**CONDITIONS AND REQUISITION OF BUNGALOWS IN DELHI**

**330. \*Giani Gurmukh Singh Musafar:** (a) Will the Honourable Minister of Works, Mines and Power be pleased to state the number of bungalows in Delhi that have been requisitioned during the last five months?

(b) What are the factors taken into consideration in selecting bungalows for requisitioning?

(c) Do Government consider only their own requirements or also the necessities of the owner of the bungalow while requisitioning it?

(d) Have Government requisitioned any bungalows, occupied by the owners, where the owners had no other bungalows for their use?

(e) If so, what arrangements have Government made to provide accommodation to the owners?

**The Honourable Shri N. V. Gadgil:** (a) 33 houses since August 1947.

(b) The following factors are generally taken into consideration:

(i) Whether the house is being vacated by the occupants.

(ii) Whether the occupant had left Delhi and the house was vacant.

(iii) Whether the occupant owns some other house in Delhi or New Delhi.

(iv) Whether the presence of the occupant is essential in Delhi when he

has property elsewhere in India.

(v) Whether the house is being sold to a person who was not staying in Delhi and whose stay in Delhi is not essential.

(c) No; the necessities of the owner are also taken into consideration.

(d) No.

(e) Does not arise.

کیاں گورنمنٹ کے مسافروں : کچھ Refugees ایسے ہیں جنکی اتفاق سے یہاں ایک ہی کوٹھی ہے - گورنمنٹ نے وہ بھی Requisition کر لی ہے - کیا گورنمنٹ ایسے کیسوں پر ہمدردی سے غور کرنے کے لئے تیار ہے ؟

**Giani Gurmukh Singh Musafar:** There are some refugees who happen to own a house here and the same has been requisitioned by the Government. Are the Government prepared to look into such cases sympathetically?

श्री एन० वी० गैडगिल : जहां तक बनता है वहां तक उनसे हमदर्दी करते हैं, लेकिन जहां मजदूर हैं, वहां तो फिर उनको खाली जरूर करना पड़ता है।

**The Honourable Shri N. V. Gadgil:** So far as it is possible the Government do sympathise with these men but where it becomes absolutely necessary these premises have got to be vacated.

**Shri Jainarain Vyas:** Does the Government know that bungalows and flats allotted to Government Officers have been occupied by non-Government people during the former's absence on duty or on leave?

**The Honourable Shri N. V. Gadgil:** Unfortunately it is so, Sir. Roundabout 700 tenements belonging to Government have been occupied by non-official refugees and tactical efforts are being made either to persuade them to give them up or to use force where it becomes absolutely necessary.

**Shri Jainarain Vyas:** Have Government arranged for accommodation for all the officers who are roaming about without bungalows or flats?

**The Honourable Shri N. V. Gadgil:** It is an accepted principle with the Ministry that the officials are to be given the first priority and every effort is being made to accommodate them. But at the same time in view of the fact that refugees came in and occupied these premises and when Police Officers go to take possession, every day I receive half a dozen letters of recommendation from persons including Honourable Members.

**Shri Jainarain Vyas:** Does the Government know that these officers who have been deprived of their flats and bungalows have to pay the rents in spite of the fact that they do not occupy the bungalows and flats?

**The Honourable Shri N. V. Gadgil:** If that is so, it will be taken into consideration.

श्री मोहन लाल गौतम : क्या गवर्नमेन्ट यह मुनासिब समझती है कि इन आफिसर्ज (officers) को दूसरे आफिसर्ज (officer) के साथ रख दिया जाए और रेफिजिज (Refugees) से मकान खाली न कराए जाएं ?

**Shri Mohan Lal Gautam:** Do the Government think it expedient to accommodate these officers with their brother officers so that the Refugees are not asked to vacate the houses?

**The Honourable Shri N. V. Gadgil:** Sir, I will seek your permission to answer this question in some detail. There are nearly 13,000 officers who are in need of accommodation in Government quarters. Nearly 5,000 officers have opted for service in India from Pakistan and out of that we have been able to accommodate about 2,500 and nearly 2,500 are literally on the streets. The Ministry has issued a direction that in case any officer who is occupying Gov-

ernment quarters shares the same with other brother officer not only no step will be taken against him but his conduct will be duly appreciated. I have also relaxed the rule in so far as the bungalows that are usually allotted to members of this Assembly are concerned, and I have permitted them not to sub-let but to share with such refugees as they find congenial to accommodate. In fact this is a very big problem and the Government can only solve it with the co-operation of all concerned including the refugees.

**RULES re ALLOTMENT OF ACCOMMODATION TO GOVERNMENT OFFICERS IN NEW DELHI**

**331. \*Pandit Balkrishna Sharma:** Will the Honourable Minister of Works, Mines and Power be pleased to state :

(a) whether it is a fact that Government residential accommodation in New Delhi is allotted only to Government officers who are required to reside on duty in New Delhi;

(b) whether it is a fact that this allotment is made to Government officers in the order of seniority, according to the date of their posting to a qualifying appointment in New Delhi;

(c) whether it is a fact that in the case of an officer who has been posted to New Delhi from Simla, his service in Simla is taken into account in determining his date of posting for purposes of allotment of Government residential accommodation at New Delhi; and

(d) if the answers to the above parts be in the affirmative, whether any discrimination between Attached Office staff and Secretariat staff at Simla and/or New Delhi exists as regards allotment of Government residential accommodation at New Delhi?

**The Honourable Shri N. V. Gadgil:** (a) Yes.

(b) Yes. The main criterion for allotment is seniority according to date of posting in Delhi or Simla; but in cases where an officer has qualified for higher class of residence by virtue of an increase in emoluments the date of posting for a house of his class will be the date on which he becomes out of class.

(c) Yes.

(d) No.

**CHANGE IN TIMING OF MEETING OF ASSEMBLY AND EXTENSION OF LUNCH INTERVAL**

**Mr. Speaker:** The House will now proceed with the legislative business. Before we begin, I will make an announcement to the House about a change in the timing of the meetings of the House. In pursuance of a very pressing demand from Honourable Members that the Lunch interval should be extended to an hour and a half instead of an hour and a quarter, the Assembly will, from next Monday onwards meet at 10-45 a.m. instead of at 11 a.m. and will adjourn for Lunch at 1 p.m. It will reassemble at 2-30 p.m. as usual and carry on till 5 p.m.

**DAMODAR VALLEY CORPORATION (BILL—contd.)**

**Mr. Naziruddin Ahmad** (West Bengal: Muslim): Sir, I beg to move:

"That in clause 27 of the Bill, for the words 'All expenditure incurred by the Central Government for and in connection with the establishment of the Corporation up to the date of establishment' the following be substituted:

"The Central Government may advance funds necessary for and in connection with the establishment of the Corporation upto the date of its establishment and all sums so advanced'."

†Answer to this question laid on the table, the questioner being absent.

The purpose of this amendment is that the original clause does not clearly empower the Central Government to advance money. The power to advance money is only assumed. By this amendment I want to make it clear that the Central Government has the authority to advance money. As the clause stands, that authority has not been given, but assumed. The Central Government must have clear authority to spend money.

**The Honourable Shri N. V. Gadgil** (Minister for Works, Mines and Power): Sir, I do not accept the amendment.

**Mr. Naziruddin Ahmad:** Then, I do not want to press it, Sir.

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

"That clause 27, stand part of the Bill."

The motion was adopted.

Clause 27 was added to the Bill.

**Mr. Naziruddin Ahmad:** Sir, I beg to move:

"That in clause 28 of the Bill, for the word 'scheme', the word 'Corporation' be substituted."

Sir, this clause reads, "All property acquired and works constructed for the purposes of the Damodar Valley scheme, etc., etc.". The word "scheme" has never been used anywhere in this Bill except in this place. I feel that "Damodar Valley Corporation" which has been accepted as the name of the scheme should be a better expression. The word 'scheme' has never been defined, nor even referred to anywhere else in the Bill. It of course appears in the correspondence and in the voluminous literature that preceded the Bill, but in this Bill this word occurs here for the first and the last time. I, therefore, submit that this amendment should be accepted. Again, with regard to the word "scheme" if it is considered a proper noun, it should begin with a capital letter.

**Shri K. Santhanam** (Madras: General): I think the amendment is not regular, Sir, because the Corporation has not yet come into existence. The Corporation comes into being only after the Bill is passed by the Assembly.

**Mr. Naziruddin Ahmad:** The Honourable Member's objection is falacious. We are proceeding in anticipation of many things. We have used the word "Corporation" in many other parts of the Bill. The amendment was in anticipation of the fact that the Bill would be passed and the Corporation would be a reality. Anyhow, if the suggestion is not acceptable to the House, I do not want to press my amendment.

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

"That clause 28, stand part of the Bill."

The motion was adopted.

Clause 28 was added to the Bill.

**Shri K. Santhanam:** Sir, I beg to move:

"That in sub-clause (2) of clause 29 of the Bill, for the words 'Imperial Bank of India', the words 'Agency of the Reserve Bank of India', be substituted."

**The Honourable Shri N. V. Gadgil:** Sir, I accept the amendment.

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

"That in sub-clause (2) of clause 29 of the Bill, for the words 'Imperial Bank of India', the words 'Agency of the Reserve Bank of India', be substituted."

The motion was adopted.

**Mr. Naziruddin Ahmad:** Sir, I beg to move:

"That in sub-clause (1) of clause 29, of the Bill, for the word 'carried', the word 'credited' be substituted."

[Mr. Naziruddin Ahmad]

Sir, this word "carried" occurs in this context: "The Corporation shall have its own fund and all receipts of the Corporation shall be *carried* thereto....." I submit, the word "carried" implies the carrying of some physical substance, as though money is carried in baskets, or boxes. What should actually be done is money should be credited—that is, the transactions should be done by means of book adjustments. This is the word usually used in accountancy.

**Shri T. T. Krishnamachari:** The practice in book-keeping is that amounts are carried over from the previous page to the next page.

**Mr. Naziruddin Ahmad:** Carrying over is merely carrying over a balance or a figure from one page of the *same account* to another page.

**Shri H. V. Kamath:** (C.P. and Berar: General): At any rate, this amendment hardly carries conviction.

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

"That clause 29, as amended, stand part of the Bill."

The motion was adopted.

Clause 29 as amended was added to the Bill.

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

"That clause 30, stand part of the Bill."

The motion was adopted.

Clause 30 was added to the Bill.

**Mr. Naziruddin Ahmad:** Sir, I beg to move:

"That in clause 31 of the Bill, after the word 'Corporation', where it occurs for the first time, a comma be inserted."

Sir, this clause which consists of one sentence is very long and consists of two ideas and the insertion of a comma after the word "Corporation" will give some breathing time to the reader and subdivide the clause into two natural parts.

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

"That clause 31, stand part of the Bill."

The motion was adopted.

Clause 31 was added to the Bill.

Clause 32 was added to the Bill.

**Shri K. Santhanam:** Sir, I beg to move:

"That after clause 32 of the Bill, the following new clause 32A be inserted:

'32A. The Corporation shall have power to spend such sums as it thinks fit on objects authorised under this Act other than irrigation, power and flood control and such sums shall be treated as common expenditure payable out of the Fund of the Corporation before allocation under Section 32.'

Sir, as the Bill stands at present, there is no provision at all for expenditure on matters other than these three, and therefore, this provision is necessary in order to authorise the Corporation to spend on the "other activities" of the Corporation mentioned in clause 21 and also in clause 12.

**The Honourable Shri N. V. Gadgil:** Sir, I have been advised by the highest constitutional authority in the House to accept this amendment in order not to leave any doubt in the body of the Bill. Sir, I accept the amendment.

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

"That after clause 32 of the Bill, the following new clause 32A be inserted:

'32A. The Corporation shall have power to spend such sums as it thinks fit on objects authorised under this Act other than irrigation, power and flood control and such sums shall be treated as common expenditure payable out of the Fund of the Corporation before allocation under Section 32.'

The motion was adopted.

New clause 32A was added to the Bill.



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

"That Clause 33, do stand part of the Bill."

The motion was adopted.

Clause 33 was added to the Bill.

Clauses 34 and 35 were added to the Bill.

**Shri Upendra Nath Barman** (West Bengal: General): Sir, I move:

"That for clause 36, of the Bill, the following be substituted :

'36. Disposal of profits and deficits.—(1) The net profit if any, subject to the provisions of sub-section (2) of section 39 or the net deficit if any, attributable to either of the two main objects, namely irrigation and power, shall be credited to or made good by the participating Governments in proportion to their respective shares in the total capital costs attributed to that object.

(2) The net profit if any, subject to the provisions of sub-section (2) of section 39 or the net deficit if any, attributable to the main object of flood control shall be credited to or made good by the Government of West Bengal.'

The main difference between the clause in the Bill and my amendment relates to sub-clause 2 of my amendment; that is to say, whereas in the Bill itself, regarding the project of flood control, the Central Government proposes to share the profits if any out of the project, it shelves the responsibility of sharing any loss if it arises out of that project and throws it on West Bengal.

There are also amendments to this clause given by other members, wherein it has been proposed that the proviso be omitted. My proposition is that if Government will be prepared to accept the removal of that proviso from the clause of the Bill, I am ready to accept that position and share equally with the Centre either in the profit or loss that arises out of that flood control project. If, however, the Centre is determined that it shall not share any loss arising out of the flood control project, in that case my proposition is that the Centre should let alone the province of West Bengal so far as its operations regarding the flood control project is concerned. My reasons are as follows:

First of all, I submit, Sir, to the House that the Centre presages that this flood control project is not likely to be a profitable concern. That is quite evident from the proposition as laid down in the Bill itself. If that be so, the Centre should not interfere with the province of West Bengal so far as it works the project of flood control within its area. There will be administrative difficulty in joint operation of this flood control project, in this sense: there are two projects, namely, the irrigation project and the flood control project. In the irrigation project, the Centre will share the profit or loss along with the West Bengal Government. But in the flood control project it shall not share the loss that might arise out of that project. Both the schemes will have to be met by taxation or increased rates upon the agriculturists of West Bengal province. Now when the Centre will share the profit and not the loss so far as flood control is concerned it shall necessarily be the aim of the administration and the Central Government to so apportion the levy of rates and taxes between the water rates and flood control rates so that there may be profit on both. Now as our experience goes in the past, we have seen that in irrigation projects, the agriculturists of West Bengal had already made vehement objections when only water rates were going to be levied by the West Bengal Government up to the amount which is going to be spent over that project. I allude to the water rates that were once imposed upon the agriculturists regarding the Damodar irrigation canal. In that project also, the Centre contributed—perhaps I am not definite—to the tune of rupees 7 crores or a little more; and

[Shri Upendra Nath Barman.]

the Province of West Bengal had to bear the interest of it, pay the capital sum contributed or lent by the Central Government and at the same time meet the expenditure which was incurred in running the irrigation project. When the West Bengal Government—at that time it was only the Bengal Government—imposed a rate, it is the Congress who sided with the agriculturists because the rates were so high that the agriculturists could not bear them and they were put to great hardship. So from past experience we find that even the agriculturists could not bear the water rates that were imposed. This time it would be the policy, as I have said of the Centre to impose both the taxes in such a way that there might be profit and the agriculturists in such a case would be doubly taxed as it would otherwise create difficulties in the West Bengal Government, not to speak of the hardship imposed upon the agriculturists. Secondly, I do not exactly know what will be the items to be taxed, or what will be the manner in which the taxes will be collected or who will be the persons who will pay this tax. It is not only the agriculturists of West Bengal but the Railway Department and the Central Government that will be immensely benefited by this project.

In the year 1913 when there was a heavy flood of the Damodar, it is the railway department that suffered heavily due to many breaches and the consequent stoppage of railway traffic. In 1942, there was another heavy flood and there were many breaches and the railway department had to make up that loss with the expense of an enormous sum.

So this flood control project is not only the concern of the West Bengal Government, but it is indirectly or directly a benefit to the Centre also. Will the Centre be ready to bear any tax to be imposed by the Corporation or by the West Bengal Government upon the railway there? I think not. Even if the Centre agrees to it, I do not know upon what basis this tax will be levied. Therefore, Sir, there will be administrative difficulty and there may be some bad blood created between the Centre and the Province regarding the raising and levying of flood control rates. In my opinion, and it is my humble submission to the Government and to the Members of this House, that as this flood control project, which apparently is not going to be a profitable concern, will directly or indirectly benefit the Central Government also in a major way, the Centre should be charitable enough to denote this sum and keep its hands off so far as the administration of the flood control scheme is concerned.

In my opinion, Sir, it is a belated justice which is being done by the Centre to the province of West Bengal. Of course, those who are not in the know of the condition of the West Bengal, especially in the district of Burdwan and its neighbouring areas, may laugh at it or scorn at it.

But I would ask the Government to look at the report of Sir William Wilcox, who was neither a Madrasi, Marathi nor a Punjabi. This report was written many many years ago. According to Sir William Wilcox the district of Burdwan and its neighbouring area were one of the wealthiest areas in the whole of *Hindustan*. Sir William Wilcox has said that in the year 1852 this tract, the district of Burdwan and the district of Tanjore were the two wealthiest parts in the whole of *Hindustan*. This project is going to benefit West Bengal. Burdwan is now notoriously malarious but if you read the report of Wilcox it will be evident to you that Burdwan was one of the hallowed places in India and malaria was unknown. After the railway strengthened the *bund* on the left bank of the river in order to protect the E. I. Railway and the inter-provincial road was raised to a sufficient height, so that there could be no breach possible (Sir William Wilcox calls these *bunds* as 'satanic *bunds*') malaria spread over that area of Bengal, which was till then immune from it.

**Ekā Jābo bardhamān koriā jatōn**

**Jatōn nohilē kotha milibē rotōn**

**Jatōn nohile kotha milibe roton**

This means "I do want to go to Burdwan, though I have to proceed alone, because without taking care whoever had ever earned any jewels". So formerly Burdwan was one of the richest and healthiest places in Bengal but if today it is now one of the worst places so far as disease and malaria are concerned and the agriculturist there is the poorest of any in Bengal, perhaps it is not alone the fault of West Bengal but is also due to the deeds or misdeeds of the Central Government. I have no reason to accuse the present Government. Neither do I say that the railway line was not for the benefit of West Bengal. What I want to say is that Burdwan has been reduced to penury from its most prosperous circumstances in days past. Now that Bengal has been reduced to one third of its former size and economically she is so much handicapped. I think it is only just that the Centre should either make a contribution of the whole sum so far as the flood control project is concerned or if it be not so charitable, I would ask the Central Government to be an equitable sharer and an equal partner with the West Bengal Government so far as this non-profitable scheme is concerned.

**Mr. Speaker:** Amendment moved :

"That for clause 36, of the Bill, the following be substituted :

'36. Disposal of profits and deficits.—(1) The net profit if any, subject to the provisions of sub-section (2) of section 39 or the net deficit if any, attributable to either of the two main objects, namely irrigation and power, shall be credited to or made good by the participating Governments in proportion to their respective shares in the total capital costs attributed to that object.

(2) The net profit if any, subject to the provisions of sub-section (2) of section 39 or the net deficit if any, attributable to the main object of flood control shall be credited to or made good by the Government of West Bengal.'

**The Honourable Shri N. V. Gadgil:** Sir, I sympathise.....

**Mr. Naziruddin Ahmad:** We do not want your sympathy.

**The Honourable Shri N. V. Gadgil:** Sir, I do not accept this amendment but before I do that I should like to make a few observations, because it is a point...

**Mr. Speaker:** I am not calling upon the Minister to reply. At this stage he may state his views but he will reply to the debate later on.

**The Honourable Shri N. V. Gadgil:** Sir, this question of allocating the capital cost as well as determining the proportion in which the participating governments should bear the current expenditure was most exhaustively gone into in the four conferences that were held and attended by the representatives of the Governments of Bengal, and Bihar and also the Central Government. The provision that has now been embodied in clause 36 has been agreed to both by the Governments of Bihar and Bengal. But I am not merely asking the House to reject the amendment on the ground that it has been agreed to by the participating Governments. As a matter of fact this question of allocation of expenditure on these three different aspects of the projects—irrigation, power and flood control—is an extremely difficult proposition. In the case of the Tennessee Valley this question was considered for years together and ultimately what is known as the principle of "alternative—justifiable expenditure" was accepted to be the most equitable. I do not want to go into a detailed description of that principle, because it is a very highly technical matter but all that I want to tell the House is that this is the most equitable principle and it has reduced the capital cost with respect to the flood aspect considerably. Now in the capital expenditure on this particular aspect of the scheme, namely flood, the Central Government has agreed to bear half the

[Shri N. V. Gadgil]

expenses and the Bengal Government is asked to bear the other half. It was contended by my Honourable friend that the entire deficit should not be debited to the Bengal Government and part of it should be borne by the Central Government. But I want to impress on my Honourable friend that the havoc that is caused by flood is mainly confined, in fact 99:99 per cent, to Bengal and correspondingly the benefit that will result from this will be entirely that of Bengal.

My Honourable friend referred to the sad plight of Burdwan. As a result of the scheme Burdwan will be a different city to live in and it is only therefore fair and proper that if there is any deficit on this particular aspect, it should be entirely borne by the Bengal Government. There must be a limit to the financial commitments to be undertaken by the Centre. On the one hand I am asked not to press for central taxation so far as such corporations are concerned and, on the other hand, I am also asked to leave the sources of provincial taxation untouched. I am also asked that the Centre should contribute, should give subvention. As a matter of fact if there is any Province in this country which has got most from the Centre but which has managed it worst it is Bengal.

**Mr. Naziruddin Ahmad:** Not at all.

**The Honourable Shri N. V. Gadgil:** I am not making this statement in order to offend anybody. That is not my desire and not my nature either. I only want to bring this fact to the notice of the House that in the famine of 1943 crores of rupees were given by the Central Government to Bengal and when in 1946-47 the matters came up before the Standing Finance Committee we always found that the accounts submitted were not only not up to the standard but were definitely bad.

**Shri Upendra Nath Barmān:** That was the League administration.

**Mr. Naziruddin Ahmad:** The late lamented administration.

**The Honourable Shri N. V. Gadgil:** That was during the regime of the Ministry that is no more. You cannot entirely disown the past. If you are willing to have some of the advantages which the former Ministry may have conferred you must not discriminate between the benefits and burdens. Both of them must go together. I therefore submit that on merits the Central Government has gone as much as it could by accepting this principle of alternative justifiable cost. It has agreed to bear half the share of the capital cost. It has kept enough sources for the Provinces. To go farther than this would be unfair to the general taxpayer and I am not prepared for this. Sir, I oppose this.

**Mr. Naziruddin Ahmad:** Sir, we should be extremely grateful to the Honourable Minister for expressing his sympathy for the people of West Bengal. But is sympathy enough where relief is needed? Suppose native people are suffering from famine or from desolation and ruin, would the Honourable Minister go to them and say, "Well I have my sympathies for you, but I cannot give you the food, clothing, money or help you really need"? We are not ungrateful for the little sympathy which he has expressed. But something more than sympathy is needed.

**The Honourable Shri N. V. Gadgil:** Like Oliver Twist you ask for more and more.

**Mr. Naziruddin Ahmad:** We only ask a perpetual injustice to be remedied. A tremendous injustice has been done to West Bengal by the act of the Government of India—not the present Government but its predecessor. On account of the misdeeds, miscalculations and injustices perpetrated by the late lamented Government, Burdwan and West Bengal have been suffering so long. And how? The Honourable the Minister says that Bengal is the worst in the matter of management. It may have been so with regard to the famine account of

DAMODAR VALLEY CORPORATION BILL

1948. That was, let us say, the misdeed of a particular Ministry. But should you on that account punish the taxpayers? That would be something like 'Chinese justice'. If a boy in China commits an offence, according to Chinese justice, as the father is responsible for bringing the offending child into the world, the punishment goes to the father. Here the Chinese justice is going to be meted out to us. It is said that the late Ministry which was the offspring of the electorate in Bengal has committed some wrong. And who is responsible? The late Ministry. But who is to be punished? According to the 'Chinese justice' (adopted by the Honourable Minister) the electorate is responsible for bringing into existence that Ministry and therefore the electorate, the people of West Bengal, must now be punished. I submit to the Honourable the Minister for his better judgement—because I know he is a very straightforward and sympathetic man, and it is for this reason that I take the courage of appealing to him—to be a little more just and not merely be kind and sympathetic. Just look at the amount of injustice that has been committed by the Central Government—I mean the late lamented criminal Government. (An Honourable Member: Not lamented). If you say 'not lamented' I shall agree with you and I shall withdraw my expression. I shall say, that the late unlamented criminal Government that preceded the present Government did it. What did it do? The East Indian Railway was to be constructed near Burdwan and the floods would affect the safety of the railway. At that time the railway was owned and managed by big British interests. For their benefit a big embankment was set up on the left bank of the river Damodar and that led to the annual inundations. I submitted the other day at an earlier stage of the discussion on this Bill that this embankment created annual and widespread havoc in the district. On account of the embankment a large number of water channels, which irrigated a large fertile tract the left side of the river were closed for the benefit of the railway. This took away the fertility and introduced malaria. So far as the right bank was concerned it was ravaged and devastated by floods every year and the intensity of which increased by leaps and bounds from year to year. The outfall of this flood water into the Hooghly river was again closed because the European shipping interests would be affected if the flood water with its sand and silt fall into the Hooghly river making costly dredging operations necessary. The European shipping interests did not like to undergo the trouble and the expense. So outfall must be stopped. What happened? The outfall on the Hooghly was closed. The left side of the river was already strongly guarded in the interests of the railway. There was huge accumulation of water in a large part of the district, and the water resembled a huge lake. The result was the right side of the river was being devastated for the last 90 years. The left side was no better. The water channels were closed and irrigation was stopped and a large tract of the district lay fallow for 90 years. The Honourable Member, Mr. Barman, who is an ex-Minister of Bengal and who speaks with considerable amount of inside knowledge, spoke in the right note when he said that there has been a great deal of injustice done to West Bengal. He has quoted Major Willcox to say that Burdwan was very prosperous in the early fifties. But we can go back a little farther, to an indigenous authority namely *Ain-i-Akbari*. In that great book it is said that Burdwan was most highly advanced in the matter of agriculture. On account of the embankment these water channels which irrigated the land were closed and there was flood on the right side of the river, and we see the result now. You have really reduced us to this and must now right the wrong.

The mischief that has been done to West Bengal is due to the protection given to the railway and the shipping interests in Calcutta. The present Government has inherited the advantages of the railway without in the least acknowledging the sins which it must also inherit. With regard to the expected surplus of Rs. 10 crores in the Railway budget, a question has been raised as

[Mr. Naziruddin Ahmad.]

to whether the General Revenues will have a large slice of it or not. I submit that the railways have committed so much damage to the province of West Bengal that I think the province of West Bengal should get something out of the Central Government which now owns the Railway by way of belated justice.

I submit, Sir, that the proposition that has been sought to be established by the amendment is very sound. The Honourable Minister says that he stands for equity and justice. It is just like two brothers agreeing to start a business. The elder brother in the shape of the Central Government has the upper hand. He says all the profits we must share, but the losses must be borne by the younger brother—the Government of West Bengal. The Honourable Minister says that the Central Government bears half and West Bengal bears the other half. But I submit in reality, although the elder brother is eager for a half share of the profits, I think the elder brother is the better half and the West Bengal—younger brother becomes the worse half, having to bear the entire loss. In these circumstances I beg to submit that the matter should be considered not from the point of view of a superior authority, which the Honourable Minister possesses and who has been well established in this Legislature having an enormous voting power behind him without any opposition in the House. It is therefore all the more necessary that the Honourable Minister should carefully consider all these aspects—the miserable situation that has been created for West Bengal, the continuing injustice that has been perpetrated for the last ninety years, and the amount of benefit that has been enjoyed by the railways and the Calcutta shipping interests all these years. Therefore the Central Government should now generously come forward and agree to share with the Province the joys and sorrows, the profits and losses equally. In these circumstances the proper position would be that a share in the losses due to flood control should also be cheerfully accepted by the Centre. These flood ravages are the direct consequence of the acts of the Government of India as it then stood, and in order to give relief for the tremendous injustice which the predecessor of the present government perpetrated upon the people of Burdwan, that I think they should also agree in fairness to share the losses. There is nothing improper but sheer justice in the prayer made on behalf of West Bengal. You should share our losses. In fact that is so very simple and so logical that it should be accepted: but I do not know whether I am appealing to deaf ears. If the Honourable Minister would open his heart but close his fist, if he would only sympathize with our miseries but gives us nothing, then it is useless to argue. But I ask the Honourable Minister to forget that he is an official, to forget that he has only a decision to give on behalf of the Central Government, and to consider that West Bengal is also a fit object of his care and sympathy. I think the principle of the amendment should be accepted. If there is any drafting change that is necessary, I think the Honourable the Mover would certainly agree to that, but the principle should be accepted that flood control should be also a matter for the Central Government, having been the sole author of the situation that West Bengal finds itself in today. With these few words I submit that the Honourable Minister should accept the principle of the amendment and really give us some kind of relief, and not mere words of sympathy.

**Shri K. Santhanam:** I have great sympathy with the mover of the amendment and at first I thought that the deletion of the proviso might be equitable. But, Sir, we have to take clauses 33, 34, 35 and 36 together. Clause 33 says that "the Government concerned shall be responsible for the capital cost of the works constructed exclusively for irrigation in its Province". Sir, many works will be jointly both for irrigation as well as for flood control, and now under clause 35 the Central Government is placing 7 crores at the disposal of the West Bengal Government. Now if the deficits and losses are to be shared

equally, then they may not agree to allocate part of the capital only for flood control. They may insist that the scheme comes under irrigation and so the Bengal Government will be obliged to subscribe capital wherever there is a joint project both for irrigation and flood control. The allocation of deficit to West Bengal makes it more easy for that government to obtain capital allocated to flood control for irrigation projects also. Now they can say 'What does it matter to you?' and so even if it is partial only for flood control though it is largely for irrigation, it may be paid out of flood control as capital. Especially in the Tanjore district I know there is hardly any project which is meant only for flood control. You put up a drainage dam and out of that drainage channel there is land irrigated and therefore you get money for irrigation while it is mainly intended for drainage. The Government will say under clause 33 that the Bengal Government should subscribe it exclusively for irrigation. But as the provisions are, it will be easier for the Bengal Government to contend 'What does it matter? After all, if there is loss from flood control, we are going to bear it' and therefore rules can be made much more flexible, and from that point of view I think the Bengal Government themselves have accepted the provision. Otherwise they would have objected to the provision.

**Mr. Naziruddin Ahmad:** That was the bad government referred to.

**Shri K. Santhanam:** From 1935 the Bengal Government has been bad to the Government of India, but has been very good in its own interests. It has tried to get as much money from the Government of India as possible. I do not think you can call it a bad government from the point of view of getting money from others. Of course how you spend the money is another matter into which I need not go, and therefore I think on reconsideration the proposals as they stand may be most suitable even from the selfish interest of the Bengal Government.

**Shri T. T. Krishnamachari** (Madras: General): I want to explain one point only in respect of this clause. The position is the Central Government finds 7 crores of the capital for flood control operation and it appears that this amount is more or less written off because we know that for several years to come, there will be no return on it, at all, probably not even after 50 years, so that what our friends want the Central Government to do is not merely pay half the capital at charge which will remain unremunerative but also pay half of the deficit. What they say is, if there is a profit, the Central Government would take it; but actually on the face of it, and in the light of our previous experience of similar projects, there will be absolutely no profit or any other direct benefit so far as the Central Government is concerned. The real intention seems to be that the Central Government is asked to undertake responsibility for all eventualities. That is what it boils down to. What I would suggest is, it is not a question of any appeal *ad miseri cordium*. Nobody need make an appeal of that sort. The benefits arising out of this scheme of flood control might probably outweigh the losses the Bengal Government might sustain. That is a factor to be taken into consideration, and surely in the future set up there will be provision for the Bengal Government to approach the Central Government now and again for relief and subvention in respect of matters which are beyond its control such as floods and things of that sort. The matter can be decided *ad hoc* every year or during a set period between the two governments rather than import a particular rigid clause into this Bill where the Central Government has been more than liberal, in that it has provided 7 crores of capital for which it is practically going to get nothing. That is the crux of the problem and there need be no question of any appeal *ad miseri cordium* to the House on this matter.

**Mr. Naziruddin Ahmad:** May I ask, S'r, whether the Honourable Member was speaking on behalf of the Government or on his own individual account? He has been making lavish promises for the future. Can I take it that he speaks on behalf of the Government?

**Mr. Speaker:** It is unnecessary to put that question. It is obvious that he is not a Member of the Government and anything he says will not be binding on the Government.

Does the Honourable Minister wish to say anything further?

**The Honourable Shri N. V. Gadgil:** Sir, I do not wish to accept this amendment and beyond that I do not wish to say anything.

**Mr. Speaker:** Then I will put the Amendment to the House.

The question is:

"That for clause 36, of the Bill, the following be substituted :

'36. Disposal of profits and deficits.—(1) The net profit if any, subject to the provisions of sub-section (2) of section 39 or the net deficit if any, attributable to either of the two main objects, namely irrigation and power, shall be credited to or made good by the participating Governments in proportion to their respective shares in the total capital costs attributed to that object.

(2) The net profit if any, subject to the provisions of sub-section (2) of section 39 or the net deficit if any, attributable to the main object of flood control shall be credited to or made good by the Government of West Bengal."

The motion was negatived.

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

"That clause 36, stand part of the Bill."

The motion was adopted.

Clause 36 was added to the Bill.

**Mr. Naziruddin Ahmad:** Sir, I beg to move.

"That in clause 37 of the Bill, the words 'from time to time', be omitted."

This kind of amendment has been accepted by the House on other occasions. The words "from time to time" are unnecessary in view of the General clauses Act.

**The Honourable Shri N. V. Gadgil:** Sir I, do not accept it.

**Mr. Naziruddin Ahmad:** The point is that another Honourable Minister accepted this line of amendment. I submit that this House should be treated similarly on similar occasions and the treatment should not vary from Ministry to Ministry. After all it is a matter of general draftsmanship; it should not fluctuate with the presence of one Minister or the other in the House.

**Mr. Speaker:** Does the Honourable Member desire that his amendment should be put to the House?

**Mr. Naziruddin Ahmad:** Yes, Sir.

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

"That in clause 37 of the Bill, the words 'from time to time', be omitted."

The motion was negatived.

**Shri K. Santhanam:** Sir, I move:

"That in clause 37 of the Bill, the words 'and such interest shall be deemed to be part of the expenditure of the Corporation', be added at the end."

I have dropped the word "revenue" in view of the amendment in the name of Mr. Mohan Lal Saksena which has been proposed for that purpose.

Sir, this Amendment has become necessary owing to the decision to subject the profits of the Corporation to Central taxation. As the position now stands, the term "capital" makes taxation come first and interest afterwards because interest will be in the position of dividend. That will be a very unsatisfactory position. We want that interest should be treated as expenditure and only if there is any further surplus, should that be treated as profit for purposes of taxation. It is for this purpose that I have brought in this amendment



because if my amendment is accepted, the interest will be treated as part of the expenditure of the Corporation and so only what is left afterwards will be subject to taxation.

**Mr. Speaker:** Amendment moved:

"That in clause 37 of the Bill, the words 'and such interest shall be deemed to be part of the expenditure of the Corporation', be added at the end."

**The Honourable Shri N. V. Gadgil:** Sir, I accept the amendment.

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

"That in clause 37 of the Bill, the words 'and such interest shall be deemed to be part of the expenditure of the Corporation' be added at 'he end.'"

The motion was adopted.

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

"That clause 37, as amended, stand part of the Bill."

The motion was adopted.

Clause 37 as amended, was added to the Bill.

**Shri K. Santhanam:** Sir, I move:

"That in clause 38 of the Bill, for the words 'other expenses', the words 'all other expenditure', be substituted."

**Mr. Speaker:** Amendment moved:

"That in clause 38 of the Bill, for the words 'other expenses', the words 'all other expenditure', be substituted."

**The Honourable Shri N. V. Gadgil:** Sir, I accept it.

**Mr. Naziruddin Ahmad:** Sir, the House is not very much wiser for the laconic amendment and the laconic acceptance. I think the real difference between the text and the amendment should be explained in order to enable the House to follow the real scope and need for the amendment. It will be extremely helpful.

**Shri K. Santhanam:** For one thing it makes it read better. Then it has to be explained with reference to the original wording—

“. . . the interest charges and other expenses shall be added to the capital cost . . . . ."

I think it was the official draftsman who preferred the existing phrase instead of the phrase in my amendment. I find that there was no difference.....

**The Honourable Shri N. V. Gadgil:** I may be permitted to explain, Sir. The provision in clause 38 is that—

"For a period, not exceeding fifteen years, from the establishment of the Corporation, if the Corporation runs in deficit the interest charges and other expenses shall be added to the capital cost and all receipts shall be taken in reduction of such capital cost."

In order to leave no doubt, "all other expenditure" has been substituted.

**Mr. Naziruddin Ahmad:** May I speak on this, Sir? The original clause speaks of "interest charges and other expenses". When you speak of interest charges and other expenses, all other expenses are necessarily included. The amendment wants to change the "other expenses" to "all other expenditure". The words "other expenses" apart from "interest charges" include "all other"; and there is no point in changing the word "expenses" by the word "expenditure". I think there is no real change; how the sense is more beautified, or appeals to some ears better, I fail to see. The explanation which has been given by the Honourable Minister does not justify the need. I am not quarrelling with the real purpose; with that I am in full agreement. But I think that the amendment is pointless, merely because a draftsman is supposed to have favoured this—we have had enough of the draftsman's point of view; the House has, I believe, already outgrown that. It has survived attempts on the part of the draftsmen to improve the diction. It has survived attempts on the part of the draftsmen to improve the diction. phony nor in the interest of better sense nor in the interest of psychology, is this amendment necessary. If amendments of this type are going to be

[Mr. Naziruddin Ahmad]  
accepted by the Minister, simply on account of beautifying the language, then I beg to submit that many of my humble amendments would have deserved better consideration.

**Mr. Speaker:** I do not think any further discussion on this point is necessary at all. If it is a question of something sounding better than the other, to the ear, it will depend upon the ear and different people have got different ears. But, I was just wondering as to whether there could be any difference, because I myself carried a feeling that "all other expenditure" would be more clear statement of what is intended. It is possible that if we use the expression "interest charges and other expenses", it would perhaps be restricted to expenses of the nature of "interest charges". If that is not the intention and the intention is to include every other expenditure in what is to be added to the capital, then "all other expenditure" clarifies the position, that is how I view it, of course as a lawyer, not as Chairman presiding here. I do not think there is much to argue over this point.

**Shri H. V. Kamath:** I think expenditure is always "incurred", not "added".

**Mr. Speaker:** The Honourable Member seems not to have followed the scheme of the Clause. All other expenditure would be taken as a capital cost. It is to be added to the capital cost.

**Shri H. V. Kamath:** I was not referring to the scheme of the Clause. I was submitting that the word "added" after the word "expenditure" is inappropriate.

**Mr. Speaker:** Well, that is a question of English language. I cannot be presumed to be an expert in the English language. I am putting the amendment to the vote.

The question is:

"That in clause 38, of the Bill, for the words 'other expenses', the words 'all other expenditure', be substituted."

The motion was adopted.

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

"That clause 38, as amended, stand part of the Bill."

The motion was adopted.

Clause 38, as amended, was added to the Bill.

Clauses 39, 40 and 41 were added to the Bill.

**The Honourable Shri N. V. Gadgil:** Sir, I move:

"That for clause 42 of the Bill, the following be substituted:

"42(1) The Corporation shall be liable to pay any taxes on income levied by the Central Government in the same manner and to the same extent as a Company.

(2) The Provincial Governments shall not be entitled to any refund of any such taxes paid by the Corporation."

This aspect has been sufficiently discussed in this House. So I do not want to make any further comments on this.

**Mr. Speaker:** Amendment moved:

"That for clause 42 of the Bill, the following be substituted:

"42(1) The Corporation shall be liable to pay any taxes on income levied by the Central Government in the same manner and to the same extent as a Company.

(2) The Provincial Governments shall not be entitled to any refund of any such taxes paid by the Corporation."

**Mr. Naziruddin Ahmad:** Sir, I move:

"That for clause 42 of the Bill, the following be substituted :

'42. Notwithstanding anything contained in any other law for the time being in force, the Corporation shall be exempted from liability to pay any tax on income, Corporation tax or any other like tax levied by the Central Government; and the participating Governments shall also be exempt from liability to pay any such tax in respect of any profits distributed to them by the Corporation.'

Sir, with regard to the draftsmanship of this amendment, I do not claim any originality; nor do I claim any originality for the idea of the clause. I have bodily taken it as it stood in the original Bill. In the Select Committee, however,.....

**Dr. P. S. Deshmukh** (C. P. and Berar: General): On a point of order, Sir. Is this not a negation of the amendment suggested by the Honourable Minister?

**Mr. Speaker:** The point to consider is that both of these amendments in substance appear to be a negation of the original clause. That is what I was considering. The fact that it is a negation of another amendment made by some other member will not be the proper reason for ruling it out of order as negative.

**Dr. P. S. Deshmukh:** I think it is negative of both.

**Mr. Speaker:** It appears to be so. Let me examine it.

**Shri T. T. Krishnamachari:** May I make a submission, Sir? Supposing this amendment is considered to be a negation of the original clause and it is ruled out of order and the House thereafter votes down the clause, the position will be that the Income-Tax Department can treat this Corporation as an association of individuals and not merely tax it but tax it as an individual. Some provision will, therefore, have to be put in there for taxing or for not taxing. We cannot leave whole question in the air. The mere negation of an important clause of this nature will leave the whole thing in a very queer position. Whatever might be the practice in matters like these, this particular aspect I think will have to be considered by the Chair before the Chair gives a ruling.

**Mr. Naziruddin Ahmad:** I do not stand on technicalities, Sir. I have taken the Clause as it stood in the original Bill. It was mutilated in a merciless fashion in the Select Committee. The point involved is a matter of great importance. We have to consider whether the strict rules of technicality, whether an amendment should not be a mere negation of the original proposition or not for it to be ruled out of order, really apply here or not. In substance and on first impression, my amendment is merely a reversion to the clause as it stood in the original Bill. The only question is whether it should be rejected on strict technical grounds. On that, I beg to submit that in the Select Committee some words were taken out and the rest were kept. I want to supply those passages which were taken out. In fact, I am merely supplying a few words here and there which were omitted. Therefore, I ask you to consider whether this is really a negation of the original clause or it is trying to take the clause back to its pristine purity. I shall abide by your ruling.

**Shri K. Santhanam:** Sir, I do not think the rule about negation can be applied to a Bill. Supposing a word 'not' has been missed in a clause. If somebody brings forward a motion to supply that word 'not', is it negation of the original clause? Therefore, so far as Bills are concerned, we are entitled to propose any amendment, whatever the effect may be—even if it is negation. I think it is only for Resolutions and such purposes that that rule is applicable. If it is applied here, then we shall be faced with all manner of difficulties. So I think there should be no question about admissibility as far as amendments are concerned.

**Shri H. V. Kamath:** We are at liberty to even annihilate a Bill.

**Mr. Speaker:** I think there seems to be some misapprehension as regards the principle on which the negative of the original proposition is ruled out of order. That rule is universal and will apply to all, whether it be a resolution or a motion or a clause or an amendment. The principle seems to be that, if it is a negative pure and simple of the proposition sought to be placed before the House, the House has got the liberty of rejecting it an attaining the negative without the amendment. That seems to be the principle. For example, if a person wishes that a particular clause should not be in the Bill, he need not move that the clause be omitted. He need not move it as an amendment at all. The simplest course would be to vote against the clause and the clause is deleted. That is the principle underlying the ruling out of amendments of a negative character. The chief point which I was feeling doubtful about was as to whether this particular amendment is a negative of the original clause or not and not that whether the rule about the negative amendments being ruled out should be put in force or not. It seems Honourable Members have argued on that point.

**Mr. Naziruddin Ahmad:** Sir, I have conceded the general rule.

**Mr. Speaker:** I was just considering the substance of this amendment and I see some force in what the Honourable Member Mr. T. T. Krishnamachari has stated that, mere negation would mean dropping out this Section, which means the Act is silent as to whether the Corporation is liable to pay or not liable to pay. That will be the negative of the clause but the position will be left in doubt and it will be perfectly competent for the Income-tax authorities, under the taxing law, to come to the conclusion that the Corporation is liable to tax even though there is no provision about its being liable to tax in this particular Act. What the amendment seeks to do is something beyond mere negation. That is what I see from the provisions of the amendment. It wants to secure positive exemption and not leave anything in doubt, so far as the Income-tax law is concerned. It is this view that I was just considering and I am inclined to hold that this particular amendment will not be negative of clause 42. Any way, each proposition will be judged on its own facts and merits.

**Mr. Naziruddin Ahmad:** I am grateful for the clarification. In fact that is not a mere negation but rather something more. We were confusing the issue when we were arguing the matter.

Now, Sir, the question is whether this Corporation should be exempt from Income-tax and other taxes. That is the straight question. The decision in the Select Committee seems to have been very hastily arrived at and in fact at three different places some words were taken out. The Honourable Minister has to come in again with an amendment.

Clause 42 stands like this:

"The Corporation shall be liable to pay any tax on income, Corporation tax or any other like tax levied by the Central Government."

The Honourable Minister's amendment is not like an elder brother's amendment but like a step brotherly amendment and he wants not only to tighten his grasp over the Corporation but to tighten the screws also. The House will be pleased to note the rigour which the present amendment has introduced. It says the Corporation shall be liable to pay any taxes including future taxes also. Perhaps there is a threat of imposing new taxes levied by the Central Government in the same manner and to the same extent as a company. The Provincial Governments shall not be entitled to any refund of any such taxes paid by the Corporation. The sting of this amendment is at the tail. So there is no principle of equality which guides the Honourable Minister in approaching the very weak younger brother—West Bengal. Of course, Bihar is also in a similar position. The amendment was introduced in the Select Committee for the reason that this House has already decided to

tax another Corporation, i.e., the Industrial Finance Corporation. This is also a Corporation, so why not tax this Corporation also, that is the idea which in a light hearted manner, the Select Committee acted. I however submit that the similarity between the two lies only in the name. There it is the Industrial Finance Corporation and this is the Damodar Valley Corporation. We know in a celebrated Shakesperian play that when a mob set out to destroy all conspirators, they caught hold of a man who answered the name Cina, and asked him: "Are you Cina"? He said: "Yes: but I am the Poet Cina and not Cina the conspirator." "But poet or conspirator, you are Cina" cried the mob and he was caught hold of and done to death. Here the authors of this happy idea said to themselves "We have already taxed a Corporation; this undertaking is a Corporation. Let us therefore tax it." In vain the Damodar Valley Corporation cries in agony "I am the nation-building Corporation and not the businessman's Corporation and should not be taxed." The Honourable Minister says "Never mind, you are a corporation and you must be taxed." So, unfortunately this Damodar Valley Corporation bears a bad name and has to pay the penalty. Sir, I beg to submit that there is radical difference between the Industrial Finance Corporation and this Corporation. The object of the Industrial Finance Corporation is to create a body which will finance industrial concerns, individual persons, companies and others. These recipients are business concerns. They take loans to develop their business. Their business is to make profits and the Government sets up a body to help that Body and that is a business body. They are all business concerns and are capitalistic pure and simple. But does this Corporation resemble that Corporation in any way? The beneficiaries of the present Bill are the down-trodden and suffering people of Bihar and West Bengal, specially the people of Burdwan district, for whom the Honourable Minister has abundance of sympathy. The beneficiaries will be the people whose agriculture is destroyed, whose lands have been laid waste, whose irrigation has been stopped, whose vitality has been sapped by malaria, and who have been paying high rates of rent but who are at the same time getting no profits out of agriculture. It is to them that you are extending your help. It is again a nationalised concern whose object is nation building. The Income-Tax Act itself creates a large number of exemptions and the Honourable Minister should consider whether this Corporation cannot claim the same kind of exemption. For instance, the Act exempts trust properties, charitable institutions, local authorities, interest on provident funds, provident funds themselves, and so on; and under section 60 of the Act exemptions have been allowed to educational scholarships, some military allowances and pensions, post office cash certificates incomes, savings bank incomes, universities and educational institutions, regimental institutions, and so on. These are some of the numerous exemptions. The question is whether this is also a suitable institution to be granted exemption. If you tax everything on the *bania* instinct of getting as much as possible you will be killing many institutions by this exacting method. If you tax this Corporation its beneficial character will be impaired, Government will be regarded as a business concern actuated by business motives only. It would be a capitalistic approach to a problem which is humanitarian in conception. If you tax this Corporation the cost of irrigation water will have to be raised as also the cost of electricity, and the cost of nation-building, which this institution aims at will be increased. So the benefit and the justice which you want to give the people will be largely discounted. If irrigation water and electricity and other things are taxed, all products out of it will be rendered more costly and less profitable. So in this case the tax will be improper and unjust. If you forego the tax then in the long run the Central Government, I think, will not lose in the matter of taxation, because the beneficiaries of the scheme will get better returns out of their agriculture and better profits due to cheaper electricity. By becoming more prosperous they will be able to

[Mr. Naziruddin Ahmad]

pay better taxes; but they will be prevented from being prosperous if they are taxed at the source. I think the tax motive behind this clause is very improper, and the Central Government will not lose in the long run if they will now forego it. I submit that water for agriculture and electricity should be made as cheap as possible. There are many poor cultivators who should be exempt from payment of taxes because their income is less than Rs. 2,000. How would you exempt them?

**Pandit Thakudas Bhargava** (East Punjab: General): Land itself is exempt from taxation.

**Mr. Naziruddin Ahmad**: Agricultural land is not exempt; it is liable to pay agricultural income-tax, and the West Bengal Government has already levied agricultural income-tax.

So if you tax irrigation water the poorest will suffer. But in taxing people who have made a certain income you should exempt the poorer people. How would you here exempt the millions of poor agriculturists? Government should tax only the prosperous people and should not tax them before they are allowed to be prosperous. So this tax, I submit, is in every way improper. In the same way you could also tax the Universities if they make a profit out of examination fees, or our educational institutions. Why not tax Government itself,—one department taxing another department? One day the Government may tax housewives if they effect a saving out of bazar expenses, (*An Honourable Member*: Also the servants.) or the servants if they make profits. The Corporation is a humanitarian venture and you tax those whom you pretend to help. You might as well tax educational institutions, sanitation, etc., and perhaps people's good looks and intelligence, until you tax people's patience. The Railway Minister is here; it is his department which has been responsible for creating this situation. In fact if any tax is to be levied it should be on the railways. About the Tennessee Valley scheme it is well known that its success lay in making water and electricity as cheap as possible. The Tennessee Valley more prosperous so as to be able to pay more taxes; they will buy more things more prosperous so as to be able to pay more taxes; they will buy more things and pay direct and indirect taxes. I see therefore no logic or reason about this taxation at the source.

Then you must provide for refunds. Most of the poor cultivators' income is per head less than Rs. 2,000. If you tax the Corporation at the source you must arrange for exemptions for the poor and you force these poor people to go to the income-tax authorities to plead for refund.

I do not envy the lot of a man who goes to the Income-tax Officer and tries to get a refund. Perhaps he will be caught in the net and he will be taxed. I do not think he will try the experiment. It is costly. It is troublesome.

**I.P.M.** It is risky. In these circumstances a large number of people would be taxed who should be exempted in the long run but so whom for practical reasons refunds would be out of the question. How would you exempt them? In these circumstances, I ask the Honourable Minister to pause. It is a big departure from our tax structure. I ask him to consider kindly whether this tax should be a beneficial tax, and whether it is really wanted, and whether in the long run by taxing the venture at the source the Government will make any ultimate gain. I do not object to the Government getting taxes but the principle is whether you will tax this institution at the source. The similarity between the other Corporation and this Corporation is is only in the nomenclature but, as I have explained before the difference is radical in spirit as well as in substance. I submit that this mischievous import is introduced as a most pernicious principle and I ask the Government to pause. Now it is the case of West Bengal and Bihar. But this Damodar valley scheme is only the forerunner of many other similar schemes. Those Honourable Members who are not unfortunate enough to be inhabitants of

these two areas, will have their turn later on. The shape of things to come is in that direction. Other schemes are awaiting them and they will also be taxed. I submit that the entire House should take it as a problem involving principles—whether on sound financial principles you should adopt it. It is no use pretending that you are trying to benefit the people when at the same time you take away with the left hand what you are giving with the right hand. In fact it does not look well to tax this nation-building institution at the source. The Honourable Minister has said that the Central Government should contribute half and the Provincial Government contribute the other half and so they are equal halves. But you say "I want the tax". Then where is the equality? You have the whip hand everywhere. In these circumstances there is neither equality nor logic nor justice. Mere expression of sympathy will not cure the injustice. I submit the situation to which the people of West Bengal have been reduced is due to the act of the Government, the very Government which was the predecessor of the present Government which has now inherited their rights and liabilities with their assets. In these circumstances the Government should make a gesture. It will be appreciated throughout India; otherwise this will be a kind of sword of Damocles hanging over the heads of so many other schemes. Large schemes are already under contemplation, and though we are the first to be affected, we shall not be the last. Therefore, the tax proposals should be wholly abandoned. I would ask the Honourable Minister to stick to his first love. The first love was the original clause as it stood before it went to the Select Committee, and that is what I want to revert to. The first love is always the best: the second love is always secondhand love.

The Honourable Minister has used a very powerful argument—that the Provincial Governments had discussed and agreed to certain arrangements and that has been used by him as an argument.

**The Honourable Shri N. V. Gadgil:** I never said it with respect to this.

**Mr. Naziruddin Ahmad:** That is what I was going to point out. I am grateful to the Honourable Minister for anticipating the argument. He has in many places advanced the argument that the Provincial Governments have agreed. Whenever that argument can be utilised for the purpose of taking something, the Honourable Minister eagerly stands upon it. But when the question of taking is concerned, the question of previous discussion and agreements and consultations does not arise. That is the very point I was going to make and the Honourable Minister has simply supported my argument—that when it is a question of giving you say I cannot give you more although it is justifiable and reasonable, because your predecessor Government, whom you describe as the mischievous Government, that Government has agreed to it. You do not want to give it to us because that Government has agreed: the mischievous Government has agreed: the mistaken, faulty Government has agreed, and you prevent us from asking it because it is controlled by agreement. But when it is a question of taking, you insert a clause in the Select Committee and say "I will take it". We say "There is no agreement in this context". I submit that generous as the Honourable Minister is he should take these facts into consideration and show his generosity not by a few sweet words of sympathy but by realism. Give us relief and not sympathy. I ask you to consider our suffering and give us relief—some relief. Although it will be a gesture, it will be highly appreciated. It will be something like a mere sentimental satisfaction to a harassed and much-injured people.

I submit that the Honourable Minister should consider all these and not merely stick to the prepared reply made in advance of argument. That would be just like a judge hearing arguments after the judgment is written and signed. As soon as the argument is heard the judgment is delivered. If the Honourable Minister will approach the problem in this spirit, I think there can be no free debate! And particularly for the reason that there is no opposition in this

[Mr. Naziruddin Ahmad]

House, and though the Ministers are honourable philanthropic men, ready to do good to the people, they have a colossal majority in the House, there is a danger of being over-confident and of acting upon impulses and relying upon the tremendous vote behind them. If there was an opposition, things would not have been carried like this. We are not functioning as an opposition. We are submitting things not by criticism but by way of constructive suggestion. Therefore I ask the Honourable Minister to consider my speech as something like an opposition speech and then just to consider whether he has got to change his opinion. I appeal to him in the name of the larger interests of the country and in the interests of humanity, which is said to be the basis of this scheme.

With these few words, I hope the Honourable Minister will give us relief and not sympathy.

Then, Sir, with regard to this amendment, it has raised larger issues than would otherwise be implied on the face of it. It seems to me that the House listens to the speech with some sympathy, with some affection and with a charitable mind. The only difficulty is that the Honourable Minister can always rest assured on the feeling that the whole House will be behind him whether he is right or wrong.

**The Honourable Shri N. V. Gadgil:** I cannot say that about you!

**Mr. Naziruddin Ahmad:** I have been supporting you. The Honourable Minister should approach the problem in a realistic and sympathetic manner. The Government is tackling many important and difficult problems in the country in a really sympathetic manner. I am not criticising the Honourable Minister. They have got so many things in their hands but the people have also their difficulties. The taxation is on a wrong principle and I submit that on all these considerations this proposal to tax the institution should be abandoned and the original clause as it stood restored. It was a healthy clause which should be accepted. Otherwise I shall go back with the impression that the Honourable Minister has a large fund of sympathy but nothing else for us. He has nothing to give us by way of relief in rupees, annas and pies. When a patient is ill, he wants medicines. He wants suitable diet. The least thing that a patient needs is mere sympathy without these. In fact that is not what we have come here for. I do not want your sympathy. Take away all your sympathy but give us some relief. I would rather prefer relief to sympathy. You are dealing with the question of relief under the rehabilitation problem. That shows that you have enough sympathy and you do not care for money, effort or trouble. You are doing a tremendous amount of justice and are giving relief to the refugees. Just consider the people of West Bengal as so many refugees. During flood time they have to climb trees and be refugees from their homes for a few days.....

**Mr. Speaker:** I hope the Honourable Member will bring his remarks to a close in a couple of minutes. He has said all that he had to say on the merits of his amendment.

**Mr. Naziruddin Ahmad:** I have only one word to add. Give us something, not your sympathies.

**Shri T. T. Krishnamachari:** Sir, I support the amendment moved by the Honourable Minister because it makes the position better than what it is in the Bill as it has emerged from the Select Committee. Actually the wording is so imperfect that without an amendment in the manner in which my Honourable friend has suggested it, would be hopelessly inadequate. At the same time, as it introduces a new principle, a principle which is diametrically opposed to the original intention of the Honourable the Mover himself as indicated at the time the bill was referred to the Select Committee, I think it would probably be desirable in the interests of the country at large that a few words should be said about the possible implications of this proposed change.



As regards the question whether this particular Corporation is going to have any surplus which can be taxed by the Central Government first and any surplus left over thereafter to be divided between the Central Government and the two Provinces in the manner determined by the various sections of this Bill, I could say straightaway that it is impossible that there is going to be any surplus at all for any purpose for a very long time to come. The present amendment is merely the enunciation of a principle, which Government probably now wants to make a matter of policy for the future rather than, obtain any tangible benefits by way of taxation. The question whether it is proper for the Central Government, in a combined cooperative venture between itself and two other provinces, to say "Well, I shall first take by way of taxation a substantial portion of the surplus and then we shall divide the balance in the manner we have agreed to", is one on which my Honourable friend has spoken at length.

*The Assembly then adjourned for Lunch till Half Past Two of the Clock.*

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*The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.*

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**Shri T. T. Krishnamachari:** Mr. Speaker, Sir, before the House rose for lunch I said that I felt that the Honourable the Minister's amendment is the proper one but that there are certain issues arising from the change that has been made in the Select Committee that have to be brought to the notice of the House and through them the wider public. I also emphasized the fact that I saw no chances of the Central Government getting any taxation revenue from this Corporation for a good number of years to come. It may be said that this particular amendment was motivated by a similar provision being found in the Coal Board's constitution in England where the Board has been compelled to pay income-tax and corporation-tax. On the opposite side there is the T.V.A. experience about which much was said in this House. The T.V.A. does not pay any Federal taxes though it seeks to boost its importance by showing how much is being paid by way of taxes to local bodies and states by the distributors of the T.V.A., people who take power from it and distribute it. They pay an enormous amount of money by way of taxes. But the T.V.A. does not pay any Federal tax. So, on the one hand you have the experience in Britain and on the other you have the experience of an almost similar Corporation in America. But then, if it is realized, as the Government would undoubtedly have realized, that there is no money to be got and that this Corporation is not on all fours with the Industrial Finance Corporation—where the capital is entirely furnished by the Central Government and the Provincial Governments of Bihar and West Bengal—why should this change be made? In my part of the country, South India, there is a proverb that a person who desired to eat flaked rice or beaten rice, and not having the wherewithal to buy rice which can be so converted, to satisfy his desire took out mortar and started beating the empty mortar with the pestle. The reason for this change is something like that. It is going to result in nothing immediately. It is not going to alter the financial position of the Central Government or the Provincial Governments to any considerable extent. But there must be some other purpose not related to this particular measure, some psychological effect that is sought to be achieved by this amendment. That is about what I feel is behind the whole change which is now attempted and which, as I said just now, is not material. I know my honourable friend Mr. Naziruddin pleaded for sympathy and all that.

**Mr. Naziruddin Ahmad:** No. I did not want sympathy at all. We have enough of it. I want relief.

**Shri T. T. Krishnamachari:** If it is a question of recognition of rights, even the rights are not going to be there. But I wonder how my Honourable friend over there who is such a studious member who looks into every point, did not find that there is another method by which his Province might benefit should it happen that this Corporation is going to pay taxes. On a previous occasion on a matter not concerning this aspect of the question I said that if no mention is made about taxation in the body some other results might follow and you were good enough to accept that as a possibility. I put the position the other way about. Suppose there is even this particular clause in the present carefully drafted form is put in this Bill. What happens to Section 155 of the Government of India Act by which the Provinces are exempt in regard to their incomes so long as they are earned by trading or other ventures within the borders of their own province? What is to prevent the Provincial Government asking for a refund of taxation in so far as its own income derived within the Province is concerned? And as the various Sections preceding this particular Section give an allocation in regard to the capital at charge being divided between various participating Governments it is made possible for incomes to be apportioned on this basis and a Provincial Government will be able to say: "This is the amount that is being earned by the capital that we have invested and in our own Province on which central taxes have been collected, so please refund this amount to us even if it is said in the Bill that Provincial Governments will not be entitled to a refund". Whatever we enact here and whatever we might do here might alter that scheme of things; we cannot go counter to the provisions of the Government of India Act as it stands today. I am not raising a point of order, but I am mentioning that there is a possibility of this particular provision being got over by a Provincial Government asking for a refund on the basis that there is Section 155 of the Government of India Act. Until that section 155 is altered—it might be altered later on—the position is more or less as if this provision does not exist at all or exists in the same manner as it was prior to the Bill being committed to Select Committee. I am sure the Government has available to it the services of very able lawyers and this point will not have been overlooked. But I feel that the other analogies quoted in support of this change were not merely not necessary but irrelevant. Even the instance of the Industrial Finance Corporation is not very relevant. There probably it was right to make the change because there are two sets of people in it, one the Central Government and the other the public companies. If the income of the Corporation was not taxed the income of the public companies obtained as dividend will not escape taxation. They will pay when the money goes into their hand. It is ultimately the same thing whether the tax is collected on the income of the Corporation or from the income of the companies. Only the Central Government taxes its own income. The position is not altered by the a provision of this nature or by its absence. Here the participants are three Governments and the two Governments really affected have the possibility of getting back the money if the Act remains as it is today and until it is changed—as it might conceivably change when the new Constitution comes. I feel it would have been much better if we had not imported this particular provision. Probably the idea is as I surmise it, of something else, that is a policy to be initiated now which will have some psychological effect on affairs later on for some other different purpose. I wish my honourable friend had not made this change in the Select Committee. Since he has made it I feel his own amendment makes better and fits in squarely with the idea that the Government has, and therefore his amendment has to be supported though I will once again emphasize this particular point that the House will have to carefully note the

implications of this provision and the resultant effects it will have on the Provincial Governments. Whether the Provincial Governments will accept them lying down or not is a matter that is best left to them.

**Pandit Lakshmi Kanta Maitra** (West Bengal: General): Mr. Speaker, I had no desire to intervene in this debate but for the turn which the debate unfortunately took before the House rose for lunch. I want the House to realize that the principle of taxation underlying the amendment tabled by my Honourable friend Mr. Gadgil raises a very important issue. It is not confined to the question of any benefit being derived by the Provinces of West Bengal or Bihar. It affects the question of the future taxation policy of the Government of this country. I am surprised to find the debate in connection with this Bill carried on in such narrow channels. Does the House really mean that this Damodar Valley Corporation is a project which is designed only to benefit the Provinces of Bihar and West Bengal? If the House has taken that view I shall indeed be very sorry for it. As a matter of fact, Mr. Speaker, this scheme, this Damodar Valley Project, is nothing new nor is it meant solely for Bengal or Bihar. I remember last year there was a full-fledged conference composed of the members of the Central Government, and also of the Governments of Bihar and West Bengal, in which I was also invited to participate. There the matter was made absolutely clear that though this project happened to be confined within the geographical borders of a particular province, its implications were far wider, and that it was an all-India project intended to benefit the whole of the Indian continent.

Sir, I want the House to realise more fully what this project means, and against that background this amendment will have to be seen. The partition of this country has cut the economic unity of this whole sub-continent with the result that one part of the country, the Indian Dominion, is deprived of the major portion of the irrigation facilities and establishments which undivided India possessed. We have more of industrial production, industrial and mineral resources and of power potential, while the Pakistan Dominion has more of water potential, food potential and agricultural resources. I want the House to bear in mind that out of the total irrigational investments in this country, more than half has gone over to Pakistan. Of the 33 million acres of land which used to be irrigated by the canal systems in undivided India, about 20 millions have gone over to Pakistan. Therefore to that extent the whole Indian Dominion has been impoverished. Of the four lakhs cubic feet of water which used to be conveyed by the canals in undivided India per second more than half has gone over to Pakistan. That is the position. Therefore if India has got to be self-sufficient in the matter of food supply, these projects must immediately be brought into operation. I do not think that this project is intended merely for bringing commercial benefits to a particular province or provinces or to the Centre. Now look at the price we are paying for food in this country. During the last three years this country has been paying more than 100 crores every year for importing food at fantastic prices from foreign countries. Even for the few months commencing from the middle of August to the 31st March 1948, we will have to pay more than 22½ crores of rupees for food to be imported from abroad. The cost that we have already incurred in this respect will be more than double the cost of the entire irrigational constructions which undivided India had. This is the position. Therefore this Bill is intended to give a lead for similar projects to follow in the very near future. Now the question has been raised whether this corporation, which is going to be constituted by law, will be liable to pay taxes. Now, Sir, this is a matter which must be discussed at a very high level in my opinion. It is a matter of state policy. For the first time I am going to be seriously told in this House that henceforth these undertakings would be subjected to the same laws of taxation as any other commercial undertaking. I ask the

[Pandit Lakshmi Kanta Maitra.]

House very seriously to consider if it is going to give its *imprimatur* of sanction to this dictum here and now. I am told that in the Industrial Finance Corporation Bill this principle has been accepted in some form or other: but I have not the least hesitation in telling the House that as I view it the project envisaged in this legislation is not on all fours with the Bill that we have passed. This is described as the Damodar Valley Multi-Purpose Project. As those who have read the Tennessee Valley Scheme and similar multi-purpose projects are aware, there is a variety of purposes which are to be served by schemes of this description. There is, for instance, irrigation. There is, for instance, flood control. There is generation of hydro-electric power. There is navigation. There is improvement of agriculture. There is improvement of health and sanitation. There is development of industry and thousand and one things arising out of it. This is in the very nature of a multi-purpose project. Taking the lowest view of it, if this irrigation project were to irrigate half a million acres of land, and I believe my Honourable friend claims that it will irrigate some three quarters of a million acres, assuming at the lowest that it will irrigate half a million acres, with the implements of modern agriculture, it will be producing a tremendous amount of foodstuffs. If the outturn is estimated at 30 maunds per acre, then you have only to multiply 30 by five lakhs to find out the food that will be produced for you. India has been producing 44 million tons of food. She is short of at least five million tons, or in other words the food shortage in India is somewhere about 6 per cent. If this project is successful, it will reduce that margin of deficit to a considerable extent, and to that extent India as a whole would be relieved not only from the task of importing food from abroad at all manner of absurd prices, but enabled to conserve her foreign exchange which is so badly needed for her all-round industrial development. So I submit that this is not a matter of purely parochial or provincial, interest. It is a matter of all-India importance and interest, and I beseech every member of this House to be clear in his mind that the Damodar Valley Project is as much his concern as mine. Now the question that has been raised in this amendment is whether or not such an undertaking should be subjected to central taxes. We have to decide once for all what is going to be the policy of our Government with regard to such undertakings. Is the Government of India going to tax public utility services, for instance? Railways are owned and managed by the Government of India. Then are the incomes—the surpluses—of the Railway Department going to be subjected to income-tax, super-tax, surcharge, and all the rest of it? Are you going to tax incomes on telephones taken over by the Government of India? Are you going to tax income from the Posts and Telegraphs Department? Have you decided that? Are you going to tax the corporation which is going to be started in connection with the Sindri project? Have you decided that? If we have not come to any decision with regard to these matters, is it at all advisable on the part of my Honourable friend Mr. Gadgil to introduce casually by an amendment a principle of such far reaching implications? I am afraid I cannot consider this method as a very laudable one. I want to tell my friend Mr. Gadgil that I share the apprehensions voiced here that for the next generation perhaps,—we will not see any taxes derived out of this Corporation, the stage of taxation—will be a long way off. I do not know how this scheme is going to fructify; there are so many difficulties in the way. I am doubtful whether we can actually proceed in the way we wish to, notwithstanding the best intentions on the part of the Honourable Minister, the obstacles and difficulties in his way seem to be overwhelming.

With such a prospect before him, may I ask my Honourable friend if he has given his best thoughts to the question whether public utility undertakings by the Government of India like the Damodar Valley Corporation should be subjected to income-tax and corporation tax? We want the matter to be

finally decided in this House on a clear, specific proposition directly brought in, but not in any surreptitious way through a provision in this Bill or that; this is not the way to do it. The honest straightforward way to deal with it is this: let the Finance Minister come forward with the proposal that henceforth it is going to be the financial policy of the Government of India to tax all manner of undertakings, whether State or private—private undertakings are already taxed—but all State undertakings such as the Railways, steamship companies, posts and Telegraphs and let the final decision be taken on it. So long as that is not done, I will certainly protest against this method.

I wish to say, Sir, that in view of the fact that there is no prospect of earning any income by the Central Government out of the Corporation within the next fifteen or twenty years, the Honourable Minister would be well advised not to introduce this highly controversial thing into this Bill. We do not like that the Government would plead in future that there have already been two precedents—that in the Industrial Finance Corporation and in the Damodar Valley Corporation this principle has been accepted. I do not think that is the proper way to do it. May I suggest to him that instead of drafting the amendment in that way, he may put it thus —“Such Corporation may be liable to taxation.” Of course, in taxation measures “may” does not help you much. But I am certainly opposed to this method of approach. I am not giving my opinion one way or the other—much can be said on either side. But why not have a full-fledged debate on it? Why not have a full discussion on the floor of this House? Let the House decide whether or not this principle should be accepted as a matter of policy by the Government of this country. Then we will have nothing to complain against.

You are talking of nationalization of all industries. My friend Prof. Ranga is there. He is one of the exponents of that doctrine, not knowing fully perhaps all its implications (*Interruptions*). Assuming that the State would take over control of all important industries, the question would arise: are you going to tax them? In effect it does not matter much, Mr. Speaker, whether you take the income-tax from those nationalized industries or you say that no tax need be paid, because after all it is passing the money from one pocket of the Government to the other. But when there are two parties the position becomes different. Therefore, I would beseech my Honourable friend not to do this.

Sir, the House is aware that only the day before yesterday the Railway budget was presented; it disclosed an anticipated surplus of rupees ten crores. Now the Finance Minister demands a moiety but the Railway Minister does not want to give it; therefore, to come to a decision, a Committee has been set up. If you had decided that they would be subject to income-tax and corporation-tax then this quarrel would not have arisen. Decide that point. Unless you decide that main issue these controversies are bound to crop up.

But my opposition to his method does not mean that I do not understand his difficulties, his anxiety to please the Finance Minister though he knows very well that in the next twenty years he cannot pay him anything out of this. If the insistence with which he supports it means that he has made certain commitments to the Finance Minister, I am not bound by it, the House is not bound by it. There ought to be an enunciation of clear policy. We must have a full discussion, a clear expression of views on it. And this question should be decided once and for all that henceforth all State undertakings also are to be taxed; if not, I will oppose the taxation in this way. Sir, I oppose this amendment.

**Dr. P. S. Deshmukh:** Sir, I have listened very carefully to the speeches of the two Honourable Members, both of whom fortunately or unfortunately come from Bengal. We, Sir, who do not belong to Bengal are not lacking

[Dr. P. S. Deshmukh]

either in sympathy of heart or the generosity of action for which my Honourable friend Mr. Naziruddin pleaded so much and so repeatedly. The Honourable Member who just sat down advanced certain arguments in addition to what had been advanced by the previous Honourable Member from Bengal. The main point that was just advanced was that it is necessary that the Government should have a certain definite policy and, before that policy is decided upon, this House should have a full-fledged opportunity of expressing itself, and that in view of that discussion alone should any decision be taken.

As has already been pointed out to him, and as he has himself admitted, the present Corporation would not in fact pay any taxes for a long time to come.

He mentioned one great advantage that was going to flow from the scheme, and that was that the deficiency in foodstuffs for which we were paying so dearly, was likely to be made up by the establishment of this Corporation and the Damodar Valley Project.

**An Honourable Member:** Not completely made up.

**Dr. P. S. Deshmukh:** No. Actually, Sir, although India may be deficient for a long time in foodstuffs, the amount of money that we are required to spend has only recently been so large; we have not paid so dearly for our deficiency in foodstuffs at any previous time and this present period of crisis, a period of change and of dislocation owing to war, is not I am certain likely to last so long as the Damodar Valley Corporation is going to take for starting to function. So the promise of relief that my friend has held out as coming to India because of the establishment and working of this Damodar Valley project is going to be far too distant to be taken into account so far as present emergencies are concerned. And his contention that we must take a decision one way or the other and then stick to it whenever such a project is intended.

**Pandit Lakshmi Kanta Maitra:** I am sorry I did not say that. All that I said was that the taxation policy should be decided—whether or not these undertakings could be taxed by the Government of India.

**Dr. P. S. Deshmukh:** That was what I referred to—the question of taxation. Now, Sir, the first thing I would like to point out to my learned friend is that Governments are not carried on on mere formulas. There are no mathematical formulas which can be laid down for any Government.

**The Honourable Shri N. V. Gadgil:** Hear, hear.

**Dr. P. S. Deshmukh:** So far as the intention of taxing this Corporation is concerned, I am glad that at least on second thoughts the Government has acted wisely. In the beginning the proposal was not to tax it. That was really wrong because we had not the opportunity of knowing what the consequences shall be.

Already, Sir, because of one single mistake which was committed in the beginning of exempting this Corporation from taxation my learned friends are trying to hold the Honourable Member guilty of having promised something and now having gone back upon it. Now, Sir, if we, for instance, ultimately decide to exempt this Corporation and if the exigencies of time and circumstances of the Government require that this Corporation should be taxed, I am sure there will be a veritable revolution if the Central Government intended to do that. So if we want to err on the safe side, I think the proposition now placed before the House by the Honourable Member is the wise one. If later on the Central Government can afford to give up the income accruing to it as a result of this taxation, it would be welcomed to do so at any time and nobody would object that because we had imposed taxes by one Act we were precluded from acting otherwise.

Then my learned friend argued very fallaciously in referring to the Railways and the Telephones. If I may say so, the whole of the revenue of the Railway Department and the Telephone Department is taxed. We tax it cent per cent. The whole of the income that is derived from the Railways and the Telephones is the Central Government's revenue. There is therefore no question of taxation of that revenue.

**Pandit Lakshmi Kanta Maitra:** My friend forgets . . . . .

**Mr. Speaker:** No replies. Only personal explanations.

**Dr. P. S. Deshmukh:** We are no longer labouring under the old regime when private companies were there and they were allowed to make profits. We are under a National Government and all the rupees ten crores which have been saved from the Railways is going to be the income and revenue of the Central Government. So this argument that we would have to tax the Railways and Telephones and if they are let free of taxation, we must also do it in the case of the Corporation, is I think no argument in favour of the case which my learned friend was putting forward.

Then, Sir, so long as the actual Corporation's working is not going to be affected for a long time, there is no harm in our putting down a provision by which the revenues from the Corporation would be subjected to taxation. If, at a later date, we discover that not only this Corporation but every other Corporation which is of a multi-purpose nature, which are of a really nation-building character and not merely a commercial concern and whenever we think that this or such of them as may be selected ought to be exempted from taxation, and if it is justifiable and the Central Government could afford it, then it would be time enough for the House to discuss and decide upon. I think, Sir, the Honourable Members coming from Bengal should not take amiss our voting in favour of the amendment because we are not really lacking in sympathy and if at any later date there is justification for an exemption, certainly the House would be in favour of it. With these words, Sir, I support the amendment which I think deserves to be supported.

**Shri Satyanarayan Sinha** (Bihar General): Sir, I move that the question be now put.

**Mr. Speaker:** The question is:  
"That the question be now put."

The motion was adopted.

**Mr. Speaker:** Now, there are two amendments before the House, one by the Honourable Shri N. V. Gadgil and the other by the Honourable Member Mr. Naziruddin Ahmad. Before I put them to vote, the Honourable Minister may reply if he wants to.

**The Honourable Shri N. V. Gadgil:** Sir, there is not much for me to say, because all the points have been discussed several times in the consideration stage of this Bill as well as on the occasion when the Finance Corporation Bill was under discussion.

I have great respect for my old friend, Mr. Maitra, but he will pardon me if I say that I remain unconvinced by his arguments. If the Centre is to be asked in all difficulties and in all delicate situations for monetary help, it will be only proper to leave some sources of revenue for the Centre. He referred to Railways and Posts and Telegraphs. They are all Departments of the Government of India and whatever is saved automatically goes to the general revenues. If it is the intention that this Corporation should be a Department of the Government, that is another matter. We avoided that position for the simple reason that a Corporation of this type must be run on sound businesslike and commercial principles and in order to enable it to do so, some such provision is absolutely necessary. He also stated that for some time to come there is

[Shri N. V. Gadgil]

no chance of our getting anything by way of taxation. That is true to some extent, but I do hope, having studied carefully the scheme, the various Reports and the literature, that it will not be long before this Corporation becomes not only self-supporting but will certainly yield something to the Central revenues and when it does that, automatically a part of it goes to both the Provinces.

My Honourable friend Mr. Naziruddin Ahmad accused me of not possessing adequate sympathy for Bengal. I want to tell him that within seventy-two hours of my assuming office, the first thing that I attended to was the Damodar Valley scheme and I do not want to say much, but if I had not been very much interested in this and if I had not taken the keen interest that I have taken this Bill would not even have been introduced in this Session. I therefore invite the co-operation of every member in this House, and particularly members who hail from Bihar and Bengal who would be *prima facie* the first beneficiaries under this scheme, although I agree with my Honourable friend Mr. Maitra that prosperity is indivisible. I therefore request that this opposition which is based on misunderstanding should not be carried beyond what has been said already on the floor of the House. There is no ulterior motive; there is no backing up of the Finance Minister—the insinuations are quite wide of the mark,—there is no effort to create any psychological background, but this is simply a method whereby it is desired that as in the past, so in the future, the Central Government has got to be run and it cannot be run unless there are adequate finances.

That is all, Sir, I have to say.

**Mr. Speaker:** So I am placing before the House first the amendment of the Honourable Shri N. V. Gadgil.

**Mr. Naziruddin Ahmad:** Strictly, Sir, my amendment should come first.

**Mr. Speaker:** Really it makes no difference as to which is placed first. It will be ultimately the vote of the House which will decide.

**Mr. Naziruddin Ahmad:** It is a question of sympathy, Sir.

**Mr. Speaker:** Very well. If the Honourable Member wants sympathy. I am prepared to accommodate him. I shall place his amendment first.

The question is:

“That for clause 42 of the Bill, the following be substituted:

‘42. Notwithstanding anything contained in any other law for the time being in force, the Corporation shall be exempted from liability to pay any tax on income, Corporation tax or any other like tax levied by the Central Government; and the participating Governments shall also be exempt from liability to pay any such tax in respect of any profits distributed to them by the Corporation.’”

The motion was negatived.

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

“That for clause 42 of the Bill, the following be substituted;

‘42. (1) The Corporation shall be liable to pay any taxes on income levied by the Central Government in the same manner and to the same extent as a company.

(2) The Provincial Governments shall not be entitled to any refund of any such taxes paid by the Corporation.’”

The motion was adopted.

**Shri K. Santhanam:** May I suggest that the heading may be suitably changed.

**Mr. Speaker:** The marginal note? That will have to be corrected, but it is not part of the statute as it is often stated.

The question is:

“That clause 42, as amended, stand part of the Bill.”

The motion was adopted.

Clause 42, as amended, was added to the Bill.



**Mr. Naziruddin Ahmad:** Sir, before I move the amendment which I have tabled there is one amendment which I think should be accepted at once. It is about sub-clause (3) of clause 43. Here the expression "Dominion Legislature" has been used which I attempted to introduce in another connection with the sole object of removing it here. Now, Sir, I move:

"That in sub-clause (3) of clause 43 of the Bill, for the word 'Dominion', the word 'Central' be substituted."

**Mr. Speaker:** I believe the Honourable Minister said once that he would accept this amendment at a later stage.

**The Honourable Shri N. V. Gadgil:** Yes, Sir.

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

"That in sub-clause (3) of clause 43 of the Bill, for the word 'Dominion', the word 'Central' be substituted."

The motion was adopted.

**Mr. Naziruddin Ahmad:** Sir, I beg to move:

"That in sub-clause (1) of clause 43 of the Bill, the words 'in consultation with the financial adviser' be omitted."

Sir, the idea of the financial adviser is a new one. It was introduced for the first time in the Select Committee. Originally there was no such thing. This introduction creates some amount of misgiving in the minds of some people and that it would be something like a Gestapo chief to sit in judgment over the so-called mis-conduct of the members of the Corporation. In fact if there is a financial adviser, he is really a financial adviser and must advise on financial matter. There is no point in underlining this function. I believe the clause underlines it unduly. I think, that if there is a financial adviser that should be enough. That the Corporation should be required to work in consultation with him goes without saying, but it has its unhappy implications. That is why I think that these words should go. It should be merely an adviser and instead of being an adviser, he is given a dominant place. That is the thing which will go against the growth of self-governing ideas within the Corporation. We should not have in the guise of an adviser somebody who is really a chief or who has got certain secret overriding powers. He should be a subordinate officer to the Corporation and as such his duty should not be emphasized and converted into a power.

**Mr. Speaker:** Amendment moved:

"That in sub-clause (1) of clause 43 of the Bill, the words 'in consultation with the financial adviser' be omitted."

**The Honourable Shri N. V. Gadgil:** Sir, I cannot accept it, but only I want to tell my Honourable friend that what is grammar to language, consultation of financial adviser is to a successful scheme.

**Prof. N. G. Ranga:** (Madras: General): Mr. Speaker, Sir, I think my Honourable friend was also agreeable when we were making this amendment in the Select Committee, but I find now that he had already added his Minute of Dissent. may be on later advices. I dare say he knows that there is what is known as Chief Financial Commissioner for the Railways and he has direct access to the Finance Member and in that way he is expected to look to the sound finances of the Railways. We have a similar officer also for the Posts and Telegraphs and another for Military Finance. We had all these things in our mind when we were making the suggestion and after all when once you appoint these three gentlemen as members of this particular Board, it is not expected that they should be very well qualified in regard to finance and we want this Corporation to become successful and in course of time to yield profit also, at least not to go on incurring losses. It is not possible for this House to give that much of consideration as is necessary in order to see that its finances are properly administered, nor will it be possible for the Government and their Department otherwise to give that much detailed consideration as to see that

[Prof. N. G. Ranga]

it is carried on as a commercial Corporation. If you make this financial adviser merely a subordinated of this Board of three members, then it will not be possible either for the Government or for this Legislature to ensure that it will be worked satisfactorily, that its budget will be framed and passed with due regard not only to the canons of finance, but also canons of business. Therefore, Sir, we thought it better to give an additional amount of power to this particular financial adviser. What does it amount to? It only amounts to this that this particular officer is charged with the special responsibility of seeing to it that the finances of this Corporation are properly administered and the budget is properly prepared and when the budget is being prepared that no loans are being suggested or any capital expenditure is being suggested or any non-recurring expenditure is being suggested. He must give his individual attention to it and take individual responsibility also and hold himself responsible to the Finance Minister of the Government of India in addition to being responsible to the corresponding department of the Government. It is for that reason that we wanted him to be there with this special responsibility. My Honourable friend has suddenly brought in this word 'Gestapo'. There is no such thing as that in our conception anyhow. He did not make any such suggestion at the Committee stage. We certainly wanted him to be watch-dog of the Government of India, to be the watch-dog of the Finance Department of the Government of India, to be the watch-dog also of this House, but in a sort of indirect manner.

The three other members of the Board are not going to be members of this House and are not going to be politicians or any such thing. They are going to be officers of the Government; they are going to be responsible to the Government, but in their own way and therefore they need not take any offence at this additional power given to this particular officer, a fourth officer. In regard to everything else he may be subordinate, but in regard to this particular matter he must necessarily be able to assert his right, to advise them, and to be consulted by them and if there was to be any difference of opinion at all, between him and the other three Members, then he should have direct access straight-away to the Department concerned, and if necessary, to the Finance Minister also. Therefore, Sir, I think the House will be well advised to accept this provision that we have made in the Select Committee and to reject my Honourable friend's amendment.

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

"That in sub-clause (1) of clause 43 of the Bill, the words 'in consultation with the financial adviser' be omitted."

The motion was negatived.

**Mr. Naziruddin Ahmad:** Sir, I move:

"That in sub-clause (1) of clause 43 of the Bill, for the words 'financial adviser' the words 'Financial Adviser' be substituted."

I think this officer has been described in other places in capital letters and this must be the same old gentleman who has been described by Prof. Ranga as the watch-dog of the Central Government. If so, I think he is here a spaniel and not a bulldog.

**Mr. Speaker:** I think it is not necessary to have a discussion on this. We will take it for granted that wherever there are mistakes like this the draftsman and the printer, will see to them; but I cannot give the assurance that they will not commit further mistakes.

The question is:

"That clause 43, as amended, stand part of the Bill."

The motion was adopted.

Clause 43, as amended, was added to the Bill.

**The Honourable Shri N. V. Gadgil:** Sir, I move:

"That in sub-clause (1) of clause 44 of the Bill, in item (xi), the words 'living in the area of operation' be omitted."

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

"That in sub-clause (1) of clause 44 of the Bill, in item (xi), the words 'living in the area of operation' be omitted."

The motion was adopted.

**Mr. Naziruddin Ahmad:** Sir, I move:

"That in sub-clause (1) of clause 44 of the Bill, in item (x), the word 'and' be added at the end."

**The Honourable Shri N. V. Gadgil:** Sir, I accept the amendment.

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

"That in sub-clause (1) of clause 44 of the Bill, in item (x), the word 'and' be added at the end."

The motion was adopted.

**Mr. Naziruddin Ahmad:** Sir, I move:

"That in sub-clause (5) of clause 44 of the Bill, for the word 'dominion', the word 'Central' be substituted."

**The Honourable Shri N. V. Gadgil:** Sir, I accept the amendment.

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

"That in sub-clause (5) of clause 44 of the Bill, for the word 'Dominion', the word 'Central' be substituted."

The motion was adopted.

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

"That clause 44, as amended, stand part of the Bill."

The motion was adopted.

Clause 44, as amended, was added to the Bill.

Clause 45 was added to the Bill.

**Mr. Naziruddin Ahmad:** Sir, I move:

"That in clause 46 of the Bill, the commas after the word 'may' and 'India', be omitted."

The reason is that the sentence will be quite plain without the commas. The rule is that where a sentence is clear without commas they should be eliminated. This is the advice of Fowler in his "King's English". Unless the commas are really needed to a proper understanding of the passage, or unless a confusion or misunderstanding would arise without the commas, they should not be used.

**Mr. Speaker:** At best they are superfluities and do not very much matter.

The question is:

"That clause 46, stand part of the Bill."

The motion was adopted.

Cause 46 was added to the Bill.

Clause 47 was added to the Bill.

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

"That in clause 48 of the Bill, for the words 'arbitration by an arbitrator', the words 'an arbitrator who shall be' be substituted."

**The Honourable Shri N. V. Gadgil:** Sir, I accept the amendment.

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

"That in clause 48 of the Bill, for the words 'arbitration by an arbitrator', the words 'an arbitrator who shall be' be substituted."

The motion was adopted.

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

"That clause 48, as amended, stand part of the Bill."

The motion was adopted.

Clause 48, as amended, was added to the Bill.

Clause 49 was added to the Bill.

**Shri K. Santhanam:** Sir, I move:

"That in sub-clause (6) of clause 50 of the Bill, for the words 'supersede the Corporation and appoint a new Corporation in its place', the words 'remove the Chairman and the members of the Corporation and appoint a Chairman and members in their places' be substituted."

The word "Corporation" has two meanings in this Bill. One is the institution itself which is permanent and/cannot be superseded or dissolved, and the other is the executive of the Corporation. As the clause stands it does not read correctly and so I move this amendment so that the continuity of the Corporation may not be disturbed.

**The Honourable Shri N. V. Gadgil:** Sir, I accept the amendment.

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

"That in sub-clause (6) of clause 50 of the Bill, for the words 'supersede the Corporation and appoint a new Corporation in its place', the words 'remove the Chairman and the members of the Corporation and appoint a Chairman and members in their places' be substituted."

The motion was adopted.

**Shri K. Santhanam:** Sir, I move:

"That sub-clause (7) of clause 50 of the Bill be omitted."

This is wholly superfluous.

**The Honourable Shri N. V. Gadgil:** Sir, I accept the amendment.

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

"That sub-clause (7) of clause 50 of the Bill be omitted."

The motion was adopted.

**Mr. Naziruddin Ahmad:** Sir, I beg to move:

"That in sub-clause (3) of clause 50 of the Bill, after the word 'Government', a semi-colon be inserted."

Sir, I submit that up to the word "Government" it is practically one sentence: the rest is virtually another sentence. They have been connected by the word "and". Therefore, it seems to me that a semi-colon is required. At any rate, a comma is almost indispensable. Elsewhere superfluous commas have been retained, but here, where it is essential, it is omitted.

**Shri Mohan Lal Saksena (U. P.: General):** On a point of order, Sir. With regard to these grammatical mistakes, could they not be referred to the draftsman, and corrections wherever required made at the third reading stage?

**Mr. Speaker:** That is what I have been repeating. But the Honourable Member's contention has always been that, if he explains his point of view, it will be helpful to the draftsman. That is why he is only speaking on the amendments and is not pressing them.

**Mr. Naziruddin Ahmad:** I had submitted these amendments in the Select Committee, but they were not considered.

**Mr. Speaker:** If the Honourable Member so chooses, he can give me a list of his amendments in advance, giving his reasons for each, and I shall pass the list on to the draftsman without the intervention of the House.

The question is:

"That clause 50, as amended, stand part of the Bill."

The motion was adopted.

Clause 50, as amended, was added to the Bill.

Clause 51 was added to the Bill.

**The Honourable Shri N. V. Gadgil:** Sir, I beg to move:

"That for clause 52 of the Bill, the following be substituted:

"52. *Penalty.*—Whoever contravenes the provisions of sections 17 and 18 of this Act or any rule made thereunder shall be punished with imprisonment for a term which may extend to six months or with fine or with both."

**Mr. Naziruddin Ahmad:** Sir, I have one suggestion to make. The words 'of this Act', I feel are absolutely redundant, on account of the provisions of section 3, clause (50) of the General Clauses Act. If we say 'sections 17 and 18', they necessarily mean sections 17 and 18 'of this Act.' Similar amendments moved by me on previous occasions have been accepted. I, therefore, suggest that the words "of this Act" be omitted.

**Dr. B. Pattabhi Sitaramayya** (Madras: General): Had they been omitted the Honourable Member would have suggested their inclusion.

**Mr. Speaker:** There is some difficulty in accepting the Honourable Member's suggestion. The clause further on says "any rule made thereunder", which means under the Act. If the words "of this Act" were to be omitted it would mean rules made under those two particular sections. The question is:

"That for clause 52 of the Bill, the following be substituted :

52. *Penalty.*—Whoever contravenes the provisions of sections 17 and 18 of this Act or any rule made thereunder shall be punished with imprisonment for a term which may extend to six months or with fine or with both."

The motion was adopted.

**Mr. Naziruddin Ahmad:** I am very glad to state Sir, that the word "punished" has been used in this clause and not "punishable" over which there was some difference of opinion before. The House has again reverted to the correct word both in the original clause and the amended one, though I had not pointed it out.

**Mr. Speaker:** It is a matter for congratulation to the Honourable Member that his view has been accepted at least once.

The question is:

"That clause 52, as amended, stand part of the Bill."

The motion was adopted.

Clause 52, as amended, was added to the Bill.

Clause 53 was added to the Bill.

**Mr. Naziruddin Ahmad:** Sir, I beg to move:

"That in clause 54, of the Bill, after the words 'under this Act', the words 'or under any rule or regulation made thereunder' be inserted."

Sir, we have adopted the inclusion of rules made under the Act in the amended clause 52. The word "Act" does not necessarily include rules made under it. To make the meaning of the clause clear, I would suggest the inclusion of "rules and regulations" also.

**The Honourable Shri N. V. Gadgil:** I do not accept this amendment, Sir.

**Mr. Speaker:** Rules and regulations stand on different footings. While the rules will be made by Government, regulations are to be made by the Corporation with the previous sanction of the Central Government—*vide* clause 59.

The question is:

"That clause 54, stand part of the Bill."

The motion was adopted.

Clause 54 was added to the Bill.

Clause 55 was added to the Bill.

**Shri K. Santhanam** Sir, I move:

"That in the beginning of sub-clause (2) of clause 56 of the Bill, the words 'Save as otherwise provided in the Act' be inserted."

This is needed to provide for suits and compensations and other things under the Act.

**Mr. Speaker:** Amendment moved:

"That in the beginning of sub-clause (2) of clause 56 of the Bill, the words 'Save as otherwise provided in the Act' be inserted."

**The Honourable Shri N. V. Gadgil:** I accept this.

**Mr. Naziruddin Ahmad:** My Honourable friend who has moved the amendment has really caught the weakness of the sub-clause, namely that this sub-clause is a mischievous one. There is no parallel to this sub-clause in any other Act or Constitution. We always give protection to officers of Government, officers who act honestly and in a *bona fide* manner. But suppose the Corporation causes a loss to a particular man. Then this clause shuts out any legal remedy. In fact, it is under a belief that good faith always shuts out all remedies. Good faith protects servants, but not employers. Action in Tort does not require any bad faith or bad intention. If my dog bites someone, then without my intention I shall be liable. If my servant as such causes a loss to anyone, although I do not intend it, I shall be liable. It is well known that in Tort that intention or knowledge is not material. This is confirmed by English, American and Indian law and if any authority is necessary, then I would refer the House to Ramaswamy Iyer's classical book on Tort, third edition, at page 384. But the point is clear that where an injury or loss is caused, then an action for Tort will lie. So far as individual acts are concerned, the acts of servants and other officers, if they act in good faith for the purposes of the Corporation, they will not be personally liable. But it is another thing to say that the Corporation itself would not be liable. Supposing a *bona fide* act of the Corporation causes some loss to somebody. Then in that case that loss cannot be compensated by a suit. We are preventing individuals from coming to court for proper remedies. In fact, the rights and privileges of private persons are being interfered with. If any loss is caused unintentionally by an individual a remedy against him in courts is not barred. There is no provision similar to the clause anywhere in any other Act or law. I submit that the amendment of Mr. Santhanam shows that he is aware of the fact that there should be some remedy in the Act and therefore wants to guard against it. He has really found the danger. But his amendment does not cure the defect by adding the words "Save as otherwise provided in the Act", since the Act provides for no suits or legal proceedings against the Corporation. His remedy will therefore be meaningless. I therefore submit that the entire clause is mischievous. Suppose a servant of the Government causes a loss to someone, although it may be *bona fide* and without malice or ill-will. Will not a suit lie against the Government? Supposing it is the Honourable Minister's department? All that is necessary for the injured party is to give a notice and then institute a suit. Whether the act is *bona fide* or not is not material in many action for Tort. I submit that the power given by sub-clause (2), is not even enjoyed by the Central Government or any other Government. A right of suit by an individual, a subject is guaranteed and in a matter of Tort and is not dependent upon the element of intention. I request the Honourable Minister to have this clause examined, and as the Honourable the Law Minister is also here, he can throw light on the subject. I think even the Central Government is not immune from a suit even where acts are done *bona fide*. This is not an amendment of a drafting nature, but really a substantial one and the sub-clause is a very bad departure from the salutary principle. I think the matter should be carefully examined. It is to my mind, a matter of great importance.

**The Honourable Shri N. V. Gadgil:** I cannot accept his view.

**Mr. Speaker:** He wants the Honourable Minister to take it into consideration.

**Mr. Naziruddin Ahmad:** I move:

"That sub-clause (2) of clause 56, be omitted."

**Mr. Speaker:** That is a new amendment. The Honourable Member has not given notice of it. So it would not be proper to accept it, as a new amendment; because I have already ruled that I shall not waive notice for an amendment unless it is substantially agreed to by the House.

**Mr. Naziruddin Ahmad:** I have no particular grievance about the practice.

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

"That in the beginning of sub-clause (2) of clause 56 of the Bill, the words 'Save as otherwise provided in the Act' be inserted."

The motion was adopted.

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

"That clause 56, as amended, stand part of the Bill."

The motion was adopted.

Clause 56, as amended, was added to the Bill.

Clause 57 was added to the Bill.

**The Honourable Shri N. V. Gadgil:** Sir, I move:

"That in clause 58 of the Bill, after part (6) the following new part (7) be added: '(7) the punishment for breach of any rule made under this Act'."

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

"That in clause 58 of the Bill, after part (6) the following new part (7) be added: '(7) the punishment for breach of any rule made under this Act'."

The motion was adopted.

**Mr. Speaker:** There are two amendments in the name of Mr. Naziruddin Ahmad which are really meant for the attention of the Draftsman. These will be conveyed to the draftsman.

The question is:

"That clause 58, as amended, stand part of the Bill."

The motion was adopted.

Clause 58, as amended, was added to the Bill.

**The Honourable Shri N. V. Gadgil:** Sir, I move:

(i) "That in sub-clause (1) of clause 59 of the Bill, for the words 'official gazette', the words '*Gazette of India*' be substituted;" and

(ii) "That in sub-clause (3) of clause 59 of the Bill, for the word 'participating' the word 'Provincial' be substituted."

**Mr. Speaker:** Amendments moved:

(i) "That in sub-clause (1) of clause 59 of the Bill, for the words 'official gazette', the words '*Gazette of India*' be substituted;" and

(ii) "That in sub-clause (3) of clause 59 of the Bill, for the word 'participating' the word 'Provincial' be substituted."

**Shri K. Santhanam:** Sir, I only wanted to point out that in order to make sub-clauses (1) and (3) consistent these notifications should be in all the three gazettes. Even in sub-clause 1 it would be more proper, because it is essential that people not only in Delhi but in Bengal and Bihar should be informed about them. Instead of only '*Gazette of India*', it should be "by notification in the official gazettes."

**Mr. Speaker:** The Honourable Member wants to have it in plural "official Gazettes" instead of "official gazette".

**Shri B. Das** (Orissa: General): With your permission, Sir, I beg to move both my amendments to this clause.

(i) "That in sub-clause (1) of clause 59 of the Bill, the words 'by notification in the official Gazette' be omitted" and

(ii) "That for sub-clause (3) of clause 59 of the Bill, the following be substituted :

(3) All regulations made under this section shall be published in the *Gazette of India* and the official Gazettes of the Provincial Governments and shall come into force on such publication and shall also be laid on the tables of respective legislatures."

**Mr. Speaker:** Amendments moved:

(i) "That in sub-clause (1) of clause 59 of the Bill, the words 'by notification in the official Gazette', be omitted;" and

(ii) "That for sub-clause (3) of clause 59 of the Bill, the following be substituted :

(3) All regulations made under this section shall be published in the *Gazette of India* and the official Gazettes of the Provincial Governments and shall come into force on such publication and shall also be laid on the tables of respective legislatures."

**Mr. Naziruddin Ahmad:** Sub-clause (3) refers to sub-sections (1) and (2). The sub-clause says "All regulations made under sub-sections (1) and (2)". The amendment of Mr. Das says "this section." If we accept this part of the amendment of Mr. Das, the text would be better. It would then read "All regulations made under this section".

With regard to the expression *Gazette of India* the General Clauses Act says that "Official Gazette" would mean the *Gazette of India* in the case of the Central Government, and in the case of a Province, the official Gazette of the Province. I suggest that in order to make the text complete we must say "in the Official Gazettes of the Central Government and the participating Governments."

**Shri B. Das:** Let me explain the amendment which I have moved. For sometime we have been pressing on the Government and on the various Ministers concerned that whenever rules and regulations are made under an Act they should be laid on the table of the legislature. That principle was considered and accepted in connection with the Industrial Finance Corporation Act which we passed recently. I am glad that my Honourable friend the Law Minister is here. It was unanimously agreed that all regulations made under that Act would be laid on the table of the Legislature. Now we are going to have many nationalised or semi-nationalised concerns, where we are creating corporations or authorities, which may not fulfil the objectives that the legislators may have had. If all regulations are laid on the table of the legislature, that salutary practice will help the scrutiny of this legislature. It may be that we may ask a question and then the Honourable Minister will have to lay these regulations on the table of the House and some industrious member may raise a discussion about the propriety of those regulations. So I think the Government should have a uniform practice. If the House has legislated that all regulations under the Industrial Finance Corporation should be placed on the table of the House. I do hope on this Damodar Valley Corporation Bill and all other future bills, wherever the Central Government take upon themselves the power of framing the rules and regulations, those should be laid on the table of the House, so that the House might have an opportunity to discuss them. I do feel that our national government should have uniformity in the legislature. I feel diffident before lawyer members to talk about uniformity of legislation but when the principle has been conceded in one Act, that should be the principle that should control all future legislations. With that object I have tabled this amendment.



**The Honourable Shri N. V. Gadgil:** Sir, I cannot accept the amendments. As regards publication, the rules will be published in the Government of India Gazette first and as sub-clause (3) provides all regulations made under sub-sections (1) and (2) shall as soon as possible be published also in the official gazettes of the provincial governments. Only a little time will intervene between the two publications.

**Shri B. Das:** Will not Government consider it desirable to have a uniform practice in every new legislation? Why did they accept this principle under the Industrial Finance Corporation Bill and why do they not accept it under this legislation?

**Mr. Speaker:** That will land us in further arguments.

The question is:

"That in sub-clause (1) of clause 59 of the Bill, for the words 'official gazette', the words 'Gazette of India' be substituted."

The motion was adopted.

**Mr. Speaker:** I shall put his next amendment. It says:

"That in sub-clause (3) of clause 59 of the Bill, for the word 'participating', the word 'Provincial' be substituted."

Will it not mean all Provincial Governments throughout the whole of India? Is that the Idea?

**Shri T. T. Krishnamachari:** "Participating Governments" has been defined in clause 2(4) as meaning all the three Governments the Central Government and the Provincial Governments of Bihar and West Bengal. So "participating" will have to go in any event.

**Mr. Speaker:** I was referring to the other difficulty. Is it expected that these rules should be published by Governments other than those of Bihar and West Bengal?

**Shri K. Santhanam:** Only by the two Provincial Governments. By the definition it means that.

**Shri T. T. Krishnamachari:** "Provincial Government" is defined in clause 2(6). So sub-clauses (4) and (6) of clause 2 cover the position.

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

"That in sub-clause (3) of clause 59 of the Bill, for the word 'participating', the word 'Provincial' be substituted."

The motion was adopted.

**Mr. Speaker:** I will now put the amendments of Mr. B. Das.

The question is:

"That in sub-clause (1) of clause 59 of the Bill, the words 'by notification in the official Gazette' be omitted."

The motion was negatived.

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

"That for sub-clause (3) of clause 59 of the Bill, as amended, the following be substituted;

(3) All regulations made under this section shall be published in the *Gazette of India* and the official Gazettes of the Provincial Governments and shall come into force on such publication and shall also be laid on the tables of respective legislatures."

The motion was negatived.

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

"That clause 59, as amended, stand part of the Bill."

The motion was adopted.

Clause 59, as amended, was added to the Bill.

The Schedule was added to the Bill.

Clause 1 was added to the Bill.

**Mr. Naziruddin Ahmad:** Sir, I beg to move:

"That in the second paragraph of the Preamble to the Bill, before the word 'resolutions', the following be inserted:

'as adapted by the India (Provisional Constitution) Order 1947'."

There is, in the Preamble, a reference to the Government of India Act, 1935, but the Government of India Act does not now stand as it was. It is now adapted by the Provisional Constitution Order, 1947. This expression should find a place in the text in order to make the preamble absolutely accurate. I find in the title page of the Bill, signed by the Secretary, there is a reference to the Government of India Act in another connection as 'the Government of India Act, 1935, as adapted by the India (Provisional Constitution) Order 1947'. It shows the accuracy with which the Secretary described it. It may be printed in the proceedings, but it forms no part of the Bill. I submit that these words should be there. I was given to understand at an earlier stage that these words are not necessary because Section 103 which was under consideration here, was not at all adapted by the Provisional Constitution Order. But I find it has really been adapted. In these circumstances we should have a reference to that Section as it stands after it has been adapted by the Provisional Constitution Order.

**The Honourable Shri N. V. Gadgil:** Sir, the Law Minister says this is not necessary.

**Mr. Speaker:** In that case, I am not placing the amendment before the House.

**Mr. Naziruddin Ahmad:** Then I shall move my next amendment on Preamble.

I beg to move:

"That after the second paragraph of the Preamble to the Bill, the following new paragraph be inserted:

'AND WHEREAS sanction of the Governor General has been obtained under sub-section (3) of section 299 of the Government of India Act, 1935, as adapted by the India (Provisional Constitution) Order 1947, to the introduction of the Bill, and his recommendation to the Legislature for the consideration of the Bill has been made under sub-section (3) of section 37 of the said Act;'

I should suggest that this should be inserted after the second paragraph. In fact, under Section 299 (3) of the Government of India Act in certain classes of legislation relating to land the previous sanction of the Governor General is necessary for the introduction of the Bill. Para. 2 has been inserted to show that proper conditions under section 103 have been satisfied. If we have the second paragraph we should also have the third paragraph. I have an alternative amendment that if this third paragraph is not accepted paragraph 2 should also be eliminated. Paragraph 2 stands exactly on the same footing as the paragraph which I want to introduce. In fact it shows at once that the necessary sanction has been taken. I have in fact taken the text from the Secretary's note at the front page of the Bill, which unfortunately is no part of the Bill. That is why in my opinion it should be stated in the Bill that this condition has been satisfied. If it is argued that this need not be inserted here, then it makes out a case for the omission of paragraph 2 because that stands on the same footing. If the last paragraph which I want to insert is accepted it is all right. If it is rejected the other paragraph should also be omitted. I have tabled a suitable amendment for that.

**The Honourable Shri N. V. Gadgil:** The sanction has been obtained and an endorsement has been made on the original Bill. Whether such an insertion is necessary or not, I do not know, but the Honourable the Law Minister whom I have consulted says that such insertion is not necessary.

**Mr. Speaker:** I am told that it is also the consistent practice that the particular recommendation is printed as an endorsement on the Bill and not incorporated therein.

**Mr. Naziruddin Ahmad:** Then I do not press it.

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

"That the Title and the Preamble, stand part of the Bill."

The motion was adopted.

The Title and the Preamble were added to the Bill.

**Mr. Speaker:** Before I call upon the Honourable Minister, I want to make one announcement to Honourable Members. There was a desire expressed by Members that so far as possible, there should be no meetings of the Assembly on Saturday. I am not making any statement about all Saturdays, but I am making a statement only about Saturday the 21st. The House will not be sitting on that day and that means on the day reserved for discussing Demands for Grants for Railways. The Demands for Grants will be discussed on the 24th in addition to Monday the 23rd. So instead of Saturday the 21st, Monday the 23rd and Tuesday the 24th, the days for Demands for Grants for Railways will be Friday the 20th, Monday the 23rd and Tuesday the 24th. Honourable Members may kindly take a note of this.

**The Honourable Shri N. V. Gadgil:** Sir, I move:

"That the Bill, as amended, be passed."

**Mr. Speaker:** Motion moved:

"That the Bill, as amended, be passed."

**The Honourable Shri N. V. Gadgil:** Sir, I move:

"That the re-numbering and re-lettering of the clauses and sub-clauses consequential on the amendments made by this House be carried out."

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

"That the re-numbering and re-lettering of the clauses and sub-clauses consequential on the amendments made by this House be carried out."

The motion was adopted.

**Mr. Naziruddin Ahmad:** Sir, I desire to express my heartfelt thanks to the Honourable Minister for initiating the Bill and carrying it through.

[At this stage Mr. Speaker vacated the Chair, which was then occupied by Pandit Thakur Das Bhargava (one of the Panel of Chairmen)].

I suggested certain amendments. Some have been accepted in the Select Committee and also here, though others have not been accepted. For that also I am personally grateful. I only desire that at the Select Committee stage more care should be taken to free Bills from mere clerical errors. I suggest that instead of forcing a Member to move drafting amendments, and then blaming him for it, the better course would be to remove those drafting defects beforehand so that the attention of Honourable Members may be directed towards more important points. The reason why I have moved some drafting amendments was that I found there was a large number of mistakes. Such errors and mistakes never happened before. That is the reason for my appearing before the House several times in connection with those amendments. I am grateful to the Honourable Minister for his kind references to me and I submit

[Mr. Naziruddin Ahmad]

that whatever I have said was in the discharge of a duty not meant personally to him. I know that his heart is with us and I believe that he will give the people of Burdwan and West Bengal something for which they will remain grateful to him.

**Prof. N. G. Ranga:** Sir, I wish to congratulate the Honourable Minister for not only having successfully piloted this Bill to this stage but also for having had the good fortune to introduce this Bill in this House. Sir, this Bill when it becomes an Act, will usher in a new era in the economic and social development of our country. There are many friends who are rather frightened of the idea of nationalization or socialization: but even these friends will certainly have the least possible objection to the social reorganization of our country on lines which are generally outlined in this Bill. There are many areas, Sir, which are undeveloped in our country like the Santhal Parganas, the Assam Hills, and Rayalasila in my own province which today need very great development, and their development is not to be in water-tight compartments, in one small section of economic development or social development or any such thing at all. They need all round development and they need local attention to be paid to all their needs. And if their development is to be achieved on right and healthy lines, then some such authority as this, which is expected to specialize in their special development, will have to be created. Therefore I sincerely hope that this authority when it comes into existence will begin to work in a dynamic manner and achieve quick results within the next four or five years so that it will lead the way to the foundation or the formation of similar authorities in various other areas. I have in particular in mind parts of our own country known as the agency areas or hilly tracts or the excluded areas which till now have been very much neglected. We have vast forest wealth there, economic and social resources yet to be developed, the tribal people in an undeveloped condition, and many of the plains people going over there and playing havoc with their own social economy and creating any amount of trouble for them. There are mineral resources, hydro-electric resources too, and many other resources which have not yet been planned and explored and in regard to which plans have yet to be made. These areas cannot be exploited and developed just as well by any provincial government or the Central Government taking direct responsibility for their development, and we have seen also the evils of such direct responsibility from governmental sources because of the poor human quality that we have been able to develop through our own services. There is also a very great need for training and developing social civil service and we can develop it only when we organize these authorities, give them an opportunity of gaining experience, and thereafter making themselves available to the state so that the state may venture upon various other bigger nationalization projects. Therefore, Sir, I sincerely hope that the Honourable Minister will go ahead with this method of approach and will try to come forward with similar proposals for all these various other projects—chiefly the Machkund project, the Ramapadasagar project, the Sangameswar project and various other projects that he has in store and I can assure him that this House will be only too glad to give him every possible encouragement as well as assistance and co-operation in seeing that these authorities are brought into existence and are helped to begin to work at the earliest possible opportunity.

گیانی گورمکھ سنگھ مسافر : سبھا یتى جى ! دامودر وياى کارپوريشن بل پاس ہونے والا ہے - اس سلسلے میں دو چار الفاظ میں آنریبل منسٹر کو چاہوں گے کہ بڑی محنت سے یہ بل تیار کیا ہے مبارک باد دینا چاہتا ہوں - دامودھر لفظ دو شہدوں سے مرکب ہے دام (Dam) اور آدار (udar) - دام (Dam) کے معنی ہیں ویسی اور آدار (udar) کے معنی ہیں پیمت مذہب سے یہاں مراد لکشمی ہے۔ یعنی

جس کے بہت میں لکھشی ہو - میں چاہتا ہوں کہ جیسے اس بل کا نام ہے دامودر یہ اسم بامسمیٰ ہو - اور جیسا اسکا نام ہے ویسا ہی اسکا کام بھی ہو - یعنی یہ اتنی مایا یعنی لکھشی ہمارے دیہی میں پیدا کرے کہ ہمارا دیہی خوشحال ہو جائے - اسلئے یہ ضروری ہے کہ اس بل کو چلانے کے لئے ایسے طریقے اختیار کیے جائیں جن سے سب کو فائدہ پہنچے - یعنی ایک سارنا ہو اور جب ایک یونیفیکیشن (unification) سے اس بل کو چلایا جائیگا تو میرے خیال میں سچ سچ یہ بل اسم بامسمیٰ ہو جائیگا - اور تھوڑی ہی دیر میں ہمارے کسان کی پتوں کی جھونپڑی سیمٹ کی شکل میں بدل جائیگی اور ہمارے کسان کی بھل گزی اور گڑے موٹروں میں بدل جائیگی - یہ میری خواہش ہے -

اس بارے میں میں ایک بات ضرور کہونا کہ اس بل کو چلانے کے لئے صرف معیار انجینئر کی کو اوڈینیشن (co-ordination) ہی کافی نہیں ہوگی بلکہ معیار کے سٹینڈرڈ (Standard) کو اونچا کرنے کی کوشش کی جائے - اگر ہمارے بھلچہ اٹھانے والے مزدور صرف مزدوری کرتے رہیں اور بڑی بڑی تنخواہ لینے والے انجینئر کرسی پر بیٹھ کر اپنے نقشے ہی تیار کرتے رہیں تو پھر شاید اسکا کوئی فائدہ نہیں ہوگا - یہ فائدہ مہز اسی صورت میں ہو سکتا ہے جبکہ ان میں ایک سارنا ہو اور unification ہو - یعنی مزدوروں کا سٹینڈرڈ آف لیونگ (Standard of living) اونچا کرتے کی کوشش کی جائے - انکا سٹینڈرڈ آف لیونگ (Standard of living) تب ہی اونچا ہو سکتا ہے جبکہ جن لوگوں کے سپرد یہ کام ہو اُنکا نظریہ بالکل ایسا ہو کہ وہ اس خیال سے کام کو انجام دیں کہ جو جو اس کام میں ہمارے ساتھ ہیں اور جہاں جہاں بھی دیوی دیوی منٹ (development) کرنی ہے - اس میں ہمارے ساتھ حصہ لینے والے جتنے بھی ہیں انکا سٹینڈرڈ آف لیونگ (Standard of living) اونچا کرنا ہے - یہ بہت ہی ضروری بات ہے - اس کے ساتھ ہی اس بل کو چلانے کے لئے یہ بھی ضروری ہے کہ ایک ایسی کمیٹی بنائی جائے جسکا صرف یہ کام ہو کہ وہ یہ دیکھ لیا کریں کہ لوگوں کا سٹینڈرڈ (Standard) کھسے اونچا کیا جا سکتا ہے - اور وہ اس بات کا بھی خیال رکھیں کہ اسکام کے چلانے میں کوئی کریشن نہ ہو - اور جو بھی اُنکو کریشن کی کوئی بات نظر آئے اُسکو پہلے سے ہی نکال دیں - اور ہر ایک کریشن کی بات پر ابتدا سے ہی چیک (check) رکھا کریں -

ان الفاظ کے ساتھ میں دوبارہ آنریبل منسٹر صاحب کو سچے دل سے مبارکباد دیتا ہوں - اگر اس قسم کی دیوی دیوی منٹس (developments) ہمارے دیہی میں کی جائیں تو ہماری سرکار کی بھی ٹھک نامی ہوگی اور دیہی بھی خوش حال ہوگا -

(English translation of the above speech.)

**Giani Gurmukh Singh Musafar** (East Punjab: Sikh): Mr. Speaker. The Damodar Valley Corporation Bill is going to be passed. In this connection, in a few words, I would like to congratulate the Honourable Minister who has prepared this Bill with great labour.

The word 'Damodar' is made of two words 'Dam' and 'Udar'. 'Dam' means a rope and 'Udar' means a belly. Here 'rassi' (dam) means 'Lakshmi' i.e. the whole word means 'that which has 'Lakshmi' in its belly'. I wish this Bill which has been given such a name as 'Damodar' may prove true to its name, and its work may be as great as its name. I mean to say that it may produce so much wealth in our country that this country may become prosperous. To make the Bill a success it is therefore necessary to adopt such measures which are useful to all i.e., we should have equality. As a matter of fact I think the Bill will prove true to its name if it is worked with 'unification'. In a short period our peasants thatched huts will be transformed into cemented buildings and his bullock carts will be replaced by motor vehicles.

In this connection I must say one thing: that to make the Bill successful not only the co-ordination of the artisan and the engineer will be sufficient but also efforts will be required to raise the artisan's standard of living. It will be of no use if our toiling labourers simply go on with their drudgery while engineers with fat salaries go on making maps sitting comfortably in their chairs. It can only be useful if there be an equal standard and 'unification' in the services. I mean that efforts to raise labourers' standard of living be made. This is possible only if the view point of those who are entrusted with this work be such that they perform their duties with the idea that the standard of living of the labourers working under them at this work and also of those sharing work under them at other places of development has got to be raised. It is very essential.

Side by side with this matter in working the Bill it is also necessary that a committee be formed which may consider how the standard of the people can be raised and they may also see that there is no corruption. If they find any corruption, they should nip the evil in the bud, and should exercise a check on corruption from its very beginning.

With these words I again heartily congratulate the Honourable Minister. If such like developments were made in our country then our Government will earn a good name and our country will prosper.

**चौधरी रणवीरसिंह** : अध्यक्ष महोदय, मैं किसान के नाते मंत्रिमंडल और शेषतया मंत्री महोदय के प्रति कृतज्ञता प्रगट करना चाहता हूं कि उन्होंने यह बिल लाकर भारत के अन्दर एक नया युग आरम्भ किया है। लेकिन इसके साथ-साथ में एक बात कहे वगैर नहीं रह सकता कि अंग्रेजी राज के जमाने में, १० और १५ साल हमारे यहां जो युनियनिस्ट पार्टी थी वह भाखरा डैम का नाम इस्तेमाल करती आई और इस पार्टी ने इसका नारा लगाके लोगों से राय लेने का साधन बनाये रखा। तो मैं मंत्री महोदय से यह विनम्र निवेदन करना चाहता हूं कि वह विरोधी दल को यह अवसर नहीं देंगे कि कांग्रेस ने सिर्फ इलैक्शन में राय लेने के लिए यह स्टन्ट (stunt) खड़ा किया है बल्कि वह इसको जल्दी से कार्यक्रम में परिणित करेंगे। इसके साथ-साथ में एक चीज मंत्री महोदय के ध्यान में लाना चाहता हूं और वह यह कि देहाती मसल है : "दिया तले अन्बेरा।

मेरे कहने का मतलब यह है कि देश बदला, हम गुलामी से अजाद हुए। पहिले दीपक की रोशनी के अन्दर पढ़ते थे आज बिजली की रोशनी देखते हैं। तो कम से कम अब दीपक के नीचे जब कि दीपक के स्थान में बिजली आ गई है अन्धेरा नहीं रहना चाहिये। अन्धेरा उपर होना चाहिये, नीचे नहीं। लेकिन अभी तक इससे विपरीत है। ऊपर चांदनी है और दीप के नीचे अन्धेरा है।

मेरे कहने का मतलब यह है कि हम यहां यमुना के किनारे बैठे हैं। जैसी दामोदर वैली (valley) की हालत है वैसी हालत यमुना की घाटी की है। जहां हम बैठे हैं वहां से यमुना गुजरती है और यहां से पांच मील के फासले पर वही हालत देखते हैं जो शायद आपने बंगाल और बिहार में देखी है। बहुत अधिक बड़ी जमीन खाली पड़ी है जहां पर अच्छे-अच्छे फल फूल और सब्जी तैयार हो सकती हैं। हर साल वहां पर बाढ़ के कारण किसानों को लाखों रुपयों का नुकसान-बर्दाश्त करना पड़ता है। इसके साथ-साथ मैं मंत्रि महोदय का ध्यान इस ओर भी दिलाना चाहता हूँ कि इस से भी यू० पी०, पंजाब के देहली प्रान्तों को फायदा पहुंचता है। अतः यह विषय एक प्रान्त का नहीं है और इस घाटी का सुधार एक प्रान्त की सरकार नहीं कन्टीन्य (continue) कर सकती बल्कि केन्द्र की सरकार ही कर सकती है।

अतः मेरे कहने का मतलब यह है कि बगैर किसी विलम्ब के एक ऐसा बिल जिसका नाम 'यमुना घाटी संस्था' होगा जल्द से जल्द हमारे सामने लायेंगे। और ज्यादा न कहते हुए अन्त में फिर मैं मन्त्री महोदय के प्रति अपनी कृतज्ञता प्रकट करता हूँ और बैठते हुए यह आशा करता हूँ कि इस संस्था को जल्द से जल्द कार्य-रूप देंगे और हम जल्द से जल्द तमाम भारत के किसानों की बहुत अच्छी हालत में देख पायेंगे।

(English translation of the above speech).

**Ch. Ranbir Singh:** (East Punjab: General): Mr. Chairman, Sir, as a farmer I wish to express my gratitude to the Cabinet Ministers and particularly to the Minister who has introduced this Bill which marks the beginning of a new era in India. But along with that I cannot help saying one thing. It is this. During the British rule in this country, the Unionist Party in our province had been using the name of *Bhakra Dam* for ten to fifteen years. By means of this slogan the party had been able to secure the votes of the people. I would, therefore, like to say to the Honourable Minister that he should complete this work as soon as he can so that the opposition gets no opportunity of saying that this is simply a stunt created by the Congress Party to secure votes in the elections.

One thing more I would like to bring to the notice of the Honourable Minister. It is this. There is a country proverb which says that the lamp burns to give light to others but it fails to dispel the darkness round its base. What I mean to say is that the country has witnessed a change; from slaves we have become freemen. There was a time when we used to read in the light of oil lamps; today we have incandescent bulbs. Today, therefore, when the oil lamp has been replaced by the incandescent bulb, there should be no shadow under the lamp. The shadow ought to be above it and not under it. But it is otherwise even upto this time. There is light above the lamp and the shadow under it.

[Ch. Ranbir Singh]

I mean that we are living on the banks of the Jamuna. The condition of the Jamuna Valley is not different from that of the Damodar Valley. The Jamuna flows by our city, but at a distance of just five miles from here you will find the same state of affairs as you have perhaps in Bengal and Bihar. There are long stretches of land where fruits and vegetables can be grown; but these places lie barren. Every year the farmers have to suffer loss of lakhs of rupees due to floods. Moreover, I want to draw the attention of the Honourable Minister to this fact that this will also benefit the rural areas of the U.P. and the Punjab. This is, therefore, not a matter of one province; and the reform of this valley cannot be undertaken by a provincial Government. It can be done only by the Central Government.

The object of my speech therefore is to call upon the Honourable Minister to bring before the House, without any delay, a Bill called 'The Jamuna Valley Corporation'. Without saying anything more I once again express my thanks to the Honourable the Minister and resume my seat with the hope that this Bill will be immediately put into practice and that soon we will see all the farmers of this country in a state of prosperity.

श्री रामनारायण सिंह : इस बिल के सम्बन्ध में मैं माननीय मित्र भाई गाडगिल साहब को बहुत-बहुत बधाई दे चुका हूँ और अपनी प्रसन्नता भी प्रकट कर चुका हूँ और फिर से उसको दोहराने की जरूरत नहीं है।

लेकिन जो बहसों इस बिल के बीच चलीं और उसमें उन्होंने जो तत्परता दिखाई, उसके लिये मैं उन्हें फिर से बधाई देता हूँ और बहुत-बहुत धन्यवाद देता हूँ, और जिस तरह और लोगों ने आशा प्रकट की है, मैं भी उनसे कहूंगा कि उनका यह काम सिर्फ छोटा नागपुर के लिये ही नहीं है, बल्कि सारे देश के लिये बहुत बड़ा काम है। अब उनकी बहादुरी और कार्य कुशलता इसी में है कि यह महान् कार्य सफलीभूत हो। यह कार्य जल्दी कार्यान्वित हो। और जो यह आशा की जा रही है कि हमारे लोगों के दुख दूर होंगे, वह सब हमारी आशायें पूर्ण हों। उसके साथ-साथ ऐसी सच्चाई के साथ काम हो जिससे वहां पर कर्षण (corruption) वगैरह की जो बात उठती है अब इस सरकार के जमाने में, भाई गाडगिल के माने में, यह बात न उठे। इसकी हमें पूरी कोशिश करनी चाहिये।

मैं भाई नजीरुद्दीन साहब को भी बधाई देता हूँ जिन्होंने इस बिल में जरा सी भी गलती कौमा (coma) फुलस्टॉप (full stop) और सेमीकोलन (semi colon) को दूर करने की कोशिश की। वह बहुत कोशिश करते हैं कि इस बिल में तनिक भी भूल न रह पाये। मैं डिपार्टमेंट्स (departments) के ड्राफ्ट्समैन (draftsmen) को कहूंगा वह तो बड़े काबिल होते हैं, उनको देखना होगा कि इसमें तनिक भी गलती न रह जाय, तभी वह तारीफ़ के वाकई काबिल हैं। अगर ऐसा नहीं है, तो मैं कहूंगा कि उनकी तलब कट जाना चाहिए और वह तलब मिस्टर नजीरुद्दीन साहब को मिलनी चाहिये।



इतना कहकर मैं फिर गाडगिल भाई को बधाई देकर बैठ जाता हूँ और वह आशा करता हूँ कि यह काम जल्दी पूरा हो और खूबी और मुस्तैदी के साथ सफलीभूत हो।

(English translation of the above speech).

**Shri Ramnarayan Singh:** (Bihar: General): I have already congratulated my friend Honourable Shri Gadgil on this Bill and have also expressed my joy over it. I need not, therefore, repeat it. But I do congratulate him once again for the dexterity he has exhibited in debating this Bill. I thank him very much for it. I also share with others the hope that this work will prove beneficial not merely for Chhota Nagpur but a big work for the whole of India. The greatness and expertness of the Minister lies only in the successful completion of this gigantic task. It should be completed without delay. May our hopes for putting an end to the difficulties of the people bear fruit and may it be done in such an honest way that under this Government, under Shri Gadgil, the question of corruption does not arise at all. We must spare no pain for avoiding corruption.

I also congratulate my friend, Shri Naziruddin, who has striven hard to point out the minor mistakes of comas, full stops and semi colons. He strains his nerves so that not even an ordinary error is left in this Bill. I have to say to the draftsmen of the Department that they are very able men; they must see that the Bill is free from the slightest flaw. That alone will deserve their praise. If that is not so I will say that their salaries should be reduced and the amount of cut in their salaries should be paid to Shri Naziruddin.

I resume my seat with these words and congratulations to Shri Gadgil once again. I hope this work will be completed successfully, skillfully and quickly.

**Shri B. Das:** Sir, I would welcome it if the Honourable Minister would take the House into his confidence and state how he is going to give effect at a very early date to this piece of legislation which this House has confided in him. This morning, I read in the paper that Dr. Sudhir Sen, who was Economic Adviser at Moscow has been flown to New York to study the management of the T.V. A. so that he can be made a functionary of this Corporation. That is a piece of very good work which the Honourable Minister has done and I congratulate him for that. I hope he will appoint other people immediately under this Act and arrange similar facilities for them, so that those who are in charge of this Corporation have some knowledge of similar concerns in U.S.A. and also in U.S.S.R. I do hope that Dr. Sen in his economic studies of Soviet conditions did look into the methods and systems of the organisation which did similar work in Russia, where the Dnieper Valley Dam that was destroyed by the Germans during the War was restored within the minimum time.

I am always afraid of Corporations, Authorities and Boards. I do not like institutions like that which may become perfect autocracies and may not function properly. We have only two days ago heard the speech of the Honourable the Railway Minister who gave a certificate about the good conduct of all railway employees and wanted us to believe that there is nothing wrong in the kingdom of Denmark the Railway Administration today. My Honourable friend, the Minister for Works, Mines and Power is too familiar with our views about that body—the Railway Board—for me to remind him. I do hope he will apply his mind not in the old Departmental way, the bureaucratic way of getting enmeshed in various Departments and officials, but take such action as will enable us within a year or two to reap the results of the working of the Damodar Valley Corporation, and enjoy the fruits, even what my Honourable friend Prof. Banga is anticipating in the line of socialisation.

[Shri B. Das].

Sir, those who talk of socialisation and nationalisation, let them satisfy themselves by the interpretation they have put whether this is a socialist concern or not. I interpret it as a State controlled and state financed institution which will try to develop and bring prosperity and better conditions of living for fifty lakhs of people which my Honourable friend Mr. Gadgil said the other day this Corporation would benefit. At the same time, I believe that what the Honourable the Prime Minister spoke to us only yesterday is worthy of remembrance, namely, that nationalisation or socialisation is not the kind of slogan which the nation should put before itself, but rather the problem of "production". I do hope that the Damodar Valley Corporation will think of production and think of it not in the matter of spending money alone for the next seven or ten years, but of planning it in such a way that it will bring immediate results for the nation.

Sir, once again I felicitate the Honourable Minister. I do felicitate him and I also felicitate this House, because for once in the history of this Legislature we have established a Corporation that will benefit the teeming millions and which has no ulterior motive behind it.

**Pandit Lakshmi Kanta Maitra:** Mr. Chairman, Sir, I find it difficult to resist the temptation of congratulating my Honourable friend and old colleague, Mr. Gadgil. The Bill that we have enacted into law today will mark a milestone in the path of economic progress and I am sure that when the future history of this period will come to be written, the Damodar Valley Corporation, when it fructifies, will occupy a very important place and the credit for it will go to my esteemed friend and colleague Mr. Gadgil. As I was trying to explain to the House a few minutes ago, this Damodar Valley Project has got very far reaching consequences in the field of economic reconstruction in this country. I do really feel that if this project, which is estimated to cost near about 60 crores of rupees, could really be brought into operation on the lines suggested in this Act, we will go a long way towards solving the most terrible and pressing of all problems of India today, namely, the food shortage. I am constantly bothered about this food shortage of India, not only because that threatens to be the one problem in India for the next few years, but because, coming, as I do, from the Province of Bengal and having had a taste of what famine means, I view with terror the implications of food shortage. We have got to realize that along with vast territories, our huge food resources also, have passed out of our hands and the vast food potential is not now within our reach though the vast industrial potential is with us. At the same time when I think of four millions of souls that are born in India every year to be fed, Mr. Chairman, I feel staggered at the problem of food production. Every year, we are spending over 100 crores for import of Food Stuffs and that whole amount is misspent in the sense that it yields no return. If 100 crores spent on this scheme could bring smiles in place of tears, could convert arid waste into a mantle of green and if in place of darkness it could bring in light, as we all hope, it will, then, I am sure, future generations would not only bless the Honourable Minister Shri N. V. Gadgil, but also bless this House for having given its unstinted support to a measure designed to alleviate the miseries of a teeming millions in this country. Considered from this point of view, I think my Honourable friend Mr. Gadgil can legitimately be proud of an achievement. I know for myself with what earnestness and zeal he set about his task. When he was replying to my Honourable friend Mr. Naziruddin Ahmad, who was incessantly pleading for sympathy and sympathy and sympathy, he wanted to remind him that within a few hours of his assumption of office, he set his hands firmly to this task. Yes, he did, I can testify to that. But may I appeal to him that with the characteristic tenacity of a Maharratta, he would nurse this plan to full fruition. I know the tremendous difficulties that lie in his way; there is shortage of technical

personal and particularly the type of personnel which can do this kind of job, which is absolutely new, unheard of and unknown in this country. Here the most competent and distinguished Engineer is bound to quail before the magnitude of this task. But I would suggest to him that in the initial stage, it would perhaps be advisable to bring eminent engineers from America, a few of them, so that under their direct supervision our engineers may have specialised training in this respect. For as I was telling, this is not only going to be the pioneer scheme, but the pilot scheme for the future. On its success or failure depends the future of all such schemes, be it Hirakud Project or Ramapadasagar Project. There are the limiting factors of shortage of scientific personnel, equipments, materials, these are terrible obstacles, but I know the will and determination of my Honourable friend Mr. Gadgil will see them through. At the moment all we can do is to wish him success in his mission and God speed in his work.

**The Honourable Shri N. V. Gadgil:** Sir, I am extremely grateful to the Honourable Members for the appreciative speeches they have made. It would be unfair on my part if I were to annex all this praise in its entirety to myself. I should very much like to tell the House that in this enterprise, I have got two esteemed partners, one my Honourable colleague and my old friend, Dr. Ambedkar. It was he who initiated this scheme and it was my Honourable friend and colleague, Mr. Bhabha who continued the effort. Apart from these two Honourable Members, as I said the day before yesterday, innumerable officials of the Ministry have been working at this Project and on the drafting of this particular Bill. So it is only fair and proper that I should share all this on their behalf and only to some extent on my own behalf.

In the course of the debate, Sir, I had an occasion to remark something about grammar. Although it was a sort of humorous remark, I find that it was not so understood. The very fact that I accepted a number of amendments of my Honourable friend, Mr. Naziruddin Ahmad conclusively proves that I have great regard for grammar also. Coming as I do from the family of grammarians, I have always believed what the Sanskrit Pandit has said:

एकः शब्दः सम्यक् ज्ञानः सम्यक् प्रयुक्तः स्वर्गे लोके काम इच्छुक भवति । इतिः

व्याकरणे नामे भनस् ॥

One word well understood, well used, entitles a person to a place in heaven. That is the opinion of the grammarians.

So it was not in any disparagement of grammar that I made that remark, for I do believe that just as discipline is necessary for life, grammar is necessary for language. I am grateful to Mr. Naziruddin Ahmad for helping us all in making the Bill as perfect as it is possible for us mortals to make. I am also grateful to various other members who took great pains in sending amendments and also thankful to them for showing great restraint in not moving them.

I am also grateful to one of my Honourable friends Mr. Krishnamachari but for whose constant presence I am sure I would have found myself in utter confusion in some of the grammatical amendments of my esteemed friend Mr. Naziruddin Ahmad. Sir, I am particularly grateful to my Honourable friends Mr. Das and Pandit Maitra because all of us have been in this House since 1935, and we have been constantly chafing under a sense of frustration that here we are most of us decidedly capable of doing something constructive, something magnificent, something that will redound to the glory of this country, and yet no opportunity was given to us in so far as this particular House was concerned. And yet if, as has been suggested by my Honourable friend Pandit Maitra, today is a day for which I should feel proud, I am sure that feeling and sentiment is equally shared by him and also by my young friend who is the Chief Whip now and who has been my friend all along these fifteen years. I

[Shri N. V. Gadgil.]

cannot forget my Honourable friend Prof. Ranga who has always been of help on occasions when his help was greatly needed and would always rush in unmindful of the consequences. That is the great thing about him.

Sir, I do not want to detain the House but I honestly feel that this measure is the first of its kind in the right direction of eliminating poverty in this country, which is really our fundamental problem. Having earned self-government, the emphasis is now on good government; and the test of good government is that people must have sufficient food, sufficient clothes and faith that justice will be done under Government. That is the test whereby this Government is going to guide its conduct, and the first test—that of providing sufficient food is the one which underlies the measure just placed on the statute-book. I do feel, Sir, that as a result of this not only will prosperity dawn on the provinces of Bihar and Bengal but, as I have often said, prosperity is infectious and it will spread from the waters of the Hooghly and the Damodar to all quarters of this great land, and that in the not distant future we will make our land as noble and as worthy as we have described in our national anthem:

सुजलां सुफलां शस्य श्यामलां

*“Sujalām suphalām Shashyashyāmālām”.*

**Mr. Chairman:** The question is:

“That the Bill, as amended, be passed.”

The motion was adopted.

*The Assembly then adjourned till Eleven of the Clock on Thursday, the 19th February 1948.*