

Monday,  
16th February, 1948

THE  
CONSTITUENT ASSEMBLY OF INDIA  
(LEGISLATIVE) DEBATES

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CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)  
1948



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# CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Monday, 16th 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.

## DECLARATION BY MEMBERS:

The following members made the declaration under Rule 2C:

The Honourable Dr. Syama Prasad Mookerjee (West Bengal: General); and  
The Honourable Mr. C. H. Bhabha (Bihar: General).

**Mr. Speaker:** Before we proceed with the questions for today, I have to inform Honourable Members that I have received intimation from the Honourable the Defence Minister that, being engaged at Jamnagar he would not be able to be present here today in time for the question hour. So the questions to be answered by him today will be transferred to the next list.

## STARRED QUESTIONS AND ANSWERS

### ORAL ANSWERS

#### REPORT OF DELHI MUNICIPAL ORGANISATION ENQUIRY COMMITTEE

**289. \*Mr. E. K. Sidhva:** (a) Will the Honourable Minister of Health please refer to her answer to my starred question No. 555, asked on the 3rd December, 1947, regarding the Report of the Delhi Municipal Organisation Enquiry Committee and state when the report will be received?

(b) Will the report be available to members?

(c) Do Government intend to bring in legislation for the creation of a Municipal Corporation for Delhi during the present session?

**The Honourable Rajkumari Amrit Kaur:** (a) The report of the Municipal Organisation Enquiry Committee has been received. The report is now being printed.

(b) I shall arrange to have copies of the report placed in the Library of the House as soon as printed copies are available.

(c) Government will need some time to consider the report and decide the action to be taken. As the problem is of a complicated nature, it will not be possible to bring forward any Bill in the present session.

**Mr. E. K. Sidhva:** When do Government intend to take a decision on this matter?

**The Honourable Rajkumari Amrit Kaur:** The matter will be coming under the consideration of the Government.

**Mr. E. K. Sidhva:** Will a sufficient number of copies be available in the Library?

**The Honourable Rajkumari Amrit Kaur:** I shall ask for that to be done.

#### PROVINCIAL QUOTAS AND NUMBER OF SEATS IN DELHI MEDICAL COLLEGE

**290. \*Mr. E. K. Sidhva:** (a) Will the Honourable Minister of Health please state the total number of seats for students in the Medical Colleges for men and women in Delhi?

(b) What are the provincial quotas fixed for admission to these colleges?

(c) Is it a fact that owing to the large number of applications for admission, many candidates have not received admission?

(d) If so, what is the approximate number of students who do not get admission every year?

(e) In view of the large number of applications from students, do Government propose to increase the number of admissions in these colleges?

**The Honourable Rajkumari Amrit Kaur:** (a) There is only one Medical College in Delhi, namely, the Lady Hardinge Medical College, which is meant exclusively for women students. The maximum number of students who can be trained at this institution at a time is about 200.

(b) There are no fixed provincial quotas but seats can be reserved by the provinces on payment of a capitation fee of Rs. 1,500 per annum per student. The number of such reservations is decided by the Executive Committee of the College every year.

(c) Yes.

(d) The number of students refused admission has varied from 60 to 114 during the last five years, including those ineligible for admission by reason of not fulfilling the required standard, namely, 2nd class I.Sc. (Medical Group).

(e) The Governing Body of the institution have appointed a sub-committee to consider the reorganisation of the institution including the question of admitting more students.

**Mr. R. K. Sidhva:** I was not able to follow the answer to part (c) of the question. May I know how many were actually refused admission last year?

**The Honourable Rajkumari Amrit Kaur:** The answer to (c) is that a certain number of candidates have been refused admission. During the last five years 60 to 114 students have been refused, but all these were not eligible—some were refused because they had not got the required standard for entrance.

**Mr. R. K. Sidhva:** How many were refused for want of accommodation?

**The Honourable Rajkumari Amrit Kaur:** I would have to get the figures and let Mr. Sidhva have them later.

**Mr. R. K. Sidhva:** Do Government contemplate the expansion of this college for admission of more students immediately?

**The Honourable Rajkumari Amrit Kaur:** That question has been answered in reply to part (e).

**Shri H. V. Kamath:** Sir, is not the absence of a men's College unfair to the men and does it not amount to sex discrimination?

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

**Dr. B. Pattabhi Sitaramayya:** May I know the annual new admissions of the first year students in this College? It was said that 200 students are provided for; is it in all classes put together?

**The Honourable Rajkumari Amrit Kaur:** 200 altogether.

**Dr. B. Pattabhi Sitaramayya:** And the first year admissions?

**The Honourable Rajkumari Amrit Kaur:** That depends, I think, according to the number of vacancies that are available. This year, as a matter of fact, we have got rather more because of the refugee students and we have tried to admit as many as possible.

**Dr. B. Pattabhi Sitaramayya:** Would the first year admissions be about 30 or 40 a year?

**The Honourable Rajkumari Amrit Kaur:** I could give the Honourable Member the figures.

**Shrimati G. Durgabai:** Will the Honourable Minister be pleased to state whether, in view of the large number of applications for admission every year and also in view of the large number of refusals, Government will be pleased to consider the desirability of starting many branches of this College elsewhere outside Delhi?

**The Honourable Rajkumari Amrit Kaur:** The Government of India is not responsible for starting branches outside its own areas.

**Shri H. V. Kamath:** Do Government propose to start a men's Medical College in Delhi?

**The Honourable Rajkumari Amrit Kaur:** There is a plan for the starting of a Medical Institute in Delhi which would include a College.

**Mr. R. K. Sidhva:** Is it not a fact, Sir, that, within the present accommodation ten per cent. more students could be taken in?

**The Honourable Rajkumari Amrit Kaur:** No, Sir; that is not so.

**Mr. R. K. Sidhva:** Have the College Authorities at any time written to the Government that they can take ten per cent. more students than what they can take at present?

**The Honourable Rajkumari Amrit Kaur:** No, Sir.

**Shrimati Ammu Swaminadhan:** May I ask the Honourable Minister whether the Government is thinking of taking over the Lady Hardinge Medical College and making it a Government College, which it is not at present?

**The Honourable Rajkumari Amrit Kaur:** That is under consideration.

†291. \*

PRODUCTION, CONSUMPTION AND EXPORT OF OPIUM

†292. \***Shri V. C. Kesava Rao:** Will the Honourable Minister of Finance be pleased to state:

- (a) the total quantity of opium produced in India, province-wise;
- (b) the quantity consumed in India;
- (c) the quantity exported to foreign countries; and
- (d) the revenue derived by Government from such export?

**The Honourable Shri B. K. Shanmukham Chetty:** (a) The total quantity of opium produced in the United Provinces, the only province in India where cultivation of poppy is allowed, in the calendar year 1947 was 3,282 maunds.

(b) The quantity of opium consumed in India, including West Punjab and East Bengal, in the calendar year 1946 (the latest year for which figures are available) was 4,472 mds. This quantity includes also opium consumed in India from out of previous years' stocks as well as from the stock received from certain Indian States.

(c) The quantity of opium exported to foreign countries in the calendar year 1947 was 2,743 maunds.

(d) The net revenue from export to foreign countries was roughly Rs. 47 lakhs in 1947.

NURSES AND MIDWIVES SENT TO FOREIGN COUNTRIES FOR HIGHER STUDIES

†293. \***Shri V. C. Kesava Rao:** Will the Honourable Minister of Health be pleased to state:

† Postponed to be answered on 23rd February, 1948, vide Mr. Speaker's remarks on page 741 of these Debates.

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

(a) whether it is a fact that the Government of India are sending nurses and midwives to foreign countries for higher studies;

(b) if so, the number of such personnel sent to foreign countries for higher studies, province-wise; and

(c) the amount spent on them during the years 1946-47 and 1947-48?

**The Honourable Rajkumari Amrit Kaur:** (a) Government have been sending Nurses for training abroad. No midwives have been sent.

(b) A statement furnishing the required information is laid on the table of the House.

(c) The expenditure during 1946-1947 and 1947-1948 on Central Government candidates was approximately Rs. 11,500 and Rs. 30,500. In addition the Central Government contributed 50 per cent. of the expenditure incurred on candidates deputed by Provincial Governments. The expenditure was approximately Rs. 17,700 and Rs. 40,400 respectively in the two years.

### STATEMENT

*Showing the number of Candidates sent abroad for Nursing Training—  
Post-graduate Nursing Course—*

Sponsoring Government	Year			Total
	1945	1946	1947	
Central	1		3	4
Bombay	3	1	...	4
West Bengal	1	1	...	2
East Punjab	1	...	...	1
Madras	...	1	1	2
	6	3	4	13

*Probationer Nurses Course—*

Sponsoring Government	Year		Total
	1946	1947	
Central	3	2	5
West Bengal	4	1	5
Madras	1	4	5
Bombay	1	4	5
East Punjab	...	3	3
Ori.s.	...	2	2
U. P.	...	4	4
C. P.	...	3	3
	9	23	32

*N. B.*—Four Central and one Provincial candidate from those deputed for Probationer Nurses Course who have opted for PAKISTAN have been excluded from the statement.

REPRESENTATIONS *re* ABOLITION OR RELAXATION OF IMPORT DUTY ON CAPITAL GOODS.

**294. \*Shri Mohan Lal Saksena** (on behalf of **Shri M. Ananthasayanam Ayyangar**): (a) Will the Honourable Minister of Finance be pleased to state whether Government have received representations from any industries or industrial concerns regarding relief from customs duty payable on importation of capital goods for industries?

(b) If so, do Government propose to lay on the table of the House a list of such representations, containing information regarding the dates on which the representations were first received and also the action taken on them?

(c) Has the Government's attention been drawn to a contributed article entitled "Import Duty on Machinery" appearing in the issue of the 'Eastern Economist', dated the 23rd May, 1947?

(d) Have Government arrived at any decision in regard to the question of the abolition of import duty on importation of plant, machinery and other capital goods for the purpose of the rapid industrialisation of the country?

(e) If so, what is the decision? If not, when will Government come to a decision?

**The Honourable Shri R. K. Shanmukham Chetty**: (a) Yes.

(b) The representations were addressed to more than one Ministry and Government do not consider that any useful purpose will be served by the compilation of a list of such representations.

(c) Yes.

(d) No. The matter is under consideration.

(e) Government hope to be able to arrive at a decision shortly.

**Shri Mohan Lal Saksena**: May I know how many representations were received by the Finance Ministry?

**The Honourable Shri R. K. Shanmukham Chetty**: I am not in a position to state how many representations were actually received.

DUTY FREE IMPORT OF MACHINERY AND RAW MATERIAL FOR MANUFACTURE OF FERTILISERS

**295. \*Shri Mohan Lal Saksena** (on behalf of **Shri M. Ananthasayanam Ayyangar**): Will the Honourable Minister of Finance be pleased to state whether Government propose to consider the desirability of permitting the importation of machinery equipment and raw materials for the manufacture of fertilisers duty-free as a measure of assistance to a vital industry?

**The Honourable Shri R. K. Shanmukham Chetty**: Yes.

NEGOTIATIONS BETWEEN BRITAIN AND INDIA *re* RELEASES FROM STERLING BALANCES

**296. \*Shri Damodar Swarup Seth**: Will the Honourable Minister of Finance be pleased to state what progress, if any, has so far been made on the question of releases from the Sterling balances in the negotiation between Britain and India?

**The Honourable Shri R. K. Shanmukham Chetty**: Discussions have been proceeding for the past few weeks and it is expected that an agreement will be reached shortly.

**Shri B. Das**: Has the attention of the Honourable Finance Minister been drawn to the Press Report and the statement of Sir Stafford Cripps that Britain is in a very difficult position economically and that therefore she will not be able to meet the sterling obligations of the Dominions and other countries?

**The Honourable Shri R. K. Shanmukham Chetty**: I saw some of the recent statements of the Chancellor of the Exchequer in England, but those

statements did not convey to me the idea that the honourable member wants to convey to me.

**Shri B. Das:** Is the Honourable Member hopeful that India will be able to get all her claims from England, say, within the next five years?

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

**Mr. R. K. Sidhva:** Have the negotiations between Britain and India concluded?

**The Honourable Shri R. K. Shanmukham Chetty:** It is expected to be concluded within the next two or three days.

**Shri Biswanath Das:** May I know whether Pakistan has also joined with India all along in these negotiations, and whether there is any truth in the Press report that Pakistan representatives have left with a view to making their own negotiations in certain matters?

**The Honourable Shri R. K. Shanmukham Chetty:** The Pakistan Delegation was here for a few days to have some joint talks but they are going to have a separate agreement themselves apart from ours.

**Shri Biswanath Das:** May I know in what respect and how far there is disagreement between Pakistan representatives and the British Delegation and whether in those respects India has got satisfactory response from the British Delegation?

**The Honourable Shri R. K. Shanmukham Chetty:** I do not know what has been going on between the Pakistan Delegation and the British Delegation. As I said, the Pakistan and the British Delegations are going to talk independently and have a separate agreement.

**Shri H. V. Kamath:** Is there any reason to believe that the British Government's behaviour is not of sterling integrity?

**Mr. Speaker:** Order, order. I find the Honourable Member is asking for opinions. Many of his questions are questions of opinions, and if he persists in them, he will not be able to catch my eye.

**Shri Biswanath Das:** Are we to understand, Sir, from what has fallen from the Honourable the Finance Minister that even though they are negotiating in India and at Delhi, Pakistan and India are negotiating separately and from their own points of view?

**The Honourable Shri R. K. Shanmukham Chetty:** Pakistan Delegation is not carrying on negotiations here in Delhi. They came here for some joint talks, but the idea seems to be that after the British Delegation has finished their talks with us, on their way they go to Karachi and there they expect to conclude a separate agreement with Pakistan.

†297. \*—299. \*

#### DAMODAR VALLEY CORPORATION BILL—*contd.*

**Mr. Speaker:** The House will now proceed with Legislative Business, namely, the further consideration of the following motion:

"That the Bill to provide for the establishment and regulation of a Corporation for the development of the Damodar Valley in the Provinces of Bihar and West Bengal, as reported by the Select Committee, be taken into consideration."

**Shri Jaipal Singh (Bihar: General):** Sir, before we adjourned last Saturday, I was dwelling on the importance of realising that in this project we were dealing with human beings and, as such, we would have to adapt the T.V.A. planning to Indian conditions.

† Postponed to be answered on 23rd February, 1948, *vide* Mr. Speaker's remarks on page 741 of these Debates.



I want now to talk on the composition and character of the Damodar Valley Corporation as is envisaged in the Bill that has been submitted by the Select Committee. At the Select Committee stage, there was a great deal of discussion as to the control, the power, which the Centre should have over the Damodar Valley Corporation and the impression I gained was that, somehow or other, we were far too keen on the amount of control the Statute should give us than the amount of work that we intended to do as a result of this project. It was like investigating into facts in the light of arguments rather than investigating into arguments in the light of facts. Let us look at the directive which President Roosevelt gave fifteen years ago, in 1933, when the Tennessee Valley Authority was established. He said:

"That the new Authority be a Corporation clothed with the power of Government but possessed of the flexibility and elasticity of a private enterprise."

The importance there is of the Authority being "flexible". My friend, Prof. Saksena, the other day pointed out that it was very important that, while we were bringing into existence a Statutory Authority, the life of this Authority, the life of the members of this Authority, should be of a more or less permanent character, unfettered by interference from a bureaucracy 700 miles away. To my mind, it is very important that we should trust this Corporation. There have been certain amendments, I know, which are trying to limit the scope of the Centre in regard to the appointments of members to this Corporation. One amendment, for instance, suggests that one of the members should be an expert on electricity. Somebody might equally say that another member of the Corporation should be an expert on Agriculture and so forth. I think by doing this sort of thing we are only limiting the scope of crop that is available in the national harvest. I think we should go out of our way to ensure that we take the cream of the national crop and I would even go further and say that, if necessary, for a certain period,—at any rate, till we can get better men among ourselves, we should take the cream of even the international crop among engineers and the like.

Now, coming to the administrative part of it, most of us in this country are in the habit of thinking in terms of age. We are rather prone to think that age is clothed with wisdom. Mr. Speaker, I am not one of those who is a slave to that narrow view of thinking. The first Chairman of the T.V.A., Lillenthal, was only 34 while his colleague Dr. Harper was twice his age, in fact, more than twice his age. He was older by about a couple of years than Lillenthal's father. But these two men worked together harmoniously and they produced wonderful results. What is the good of saying that one of the Members of the Corporation should be an electrician, who had been in any electrical industry, for at least ten years? Does it mean that ten years would give him the requisite wisdom? Does it mean that ten years are going to endow him with such wisdom as to make him a miracle man in this Corporation? We have so many instances in our own country of men who, without any academic qualification, have turned out to be the greatest architects of our industrial life. Take the case of Jamshedji. What qualifications had he? Yet, he was the man who founded the biggest steel industry in this country. Take another man Sir Rajendra Nath Mukerjee; he had no academic qualification at all and, yet, he was one of the greatest pioneers of public utility concerns throughout the country. Therefore, let us not depend too much upon academic distinctions. They may lead us nowhere. They will be just paper judgments. What is really needed is men of character, men of courage, men of vision who will be making this project into the model we want it to be, the new heaven, as my Honourable friend, Mr. Gadgil promises that they will endeavour to make, and, let us not forget that what happens to a river and what happens to the land, forests and villages is all part of one indivisible process; that river development means not only electricity, navigation and flood control, but saving the top soil of the hill-sides, afforestation and restoring the fertility of barren or exhausted land and industrial development. The main

{Shri Jaipal Singh}

executive authority of the Corporation will have to consist of great men. Sir, I submit that great men are full of quirks and oddities and, if we are going to hamper the directing personnel with pin pricks from the Centre, it simply means we are going to defeat the very object for which we have been harping so much on the floor of this House, and, we would be defeating the ideal which we can reach, if only we will trust. I know fully well that my Honourable friend Mr. Gadgil has an open mind in regard to this. I do not think he is encumbered by the ideology of academic distinctions. I do hope that he will take the men in the same way as President Roosevelt picked them. Here I mention Dr. Harper's name. Dr. Harper was the President of Tennessee University. He was a specialist in agriculture. He has been in the T.V.A. from the beginning, but, the other members he has to work with are young men. Yet, there is no conflict and no difficulty whatever. Their team work is there for the whole world to admire. I do think we would be doing ourselves wrong and we would not be discharging our responsibility as legislators, in the right manner, if we go on putting spokes into the wheel of the Damodar Valley Project. I do think that we must trust our men on the spot. After all, the men there will have to make their own decisions and make them promptly. In the first and last analysis, the Corporation must be subject to control at the Centre, but, in the field and in the day-to-day administration, it must be its own boss and, if work is to be done, it must and has to be done on the spot. They must not have to ask for permission from anybody else 700 miles away from a distant bureaucracy. I think that is very very important, if this Corporation is going to work smoothly.

Prof. Shah emphasized how important it was that politics should be completely divorced from the Corporation. I would like to join him in this view. This factor is absolute and paramount. All appointments must be on the exclusive basis of merit and experience. There should be no political jobs of any sort whatever and no employee may undertake any political activity of any kind. The people who will be associated with this project must be happy because they are doing something creative and something bigger than themselves. Obviously, we cannot legislate morale and loyalty which the Project should get from almost every worker. The range of concept is so wide that it is almost boundless. It has no barriers except the selfishness of man and its horizon could be illimitable. Sir, I do feel very very strongly about it and it is for that particular reason I have subscribed my name to the Minute of Dissent that my Honourable friend Mr. Naziruddin Ahmad and I have submitted. Harmony is essential. Smooth work is important for the success of this first pioneer endeavour. As it is to be a model for other projects, I think it is very necessary there should be no disharmonious element in the middle of it; I mean the question of the financial adviser. In the original draft that was submitted he was to have been called the Treasurer, but, now, he has been elevated to a very very important position. I do not quite know whether by this new term 'Financial Adviser' we have given to him, he is going to be a colleague of the Directorate of the Corporation or he is just going to be the one man there the whole time, a spy as it were and a nuisance to the rest of the Directors. It is very important, I think, since this is a statutory body, the position of the financial adviser *vis-a-vis* the rest of the corporation should be quite clear and no room whatever should be left for friction or any obstructionism. That may result because he is called the financial adviser.

I do repeat, Sir, that we have to expect that in the first and the last analysis a Corporation has to be subject—of course it is subject—to the control of the Centre but I am thinking more of the working of the Corporation. In that particular regard, I submit that the financial adviser should be a part of the team and not somebody outside who can be a stumbling block to the smooth and successful working of the Corporation.

There is one particular point also in our Minute of Dissent. We feel that a new idea is being introduced in subjecting the earnings of the Corporation to income-tax.

This is going to be an entirely Government concern. There are going to be three participants in the project—the Governments of West Bengal and Bihar and the Centre. Whatever has to be disbursed has to be distributed among these three. Now it simply means that the provinces of West Bengal and Bihar are going to be dealt with inequitably so that the avarice of the Finance Minister of the Centre may be satisfied. He must take a bigger bag away in the form of income-tax. Sir, people may argue, "Well, what does it matter? After all the income-tax money, which will accumulate at the Centre, will be redistributed again; you might get it back in some other form." I regret to say—coming as I do from the province of Bihar—that I cannot accept such solace. The province of Bihar is the centre of industrialism and will continue to be so. But what is the position of Bihar? It is one of the poorest of the provinces. We are one of the richest mineral tracts in India,—nay, the whole world. We have one of the biggest iron and steel manufacturing concerns in the whole world. But what happens? The Tata Iron and Steel Company is registered in Bombay and the whole of the profits go to Bombay; our share is only the hard work that we put in. What about the colneries? Most of them are registered in West Bengal, and any benefit derived from them goes to West Bengal, just because they are registered in that province. We produce the wealth; somebody else enjoys the profits. Here is one instance of it. I have so far mentioned only private enterprise. Here is a Government concern which, somehow or other, is going to line itself along with the private enterprise I have mentioned. Is it also going to treat us meagrely; is it also going to be miserly? Let us not forget that Bihar has a number of waterfalls which, one day will have to be dammed and its waters marshalled for better purposes. If the Government at the Centre is going to take away sources of revenue which my province has a legitimate right to get, then, how are we to proceed with our nation-building activities? There are many schemes which my province would like to launch. But we do not want to beg of the Centre; we do not want to depend upon the mercy of the Finance Minister for launching upon other projects similar to the Damodar Valley.

I submit, Sir, the same kind of argument applies to poor West Bengal also. Bengal—or West Bengal as it has unfortunately become now—has been subjected to all manner of calamities. I think I am right in thinking that it is—as my friend Pandit Lakshmi Kanta Maitra pointed out—poorer than Bihar, though, I admit, it could not be poorer than Orissa or may be East Punjab. But, at any rate, West Bengal has been the cradle of our nationalism; now, it is also going to be treated in the same manner as Bihar. I submit that it is not fair that, of the three participants in an enterprise, two should be placed on a different footing. It is only just and fair that all the three must be put on the same footing and the only way that can be done is by exempting, as was suggested in the original draft of the Bill, the profits of this Corporation from income-tax. Once you do this, my province and my friend Pandit Maitra's poor province of West Bengal will get a greater share of the profits of this Corporation, which will help them to launch new schemes of reconstruction and development.

Sir, at this stage, I do not wish to say very much more. But I would like again to repeat: Let us remember that this project is a test for Free India. At every electioneering, in their manifesto, political parties have been inclined to promise all manner of things. Now, here comes the acid test and we will be judged by how we come out of it. Just as the form of this Corporation is to be functional, so I suggest that everything we do in the way of reconstruction must be functional. We must follow the maxim of

[Shri Jaipal Singh]

modern architecture. We have, of course, something to learn from the past, but, that does not mean that we should bind ourselves hand and foot to old methods. In the past, I know this Legislative Assembly has been very zealous about the control it should exercise over any money that it gives out to anybody. I suggest that we should begin to be brave about it. After all, the men who are going to be entrusted with this work are our fellow-men. We have to select them carefully, not merely because they have academic distinctions, but, because they are men with ideas, men with courage, men with personality, men who will be honest and men who are our compatriots. This project should be a model for the other schemes like Hirakud, Bakhra, Tungabhadra, and Kosi. Therefore it is very important that this must be an adventure in planning, as my Honourable friend Dr. Kunzru insisted while he quoted Prof. Huxley. Yes, it must be an adventure. Adventure always implies that there might be misadventure also. But, if we are going to move in the same old groove of controls and controls, our legislators here must spend days in shifting the project to bits: Are we thereby showing any signs of adventure? Are we showing any trust in the sense of responsibility of men we are going to appoint there? I submit, Sir, it is very important that we should appoint good men, the very best we can get, the very best—as I said before—from our national harvest, and trust them. And if we trust them, as trust engenders trust, I have no doubt whatever that they will not fail us. Sir, I have great pleasure in supporting this Bill.

**Shri Biswanath Das** (Orissa: General): Sir, I rise to support the motion for consideration of the report of the Select Committee. I congratulate the Honourable Minister in charge, realising as I do that this is the joint product of the Cabinet. But I see that the benefits that accrue from this project flow through his hands. I congratulate him and through him the Honourable Ministers constituting the Cabinet for giving practical shape to the planning about which we have been hearing so much. I congratulate the Ministry on having taken a very bold step in launching very many projects to the tune of 300 crores of rupees in this country with a view to making us self-sufficient. This bold venture—I need hardly stress—will be welcomed throughout the country specially in the provinces.

Sir, while contributing to the discussion my Honourable friend Prof. Shah complained that the literature necessary in this regard has not been placed in our hands. I join issue with him there. I will invite his attention to this book relating "The Waterways of India" which was prepared and placed in our hands about nine or ten months ago. This book clearly lays down the policy of the Government of India in this matter and gives us certain essential and necessary information regarding the Kosi, Mahanadi, Damodar and Teesta projects and the snow survey of the Himalayas. I would appeal to the Honourable Minister to let us have some further information; these are projects on which we are spending not crores but tens and hundreds of crores, and it is necessary that all available information should be placed in the hands of Honourable Members of this House. While calling for more, however, it would be unwise to blame Government on the score of information not having been placed in our hands at all. My Honourable friend while discussing this question also referred to the Mahanadi Valley project and in a general way remarked that these projects have been taken up rather hurriedly without the necessary consideration. He wants planning and he wants India to be made self-sufficient. How else can that be done if not by a hurried programme? You cannot accuse the Ministry of not having taken action and at the same time accuse them of taking very necessary and swift action. Various activities have been taken up. I know nothing about the details of

what has been done as regards the Damodar Valley project but I do know that a very close and intimate scrutiny has been made with regard to the Mahanadi Valley project. In the first instance a small committee consisting of three expert engineers were placed in charge of survey of these river schemes and thereafter an aerial survey of these areas was carried out. After that, a preliminary survey was taken up. The Government of India have today got experts who not only have established a reputation within India but have also got an international reputation,—I mean the members of the Waterways Commission in India. They have not only had a hand in shaping important irrigation works and dam works in this country but they have also gone to foreign countries and seen the operation of those dams. Not being satisfied with that the Government of India have made use of foreign experts. Dr. Savage came to this country and went round all these river basins which have been planned by the Government of India. Then not being satisfied with the scrutiny of dam experts the Government of India, to my knowledge, have also invited specialists on electricity as also on geology to see whether the ground on which these dams are to be constructed are fit and are really helpful to bear the weight of these dams. And so many other questions also have been taken into consideration. It would not be therefore fair for us to accuse the Government of India for not paying the necessary attention or doing things hurriedly as has been alluded to by my friends.

Having stated so much, I come to the other question, namely, the distribution of the investment on drainage and flood control between the Centre and the Provinces. India has been described by many thinkers as more in the nature of a sub-continent. Whatever it is, the fact remains that the two coastal belts of west and east are in the unfortunate position of receiving all the rain waters that flow either from the Himalayas or from the Western Ghats in the East and West as also from Central and Northern India with the result that it is their misfortune to have their provinces, and their people, exposed to eternal flood havoc. That being the position, it is not fair. I submit, to sap these provinces and ask them to contribute their share of the quota to be invested for the prevention of floods. In this view of the question, I join in my protest with the members of Bengal against the proposal to ask the provinces of Bengal and Bihar to share in the investment which goes to help the people from being saved from floods. To that extent, I think, the Bill has to be modified.

Still another question which ought to engage the attention of the Honourable House—and I am afraid that the Honourable Minister in charge of the Department has not given us a sufficient picture to be satisfied with his programme, and that is fairly important—what is going to be the position of the displaced population in these areas? My honourable friend, Mr. Jaipal Singh, has referred to this question in a general way. He laid more stress on the need of moral rehabilitation. I for myself would think of material rehabilitation, leaving the moral rehabilitation to come itself. These people are going to be the worst sufferers. Three hundred villagers have to move and leave their ancestral hearth and homes, their village sites and their lands and the rest. Under these circumstances, it is a matter of justice to see that these people are not only rehabilitated but are compensated, and not only compensated but that these people should, I plead with the Ministry, get the first preferential benefits that are to accrue from the industrialisation of this area. To give practical shape to the suggestion, I would appeal to the Honourable Minister in charge of the Department to see that lands are provided to these people as far as they are available. Secondly that house sites and houses of a convenient nature are provided also to these people and these people should be compensated so as not to feel that they have been forced to leave their hearths and homes under stress of circumstances. Then again

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I would plead with the Minister that these people should have first preference, so far as their capacity goes, to get the benefit of the industrialisation of these areas. If all these are placed before them, I feel sure that the people concerned will not stand in the way and that this will make the work progress quickly and smoothly.

I know there was a lot of trouble that the Orissa Government had to face with regard to the Hirakud Dam. Prof. Shah has referred to the opinion of Rangayya, one of the engineers early connected with the work of Flood Committee that I appointed in 1938. The opinion, in this regard, given by Mr. Rangayya was merely a preliminary one, not completely based on the professional side of the question. I would plead and appeal that the House should not lay any stress on the opinion of Mr. Rangayya. The Government, I believe, have again appointed a Committee of expert engineers to scrutinise the entire question thoroughly and to place their recommendations before them.

From what literature is available, we see that even in the Tennessee Valley, leaving aside the question of rehabilitation, the question of acquisition of land was not very easy. It is always difficult for people to leave their hearths and homes and to leave their agricultural lands and migrate to other areas. This question assumes a far more difficult and serious aspect when one province is to be benefited more than the province that has to displace the people. Under these circumstances, I would again appeal to the Government, both in the Centre and in the provinces, to look into the conveniences of the people to be displaced and make necessary arrangements for their rehabilitation. I feel sure that if this question is attended to with sympathy, not only will the process of acquisition be quick, but also things will go on very smoothly and in a very harmonious manner. A course of action such as this taken up by the Government of Orissa has not only changed the entire atmosphere of Sambhalpur but has given Congress a distinct lead in the district which is visible in the bye-election we recently had in which a Congress candidate came at the head of the poll by defeating the gentleman who opposed us on the question of the Hirakud Dam. The apprehensions of Prof. Shah are not justifiable and should thus be taken with a grain of salt.

I then come to the other question, which is fairly important

**Shri Mohan Lal Saxena** (U. P.: General): The clocks have stopped!

**Mr. Speaker:** The Honourable Member may proceed though the clocks have stopped!

**Shri Biswanath Das:** Two members of the Select Committee have left a minute of dissent which concerns a very vital and important question, *viz.*, whether or not profits of a state activity should come under the purview of income-tax, super-tax, and the like. I have made it clear and I repeat again that it should come under the purview of central taxation. Not only this but also the accounts should be maintained on a commercial basis. To sum up I suggest to the Honourable Members of this House that in all state activities, of a commercial nature, two things should be insisted upon: first that the accounts should be maintained on a commercial accounting basis showing profit and loss and secondly, that they should be subjected, as any other commercial activity of a private nature, to income-tax, super tax, etc. I will explain reasons further. We are all anxious for nationalisation of key industries. To this end we will carry on agitation in the country to create public opinion. But we have at the same time to see that while we want nationalisation of industries we must see that greater efficiency and better production be the outcome of nationalisation. Within the long range of my experience in legislatures, I have seen that wherever there is government activity of a commercial nature, slackness comes in as a matter of course. I

do not see the reason why it should be so, nor the justification for it, but still, that has been my experience. I think a new and different outlook should come on our activities after the 15th August, 1947, the day when India was declared free. The benefits and profits that accrue from these concerns go to the nation and not to any foreign country as they were done in days of yore. Under these circumstances slackness must be thrown aside. How else can you throw it away unless you produce more and earn more. You then make out a case for further nationalisation of other industries. If that is not done, we only pay lip service to nationalisation. In these circumstances I would repeat again both the suggestions I have made, viz., that the accounting should be on a commercial basis and the profits should be subject to central taxation. A useful concern like the railways in which the Government have invested 700 to 800 crores are not giving any return whatsoever worth the name. My Honourable Friend Mr. Santhanam refers me to the contribution of 100 crores in the course of the war years that the railways gave. I repeat that the so-called contribution was nothing but a book adjustment. I would expect the railways, as also any other state activity, to make a contribution in the manner in which I have suggested. In this view of the question I fully accept the position that is taken up by the Select Committee, namely that the Corporation should come under the purview of Central taxation.

One word more in regard to the objections raised by my Honourable friend Mr. Jaipal Singh. I do not know how Bihar is going to be affected by bringing this Corporation under the purview of central taxation. This is a concern which concerns mainly Bengal. If at all there should be any objection it should come from members representing Bengal. Bengal has to be benefited more. Benefits should go to Bengal from the Centre in directions more than one, though not in the way in which it is proposed by my Honourable friend Mr. Jaipal Singh.

I now come to the last point of my submission, namely, centralisation policy in the Bill. In the last paragraph of the beautiful handbook placed at our disposal (published by the Central Waterways Commission) it is stated that the policy hereafter in the interest of general efficiency should be "by centralising policy and decentralising authority". I am afraid that this position has not been kept throughout the Bill. The Bill proposes a centralised authority to take charge of this Corporation. I have no objection for a centralised institution so long as the controlling authority is the central cabinet which is responsible to this House in the fullest possible measure. I would submit to the Honourable Minister that this Corporation will not be able to contribute to the fullest benefit possible, unless it gets the co-operation in the fullest degree of the provinces concerned. I will illustrate the position. You have got a huge quantity of electricity to be utilised. Let me hope that much of the electricity that you generate will be utilised not only for industries but also for agriculture and village industries. If this is the position adumbrated by the Ministry you cannot do it without the co-operation of the provincial government. In further clarification of this position I proceed to say that each provincial government will have to set up a huge organisation to finance the agriculturist, to sink wells and improve his holdings otherwise to enable him to make use of the power for drawing water for agriculture. Similar is the case if it is the intention both of the Central Government and the Provinces to start and develop village industries in different centres of villages, say within a limit of five or ten villages. A similar organisation of a varied nature has to be set up by the Provincial Government, and the co-operative movement, which is merely a wing of the Provincial Government, must also find full scope to carry on its activities. All such activities cannot be possible if the centralised authority—I mean the Corporation—puts on an air of superiority and wants to ride a high horse over the Provincial Governments because it

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is a limb of the Centre. I would appeal to the Honourable Minister to keep this aspect of the question in view and smoothen the way so that the activities of this Corporation will be possible of utilisation to the fullest and maximum benefit. In this view of the question I would join issue with my Honourable friend Mr. Jaipal Singh not to harp too much on the so-called autonomy of the limb of the Central Government. Sir, autonomy is meaningless unless it is to be utilized for the greatest good of the greatest number. If this is the position, this autonomy could best be utilized with the fullest co-operation of brotherly and friendly governments of the Provinces. I give whole-hearted and full support to the motion with a prayerful heart that this may go to contribute to the highest well-being of the greatest number in this country.

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

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

"That the question be now put."

The motion was adopted.

**The Honourable Shri N. V. Gadgil** (Minister for Works, Mines and Power): Sir, I am grateful to the Honourable Members who have been very appreciative, constructive and moderately critical in their speeches. I do not propose to cover the same grounds which I have done when I spoke while referring this Bill to the Select Committee, nor the same grounds which I covered day before yesterday. But after listening to the speeches delivered by Honourable Members, I think even at the cost of some repetition I will have to refer to some of the arguments which were advanced by me on these two occasions.

The first thing I want to refer to is the criticism that sufficient information was not made available to the Members of this House. The history of this project begins right from the year 1943. In the year 1946, during the discussion of the annual Budget, some discussion actually took place on this project. Even in the winter session of the year 1946 the occasion was utilised for ventilating some of the viewpoints by various Members. As a matter of fact, some publications by the Ministry concerned are available to the public. Further, at the time when I spoke on the reference to the Select Committee, I gave detailed information about the scheme. At the same time I am conscious of the fact that this is a matter in which the hearty co-operation of Honourable Members here is absolutely necessary. In fact, the success of the scheme depends on the extent of co-operation given by the Provincial Governments concerned, by the people of the respective Provinces and their representatives here. I have not the slightest intention of belittling this aspect of the question, and I might be permitted to say that steps have already been taken to educate the public in Bihar and in Bengal by various means such as small publications and also if possible by a film which will go to show the Valley as it is and the Valley that is going to be. But so far as the relevant portion of the criticism is concerned, that there was no material for the members on which to come to any conclusions, I want respectfully to bring to the notice of the House that what is more important for this House to decide is not the technical aspect of the scheme at this stage but whether the principles on which we propose to set up the agency, namely, the Damodar Valley Corporation, are sound or otherwise.

Then a point was made out by my Honourable friend Professor K. T. Shah that the scheme was not subjected to criticism or inspection at the hands of experts. I respectfully want to inform him through you, Sir, that the preliminary scheme was prepared by the Central Technical Power Board. After that three experts from America—one of them was already working with the



Department, namely, Mr. Verdoun, and two others namely Ross Regal and Schlimmer—were appointed to go through the details of the scheme. When they approved of it Government pushed it to the next stage.

It was stated by one of the Honourable Members that such schemes, when prepared by foreign experts do not take note of local sentiments, local circumstances and such other points of local interest. I want to assure all these Honourable friends that Indian talent was associated with this project from the very beginning and will continue to be associated till it becomes a reality. As a matter of fact, this scheme was discussed in various conferences which were attended by the representatives of the two Provincial Governments of Bengal and Bihar, as also by representatives of the Central Government. These representatives included experts from the Central Waterways Irrigation and Navigation Commission, also Chief Engineers from the Provinces of Bengal and Bihar. Representatives of coal interests were there, financiers were there. In fact, any interest that was considered to be relevant was represented. This scheme was subjected to criticism in all the four conferences which took place in the course of two years and ultimately the provisions of the Bill which is now before the House were accepted in principle by the Government of Bengal as well as the Government of Bihar. There is nothing new in the Bill to which both the Governments are not a party except the provision about Central taxation, which is a new feature introduced by the Select Committee. To that I shall come later on. So far as the supply of information is concerned, I do not think anything more was immediately possible, but I do appreciate the anxiety of the members to know all about it, and I promise that something on those lines will be done. Incidentally the Honourable Professor K. T. Shah referred to the Hirakud Dam. I think he has been fairly answered by my friend the Honourable Mr. Biswanath Das. However I want to inform the Honourable Member concerned that I have been continually receiving representations after representations about the particular size on which it is proposed to have the dam in the Mahanadi project. A considerable part of the criticism was due to the fact that the location proposed would submerge certain areas in the Sambalpur and other Indian States. As far as I was able to see, Sir, there was some politics in it and less of technical difficulties and technical aspects. It may be of interest to the Honourable Members of this House to know that the Mahanadi scheme which has been prepared and on which a bulky report has been submitted to the Central Government, has been approved unanimously by the Orissa Assembly. If I am to conclude from this that it has the substantial backing of the people of Orissa, I think I would be justified in doing that. All the same, Sir, in view of criticism coming from some important persons—it is not necessary to name them—on account of their high position and high engineering ability, the Government of India decided to appoint an expert committee consisting of Mr. Savage, another American a top-ranking engineer, and Mr. V'sveswarayya. I want to assure this House that schemes involving crores of rupees must be proceeded with with caution because such huge sums are to come from the taxes that will be paid by the people at large, and we must take all reasonable care and caution to see that to the extent to which it is humanly possible to arrive at the correct planning, the correct designing, that should be done. I assure the Honourable Members that at every stage expert advice has been taken, and at every stage from designing to construction, from construction to utilisation, expert advice, whether foreign or Indian, will be associated. Every effort will be made to avoid mistakes, but if ultimately it is found that there is a small margin of wrong calculation or some such thing, well, you must generally excuse it. But I promise, as I have said, that every precaution will be taken.

Then, Sir, another line of criticism was about the objects for which this Corporation is to be set up. In the original Bill, the objects were fairly

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stated, but the members of the Select Committee thought that it was better that the objects should be wider and more inclusive, and with that point in view certain amendments have been suggested in clause 12, and this has been well appreciated by the Honourable Pandit Hirday Nath Kunzru and I want to assure him that in so far as the particular point about research, in connection with generation of electricity and other cognate matters was referred to by him, in my opinion it is covered by clause 12 and clause 21. But I promise that if I am satisfied that it is not so clear as I think, I shall certainly accept a suitable amendment to that effect.

Sir, I shall not refer to Honourable Members in person, but I have noted the points which have been referred to by some and I want to confine myself only to those. Much has been said about the selection of personnel. I put it when I spoke first that on the character and capacity of these three persons who will constitute the Board will depend the success or failure of the whole scheme. It is impossible to lay down in words as to what sort of people they should be, and as to what educational and other qualifications they should possess, but the Government have a fair idea and I may assure the House that we are constantly at it to find out in what particular terms we can describe the qualifications, not for the purpose of embodying them in the Bill itself, but for our guidance; and some such thing we have worked out and I would like to read it to the House:

The foremost is the highest integrity, incorruptibility;

The second is high intelligence;

The third is clear conception of economic development in India on modern scientific lines, especially in the industrial and agricultural field; and alignment of economic life on the co-operative basis; and

The fourth qualification, fairly wide experience of men and affairs.

I would say that men possessing these qualifications in any walk of life would do well. In this connection, Sir, I want to bring to the notice of the House that in order to secure the co-operation of the two provinces, provision has been made that these appointments will be made after consulting the respective Provincial Governments. I have no doubt that the two Provincial Governments will suggest the right type of men.

This is a great adventure in sectional planning and I agree with the Honourable Pandit Kunzru that these men must have the vision and spirit of the pioneer. I would put it still better, Sir, that they should have the vision of the poet, the zeal of the pioneer, and the capacity of a practical administrator; and I do hope that our country, rich as it is in material, is certainly rich in human talent also, and it will not be an impossibility to find out three top-ranking men of this description who will rule the destinies of 50 lakhs of people who will be committed to the care and custody, so to say, of this Corporation. I would therefore request Honourable Members not to try to incorporate qualifications in the Bill. If you agree with me, Sir, that the co-operation of the Provinces is a *sine qua non*, a fair participation in the selection of these men must be reserved for the provinces.

As regards other appointments I assure the House as I did on the first occasion, that these appointments will go by merit and by no other consideration. In this country, unfortunately, there are considerations which affect selection by merit—communal, provincial, religious, political and even otherwise. But I assure you that in this vast desert, this will be the oasis where appointments will be made by merits and merits alone.

I will refer to another point which was stressed by my Honourable friend Dr. Kunzru. He said that the test by which the whole thing would be judged would be whether the supply of power would be cheap. I want to assure him that it is not my view and, I should say without hesitation, the view of this Government, that public utilities should be looked upon entirely as commercial concerns. But there are other considerations which may be taken note of when tariff is to be settled; I would bring to the notice of this House some of these considerations which are expected to weigh with the Corporation when it actually sits down to frame the tariffs. Purely revenue considerations are now universally regarded as inadequate in determining the rates to be charged by public utilities. The tendency everywhere, including India, is to strike a proper balance between considerations of revenue and those of social well-being. The rate policy, especially of a State-owned public utility, is therefore increasingly based not on what the traffic will bear but on, if one may say so, what the service will bear. That is to say, the rate should be fixed at or near the lowest level compatible with the overall financial soundness of the utility concern so as to leave the customers a relatively high benefit or consumers a surplus. This social consideration is often reinforced by an economic one. Lower rates stimulate consumption so that the total revenue may increase in spite of a lower margin of profit. That is what is known as Henry Ford's principle—the lowest margin of profit and the largest possible turnover. And I have no doubt that the Corporation, when it starts working, will certainly take all these factors into consideration before finalising the rates.

Another point made by Honourable Dr. Kunzru was about utilization of the power so generated. I want to assure him that all the aspects of the project, planning, designing, construction, utilization and re-settlement, have been studied with utmost care. I am not dogmatic to say that whatever conclusions we have arrived at are the correct conclusions. I welcome every criticism that has been offered here or which may be offered hereafter. I assure you that this Government is functioning democratically, which means maximum association of popular opinion during the stage where policy is to be formulated. But as soon as that is done, it would be undemocratic in my opinion to interfere when the stage of execution starts. I would therefore request Honourable Members to send in their suggestions on any of these aspects any time they like, and I promise that every one of them will be studied and scrutinised with utmost consideration and courtesy.

A point that was made out by Prof. K. T. Shah was that this is a sort of sectional planning and care should be taken that it does not prejudice the overall plan that may be evolved later on. I want to assure him that this whole scheme proceeds on what is known as a Unified Scheme, complete in itself yet, it has got the flexibility to be put in with any other bigger plan that the leaders of the country may evolve in course of time. In this connection, Sir, another point which has been stressed considerably by many Honourable Members is one of Central control. Here we have to pause and think whether it is not necessary to have a provision of the type which we have incorporated in Section 47, if we have to see that any sectional planning does not prejudice the overall plan. Whatever the sectional planning Authority, such as the Damodar Valley Corporation or any other Corporation or Board that may come into existence, whatever it does has got to be seen and scrutinised from the overall point of view and for that purpose the Central Government must have the residuary authority to direct in the final analysis. It does not mean and it is not the intention—the position has been made clear by me on the last two occasions and I want to make it clear even now—it is not the intention of the Central Government at all to interfere with the day to day administration; if that was the intention we could have immediately made the Damodar Valley Corporation as one of the Departments. We would have

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appointed a Minister in charge of the Damodar Valley Corporation. But that is not so. To give autonomy and to keep policy control are not incongruous things and certainly are not conducive to inefficiency. I therefore think that the provision in Clause 47 is necessary from the all-India point of view. The money that will go to finance this Corporation will not be contributed entirely by the people of Bihar or by the people of Bengal. The Madras stenographer, the Maharati soldier and the Punjabi merchant,—all will contribute for it, and do you think, if they ask legitimately that they must have some voice in the formulation of the policy that should govern this and other Corporations, their request is entirely illogical or improper? No, Sir. I am sure the whole House thinks with me on this point, but if there is any suspicion in the mind of any Honourable Member that the Central Government automatically wants to concern itself with all the details, even the appointment of a single electrician or a fitter or an office boy,—then, let me at once say that it is not the idea. Our hands are already too full. Innumerable questions have to be answered here, apart from any other things, and the supplementaries that come thick and far, they too are innumerable. But the House will agree with me that such provision is absolutely necessary and it might interest the House to know that this point has been agreed to by both the Provincial Governments.

Then, Sir, a point was made about the securing of local co-operation. As I said, the central theme of the whole scheme is co-operation with the people of the Provinces and the local areas concerned. In the original Bill, this aspect undoubtedly was taken note of, but after giving further consideration to this aspect, the members of the Select Committee provided in Clause 10 for an "Advisory Committee". Now this Advisory Committee will represent local interests. Local opinion will be ascertained and, if I may borrow the formula from the Soviet economy, suggestions will come from below and directions from above. Every little part of the scheme, in so far as it affects any particular area, will be considered by the Advisory Committee and other Committees. You will find, Sir, in Clause 21 that it is proposed to have many such smaller organisations or sub-organisations, for planning, designing, construction operating agency and so on. We have also provided for the establishment of co-operative societies and other organisations for the better use of facilities provided by the Corporation. You will find, Mr. Speaker, that it has been the background of this Bill that popular opinion should be ascertained and popular representatives should be associated to the greatest possible extent. This is not, as some people would have it, as if something was prepared at the top, executed and thrown down the throats of everybody below. It is not so. No Government, no scheme, can be successful unless both of them secure the heartiest co-operation from those whose lives are affected by the orders of the Government or the facilities made available from the scheme when they are completed. So far as securing of local co-operation is concerned, I have already said that a wider provision has been made in Clause 10.

Another important point that was made out by Prof. Shibbanlal Saksena was about the provisions about labour,—wages, this, that and the other. The same point was raised by him on a former occasion and obviously the same reply will be made, namely, these are matters which are governed by the general law of the land. Very recently this House has passed a legislation for minimum wage. The same law will govern.

Then another point which he made was about the elaborate procedure for the acquisition of land and he quoted relevant sections from the Tennessee Valley Authority. I want to tell him that if it was possible to get the land immediately it could have been done, but in that case, we would have got the land and lost the co-operation of the people. That is not the intention. That

cannot be the intention. Therefore, the normal law of the land, namely, the Land Acquisition Act, will apply and in cases where the Corporation requires immediate possession of any particular area, I have no doubt the application of Section 4 of that Act will be invoked and immediately possession will be taken and compensation will be paid after due and proper enquiry as contemplated by the provisions of the said Act.

I now come to another point, Sir, about resettlement. I fully sympathise with my Honourable friend Mr. Jaipal Singh and also my Honourable friend Mr. B. Das. On the last occasion, I gave the assurance that land will be given for land and that where it is impossible or where it is not wanted, adequate compensation will be paid, and that those people who will be unsettled, expropriated or uprooted, they will get cottages for hovels, honest means for doubtful living and faith for fanatisms. That is how I described it. I give the same assurance. Mr. Jaipal Singh said that the *baniya* should not be resettled. I do not think in terms of caste but thinking in terms of function, I regretfully say that this institution of usuries is as old as the yonder hill.

**An Honourable Member:** *Baniya* is not a caste.

**The Honourable Shri N. V. Gadgil:** If I am wrong, I am prepared to correct, but in my part of the country, *baniya* is a caste. However, that is a small matter.

But the system of usury is there and the reason for it is also well known. When men try to spend more than they earn or earn less than what they require, usury comes in. Here is the field for the socialists. Here is a field for those social visionaries who are out to establish a classless society based on equality to come and offer their services and have model communities and model villages where both the *baniya* and the political agitator will be conspicuous by their absence. I might take the House into confidence and say that it is the intention that model villages will be made available. (**An Honourable Member:** "Only intention"!)

As a matter of industrial development of this Valley, there will be many factories and it is possible—in fact, it should be done—factories should be owned and conducted on co-operative basis in which some of the backward classes may legitimately take part.

Then Mr. Jaipal Singh referred to culture. I plead ignorance here. I frankly do not know much about Santhal culture, but I can assure him that whatever is good in their culture including the dance, attempts will be made to preserve them. He referred to it as spiritual rehabilitation. I can assure him—without understanding the full implications I must confess—that all attempts will be made as far as possible to see that those who are resettled do not feel themselves in some strange unknown world but that they will be resettled in fairly familiar circumstances.

The last point, Sir, that I want to refer is about Central taxation. I do not want to repeat what I said on the last occasion but I want very earnestly to bring to the notice of Honourable Members that if one after another field after field of economic activities which yield returns or which constitute the sources of Central taxation, are given over to autonomous bodies, the Central Government will be left with the Finance Minister without the finances. In the past whenever there was any difficulty for the Province, whether it was a famine or flood, it simply sent a S.O.S. to the Central Government and got the amount. Crores of rupees have been advanced to many Provinces. I do not want to name them. Provincial Governments are constantly asking and they are having pressure from the respective people to ask for grant for the development of industries, or particular projects or for putting education on a sounder basis and a hundred and one schemes. If some of those demands are to be met, I would like to know from where are they to be met? Fortunately our Finance Minister is a well to do man, but there is a limit to it also. So it is only financial prudence to provide for central taxation; and I

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appeal to Honourable Members in all humility to apply a little more thought to this particular aspect. I have not prejudiced in the least the sources of Provincial taxation in so far as this scheme is concerned. The irrigation dues will be under the control of the Provincial Government. The sale tax which I am told is ten annas in the rupee in some provinces, that is a substantial portion of the selling price will still be a subject of Provincial taxation. Having given both these sources it is only proper that something should be made available to the Centre which is also a shareholder along with the two other Provinces of Bengal and Bihar. I will not refer to the fact that Central taxation also helps to make the concern run more efficiently and on sounder commercial principles. That point was sufficiently dealt with by me on the last occasion. Even the yield from Central taxation is not going to be annexed in its entirety by the Central Government. Under the present constitution and the Constitution that will come hereafter the Provinces will have a fair share in the yield from income-tax, Corporation tax and other taxes. It is only taking by one hand and giving by another hand, not the whole quantity however, but after retaining a good portion of it. There is this that when the Provinces in future ask for something like a subvention or a grant from the Centre, their request is reinforced by the fact that the Centre has received so much from these concerns, why should not the Centre give? I am only providing a potent and powerful argument for the future Provincial Governments and their representatives here.

I should therefore ask Honourable Members to give a little more thought and visualize what will be the state of affairs if activity after activity is so to say embodied into a Corporation with autonomous power and no liability for central taxation, just imagine the position. These are the points, Sir, which were more or less raised by the Honourable Members in their speeches. As I said criticism has been very moderate, the speeches have been appreciative and even complimentary. I thank the Honourable Members for all the good words they have said about me. (But I have got partners in this and they are the officials, who will remain unknown, because the highest ideal of Civil Service was described by one of the greatest Englishmen as "integrity, industry and anonymity". So they will remain unnamed but I can assure you that they will co-operate to the best of their ability; they have adjusted to the spirit of the times; they know what the people want and they will certainly respond to it. I thank you. Sir, I have done.

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

"That the Bill to provide for the establishment and regulation of a Corporation for the development of the Damodar Valley in the Provinces of Bihar and West Bengal, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

**Mr. Speaker:** We will now take the Bill clause by clause.

Shall we have the same understanding as we had the other day in respect of the other Bill?

**Mr. Naziruddin Ahmad** (West Bengal: Muslim): Yes, Sir.

**Mr. Speaker:** I am inviting the attention of the Honourable the Minister to the fact that he knows the understanding that we had during the course of the Industrial Finance Corporation Bill as regards the amendments of Mr. Naziruddin Ahmad (*An Honourable Member*: "only")—not 'only' and similar ones—and the understanding was that in cases where the amendments are verbal, just to have a better linguistic form, if the Honourable Minister states that he will accept them or he will consider them, there will be no further discussion about them.

**The Honourable Shri N. V. Gadgil:** Now it has been established as a convention, I shall say 'I accept' or 'reject'.

**Mr. Speaker:** That will be the position.

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

"That in part (2) of clause 2 of the Bill, for the words 'Damodar river', the word 'Damodar', be substituted."

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

**Mr. Speaker:** He is not inclined to accept the amendment.

**Mr. Naziruddin Ahmad:** My difficulty is this: That while describing the river "Damodar" as "Damodar river" the Hooghly is described as merely "Hooghly" and not "Hooghly river". In the interest of uniformity I have suggested that they should be called "Damodar river" and "Hooghly river". I have also suggested the alternative that if we keep the words "Damodar river", I request the Honourable Minister to make similar amendments in the case of the "Hooghly river".

**An Honourable Member:** Is this the convention, Sir?

**Mr. Speaker:** He is just trying to explain his point of view. I shall now place the amendment before the House.

**Mr. Naziruddin Ahmad:** I think the purpose of the amendment will be acceptable to the Honourable Minister.

**The Honourable Shri N. V. Gadgil:** I will accept your 'Hooghly river', but not the 'Damodar'.

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

**Mr. Speaker:** Then the amendments 4 and 5 relating to clause 2 are disposed of.

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

"That in part (2) of clause 2 of the Bill, for the word 'its', the word 'his', be substituted."

I think, Sir, speaking of the river Damodar which is a male river, the word 'his' would be more appropriate. The river Ganges or Ganga is feminine, but the Damodar is masculine. There is a similar use in the English language where Sun is masculine and the Moon feminine. In order to keep the sacred tradition, I think this amendment should be accepted.

**The Honourable Shri N. V. Gadgil:** I do not agree.

**Mr. Speaker:** That disposes of amendments 4 and 5.

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

"That for part (4) of clause 2 of the Bill, the following be substituted:

(4) "participating Governments", means the Central Government and the Provincial Governments."

Clause 2, sub-clause (4) in the Bill refers to participating Governments as meaning the "Provincial Government of Bihar and the Provincial Government of West Bengal". In clause 2, sub-clause (6), the expression "Provincial Governments" has been defined as the "Governments of Bihar and West Bengal". The repetition of the expression "Provincial Government" in a small sub-clause is unnecessary. The amendment shortens the definition by using a technical expression which has been defined. Sir, I move.

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

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

"That for the words 'Central Government', wherever they occur in the Bill, the words 'Dominion Government', be substituted."

In the new set-up the Central Government no longer exists as a legislative reality and the phrase "Dominion Government" occurs in the Indian Independence Act and in section 16(2) and in many other places of the Government of India Act as adapted. So that should be the proper expression I have heard

[Mr. Naziruddin Ahmad]

it said that the "Central Government" is only a transitory expression; so is the "Dominion Government" because the entire constitution is now under consideration. It may be said that after the constitution is framed, "Dominion Government" will be obsolete, but so will be many old expressions in so many other Acts, and there will have to be an Adaptation Order for all Acts—provincial and Central—to bring them up-to-date. So for the time being I think "Dominion Government" will be the more appropriate expression, though later on we can change it. This expression occurs in the Government of India Act which is our present constitution and my amendment is consistent with it.

**The Honourable Shri N. V. Gadgil:** Sir, I cannot accept it, because the words "Central" and "Provincial" are well understood and Dominion status will soon disappear.

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

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

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

"That in sub-clause (2) of clause 3 of the Bill, for the words 'The said Corporation' the words 'The Corporation', be substituted."

This is shorter and sufficiently explicit.

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

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

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

**Prof. K. T. Shah** (Bihar: General): Sir, I beg to move:

"That after sub-clause (1) of clause 4, of the Bill, the following new sub-clause be inserted and the existing sub-clauses (2) and (3) be renumbered accordingly:

(2) One of the members of this Corporation shall be a person with qualifications as Electrical Engineer and with at least ten years' experience as such engineer in the Indian Service of Engineers, or as consulting engineer in a firm of practising electrical engineers of not less than ten years standing. Another of these members shall be a person with qualifications as Civil Engineer and experience of at least ten years in the Ministry of Works, Mines and Power, or in the Department of Public Works of any Provincial Government with special reference to Irrigation Works:

Provided that the Chairman of the Corporation shall be preferably a person with experience as head, or director or principal manager of a business enterprise of the nature entrusted to the Corporation."

This amendment, which I venture to put before the House, is, amongst other things, for the following reasons:—

It is, I may say at the outset not intended to tie down the hands of the responsible authority making such appointments. I have the fullest confidence in the anxiety and desire of that authority to make appointments of only very fully qualified and experienced persons for posts of this kind. I was all the more happy and confirmed in this confidence when the Honourable Minister in charge of this Bill assured the House quite emphatically that in these appointments, merits and merits alone will determine his choice. I repeat that I was very happy to hear this. But I would even be willing not to press my amendment but for certain speeches made in this House.

The point I would like to submit to this House is:—first, that this attempt on defining the merits is not without precedent, or without its value to



those who guide or make the appointments. We have in laws relating to the appointment of Judges of High Courts or other judicial officers, some definite standard of this kind, laid down not because it is accepted or believed that those possessing five or ten years judicial experience will necessarily have more wisdom because of the number of years they have practised. That is not the intention. The intention rather is that here is some kind of an objective standard, a definite yard-stick by which to measure, by which to judge the qualifications for such responsible posts.

I am fully aware that it would be necessary to have men of ideas, men of vision, men of courage in such posts. But may I submit, Sir, that these are very big words, somewhat vague in their connotation and denotation; and, therefore, should we not offer some kind of objective measure for judging all these—not that these qualities should be excluded but that they should be more concretely visible. I do not think therefore, that we would be tying up the appointing authority to a very narrow limited field. It is possible to be misled by such big words, especially when we have no definite standards to be guided by in assessing the actual possession of such qualities as are implied, as are conveyed in words of the type I have mentioned.

A man of ideas, for example: we all would welcome such a thing. But how is that to be judged. Is he to be a man of ideas or one who talks most, even though he may be repeating himself or using the least convincing words? Are we to judge the man of ideas merely because he can repeat the morning newspapers for news? I have come across people very often who pass off as brilliant individuals in their own line, but whose qualifications, when one goes into them, amount to nothing more than what others have done, duly edited and brought up to date by themselves.

The question also of vision: I am very happy that men of vision are going to be appreciated. I am very happy Sir, that the Honourable Minister would require men with the vision of a poet and the executive capacity of an administrator and the adventurousness of pioneers. That would make a most excellent combination, with which I at least would not be dissatisfied. But I would submit to the Honourable Minister and the House that the judgment would require some kind of an objective standard or test. My great fear in this matter, which I have found on a previous occasion, is the possibility of political influence that I hope every one would agree ought to be and would be avoided. It is for that reason, Sir, that I have suggested for two at least out of the three members proposed for the Board some definite technical qualifications and experience, not necessarily in the service of the country or as officials of Government; but even where they could be found as heads or managers or consultants in private practising firms. And may I also add that this does not exclude non-Indians from such appointments if you cannot get more suitable experts. I may further add that I would prefer Indians in these matters wherever available, even if they be not cent per cent experts that foreigners may be. Even if they are 98 or 99 per cent of that, I would prefer an Indian. That may be a little parochialism on my part but I must confess that I am guilty of that parochialism.

The last is a question of courage. I hope no one is going to confound courage with foolhardiness or by daring to take a mere leap in the dark. Here there is no such danger because all the preliminaries seem to have been as well worked out as may be. Therefore the danger that may arise, and the kind that I have indicated to this House is as fully guarded against as can be.

I would therefore beg leave of this House to be allowed to withdraw my amendment, resting as I have on the assurance given by the Honourable Minister in making these appointments.

**Mr. Speaker:** Well, I need not put it before the House. So there is the question of withdrawing.

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

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

#### DECLARATION BY MEMBER

The following member made the declaration under Rule 2C:

The Honourable Maulana Abul Kalam Azad (United Provinces: Muslim):

#### DAMODAR VALLEY CORPORATION BILL—contd.

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

"That for sub-clause (2) of clause 4 of the Bill, the following be substituted:

(2) No person shall be eligible for being appointed or for continuing as a member—

(a) if he is a member of the Central or of any provincial legislature; or

(b) if he has any interest, direct or indirect in any contract subsisting for the time being and made with or in any work being done for the Corporation except as a shareholder (otherwise than as a Director) in an incorporated company."

This amendment is only an attempt to rearrange the wording in the authorised manner. The text is rather imperfect and this is an attempt to clarify it.

**The Honourable Shri N. V. Gadgil:** I cannot accept the amendment.

**Mr. Naziruddin Ahmad:** Sir, I shall only move the latter part of my next amendment. I move:

"That in sub-clause (2) of clause 4 of the Bill, the commas after the words 'being appointed' and the words 'continuing as', be omitted."

Commas are necessary only to put a check on the reader's progress and to enable the reader to appreciate the sense. In this case they really retard rather than facilitate the purpose. A recent authority has said that commas which are not necessary for clarity are to be avoided. In this case it would be a gain if the commas are eliminated.

**The Honourable Shri N. V. Gadgil:** I cannot accept the amendment.

**Mr. Naziruddin Ahmad:** The Honourable Minister is too peremptory.

**Shri K. Santhanam** (Madras: General): Sir, I move:

"That in sub-clause (2) (b) of clause 4 of the Bill, the words 'provided that where he is a shareholder he shall disclose to the Corporation the nature and extent of shares held by him in such company', be added at the end."

**The Honourable Shri N. V. Gadgil:** Sir, I am prepared to accept the amendment, provided for the word 'corporation' the word 'Government' is substituted. The appointments are to be made by Government before the Corporation comes into existence and therefore the disclosure must be to the Government.

**Shri K. Santhanam:** I accept the suggestion of the Honourable Minister.

**Mr. Naziruddin Ahmad:** The word 'provided' begins with a small letter. It should begin with a capital letter, as it begins a sentence.

**Mr. Speaker:** Otherwise the full stop at the end must be turned into a comma!

The question is:

"That in sub-clause (2) (b) of clause 4 of the Bill, the words 'provided that where he is a shareholder he shall disclose to the Government the nature and extent of shares held by him in such company', be added at the end."

The motion was adopted.

**Mr. Speaker:** I think amendment No. 11 (List 3) drops out.

**Mr. Naziruddin Ahmad:** I have to make a point about it, Sir. This amendment relates to clause 4, sub-clause (2), part (a). There the expression 'Central Legislature' occurs. I suggested 'Dominion Legislature' instead of 'Central Legislature'—not that I wish the House to accept it but to accept the principle that this Legislature should be really described as the Central Legislature. But this Legislature has been described as the Dominion Legislature in other places in the Bill. If the Honourable Minister accepts the clause as it is, it will require amendment in other places.

With regard to item (b) of the sub-clause in the expression 'other than a director' within brackets, the word 'director' should begin with a capital letter. There has been a mistake and I also missed it at the time of sending my amendments. That short notice amendment would, I think, be accepted.

**Mr. Speaker:** The Honourable Member's general amendment, I take it, is to substitute the word 'Dominion' wherever the word 'Central' occurs. Is it so?

**Mr. Naziruddin Ahmad:** No, Sir. This refers to the Dominion Legislature and not to the Dominion Government. As I have explained, I do not desire the House to accept my amendment—I rather desire it to reject it, that is to say, to stick to the draft as it is. There are anomalies in some other places to which I shall refer later on.

**Mr. Speaker:** Then there is no question of putting the amendment.

**Mr. Naziruddin Ahmad:** Sir, I also made a point regarding the word 'Director'.

**Mr. Speaker:** A note of it has been made for the printer.

**Mr. Naziruddin Ahmad:** It is not a printing mistake; it appears in all the drafts.

Sir, I shall move the next amendment. I move:

"That in sub-clause (3) of clause 4 of the Bill, for the words 'any defect in the appointment of a member', the words 'any appointment or continuance in office of a member contrary to sub-section (2)', be substituted, and the word 'thereof', occurring at the end be omitted."

With regard to the first part of the amendment I submit that the amendment is more specific: the Bill clause is not so specific. There are two points, firstly of a member being appointed and secondly his continuance in office. So far as the appointment is concerned there is sub-section (2). The direct statement would be that if any appointment is made or again if a member 'continues' contrary to sub-section (2), even then the proceedings, or the action taken by the member, will not be vitiated.

With regard to the second part of the amendment I submit that the word 'thereof' is absolutely unnecessary. 'Member' has been defined to be a member of the Corporation. 'Member' here means a member of the Corporation. 'Member' alone is quite enough because it has been accurately and precisely defined. So this word has to be deleted.

**Mr. Speaker:** What is the reaction of the Honourable Minister. I would like him to consider this question about continuance in office.

**Shri K. Santhanam:** Sir, I do not think it is proper. Suppose the Corporation has come to a decision. Whether it is valid or not depends upon circumstances. We cannot say that it shall be valid for all time even though it has been vitiated actually. The word 'continuance' will not be proper.

**The Honourable Shri N. V. Gadgil:** Sir, I am not willing to accept the amendment of the Honourable Member.

**Mr. Speaker:** Then I shall put clause 4, as amended.

**Prof. Shibban Lal Saksena (U. P.: General):** Sir, there is an amendment to this clause by me of which I have given notice in the morning.

**Mr. Speaker:** I have got something very long just now. The Honourable Member is rather late in giving his amendment. Has he given notice to the Honourable Minister about it?

**The Honourable Shri N. V. Gadgil:** Sir, it is impossible to grasp the implications of such a long amendment at such short notice.

**Mr. Speaker:** For the benefit of all Members I might repeat that, generally speaking, I shall not be inclined to waive notice at the last minute unless the amendments are substantially agreed to by the House. That is the position. The Honourable Member gave notice of his amendment after the session began today. I am afraid I should not give my consent to the waiving of notice in this case.

**Prof. Shibban Lal Saksena:** Sir, I am sorry for the delay in giving notice. It happened because yesterday was Sunday and I could not give notice yesterday. I am sorry for it. There are two or three points in this amendment which I would suggest to the Honourable Minister to accept and incorporate in the Bill. In my speech the other day I made some suggestions particularly with reference to the Tennessee Valley Act. There were three points specially. In the first place there should be some rotation and term among members. If T. V. A. has continued for the last 15 years I think the Damodar Valley Corporation may continue for quite a long time. There must be a suitable provision for appointing members and for carrying them on by rotation. I therefore suggest that there should be a nine year term and three members should be appointed for three, six and nine years respectively.

The second point was that the term 'Financial Adviser' should go and for that the word 'Treasurer' should be substituted. The Honourable Minister has promised that the three men he would appoint would be men of great merit. Then you must trust them. In view of that a separate Financial Adviser appointed by the Central Government will only detract from its autonomous working. I therefore want the Honourable Minister to consider this point.

The third point was this that the members should take an oath before taking up their office. The Honourable Minister said that when these members are appointed by him he will not interfere with them and said there could even be a separate Ministry for that purpose. If he realizes that the importance of the work is such as to warrant even a separate Ministry, then these men before taking charge should take an oath as is done by the T. V. A.

I have suggested these three points and I hope the Honourable Minister will take note of them and, if possible, accept them.

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

"That clause 4, as amended, stand part of the Bill."

The motion was adopted.

Clause 4, as amended, was added to the Bill.

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

"That in sub-clause (1) of clause 5 of the Bill, for the words 'member of the Corporation', the word 'member', be substituted and for the words 'shall devote the whole of his time to the affairs of the Corporation', the words 'shall be a whole time servant of the Corporation', be substituted."

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

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

"That in sub-clause (1) of clause 5 of the Bill, for the words 'member of the Corporation', the word 'member', be substituted and for the words 'shall devote the whole of his time to the affairs of the Corporation', the words 'shall be a whole time servant of the Corporation', be substituted."

The motion was adopted.

**Mr. Speaker:** As I have already said I do not propose to waive notice in the case of the amendment of the Honourable Member, Prof. Shibbanlal Saksena, but he might speak on it.

**Prof. Shibban Lal Saksena:** I have tried to include here conditions of labour for the labour employed by the Corporation. I wish I were allowed to move the amendment as it is of a very important nature. But I will make my submissions and if the Honourable Minister is agreeable he may include the provisions. The Honourable Minister himself promised that all the measures brought about by the Legislature will apply to them. But as the law stands, they do not apply. They are only meant for certain industries. For example, the Maternity Benefit Act is meant for certain industries. Similarly the State Insurance Bill is also meant for some particular industry; so also the Minimum Wages Bill. What I have said in my amendment is:

"All contracts to which the Corporation is a party and which require the employment of labourers and mechanics in the construction, alteration, maintenance, or repair of buildings, dams, locks, or other projects shall contain a provision that the minimum rates of wages shall be determined in accordance with the provisions of the Minimum Wages Bill . . ."

**Shri Khurshed Lal (U.P.: General):** On a point of order, Sir, The Honourable Member not having been allowed to move his amendment, can he go on with it? I submit that all that we have now before the House is the clause as it is. Either we pass it or reject it. The Honourable Member cannot go on referring to his amendment, I think.

**Mr. Speaker:** The position is this. Though the Honourable Member is not permitted to move his amendment, I think it is perfectly competent for him to say as to what he would have wished in place of the particular clause. He is not moving any amendment as such, but he may give the substance of it rather than read it. The difficulty was created because he began reading it.

**Prof. Shibban Lal Saksena:** I only want to emphasize in regard to labour employed by the Corporation that the minimum rates of wages shall be determined in accordance with the provisions of the Minimum Wages Bill, and due regard shall be given to those rates which have been secured for work of a similar nature through collective agreement by representatives of employers and employees in industrial concerns in the vicinity. When such work is done directly by the Corporation, the same rates of wages shall be paid by it. Benefits of all Central and Provincial legislation undertaken by them in the interests of labour and particularly of the State Insurance Bill against sickness, accident and maternity shall be applicable to all labour engaged in the work of the Corporation.

Sir, I think the Honourable Minister thinks that these will apply automatically, but if he reads the Bill carefully he will find that the above provisions apply only to certain classes of labour and do not automatically apply to this labour. As the intention is that these beneficial measures should also apply to labour employed by the Corporation, I think he should make some amendment. The Honourable Minister said that these beneficial measures shall apply to labour employed by the Corporation. The Minimum Wages Bill is related to twelve industries. It will not automatically apply to labour employed in the Corporation. Similar is the case with the Maternity Act. They will apply only to those people who are in the industrial concerns and they will not therefore apply to labour in the Corporation. As I pointed out the other day, the American law made special mention of those facts in their legislation, and I feel if he accepts at least the last three clauses of my amendment—of course I am not moving it—it will improve the Bill and it will serve the purpose we have in view. I would request the Honourable Minister to include the above in the provisions.

**Shri Jaipal Singh:** Professor Saksena has made certain remarks in regard to the kind of treatment he would like for workers who would be employed at least in the construction period of the dam, because, after that, anyone who would be employed would be more or less on a permanent basis. I

[Shri Jaipal Singh]

would suggest that this project offers Government an opportunity to implement something which it has been preaching for decades. The Whitley Commission recommended the abolition of indirect employment. Then came the very famous Dr. Rajendra Prasad Committee. . . .

**Mr. Speaker:** Order order. I am afraid the Honourable Member's remarks will be outside the scope of the present motion before the House. The learned professor who wished to move an amendment wanted to include all that he had suggested in his amendment, but as the amendment is not before the House, no other member can be permitted to have a say on the subject matter of his amendment. I only permitted him to have his say because he wanted to lay before the Honourable Minister the particular point of view which he should take into consideration, particularly in view of the amendment which he had tabled and of which I was unable to waive notice. The clause is restricted only to members of the Corporation and the conditions of their service. The general labour problem is not covered by this clause.

**Shri Jaipal Singh:** As far as I can see, labour which should be employed during the construction period of the dam is not covered. I was just wondering whether a case had not been made for an assurance by the Honourable Minister that Government would endeavour to have the very best conditions of service.

**Mr. Speaker:** The point may be important, but it is entirely irrelevant so far as the present motion before the House is concerned. The motion before the House is "that clause 5 stand part of the Bill", and clause 5 speaks of members of the Corporation and says that every member of the Corporation shall devote the whole of his time to the affairs of the Corporation. Therefore any discussion about labour would be out of place here.

The question is:

"That clause 5, as amended, stand part of the Bill."

The motion was adopted.

Clause 5, as amended, was added to the Bill.

**Dr. P. S. Deshmukh** (C. P. and Berar: General): I do not wish to move my amendment, but I would like to say that the structure of all these three clauses is frightfully unsystematic and it appears really to be right in the way I had suggested. But as I see there is no chance of my amendment being accepted, I do not propose to move it. Yet I want to put one question to the Honourable Minister. At least to my reading, there is nothing to show whether the Secretary or the Financial Adviser are going to be members of the Corporation. The Secretary is said to be the chief executive officer of the Corporation. If it is possible for the Honourable Minister to clarify the point, I would be grateful.

**Mr. Speaker:** That he would do after the amendments are moved.

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

"That in sub-clause (1) of clause 6, of the Bill, for the word 'secretary', the word 'Secretary', be substituted and for the words 'financial adviser', the words 'Financial Adviser', be substituted."

The department has attempted to belittle the Secretary and the Financial Adviser by using small letters.

**Shri K. Santhanam:** On a point of order, Sir. As this thing is recurring, I think we should have your ruling as to whether such amendments come as part of the legislative work. I think it is a sort of mechanical work with which we are not concerned. I would like to have your ruling, Sir.

**Mr. Naziruddin Ahmad:** May I submit with great respect that the question would depend on the merits of the amendment? The fact that these corrections

were not made in the House before, is due to one simple reason that such mistakes never occurred in our previous experience. These mistakes are occurring only now. The question is whether we should be permitted to move amendments. This is the place where we have amended. These things cannot be done outside the House. You will be pleased to notice that in sub-section (1) the word "Secretary" begins with a small letter, but in sub-section (2) of the same clause it begins with a capital letter. These are obvious mistakes. A little discussion will disclose a large number of mistakes. I really wanted to correct them and I do not know how they could be corrected except by the vote of this House. These have come formally before the House and we are passing the Bill as it is. So I submit the point of order is absolutely wrong.

**Mr. Speaker:** Whether one calls it a point of order or not is not very material. I am of the view that these are, really speaking, printer's mistakes; but it is just possible to imagine that sometimes big and small letters may make a difference. So every amendment will have to be decided on its own merits; but for the most part, these appear to be mistakes to be corrected later on. They should not be the subject matter of amendments. I might also express one fear that when all these amendments are carried out and the Bill, as amended with big and small s, f and a, goes to the printer, it is just possible that he may commit the old mistakes and there would be no end. I appreciate the Honourable Member's anxiety or desire to have the Bill as correctly put on paper as possible. The best course would be to hand over these suggestions to the draftsman who will see to them at the time of printing that these mistakes do not recur. I think that would be the best solution. It will save the time of the House also.

**Mr. Naziruddin Ahmad:** Sir, the difficulty is that I cannot accept the feeling that these are all printer's mistakes. Printers do make mistakes but these are the mistakes accepted by the Department. The Department have got to see the proofs and satisfy themselves as regards the accuracy of the final copy. But here the printer's mistakes have been accepted as the correct version by the office. The Bill should be correct in form. In the Select Committee stage I gave notice of a large number of amendments. I do not desire to say what happened there but we find that while some corrections have been made, there are still other mistakes. I submit when the Select Committee introduces a correction, that correction should be specially looked into by the proof-reader. That has not been done here. Can we flog the printer who is not before this House, whom we cannot hold responsible for any mistakes? He is liable to commit mistakes but now the mistakes are those of the Department and are now part of the Bill.

**Mr. Speaker:** Then we will leave it to the Department.

**Mr. Naziruddin Ahmad:** Can a mistake be corrected outside the House?

**Mr. Speaker:** Yes, I have no doubt. Suppose a word is mis-spelt; what shall we do? Shall we again come back to the House? Obviously we are not going to come to the House for that purpose. But when the copy of the Bill is finally sent to the Governor-General for his assent, if there are any mistakes of commas, mistakes of spellings or of small or big letters, I do get them corrected; I correct them and initial the corrections and send the copy to the Governor-General. These are obvious mistakes for which no motion is necessary before the House.

**Mr. Naziruddin Ahmad:** Who is responsible for these mistakes?

**Mr. Speaker:** Somebody; if not the printer, the Department—not the Legislature. So I do not think we need have these amendments at all.

Now, Prof. Shibban Lal Saksena has given notice of amendments to clause 6, 7 and 8, they are all out of order.

**Prof. Shibban Lal Saksena:** They are all of a consequential nature. I do not want to speak on them.

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

"That clause 6, stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

**Mr. Naziruddin Ahmad:** In clause 7 also my amendments are similar to those I have referred to in the last clause. Similar mistakes appear here also.

**Mr. Speaker:** This amendment is disposed of by what I have said before.

**Mr. Naziruddin Ahmad:** But I wish to mention so that notice may be taken of it.

**Mr. Speaker:** It will go to the Department.

**Dr. P. S. Deshmukh:** Sir, I wanted to put a question to the Honourable Minister. I want to know whether the Secretary or the Financial Adviser or both of them would be Members of the Corporation, and as to why there is no provision so far as this point is concerned.

**The Honourable Shri N. V. Gadgil:** They cannot be, because it is clearly stated in clause 4 that "The Corporation shall consist of a Chairman and two other members. . . ."

**Prof. Shibban Lal Saksena:** Sir, I have a suggestion to make. Clause 7 deals with conditions of service of officers and servants. May I ask the Honourable Minister whether he would not think it proper if conditions of service for labour were also introduced here, so as to ensure the application of labour conditions to workers engaged by the Corporation?

**The Honourable Shri N. V. Gadgil:** The Honourable Member was absent when I replied to the general debate; if he had been present he would have found the right answer there.

**Prof. Shibban Lal Saksena:** I was there.

**Mr. Speaker:** He will not be permitted to repeat it; repetition is not permitted in this House.

The question is:

"That clause 7, stand part of the Bill."

The motion was adopted.

Clause 7 was added to the Bill.

**Mr. Naziruddin Ahmad:** Sir, in clause 8 there are some mistakes—not some but a variety of mistakes have been committed. The word "Financial" begins with a capital letter and "adviser" with a small letter. Probably emphasis is laid on finance and not on the advice.

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

"That clause 8, stand part of the Bill."

The motion was adopted.

Clause 8 was added to the Bill.

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

"That in clause 9, of the Bill, the comma after the word 'partner', be omitted and for the word 'agents', the word 'agent', be substituted and a comma be inserted thereafter."

With regard to the commas they are perhaps too insignificant to be agreed to by the Honourable Minister but with regard to the word "agents" I think the singular is the proper expression. Sir, I move.

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



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

"That in clause 9, of the Bill, the comma after the word 'partner', be omitted and for the word 'agents', the word 'agent', be substituted and a comma be inserted thereafter."

The motion was adopted.

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

"That clause 9, as amended, stand part of the Bill."

The motion was adopted

Clause 9, as amended, was added to the Bill.

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

"That in clause 10 of the Bill, for the words 'Subject to any rules made under section 58 the Corporation may', the words 'The Corporation may in the prescribed manner' be substituted, and the words 'from time to time' be omitted."

Sir, with regard to the first part of the amendment, the word "prescribed" has been defined in the Bill. Instead of using the word in the defined sense which would have made the matter simpler, the definition has been given up and an elaborate statement is attempted to be made. I submit, if we say that "the Corporation may in the prescribed manner" do certain things, that is quite enough. What is the use or utility of a definition if we do not utilize that definition?

With regard to the next part of the amendment, the deletion of the words "from time to time", they are unnecessary because whenever a power is given, according to the General Clauses Act it is implied that the power can be exercised by the authority 'from time to time as occasion arises'. The House has already accepted this principle in previous legislation. I submit both these amendments should be accepted. Sir, I move.

**Mr. Speaker:** Amendment moved:

"That in clause 10 of the Bill, for the words 'Subject to any rules made under section 58 the Corporation may', the words 'The Corporation may in the prescribed manner' be substituted, and the words 'from time to time' be omitted."

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

**Mr. Speaker:** Does the Honourable Member wish to have his amendment put to the House?

**Mr. Naziruddin Ahmad:** Sir, I consider it important and would like it to be put to the House.

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

"That in clause 10 of the Bill, for the words 'Subject to any rules made under section 58 the Corporation may', the words 'The Corporation may in the prescribed manner' be substituted, and the words 'from time to time' be omitted."

The motion was negatived.

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

"That in clause 10 of the Bill, the words 'in particular', and the words the purpose of', be omitted."

I submit, Sir, that these words are unnecessary.

**Mr. Speaker:** This is more or less a verbal amendment. So I am not putting it.

The question is:

"That Clause 10 stand part of the Bill."

The motion was adopted.

Clause 10 was added to the Bill.

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

"That in sub-clause (1) of clause 11 of the Bill, the following be added at the end: 'and may by similar notification extend or modify such limits.'"

Sir, the clause lays down that the Central Government "shall, by notification in the official Gazette, specify the limits of the Damodar Valley." The amendment seeks to lay down that the Central Government may, by notification, extend or modify the limits. The principle of exercising a power from

[Mr. Naziruddin Ahmad]

time to time does not strictly apply to a case like this. That is why this should be made clear in the text. So I submit that the power of the Central Government to modify the limits should be specifically mentioned.

**Mr. Speaker:** Amendment moved:

"That in clause (1) of clause 11 of the Bill, the following be added at the end: 'and may by similar notification extend or modify such limits'."

**The Honourable Shri N. V. Gadgil:** I do not accept the amendment, for the simple reason that the boundaries must be taken once and for all. As regards extending any of the functions of the Corporation, special provision is made in sub-clause (2).

**Mr. Naziruddin Ahmad:** It is extending the area, not the functions.

My amendment seeks to establish the right of the Central Government to extend or modify the geographical limits, not the power or functions.

**Mr. Speaker:** Is the Honourable Member anxious to have the vote of the House on his amendment?

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

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

"That in sub-clause (1) of clause 11 of the Bill, the following be added at the end: 'and may by similar notification extend or modify such limits'."

The motion was negatived.

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

"That in sub-clause (3) of clause 11 of the Bill, the comma after the words 'Government may' be omitted."

I submit that this comma impedes rather than helps.

**Mr. Speaker:** This point may be noted. Next amendment.

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

"That in sub-clause (3) of clause 11 of the Bill, for the words 'provincial Governments', the words 'Provincial Governments', be substituted."

**Mr. Speaker:** This is small letter to capital letter suggestion.

We may pass this over and go to the next amendment.

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

"That in sub-clause (3) of clause 11, of the Bill, for the words 'such other areas', the words 'such other areas' be substituted."

I submit, Sir, the word "areas" would be more appropriate to the text.

**Mr. Speaker:** Amendment moved:

"That in sub-clause (3) of clause 11, of the Bill, for the words 'such other area', the words 'such other areas' be substituted."

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

**Mr. Speaker:** Shall I take the vote of the House?

**Mr. Naziruddin Ahmad:** Yes, Sir. Let it go on record.

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

"That in sub-clause (3) of clause 11, of the Bill, for the words 'such other area', the words 'such other areas' be substituted."

The motion was negatived.

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

"That in sub-clause (3) of clause 11, of the Bill, after the words 'so specified' the words 'together with the area comprised in the Damodar Valley', be inserted."

Sir, there is a distinction between the area of the Damodar Valley and its area of operation. The two are distinct. So the inclusion of these words would be necessary to make the meaning clear.

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

**Mr. Naziruddin Ahmad:** I do not press. I shall go on to the next amendment.

**Mr. Speaker:** But that is only a suggestion for correction.

**Mr. Naziruddin Ahmad:** All the same. Sir. I think it is better to explain it.

I beg to move:

"That in sub-clause (3) of clause 11 of the Bill, the inverted commas before the word 'the' be omitted, and inverted commas be inserted before the word 'area'."

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

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

"That in sub-clause (3) of clause 11 of the Bill, the inverted commas before the word 'the' be omitted, and inverted commas be inserted before the word 'area'."

The motion was adopted.

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

"That clause 11, as amended, stand part of the Bill."

The motion was adopted.

Clause II, as amended was added to the Bill.

**Prof. K. T. Shah:** Sir, I beg to move:

"That in part (b) of clause 12, of the Bill, the following be added at the end:  
'as well as for the establishment and development of industrial enterprises, and social services which will facilitate the utilisation of the electrical energy produced'."

The object of my amendment is to secure means for the fullest utilisation of the energy that may be produced. I have voiced an apprehension this morning regarding the possibility of bulk generation of power on a large scale, which this project is bound to produce, and yet may not have sufficient channels of utilisation for the same. By enabling the Corporation—as I seek to do by this amendment—to develop and establish industrial enterprises as well as social services which will consume more and more electrical energy, I am trying to relieve the Corporation of the anxiety of having too much power accumulated without being used and also promote the economic development and social enlightenment of the regions concerned.

I hope there would be no objection on the part of the Honourable Minister to agree to this suggestion and accept the amendment.

**Mr. Speaker:** Amendment moved:

"That in part (b) of clause 12, of the Bill, the following be added at the end:  
'as well as for the establishment and development of industrial enterprises, and social services which will facilitate the utilisation of the electrical energy produced'."

I do not know why the Honourable Member wants the word 'for' The clause will read: The functions of the Corporation shall be the promotion and operation of schemes for the generation, transmission and distribution of electrical energy, both hydro-electric and thermal as well as the establishment and development etc. Therefore 'for' seems to be unnecessary.

**Prof. K. T. Shah:** It seems so.

**The Honourable Shri N. V. Gadgil:** I oppose it, because whatever is done comes under clause (f) of clause 12: The promotion of public health and the agricultural, industrial, economic and general well-being in the Damodar Valley and its area of operation. Therefore it is not necessary.

**Prof. K. T. Shah:** In view of the remarks made by the honourable the minister, I beg leave of the House to withdraw the amendment.

**Mr. Speaker:** Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

**Prof. K. T. Shah:** Sir, I beg to move:

"That in part (c) of clause 12, of the Bill, for the word 'control', the word 'prevention', be substituted."

[Prof. K. T. Shah]

Sir, the operative terms are the promotion and operation of schemes for flood control. It looks as though the flood is there and we will control the coming and the moving of the flood. It therefore seems to be rather inappropriate. The schemes are for preventing the very occurrence of the flood by cutting channels or diverting waters into the irrigation canals or for opening the reservoir. I think it would be better to stop the occurrence of the flood rather than assume that flood has occurred and we will control it. It is quite a verbal amendment as I conceive it and I trust the sense of it would commend itself to the Honourable Minister.

**Mr. Speaker:** Amendment moved:

"That in part (c) of clause 12, of the Bill, for the word 'control', the word 'prevention', be substituted."

**The Honourable Shri N. V. Gadgil:** I cannot accept this, because nobody can prevent the flood: All that one can as a human being do is to control it as far as possible.

**Prof. K. T. Shah:** I beg leave of the House to withdraw the amendment.

**Mr. Speaker:** Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

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

"That in part (c) of clause 12 of the Bill, for the word 'Hooghly', the words 'Hooghly river', be substituted."

**Mr. Speaker.** Amendment moved:

"That in part (c) of clause 12 of the Bill, for the word 'Hooghly', the words 'Hooghly river', be substituted."

**The Honourable Shri N. V. Gadgil:** I am under a solemn promise to accept it, Sir.

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

"That in part (c) of clause 12 of the Bill, for the word 'Hooghly', the words 'Hooghly river', be substituted."

The motion was adopted.

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

"That in part (d) of clause 12, of the Bill, the words 'and channels, if any', be added at the end."

I want to drop the word 'the' which is unnecessary and simply the words 'and channels, if any' be added at the end.

**Mr. Speaker.** Amendment moved:

"That in part (d) of clause 12, of the Bill, the words 'and channels, if any', be added at the end."

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

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

"That in part (d) of clause 12, of the Bill, the words 'and channels', if any', be added at the end."

The motion was adopted.

**Pandit Hriday Nath Kunzru (U.P.: General):** Mr. Speaker, Sir I move:

"That in clause 12 of the Bill, after part (b), the following new parts (c) and (d) be inserted and the existing parts (c), (d), (e) and (f) be renumbered as (e), (f), (g) and (h) respectively:

(c) the promotion of scheme for the use of electric energy for agricultural, domestic and industrial purposes, and of research in relation thereto in co-operation with such agencies as may be suitable.

(d) the study of hydrodynamic and other problems arising out of its activities and research in relation thereto in co-operation with other appropriate agencies"

Sir, clause 12 of the Bill as amended by the Select Committee may seem wide enough to include the point which I am raising in the amendment that I have moved. As this clause confers power on the Corporation to promote the industrial, economic and general well being of the people in the Damodar Valley, this power is undoubtedly very general and the words 'towards well being' have been very widely interpreted by the Tennessee Valley Authority. In fact it has carried on a number of activities under the protection of these words, though they were not specifically authorised in the Act which constituted it. But I did not want to leave the matter so vague. The matter is important and I therefore want the clause to bring it out clearly so that it may be manifest to the Government and to the authority that will carry out the purposes of the Bill what one of their fundamental purposes is to be. Again, Sir, it may be held that clause 21 renders the insertion of my amendment superfluous. Clause 21 (1) (a) authorises the Corporation to carry on research for utilising the water, electrical energy and other projects in the most economical manner for the maximum development of the Damodar Valley. Now, here this sub-clause undoubtedly relates to research in connection with the utilization of electrical energy. But I wondered, Sir, whether unless clause 12 which deals with the powers of the Corporation and to which all other clauses must be regarded as subject was wide enough, the Corporation will be unable to carry on these functions.

I thought that something should be inserted in clause 12, which is the governing clause in order to enable the Corporation to exercise certain powers. Again, Sir, the language of this sub-clause seemed to me a little vague and I wanted to emphasise the study of hydro-dynamic problems. I have moved my amendment in order to achieve this purpose. I hope, therefore, that it will prove acceptable to Government.

**Mr. Speaker.** Amendment moved:

"That in clause 12 of the Bill, after part (b), the following new parts (c) and (d) be inserted and the existing parts (c), (d), (e) and (f) be renumbered as (e), (f), (g) and (h) respectively:

• • (c) the promotion of scheme for the use of electric energy for agricultural, domestic and industrial purposes, and of research in relation thereto in co-operation with such agencies as may be suitable,

(d) the study of hydrodynamic and other problems arising out of its activities and research in relation thereto in co-operation with other appropriate agencies."

**The Honourable Shri N. V. Gadgil:** Sir, I appreciate the anxiety of my Honourable friend Pandit H. N. Kunzru, but all the things he has mentioned in the amendment are already covered by sub-clauses (b) and (f) of clause 12. As regards the portion that relates to the study of hydrodynamic and other problems, I respectfully invite his attention to clause 21 which lays down that the "Corporation may establish, maintain and operate laboratories, experimental and research stations and farms for conducting experiments and research for utilising the water, electrical energy and other products in the most economical manner and for the maximum development of the Damodar Valley." I also promise my Honourable friend that, if later we find that the object he has in view is not covered by this provision, we shall make full use of our rule-making powers to provide for what he has in view. I, therefore, cannot accept his amendment.

**Prof. K. T. Shah:** Sir, my amendment is very nearly similar and I think that whatever fate befalls the amendment just now moved by my Honourable friend Pandit Kunzru will befall mine. May I therefore, take this opportunity to offer a few observations, particularly after the Honourable Minister has been pleased to.....

**Mr. Speaker:** If he likes, the Honourable Member may move his amendment at this stage so that it may be discussed.

**Prof. K. T. Shah:** Sir, I beg to move:

"That after part (f), of clause 12 of the Bill the following new part (g) be added :

'(g) organisation of study in all problems arising out of these functions of the Corporation, with special reference to hydrodynamics, river navigation, water-supply for towns and villages and epidemic disease, and promotion of research in the same in co-operation with other institutions like universities and scientific bodies'."

Sir, while appreciating the points made by the Honourable Minister as regards the provisions already made both in this clause and in clause 21 of the Bill, I would like to point out that the object of this amendment is to lay particular emphasis on two aspects, namely, (1) the study of problems as they actually have arisen, that is to say, all things that may have passed but which may be offering some lessons to us for future guidance and (2) all possible trends—research will be on those trends—that may be noticeable and in which with proper research in collaboration with other body similarly engaged, we may be able to devise steps so that undesirable trends may not occur in future. Under the provision made in the Bill, the law seems to be content with authorising this Corporation by itself to maintain laboratories to carry on study of the problems. So far as I can see there is nothing—unless they are provided by rules specifically made hereafter—to indicate that close collaboration will be instituted and maintained with other bodies which are carrying on similar investigations or similar researches on problems that may be of the utmost importance. I have specifically mentioned three problems namely, hydrodynamics, river navigation and water-supply, and also the question of epidemic diseases which are likely to arise and may be quite peculiar to the region after the actual construction of irrigation channels, etc., have commenced. Now there are other parts of this country where not so much the immediate or the theoretical aspect of the questions is studied, as the practical aspect. I hope, Sir, this House will not look upon the theoretical side of the subject as so impractical as not to deserve any attention. A proper study of the scientific or theoretical side may help us in preventing serious disasters. It is for this reason that I am emphasising in this amendment study of trends of possible lines of development, remedies, etc., which may be done by this body itself in its own laboratories, from its own observation and experience as well as by other bodies similarly situated. The National Physical Laboratory which has been established or is going to be established will, I dare say, study this matter very seriously from the purely theoretical or scientific point of view. The Meteorological Station at Poona may also be considerably interested in these matters and there may be other universities or other scientific institutions which are also interested in a special study of these problems. A proper co-relation of the work of these institutions and that of the Corporation will be of considerable benefit to the development and progress of scientific research.

I trust, therefore, that the Honourable Minister will see the point of view that we are stressing and will see his way to accept it.

**Mr. Speaker.** Amendment moved:

"That after part (f), of clause 12 of the Bill the following new part (g) be added :

'(g) organisation of study in all problems arising out of these functions of the Corporation, with special reference to hydrodynamics, river navigation, water-supply for towns and villages and epidemic disease, and promotion of research in the same in co-operation with other institutions like universities and scientific bodies'."

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

**The Honourable Shri N. V. Gadgil:** Sir, my reply to this is the same as I gave to the amendment moved by my Honourable friend Pandit Kunzru.

As regards fundamental research and co-ordination I may bring to the notice of Prof. Shah that there is a big central irrigation research station at Khadakvasla a few miles away from Poona; it is the best of its kind. Another has been opened at Pundi near Madras, and there is a third research Station in East Punjab. Studies of problems specially in hydro-dynamics and other cognate matters are discussed every year in the annual conferences of the Central Board of Irrigation. There is this co-ordinating agency already. But to load the entire burden of fundamental research on a Corporation which has for its object the development of a particular area is somewhat unfair. And to the extent that research is necessary in any such organisation I want to bring to the notice of Prof. Shah that provision has already been made in clause 21. It is really not necessary that there should be anything of the kind as suggested in the amendment, and I therefore oppose it.

**Prof. Shibban Lal Saksena:** Sir, I also gave notice of a similar amendment but that has been ruled out. I wish the Honourable Minister to give some more consideration to this. My Honourable friends Pandit Kunzru and Prof. Shah have said that they want to stress this aspect of the problem specially in connection with the Damodar Valley Corporation. I know the Honourable Minister is doing all he can all over the country in the various institutes. But we want that in this particular Corporation which will be entrusted with the welfare of 50 lakhs of people and will cost 55 crores of rupees this research should be developed. Our country is backward in industrial and scientific research and any amount of money spent upon it will be well spent, specially when there is so much scope for it and so much extra staff available. When the TVA Bill was before the Senate it was pointed out that the scheme would provide employment for large numbers of people. I think this present scheme of ours also will give employment to many people. I therefore request the Honourable Minister to accept the gist of the amendments tabled by Pandit Kunzru, Prof. Shah and myself in order to make the point explicit. He has said himself that he will do it under the Rules. But I submit that it is the Act which will always be consulted and the Rules will remain more or less in the background. I hope, therefore, that he will improve the Bill and also make the work more effective because if it is incorporated in the Act itself the whole attention of the Corporation will be focussed on it. This aspect should be very much emphasised because without scientific research going side by side with this work we cannot make any progress whatever. In fact, as has been said, this Bill is going to be the precursor of many more Bills. In America, as I pointed out on a previous occasion, they have 45 river valley programmes or perhaps more. If such is the case here also, the staff employed to work out these schemes will be well advised to have research stations there. Everywhere in the world they have considered research very important and spent as much money as they could. Our country is backward and I think that in addition to spending money on these big programmes we should also spend money on research and scientific experiments. I think the Honourable Minister should consider this matter so that the Bill may be improved and the purpose of these amendments may be well served.

**Pandit Hirday Nath Kunzru:** Sir, my Honourable friend Shri Gadgil has assured us that if he finds that the purpose for which I moved my amendment requires for its full execution new rules to be made, he will provide for it in the Rules. I hope he will make it clear that electrical energy is to be regarded as a means of creating a new life in the Damodar Valley. With these words I ask for leave to withdraw my amendment.

**Mr. Chairman:** Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

**Prof. K. T. Shah:** Sir, I also beg leave to withdraw my amendment.

**Mr. Chairman:** Has the Honourable Member leave of the House to withdraw his amendment?

The amendment was, by leave of the Assembly, withdrawn.

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

"That clause 12, as amended, stand part of the Bill."

The motion was adopted.

Clause 12, as amended, was added to the Bill.

Clauses 13 to 15 were added to the Bill.

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

"That for clause 16 of the Bill, the following be substituted :

"16. The Corporation may, with a view to operating its schemes if it thinks fit, stop or reduce the supply of water to any person for agricultural, industrial or domestic purposes :

Provided that if such person was, before such stoppage or reductions, enjoying the use of such water by virtue of any prescriptive right, the Corporation shall arrange to make good such supply of water free of cost to him to the extent previously enjoyed by him in such right."

It is necessary to explain the object of this amendment. The clause which this amendment seeks to replace is to this effect: "If, with a view to operating its schemes, the Corporation stops or reduces the supply of water.....": the power of the Corporation to reduce or stop the supply of water is here assumed. In fact that power is to be conferred. The clause proceeds on the assumption that the Corporation has the power to stop or reduce the supply, even the supply to those persons who had the right of prescription to obtain water. The amendment seeks to give that power which is not actually given in the Bill clause. The first part of the amendment is:

"The Corporation may, with a view to operating its schemes if it thinks fit, stop or reduce the supply of water to any person for agricultural, industrial or domestic purposes."

The difference between the two is that while in the Bill clause this power is assumed, such a power is definitely conferred on the Corporation by the amendment. Then there is the proviso:

"Provided that if such person was, before such stoppage or reductions, enjoying the use of such water by virtue of any prescriptive right, the Corporation shall arrange to make good such supply of water free of cost to him to the extent previously enjoyed by him in such right."

The theory upon which this clause is based depends upon a true knowledge of prescriptive rights. A prescriptive right is obtained by a user strictly within the meaning of the Limitation Act or as a customary easement. A person may be enjoying water partly by prescriptive right and partly without prescriptive right. The channels through which that man, or the extent to which he was taking water by prescriptive right must be compensated or water must be given to him. But the man may have been taking water, part of it at least, without prescriptive right. So the proviso in the amendment seeks to make a distinction between the water received by him in prescriptive right and that quantity of water, or water through that channel, and that enjoyed not by any right or where he diverts water through another channel. If he was enjoying water not by way of prescriptive right, then the water would not be given. So it is possible for one man to be enjoying water partly by prescriptive right and partly without prescriptive right, or the right has not matured. The proviso makes it clear that water should be supplied to him to the extent previously enjoyed by him in such right. That is, if he were enjoying water in that right, he should be given that water free of cost which he was enjoying in that right. But the Bill clause would like to give him water free of cost irrespective of any right to draw the water. The only water which can be given to a particular man free of cost is that water which he was enjoying by means of a prescriptive right and not water which he was not so enjoying. So the amendment makes the position clear.

If the principle of this amendment is acceptable to the Honourable Minister, then of course its drafting must be considered. But in the original clause the power is not given. In the amendment the power is specifically given. The limit to which free supply of water should be given is limited to the extent of his legal rights and not more.



**Mr. Chairman:** Amendment moved:

"That for clause 16 of the Bill, the following be substituted :

'16. The Corporation may, with a view to operating its schemes if it thinks fit, stop or reduce the supply of water to any person for agricultural, industrial or domestic purposes :

Provided that if such person was, before such stoppage or reductions, enjoying the use of such water by virtue of any prescriptive right, the Corporation shall arrange to make good such supply of water free of cost to him to the extent previously enjoyed by him in such right.'

**The Honourable Shri N. V. Gadgil:** I am not accepting this. But I am prepared to accept amendments Nos. 8 and 10 in list No. 1 on the order paper standing in the name of Mr. Santhanam.

**Mr. Chairman:** May I request Mr. Santhanam to move his two amendments?

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

"(i) That in clause 16 of the Bill, for the words 'stops or reduces' the words 'has stopped or reduced', be substituted; and

(ii) That in clause 16 of the Bill, for the words 'arrange to make good such supply of water free of cost', the following be substituted:

'arrange such supply of water on the same terms as before.'

When the Corporation has to stop water it cannot simultaneously arrange the supply of water. If it could, it need not stop it. Therefore, there will have to be a time-interval. If it stops water, it will have to resume supply after such interval as may be necessary. Therefore, the first amendment is for that purpose.

Again there is no justification for resuming supply of water free of cost. Suppose he had to pay charges for the original supply. It should be supplied on the same terms on which he has been getting it previously. Suppose he had to pay charges to the Provincial Government: the Corporation has taken charge of the whole thing, and why should the Corporation not collect such charges from the person? Therefore this was a little defective and the amendment seems to remove that defect.

**Mr. Chairman:** Amendment moved:

"(i) That in clause 16 of the Bill, for the words 'stops or reduces' the words 'has stopped or reduced', be substituted; and

(ii) That in clause 16 of the Bill, for the words 'arrange to make good such supply of water free of cost', the following be substituted:

'arrange such supply of water on the same terms as before.'

**Mr. Naziruddin Ahmad:** With regard to these two amendments, they are an advance over the section. But I submit that some power should be given to the Corporation to stop the supply.

**Mr. Chairman:** May I call attention of the Honourable Member to Clause 22 which proves that the Corporation shall have the power to do anything which may be necessary for the purpose of carrying out its functions under the Act. So the general power is there and it may be assumed that the Corporation is competent to stop or reduce the supply.

**Mr. Naziruddin Ahmad:** Those may be too general or too vague. The power should be specifically given. The effect may be that if the Corporation stops the supply of water through a particular channel and gives water through another channel he will sue the Corporation in a civil court. He will say 'I want water to be given to me through the channel that you stopped'. If there is a prescriptive right, it is available against the whole world. Unless the Corporation is given the power to stop water to which a man was entitled as a prescriptive right, this right may be a subject matter of litigation. I want the Corporation to be free from litigation.

**The Honourable Shri N. V. Gadgil:** The power is provided under clause 22. "The Corporation shall have the power to do anything which may be necessary or expedient for the purposes of carrying out its functions under this Act."

**Mr. Chairman:** By implication the power is taken. It is not necessary to provide it expressly.

The question is:

"That for clause 16 of the Bill, the following be substituted:

"16. The Corporation may, with a view to operating its schemes if it thinks fit, stop or reduce the supply of water to any person for agricultural, industrial or domestic purposes:

Provided that if such person was, before such stoppage or reductions, enjoying the use of such water by virtue of any prescriptive right, the Corporation shall arrange to make good such supply of water free of cost to him to the extent previously enjoyed by him in such right."

The motion was negatived.

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

(i) That in clause 16 of the Bill, for the words 'stops or reduces' the words 'has stopped or reduced', be substituted; and

(ii) That in clause 16 of the Bill, for the words 'arrange to make good such supply of water free of cost', the following be substituted:

'arrange such supply of water on the same terms as before.'

The motion was adopted.

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

"That clause 16, as amended, stand part of the Bill."

The motion was adopted.

Clauses 16, as amended, was added to the Bill.

Clause 17 was added to the Bill.

**Mr. Waziruddin Ahmad:** I beg to move:

"That in the second proviso to part (c) of sub-clause (i) of clause 18 of the Bill, the word 'this', be omitted."

The Bill clause says "nothing in this sub-clause (c) shall.....". The word "this" is an offending word. If we say "nothing in sub-clause (c) shall apply....." that is clear enough. As a specimen of draughtsmanship I might

4. P. x respectfully draw the attention of the House to the preceding proviso where it is said "nothing in sub-clause (c) shall apply.....". There it is not said "nothing in this sub-clause (c).....".

**The Honourable Shri N. V. Gadgil:** I am prepared to accept this amendment.

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

"That in the second proviso to part (c) of sub-clause (i) of clause 18 of the Bill, the word 'this', be omitted."

The motion was adopted.

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

"That in sub-clause (iii) of clause 18 of the Bill, after the words 'Damodar Valley', the words 'and the area of operation', be inserted."

The Bill makes a distinction between the expression 'Damodar Valley' and 'the area of operation'. According to this the idea of 'Damodar Valley' does not include 'the area of operation'. The two must be included. By a strange paradox they do not overlap or mean the same thing. Therefore the words 'the area of operation' should be included to make the sense complete.

**The Honourable Shri N. V. Gadgil:** Sir, I cannot accept the amendment. If it is extended, it is automatically called 'the area of operation'.

**Mr. Naziruddin Ahmad:** I do not wish to press my amendment.

**Prof. Shibban Lal Saksena:** Sir, I would like to speak on the clause of the Bill. In this clause private industries which are producing an aggregate capacity of more than 10,000 kilowatts will be allowed to function even after the Corporation has come into being. Secondly, it will sell at a pressure of more than 30,000 volts. Though America is a country where private enterprise has entrenched itself, yet the experience of the T.V.A. is that they had to buy out all the private enterprises working in that region. For eight years, 1932 to 1940 they had to go to the Supreme Court and fight out cases. Ultimately the Congress had to amend the Act to enable the T.V.A. to purchase those private industries. Here you make an exception that the Corporation will not be able to purchase out those installations which produce power below 10,000 kilowatts. It will mean that the whole planning will be defective. When we have already accepted the nationalisation of key industries, this being

one of the key industries, if we have this provision which disables Government from buying out these installations, the plan becomes defective. In my amendment I had suggested the omission of that portion which grants the right to those installations which produce power below this pressure, so that the Government would be free to decide its policy in regard to them. By this proviso you really take away all the power that the Government should have. It is a very important defect in the authority of the Corporation.

Secondly, in the previous amendment it is said that we want that use should be made of electrical energy in the rural side for agricultural and other purposes. In fact the purpose was to extend the use of electricity as far as possible. If the Corporation is limited to producing power higher than 30,000 kws, it will be very much handicapped in carrying out its programme. There is no such provision in the T.V.A. The purpose of the T.V.A. is to extend the use of electricity to the maximum possible area and even to cottages. I therefore want that this handicapping clause should be removed. If the Corporation is a state concern, even the Sindhri factory should be able to get all its requirements from the Corporation. I therefore think that there should be one single uniform authority in the whole Valley which should be able to purchase out already existing industry according to its needs. It should not in any way be handicapped by any difficulty that the existing industries cannot be purchased out. This is a most important point and I hope the Honourable Minister will kindly consider it.

**The Honourable Shri N. V. Gadgil:** In regard to the point raised by Professor Saksena the explanation is given in the Select Committee Report under clause 18. As regards the other matters I want to bring to the notice of the House that adequate provisions are contemplated in the Electricity Supply Bill under which the whole thing will be completely controlled.

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

"That clause 18, as amended, stand part of the Bill."

The motion was adopted.

Clause 18, as amended, was added to the Bill.

**The Honourable Shri N. V. Gadgil:** With regard to the amendments of the Honourable Member, Mr. Naziruddin Ahmad, I am accepting No. 38—and not 36 or 37—in list No. 3.

**Mr. Naziruddin Ahmad:** In that case I am not pressing No. 36. But with regard to 37 I should move it and explain the object of the amendment. Sir, I move:

"That in sub-clause (1) of clause 19 of the Bill, for all the words beginning with the words 'the licence shall be' to the end of the sub-clause, the following be substituted:

'then so much of the licence as is inconsistent with the rights created by or under section 18 shall be deemed to be inoperative and the licence to the extent of the inconsistency shall be deemed to be revoked or modified accordingly.'"

The purpose of this clause is that if anyone was dealing with electricity as a businessman his rights and liabilities would have been, but for the Bill, controlled by the Electricity Act and by the licence. But in order to give superior rights to the Corporation it is provided in this clause that if there is a conflict between the licence and the provisions of this Act the licence should stand modified. The word 'inconsistent' and 'inconsistency' with the licence has not been used in this Act. I have attempted to introduce by this amendment the idea that wherever there is a conflict between the two, then to the extent of the inconsistency, the licence shall be deemed to be revoked or modified accordingly. The word 'inconsistency' should be the key word in the context. So I submit that this also should be considered by the Honourable Minister.

**The Honourable Shri N. V. Gadgil:** Sir, I am not accepting the amendment.

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

"That in sub-clause (3) of clause 19, of the Bill, for the words 'as may be agreed between', the words 'as may be agreed to between', be substituted."

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

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

"That in sub-clause (3) of clause 19, of the Bill, for the words 'as may be agreed between', the words 'as may be agreed to between', be substituted."

The motion was adopted.

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

"That clause 19, as amended, stand part of the Bill."

The motion was adopted.

Clause 19, as amended, was added to the Bill.

Clause 20 was added to the Bill.

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

"That in sub-clause (1) (a) of clause 21 of the Bill, for the word 'products' the word 'resources' be substituted and the words 'and' and 'maximum', in line 2, be omitted."

Sir, it is enough if the words 'and' and 'maximum' in line 2 of sub-clause (1) (a) of clause 21 are omitted.

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

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

"That in part (b) of sub-clause (1) of clause 21 of the Bill, after the word 'Hooghly' the word 'river', be added."

Sir, this has been accepted by the Honourable Minister in another connection.

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

**Pandit Hirday Nath Kunzru:** Mr. Chairman, I move:

"That in sub-clause (2) of clause 21 of the Bill, after the words 'local authorities', the words 'educational and research institutions', be inserted."

It is not necessary for me to say much. In support of the amendment all that I need say is that I move this amendment because, while a number of other institutions were mentioned, in the last sub-clause of clause 21, whose co-operation might be sought by the Corporation, there was no reference to universities and educational institutions whose co-operation in certain matters may be even more necessary.

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

**Pandit Hirday Nath Kunzru:** I am glad therefore that the honourable Minister is accepting the amendment.

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

"That in sub-clause (1) (a) of clause 21 of the Bill, for the word 'products' the word 'resources' be substituted and the words 'and' and 'maximum', in line 2, be omitted."

The motion was adopted.

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

"That in part (b) of sub-clause (1) of clause 21 of the Bill, after the word 'Hooghly' the word 'river', be added."

The motion was adopted.

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

"That in sub-clause (2) of clause 21 of the Bill, after the words 'local authorities', the words 'educational and research institutions', be inserted."

The motion was adopted.

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

"That clause 21, as amended, stand part of the Bill."

The motion was adopted.

Clause 21, as amended, was added to the Bill.

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

"That in sub-clause (2) of clause 22 of the Bill, in part (i), for the word 'convey', the word 'transfer', be substituted."

The word "transfer" is usually used in the Transfer of Property Act and other Acts. The word "convey" is not so much in use as the word "transfer".

**The Honourable Shri N. V. Gadgil:** Sir, "convey" is a better word. I do act accept the amendment.

**Mr. Naziruddin Ahmad:** The word "convey" is used in expressions such as "we convey our sense of gratitude".

**Shri T. T. Krishnamachari** (Madras: General): As a lawyer the Honourable Member should know that the word "convey" is used also in the sense of 'conveyance of property'.

**Mr. Naziruddin Ahmad:** It is because I am a lawyer of some experience that I prefer the word "transfer" which is the word used in the Transfer of Property Act.

**Mr. Chairman:** May I suggest for the consideration of the Honourable Minister that usually in such cases "transfer" is the better word?

**Mr. Naziruddin Ahmad:** The Draftsman may be consulted.

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

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

"That in sub-clause (2) (iii) of clause 22, of the Bill, for the words 'to withhold any water from any person who', the words 'to take all measures to prevent', be substituted."

Here special permission is given to the withholding of water from any person who discharges into such water affluents which are harmful to water supply, irrigation, public health or fish life. It is not enough to have power to withhold water. They must be able to take other measures also to prevent such pollution of water. My amendment is intended to enlarge the scope of the power of the Corporation.

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

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

"That in sub-clause (2) of clause 22 of the Bill, in part (i), for the word 'convey', the word 'transfer', be substituted."

The motion was adopted.

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

"That in sub-clause (2) (iii) of clause 22, of the Bill, for the words 'to withhold any water from any person who', the words 'to take all measures to prevent', be substituted."

The motion was adopted.

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

"That clause 22, as amended, stand part of the Bill."

The motion was adopted.

Clause 22, as amended, was added to the Bill.

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

"That in part (b) of sub-clause (2) of clause 23 of the Bill, for the words 'and who has', the words 'and to every person who has' be substituted."

I think the amendment is very precise and should be accepted.

**The Honourable Shri N. V. Gadgil:** I am not accepting it.

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

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

"That clause 23, stand part of the Bill."

The motion was adopted.

Clause 23 was added to the Bill.

Clause 24 was added to the Bill.

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

"That sub-clause (2) of clause 25 of the Bill, be omitted."

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

**Mr. Naziruddin Ahmad:** I have a desire to say a few words. The deletion of sub-clause (2) would have a mischievous effect. In fact it is in the Tennessee Valley Scheme. Graveyards, charitable and religious institutions have been protected. If they are destroyed or lost on account of the operation of the Corporation, then some suitable amends should be made.

**Shri T. T. Krishnamachari:** It is not destruction. It is only submergence.

**An Honourable Member:** Submergence amounts to destruction.

**Mr. Naziruddin Ahmad:** The question depends upon problems of submergence. Would you not give the Corporation power to deal with problems of

[Mr. Naziruddin Ahmad] submergence arising out of that? It gives the Corporation power to Act suitably in a contingency which may happen. It is specifically provided for in the Tennessee Valley Corporation. There may be a mosque or a temple or a burning ghat or a graveyard. These are considered sacred by various communities. I suggest retention of the sub-clause.

**The Honourable Shri N. V. Gadgil:** In so far as the question of compensation is concerned it is already covered. It is only emphasizing that special attention should be given. It is really not necessary in view of what is stated in sub-clause (1).

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

"That sub-clause (2) of clause 25 be omitted."

The motion was adopted.

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

"That clause 25, as amended, stand part of the Bill."

The motion was adopted.

Clause 25, as amended, was added to the Bill.

Clause 26 was added to the Bill.

*(The Assembly then adjourned till Five of the Clock in the evening.)*

*The Assembly re-assembled at Five of the Clock in the evening, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.*

#### RAILWAY BUDGET FOR 1948-49

**The Honourable Dr. John Matthai** (Minister for Railways and Transport): Mr. Speaker, it is now hardly three months since I had the honour of introducing the Interim Railway Budget and the House will therefore appreciate that there is not much that is new that I can tell them today regarding the working and the administration of our railways. There is not much in the circumstances that I can add to what I said then regarding the problems and the difficulties by which the railways are faced and the endeavours that we are making to meet these problems and these difficulties. My task therefore this evening is a simpler one, and I propose therefore to take the straight-forward course of dealing first of all with the budgetary position and then having done that to give the House a few indications of the directions in which things have altered either for better or for worse since I spoke to the House last time. I do not want in explaining the budgetary position to weary the House with many financial and statistical details because for one thing, Honourable Members will be able to get these details from the explanatory memorandum, copies of which will be in their hands before the House rises; and also it is my experience, as a legislator for a brief period, and as a frequent visitor to the House long ago, that a budget speech which is packed with details has invariably the effect of making Honourable Members groan almost visibly. I want to avoid that tonight and I propose therefore to give only a brief summary of the financial position of the railways today.

I will take first of all the budgetary position as disclosed in our figures relating to the 7½ months since the 15th August. We placed certain budget estimates before the House for that period, beginning the 15th August. I want briefly to tell the House how these budget estimates have been revised in the light of actual experience. The House will find that there are considerable discrepancies between the budget estimates and the revised estimates. That is inevitable in the position in which we are placed at present. We had to frame budget estimates in the first place for a divided India, based upon our experience of an undivided India. In the second place, we had to frame estimates for a broken period, based upon our experience for a whole previous year, and it is a very difficult matter in actual practice to make allowance for those seasonal variations which occur between one period and another in the course of a year. And another circumstance, which placed us at a disadvantage in framing these

budget estimates last year was that we were then right in the thick of the period of civil disturbances and refugee movements, and these had caused such a degree of dislocation in our finances and in our general administration, that it was difficult to forecast the probable trend of earnings. It was difficult even to determine the current trends. As the result of these various elements of uncertainty, the House will find that our revised estimates vary somewhat considerably from our budget estimates.

I will give the main figures. The revised estimates for the 7½ months ending 31st March 1948 show a fall in earnings of about 8 crores as compared with the budget estimates. That fall in earnings occurs under goods earnings and under passenger earnings. But there is one item of earnings under which there is an increase, and that is what is called "Other coaching" earnings. What those earnings mean is briefly this: There is a considerable amount of parcels traffic now as the result of the congestion in goods traffic. That is to say, when you cannot send a thing by goods train, then you try to send it by a parcel train, even though it costs more. Parcel traffic therefore shows an increase. Then there was a considerable amount of military movement as the result of demobilization and of movement of troops in connection with the disturbances. Our earnings under goods according to the budget estimates were 57·23 crores, while according to our revised estimates they have come down to 53·38. Our passenger earnings according to budget estimates were 52·12, which have come down in the revised estimates to 45·28. Other Coaching earnings which we estimated at 5·30 have gone up to 7·87. The net result is a drop of 8 crores. As against that there is also a drop in our ordinary working expenses. We estimated that our ordinary working expenses would be somewhere about 99 crores: while revised estimates show that our expenses have been 93·55. I should like to flatter myself that this fall in working expenses indicates that we have been able to do with less expenditure. The position is not quite so gratifying as that. What really has happened is that the expenditure that we estimated for the year 1947-48 could not for various reasons be incurred before the end of that year, and the expenditure therefore has not been reduced but has been only postponed.

These drops in earnings and in working expenses have resulted in an increase in the net loss that we estimated from 2·7 crores to 5·2 crores and the result of that increase in the net loss is that we have had to make larger withdrawals from our Reserve Fund. And the Reserve Fund, therefore, in March 1948 will stand at a figure of Rs. 3·8 crores. That briefly summarises the position as regards the current year.

Now with regard to the year 1948-49, the Budget year. There again we are faced with several elements of uncertainty which prevent us from making anything like accurate forecasts. The year 1948-49 is a complete year. The usual practice, as the House knows, is that in framing Budget Estimates for the coming year you rely mainly upon the basis of your revised earnings for the current year. The revised earnings for the current year represent a broken period, and on the basis of that broken period you have to frame your estimates for a whole year—a necessarily difficult process. Then, although we have now come to the end of the more serious phase of the civil disturbances which have occurred since Partition, we are still much too near this period of disturbances to be able to determine with any degree of reasonable precision either the current trends or the probable trends in the coming year.

Such estimates as we have been able to make, the best informed and the most intelligent estimates that my advisers have been able to make, give us these figures. We expect that in 1948-49 the gross traffic proceeds would be Rs. 190 crores. As against that we estimate that the ordinary working expenses would be Rs. 147·15 crores. To that you have to add depreciation which, as the House knows, is calculated at present at 1/60th of the capital at charge of the Railways at the end of the current year. The capital at charge is somewhere of the order of Rs. 678 crores and 1/60th of that would give you Rs. 11·18

[Dr. John Matthai]

crores. Then there is the payment that we have to make to lines that we work on behalf of outside concerns,—their share of the traffic receipts which would come to Rs. 1.45 crores.

Deducting working expenses, depreciation and payment to worked lines, we are left with a net traffic receipt of Rs. 30.22 crores. To that you have to add various miscellaneous proceeds—a very wide range of them. After deducting the charges which are appropriate to these miscellaneous receipts, you get a net revenue from this source of Rs. 2.16 crores. Altogether, therefore, in 1948-49 we expect to have a net revenue of Rs. 32.38 crores. From that you have to deduct the interest which is payable to Government for the money borrowed by the Railways. That has been calculated at a rate of 3.25 per cent. which represents the weighted average rate of interest payable on the different classes of Government's borrowings. That, on the average capital at charge which we expect during 1948-49, somewhere about Rs. 690 crores, will give us altogether a liability on account of interest charges of Rs. 22.53 crores. Deducting Rs. 22.53 from the total net revenue of Rs. 32.38 crores, we are left with a net surplus for 1948-49 of Rs. 9.85 crores.

The House will be relieved to know that it is not my intention on this occasion to propose any increases in fares and freights. Probably the only redeeming feature of my Budget is that I do not propose on this occasion to pursue this evil tradition.

The question arises: what is to be done with this net surplus of Rs. 9.85 crores which we expect for the year 1948-49? First of all, there is the question of the contribution payable by the Railways to General Revenues. That question at present is determined by a Resolution which the Legislature passed in 1943, which practically lays down that the contribution to General Revenues is to be fixed with reference to the requirements of the Railways and of General Revenues in each particular year. We have for many reasons considered it advisable and satisfactory that this question should be entrusted for decision to a Committee composed of Honourable Members of this House. A Committee has therefore been appointed consisting of three members of the Standing Finance Committee and three members of the Railway Standing Finance Committee, under a Chairman having the authority and the judgment of no less a person than the Honourable the Speaker of the House. Pending the receipt of the findings of this Committee, Government do not propose to make any allocations out of the surplus. When the findings of this Committee have been received and Government have been able to arrive at their decision upon these findings, then in the ordinary course proposals will be made before this House for the necessary appropriations. That, Sir, brings me to an end as regards what I wish to say about the financial position of the Railways.

Now I will go on to a more general question, the question, I take it, in which the House is most deeply interested, and that is the question of the prospects of traffic movement on our Railways in the future. When I presented my Budget Statement to the House last November, I told the House that the circumstances with which the Railways were faced were more difficult than any that I had anticipated in my most pessimistic moments. What I am inclined to say today looking at the trend of things is that probably we have reached a stage where the steady process of deterioration which began with the Partition and the consequences that flowed from Partition, has now been definitely checked. From such evidence as I have been able to see, I believe we have now reached a stage when I could say with a certain degree of assurance that we have turned the corner. This does not mean that there is any striking and decided improvement that I can report. What it means is that we have reached a stage where we can go forward expecting steady progress. I do not anticipate that we shall be called upon to retrace our steps or to look back.

What exactly are the reasons which lead me to make this statement to the House? I want, first of all, to deal with the immediate future, that is to say



the next few months. Firstly, there is this very obvious fact that we have come to the end of the period of serious civil disturbances. We have come to the end of the period of these vast refugee movements. The House will remember that altogether during a period of two and a half months the Railways were called upon to move as many as 3 million refugees, which represents the capacity of a thousand passenger trains. That was a terrible strain on the Railways and we have now come to the end of that period of strain.

Secondly, I told the House last November that one of the problems we are faced with—have been faced with since the end of the war—is the large diversion of traffic which has occurred as the result of various war developments. A large volume of traffic is now moving along routes which are not equipped for dealing with this large amount of traffic, and I said therefore that it would be necessary for us to consider the question of improving and extending our marshalling yards, that is to say, those yards where you distribute wagons with reference to their ultimate destination. These marshalling yards, at the points where heavy traffic occurs, are not today equipped sufficiently to cope with this growing volume of traffic. Now, pending a large extension of our marshalling yards, what we have been doing in order to meet the present crisis, is to set up an arrangement for much more intensive and effective supervision of our marshalling yards. We have also set up a more effective system of control of train movements. And these two factors already are yielding satisfactory results. I will give the House some figures. I will take some of our typical, most important marshalling yards. At Asansol, when I spoke to the House last November, the period for which a wagon was detained in the marshalling yard was 46.6 hours. Today the latest figure that I have is 31.1. At Cawnpore, last October the period of detention was 53.9 hours. Today it is 31.7. At Moradabad it was 39.9 hours. Today it is 22.8. At Ondal which represents the place where most of the coal traffic occurs, it was 22.1 and today it is 18.2. On the whole, taking these representative centres, there is a reduction in the period of detention of somewhere about one-third. The target that we are going to place before the Railways and on which we are going to insist is that no detention should occur in marshalling yards for a period in excess of 24 hours and we are going to see to it that that target is observed.

The next factor that I want to deal with is our workshop position. The importance of that is this. Practically the greater part of our more serious troubles today is due to our locomotive position. The House will remember that I said last time that of the total number of locomotives that we possess today, about a third are over-age locomotives which have done their normal period of service and which, if locomotives were available in the world market, would be replaced almost immediately. There are countries in the world like the U.K. for example, where there is a large proportion of over-age locomotives. But they are able to carry on with this large proportion of tired, old locomotives, because they have got effective workshops where in point of spare parts they are not at the disadvantage at which we happen to be. Therefore, the position of our locomotives is very closely bound up with what happens in our workshops.

There are two elements of importance in connection with the workshops. First of all, there is the question of the availability of spare parts. There is secondly the question of labour and the amount of output that we can expect from labour. I take first of all the question of spare parts. I am glad to be able to report to the House that during the past few months, there has been a perceptible improvement in the delivery of orders of spare parts from the United Kingdom. Secondly, it has been possible for us, with the co-operation of the Defence Ministry, to utilise increasingly the spare capacity for manufacturing these small parts in our Ordnance Factories and a very considerable progress is being made in this direction. Thirdly, as the result of consultations with my honourable colleague, the Minister for Industry and Supply, we have been able to get some relaxation of the arrangement under which all orders for spare parts

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for machinery of all kinds is to be placed through the Industry and Supply Department. The formality and the delay that sometimes occur—quite necessarily—have, to some extent, held up the work done in the workshops by the delay of the arrival of spare parts. As a result of the relaxation I have been able to get from my honourable colleague, Local Administrations are in a position today to exercise a great deal more initiative in canvassing and investigating the possibility of getting spare parts in local areas. The position will be illustrated by the fact that in 1948 the orders that we have been able to place in India for spare parts show an improvement of nearly 37 per cent. over the orders placed in India in 1947. That is as far as spare parts are concerned.

I now come to the question of labour. I have been having the figures carefully examined and I am glad to be able to say that on practically all our principal Railways today there is an improvement in the number of man-days worked in the workshops. We find that on the B.N.R., on the E.I.R., on the S.I.R., on the M.S.M.R. and to some extent on the G.I.P.R.

Now that is a cheering fact, but that is not the whole problem as far as labour is concerned, because it is not merely the question of attendance but it is also the question of the work turned out during the period of attendance. I have had an expert examination made recently in respect of two of our most important workshops and that expert examination has revealed the somewhat depressing fact that the quantum of work which is being done during the normal prescribed period is considerably below what we might reasonably expect. The basis on which this examination is done is this. First of all these people with a very considerable amount of experience of this class of investigation, determine the amount of standard output which under given conditions may be expected of a labourer and they take the actual amount of work done and between the two, they have noticed there is a very considerable margin.

There are two ways of meeting that problem. First of all, we have to provide administrative devices which would automatically secure that each labourer renders his full quota of work. There is, secondly, the co-operation to be secured from labour organizations themselves. We are considering the question of administrative devices and as far as co-operation from labour is concerned, I am confident that the more responsible elements in the labour organisation representing the Railways show a very keen awareness of what is required of them in these circumstances.

Taking the improvement in respect of the availability of spare parts and the improvement in respect of attendance in the workshops, the result of these two factors must necessarily be reflected in the turn-round figures. Turn-round, as the House knows, is the period which a wagon takes to perform a journey and return to take up a fresh traffic. When I spoke last November I said the average period of turn-round of a broad gauge wagon was 48 days. The latest figure that I have is 45·9. On metre gauge lines, the average figure that I gave was 51. Now the latest figure that I have which corresponds to the end of 1947 is 60·7. This shows deterioration, but it requires a certain amount of explanation. One of our biggest metre gauge workshops is Ajmer. At the end of 1947 Honourable Members will remember there were very serious disturbances in Ajmer; curfew order had to be imposed and there was a general atmosphere of unsettlement and dislocation. Now if you leave out Ajmer, the average figure for the turn-round of metre gauge wagons comes to 45, as against the figure of 51 which I gave the House last November.

Next I will deal with the difficulties that arose from the transfer and exchange of staff between India and Pakistan. That was a factor which led to a very great deal of disorganization on the Railways, about 100,000 men being exchanged and settled in new positions in the course of about 2½ months. Now that general dislocation is rapidly disappearing and men are beginning to settle down in their new positions. But one of the most serious difficulties that we

had to face was that this transfer resulted on our side in a shortage of essential workers in particular categories. The House will remember that where the most serious difficulty arose on this account was the East Indian Railway in regard to their engine crew, which created, as I said, a first-class national crisis in respect of coal movements.

I told the House that by various means we were able to reduce the shortage which at first was 47 per cent. to 25 per cent. in November. My latest figures show the shortages have come down to 9 per cent.

Then I wish to deal with a factor which has been becoming increasingly important in recent months and that is undue detention of wagons at destinations by our customers, by factories, by trade and sometimes by Government Departments in provinces and States. I wish to give the House a few illustrations, because this is one of the more serious difficulties with which we are faced at present. Take jute. Towards the end of last year in the Cossipore Road area the number of wagons which were waiting for unloading was 700 to 800 wagons in excess of the normal figure, which means to that extent the wagons are prevented from doing normal service. At important industrial centres in India such as Dalmianagar, Haripur, Tatanagar, we notice there is an increase of 20 to 25 per cent. in the number of wagons waiting to be unloaded in excess of the normal figure. Similarly, with regard to collieries. I find that of the wagons which are supplied to collieries for being loaded with coal, very often a considerable number come back without being loaded, for reasons which are connected entirely with the colliery position. It may be lack of labour; it may be the inability to get stocks of coal ready in time. The last month, January 1948, for which I have figures shows that altogether 1,375 wagons came back empty without being loaded, which represents in terms of coal about 30,000 tons. I am mentioning these figures in no spirit of criticism, because I am well aware of the difficulties by which trade and industry are faced, in the matter of handling of wagons, but I do think when railway transport is in the difficult position in which it is today, we have a right to ask industry and trade to give us more co-operation.

As against this position the measures that the railways have taken are: We have reduced the free time allowed for demurrage purposes from 9 hours of day light to 6 hours. After that demurrage will be charged. Sundays are to count for demurrage purposes. They will no longer be exempt. We are raising the demurrage fees on some of our Railways like the E. I. Ry. and the B.B. & C.I. and the G.I.P. Railways. A great deal of handling is done by the Railways themselves and we have asked the Railways now and we are going to insist on it that they should set before themselves a target of a maximum of 3 hours for placing a wagon for unloading immediately it arrives at a terminal station, and as I said before, we are going to insist also that the period of detention in marshalling yards should on no account exceed 24 hours.

These various factors which deal with goods traffic which in my opinion make for a certain degree of improvement, are reflected in the average figures of turn-round on some of the most congested of our Railways. Take the G.I.P. When I spoke last time the turn-round of wagons on the G.I.P. Railway was 10.6 days. The latest figure that I have is 9.5, a reduction of 10 per cent. On the E.I. Ry. it was 17.4, and the latest figure is 14.1, a reduction of 20 per cent. And speaking of the E.I. Railway, I want to make a passing reference to the question of coal despatches. I said last time at the beginning of October when we were faced with this great shortage of engine crew, the total number of wagons that we could send on the E.I. and on the B.N. Railways to the collieries direct was somewhere about 1,400.

In November last when I spoke to the House we raised that number to somewhere about 2,600. The latest figure that I have of the total number of wagons despatched from the E.I.R. and the B.N.R. with coal for the week ending the 7th February is 2,900.

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I have been speaking of the directions in which a little improvement has occurred as regards the operation of the Railways. Now this operational improvement has been to some extent offset by the disorganisation of traffic which has been caused by the policy of decontrol. What has happened is this. Take the question of foodgrains. Before we introduced the policy of decontrol, all the more essential movements were sponsored by Government and all movements sponsored by Government were given top priority—they were all grouped in Class 1. When Government decided to reduce their commitments and it became necessary therefore to make it possible for private movements to move more freely, we raised all movements of food grains on private or trade account from Class 4 to Class 2. The result of that is that in class 2, in the second grade of priority, today, there is so large a number of indents for wagons that the Railways are unable to cope with all the demands made on them. It does not mean that the quantum of traffic has come down; what it means is that when you have a large number of indents in respect of commodities all of which are in the same grade of priority and some of them are turned down and others are accepted, naturally there is a great deal of complaint, resentment and heart-burning, which is what is going on in the country today. I have been giving a great deal of attention to this question, because I realise that unless the Railways are able to meet the situation, the policy of decontrol would be made difficult.

There are two problems that arise. When you allow unregulated movements on private account, you find there is a large number of what we call cross-movements. I have come across a number of cases recently where goods are despatched by traders to a particular destination and immediately on arrival there the goods are rebooked and sent on to another destination which is much nearer the original point of consignment—which means that there is a great wastage of transport. Similarly, when you allow trade in an unregulated manner to move foodgrains then sometimes you find that foodgrains are sent across to stations which are much too distant from the station of consignment; it might be possible, for example for that particular centre to be supplied with foodgrains from a nearer point. These cross-movements and these uneconomic movements are putting a very great strain upon the Railways. Since in the higher grades of priority you have now a large variety of commodities included it looks to me, if we want to maintain the economic stability of the country, it will be necessary for us to take into consideration a programming of movement of essential commodities. In other words, we have got to take up the question, in the circumstances with which we are faced today, of determining with reference to priority both the nature and the direction of the traffic. We have got to consider fixation of quotas and regulation by zonal control. I am not going to suggest for a moment that we are going to do this immediately. We are not. We are, however, watching the situation very carefully and if we find that the policy of decontrol is going to be defeated by the unnecessary load which is being put on the railways it will be necessary for us to take this matter up for active consideration.

As regards the question of Railway priorities, the House will remember that the whole subject is now regulated by the Railway (Transport of Goods) Act which the late Assembly, passed last year. That Act will come up again before the House for consideration. As far as I can express a personal view—I do not commit Government in any way—as far as I can express my personal opinion on this question, it is that it would be necessary for us to continue the control of Railway priorities, but I think it is up to us to take steps for regulating these priorities more in accordance with the opinion and the wishes of the trades concerned. At present, as you know, there is a Chief Controller of Priorities, who is assisted by various Regional Controllers. I am applying my mind to the question of providing these Regional Controllers with a small

directive' authoritative committee in each region which will represent the best business opinion of that area.

I have been dealing with the immediate future, and I will repeat the statement with which I started, that we seem to be set, for the time being, in the direction of a gradual improvement. I want to go further and indicate to the House, so far as I can, what are the prospects for the year 1948-49. The statement I would put before the House is this. Unless any untoward developments occur, I expect a marked improvement by March 1949. My reasons for saying so are these. I have told the House already that in view of a vast diversion of traffic that has been occurring recently, our line capacity and our marshalling capacity are being over-strained. As regards the line capacity, we have already taken in hand various schemes for doubling the line capacity at various points of heavy congestion—Itarsi-Bhopal, Lucknow-Bareilly, Cawnpore-Etawah, the Moradabad section and various other lines—Honourable Members will find a complete list of them in the explanatory memorandum. The point I wish to stress is this. We have set ourselves a target for completing these works by March 1949 and if we are able to do that, then it seems to me that we should be in a position to relieve congestion at some of the most important points on our railway system. The House is aware that a couple of months ago we reopened what used to be called the Dufferin Bridge, now called the Malaviya Bridge, which was regirded and has now been opened for double-line traffic. It is a very important gateway of railway communications in the U.P. and I think its doubling will make considerable difference to the movement of traffic.

With regard to the remodelling and the extension of marshalling yards, we have a number of schemes on hand all of which are expected to be completed by March 1949.—Ujjain, Lucknow, Cawnpore, Tundla, Gorakhpur, and Arkonam and Tuticorin in the South—and I hope to take in hand soon the extension and remodelling of the station yard at New Delhi. If we are able to achieve our object and finish them by the end of 1948-49, then I expect there would be considerable relief.

Next I want to give some figures with regard to the additional rolling stock which we expect to get in the course of 1948-49.

The number of general service wagons which are scheduled to be delivered by the manufacturers in India by the end of 1948 is 4,050. In addition to that we expect that oil-tank wagons of the order of about 150 will also be delivered by the end of 1948. Then we have placed an order in Canada for oil-tank wagons which are also expected to be delivered by March, 1949. There are other classes of wagons numbering about 177, all scheduled to be delivered by the end of 1949. It comes to a total of about 4,720 wagons. I am not so foolish as to think that in the present strained conditions in India regarding labour and material it would be possible for our manufacturers to deliver these things according to schedule. But I have strong reasons for thinking that at least half this number will be delivered. And if we are in a position to put on the lines at least two thousand additional wagons in the course of the next year it would make a perceptible improvement. Similarly we are expecting 146 new locomotives to be delivered in the course of 1948; and this together with the improvement which is noticeable in the workshop position must I think make a difference for the better as regards locomotives.

My third reason for being hopeful about 1948-49 is that the shipping position appears to show some improvement. If we are able in 1948-49 to divert to the sea route some of the heavy traffic from Calcutta to Bombay which now goes by rail it would I think very considerably ease the railway position. I have taken this matter up with my honourable colleague the Minister for Commerce, and between us we expect to find some solution of this problem. The real point is that if you send a commodity like coal from Calcutta to Bombay you have to pay about Rs. 20 more by sea than you would by rail.

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Although we have increased our freights a good deal we still have in the railways today, I believe, the cheapest form of transport.

The last point to which I wish to refer is this. I make no dogmatic statement about it—nobody in the present circumstances can afford to do so—but all the indications that I see give me a feeling that there is something like a marked improvement in the prospects of the world food position. This break in prices that has now occurred in the United States is variously explained. I do not want to commit anybody. I do not want even to commit myself officially. But I cannot help thinking, from such authoritative reports as I have seen, that there is a feeling that the prospects of the next harvest in the United States are a good deal better than people expected a few weeks ago. That probably coupled with the possible cuts in the Marshall plan may account for this break in prices. But supposing there is an improvement in the general food position and supposing correspondingly there is an improvement some time towards the end of 1948 in India, it seems to me that a very heavy load will have been lifted off the railways. I want to tell the House what I have felt very strongly for over a year. One of the biggest problems that the railways have had to face since the end of the war is this problem of moving over long distance large quantities of foodgrains from port to up-country, from surplus provinces to deficit provinces, and this along routes which are not equipped for coping with that traffic. If fortunately there is a general improvement in the food position, it seems to me that one of the most serious factors which today are impeding the railway traffic will have been removed.

Having said all this I want to reaffirm what I said last November that in spite of these little indications of improvement I do not think that we shall be able to return to normal conditions in less than three years. And when I say 'normal conditions' what I mean is that if you ask me when our railways will be in a position to accept all the traffic that offers, I say we shall not reach that position in less than three years.

I have been speaking of goods traffic! I want to say a word about passenger traffic. The great problem regarding passenger traffic today—and when you consider the question of amenities the problem that worries you most—is that of overcrowding. We have today, as far as we can estimate, more than twice the number of passengers that we used to carry in 1938-39; but the amount of passenger train capacity that we are in a position to offer today is 14.5 per cent. less than in 1938-39. That gives you straightaway in statistical terms the problem of overcrowding. I expect to see a little improvement and I want to tell the House why. It is one of the most interesting features of passenger traffic on our railways today that there is a steady decrease in the average distance travelled by third class passengers. If there is a steady decrease in the average distances travelled by passengers the inevitable result is that at any point of time you will find a steadily decreasing congestion. Take two points between which trains run. If between those points passengers travel over shorter distances, obviously at each point you will find that the amount of congestion in the train would correspondingly be less. I have been trying to understand why it is that there is this steady decrease in the average distances travelled by passengers, and the best explanation that I can give is that while there has been a very great increase in the habit of travel due to various reasons although the railways have not been able to provide an increase to anything like the extent required they have been able to provide some increase in facilities which is greater than that offered by road transport. The result therefore is that people who would ordinarily have travelled short distances by bus are now travelling by trains. And it seems to me, therefore, that until we are in a position to restore the bus position—during the war the extent to which bus traffic decreased was somewhere about

one-third of what it was in 1939—you are going to have a steady decrease in average distances travelled by passengers.

Apart from that in 1948-49 we expect to place on the lines somewhere about 700 to 800 new coaches; 350 of them are coaches that we have ordered and a little over 400 coaches would, I expect, be returned by the Defence Department to whom they have been loaned.

Another factor which is going to react on overcrowding is ticketless travelling. I told the House last time that the problem was particularly acute in the United Provinces; and in consultation with the Honourable Premier of the United Provinces we have started a scheme there which consists of a considerable police force and a considerable complement of special magistrates devoted entirely to the problem of ticketless travel. We have put altogether 17 platoons of police and 34 railway magistrates, the whole cost of which will be borne by the railways. And with the co-operation of the Honourable Premier we have been able to start this on the 15th January; and the results that I have seen so far have been definitely encouraging. Similar arrangements are contemplated for West Bengal, for Bihar and for Assam. As I have told

6 P.M. the House more than once, this problem of ticketless travel is much more than a railway problem; it is a social problem. It is one of these things which seem to reflect the gradual decline in the sense of law, which results when big political changes have occurred.

I was looking the other day into the report of the Madras Government Railway Police for 1947. It discloses the interesting fact that the number of cases that they had to handle in 1947 showed an increase of 90 per cent. over 1946 and showed an increase of 130 per cent. over the average of the previous five years. That, I think, would be equally true of other provinces.

I want to make a reference to the passenger guides that we have been appointing recently. I believe very strongly that conditions of third class railway travelling today provide an enormous scope for social service of the highest quality. I have instructed the railways in consultation with various recognised social service organisation to select people with the right training, the right spirit and the right outlook to take up this work. We have made a beginning on various railways and I am watching with some hope and, at the same time, with some anxiety how this arrangement will work. If it works successfully I think we shall have taken an important step towards tackling a very urgent problem in the railways.

Lastly, I would like to make a reference to the Betterment Fund. Last year when I placed the railway budget before the old Assembly, there was a great deal of discussion as to what was the right object for expenditure from the Betterment Fund. My own feeling is, if one reads the papers with care the primary purpose of the Betterment Fund is to provide expenditure which will result in an improvement in amenities for third class passengers and we are going to see now that such expenditure as we are in a position to provide from this Fund will hereafter be devoted in the main to this problem of amenities. That brings me to an end of this problem of traffic generally.

There are just one or two matters to which I would like to refer before I sit down. I said last time that we were going to set up a Railway Rates Tribunal and that I would have it put into force by the 1st of April. On examination it is found that unless this tribunal is vested with statutory authority it will not be able to function in the way in which we intend it to and for that purpose, therefore—I thought originally that it could be done by executive order—we are going to, place a Bill before this House in the course of the session to set up a tribunal on these lines, that is to say, with a much wider scope than the present Rates Advisory Committee and, with a mandatory and not merely an advisory jurisdiction. I hope with the co-operation of the House it will be possible for us to put it in operation at the earliest possible date.

With regard to the Railway Enquiry Committee, as I told the House in answer to a question, the Committee will begin to function in the course of a

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week or two. Mr. Neogy, who with great ability set the lines on which the enquiry is to proceed, will now be replaced by my Honourable friend Pandit Hirday Nath Kunzru, who I am sure will bring to bear on this important work his unique knowledge and experience of public affairs. That covers more or less the range of subjects with which I want to deal.

There is just one thing more to which I want to refer before I resume my seat. In the remarks I have offered to the House this evening the note that I have tried to strike is what I might call a note of restrained or subdued optimism. I believe we are looking forward and we are moving forward, as far as the near future is concerned. I want to tell the House also from a study of such underlying forces as I have been able to perceive that I believe, in spite of the difficulties through which we are passing today, there is a great future before the Indian Railways. I believe also that that future will dawn within a definitely measurable period of time. I have many reasons for thinking that but one of my principal reasons is that we have a fine body of men operating our railways today. From the Chief Commissioner and the Railway Board down to the Railway Administrations and from them to the humblest employees on our railways we have in the main, as fine a body of men as any country in the world today. I am saying that with a certain degree of assurance. It is my habit by reading journals dealing with transport matters in other countries to keep in touch with transport developments in those countries and this gives me a fair amount of assurance in making this statement to the House. My reason for raising this point is that in recent times, both in this House and outside, many allegations and charges have been levelled against our railwaymen in unqualified and widely generalised terms. It hurts me to hear these allegations and charges, because we are at present making a great and earnest effort to place increased responsibilities upon the people of our own country, our own kith and kin. At this stage if it is suggested by people holding responsible positions in the country that things are as bad as they are sometimes painted to be, it has an extremely discouraging effect upon the men and there are many of them who are trying to do their best to rise to the tasks of a new age. Honourable Members are no doubt aware of the special train that we ran the other day to convey the remains of the great leader of our people from this city of tragic memories to his final resting place; where the sacred rivers meet. In the preparations which were made for that special train I happened to be a good deal behind the scenes and I was in a position to observe not merely the enthusiasm, but the touching loyalty, the almost pathetic devotion, with which not merely the officers in the top positions but the humblest gangmen laboured in order that this effort of the railways may be the unqualified success that it has proved to be. I mention this fact, because it is symbolical of the new spirit of responsibility which has been gradually spreading among our railwaymen ever since the day of Independence—a slowly unfolding sense of what is required of them in the changed conditions of today. There are black sheep. Sir, in every organisation. It is for responsible leaders, when they are inclined to make charges and allegations, to distinguish the few from the many and not to visit upon the many the sins of the few. I am speaking today as Minister of Railways responsible for this vast army of men who are operating our railways. I want therefore, not merely as a matter of official convention but as an honest expression of what I think and feel, to pay a genuine, a warm, a very cordial tribute of appreciation and sympathy to India's railwaymen. For, remember, Sir, upon the shoulders of our railwaymen today rest as difficult a problem and as grave and heavy a burden as any by which we areaced in these disordered and turbulent times.

*The Assembly then adjourned till Eleven of the Clock on Tuesday the 17th February. ....*