

[Shri Bibudhendra Misra.]
 opportunities to both the parties and open the boxes in the presence of both the parties so that it should allay the fear that there might be interference if the sealed ballot papers are opened in the absence of the parties concerned. That is why this amendment has been brought as a result of the assurance given to Lok Sabha during the last session of the House. Madam, I commend that this motion may be accepted.

The question was proposed.

SHRI B. K. P. SINHA (Bihar): May I seek one clarification now? Later on I may speak because I find Mr. Bhupesh Gupta is anxious. Now, I want only a clarification. The results of the election are declared. If a man is declared elected, he is declared elected. Only thereafter the ballot papers shall be brought here. That declaration will not be affected because of this, I hope. That is the point on which I want clarification.

SHRI BIBUDHENDRA MISRA: It is settled and final; once the result of the election is declared it cannot be challenged except by way of an election petition but for the purpose of filing the election petition it may be necessary for them to have some papers. The law also gives the right to a party to ask for certified copies of certain documents. Supposing those documents are not available; suppose they are misplaced and they are kept along with the ballot papers, how are you going to give them certified copies unless you give the power to some agency to separate them from the ballot papers? This will not affect the declaration at all.

THE DEPUTY CHAIRMAN: The question is:

"That this House concurs in the following motion adopted by the Lok Sabha at its sitting held on the 24th August, 1962, namely:—

That in pursuance of sub-section (3) of section 169 of the Representation of the People Act, 1951, the following amendment be made in the Conduct of Elections (Second Amendment) Rules, 1962, namely:—

That the following be added as sub-rule (2) to rule 3 of the said Rules:—

'(2) To sub-rule (1) of rule 93, the following proviso shall be added, namely:—

"Provided that—

(a) where any such order is made by the Election Commission, the Commission shall, before making the same, record in writing the reasons therefor; and

(b) no such packets shall be opened nor shall their contents be inspected by, or produced before, any person or authority under any such order of the Election Commission unless that person or authority has given reasonable opportunity to the candidates or their duly authorised agents to be present at such opening, inspection or production."'"

The motion was adopted.

THE LAND ACQUISITION (AMENDMENT) BILL, 1962

THE MINISTER OF FOOD AND AGRICULTURE (SHRI S. K. PATIL):
 Madam Deputy Chairman, I move:

"That the Bill further to amend the Land Acquisition Act, 1894, and to validate certain acquisitions under that Act, as passed by the Lok Sabha, be taken into consideration."

SHRI BHUPESH GUPTA (West Bengal): Madam Deputy Chairman, I rise on a point of order. Now, this whole Bill is based on a Supreme Court judgment; that is to say, the Bill is meant for removing certain difficulties created by a judgment of the Supreme Court. Is it not proper that we should have been provided with at least the relevant portions of the judgment rather than a bare statement of what the judgment contains in the Statement of Objects and Reasons? This is very important and I think the Government should have given us copies of this judgment or part of it at least bearing on this subject more especially when the whole thing was so much discussed in the other House because that would have helped us in applying our mind and seeing how the Government is moving in this matter.

THE MINISTER OF LAW (SHRI A. K. SEN): Madam Deputy Chairman, I respectfully submit that it is not a point of order at all. It is a question of mere propriety. A point of order is one which has the effect of putting an end to the proceedings then and there.

SHRI BHUPESH GUPTA: On a point of order again, Madam, I want to put an end to the proceedings till it is supplied.

SHRI A. K. SEN: A point of order, Madam, can be raised by him only when I yield the floor to the hon. Member.

SHRI BHUPESH GUPTA: Here is a point of propriety. When I . . .

THE DEPUTY CHAIRMAN: Order, Order.

SHRI A. K. SEN: As I said, I would have been quite glad if this had been raised as a point of propriety rather than as a point of order. It is not always convenient for every Member of the House to be supplied with a voluminous judgment of the Supreme Court and giving extracts would not

be very fair because no judgment can be understandable properly with only a few extracts. We would have then been told possibly either by the hon. Member or by somebody else . . .

SHRI BHUPESH GUPTA: Give us the whole thing.

SHRI A. K. SEN: . . . that we have taken only such extracts as are good from our point of view and not given other extracts from the judgment. It is public property and anybody can have it. If he would have been only good enough to send a request to me, I would have been quite glad to send a copy of the judgment not only to the hon. Member but to others also and I am sure we are not so unknown to each other that such a request should have been impossible. Therefore, Sir . . .

SHRI BHUPESH GUPTA: Therefore, Madam.

THE DEPUTY CHAIRMAN: Order, order, Mr. Bhupesh Gupta . . .

SHRI BHUPESH GUPTA: He was saying 'Sir' and I corrected him.

SHRI A. K. SEN: Madam, as we have always noticed, the hon. Member blends a sense of humour with his points and this is one of the instances where he has been humorous. As I said, I would have been very glad if the hon. Member had requested me to send him a copy of the judgment earlier. I have no doubt he has read it.

SHRI BHUPESH GUPTA: No.

SHRI A. K. SEN: You have not?

SHRI BHUPESH GUPTA: Extracts I have read.

SHRI A. K. SEN: That is enough.

SHRI BHUPESH GUPTA: No; I want the whole thing.

SHRI A K SEN If you want it I will give it to you, but it will take a little time.

THE DEPUTY CHAIRMAN A copy is available in the Parliament Library I think?

SHRI A K SEN Yes, it is available in the Parliament Library And as I said we are not so unknown to each other that the request would have been impossible

SHRI BHUPESH GUPTA That is not the point.

SHRI A K SEN That is very much the point

SHRI BHUPESH GUPTA Don't bring in the domestic element here

SHRI A K SEN I am not meaning the intimacy outside the House I am meaning the intimacy inside the House which gives the hon Member the right to request me to send him a copy of the judgment if he so desires.

SHRI BHUPESH GUPTA Madam, it is very clear that the hungry law has come to help the food It is quite right, I want to put an end to this thing till we are supplied with it You may ask why I did not make a request earlier and I am sure he would have given it to me But suppose I am at fault, must the House be penalised for it? There are other Members here who would like to have it Therefore I think the discussion should be adjourned till we have a copy of the judgment or at least those portions, which according to the Law Minister are relevant, cyclostyled and given to us After that we can proceed to discuss this The crux of the matter here is this judgment, we are setting aside by law the decision of the Supreme Court It is a very important thing and I think no Parliament takes the case of the Supreme Court and treats it in this manner without going into the judgement and . . .

THE DEPUTY CHAIRMAN You rose on a point of order and you are making a speech Let me now give the ruling After listening to the Law Minister, I find there is no point of order Mr Patil will continue and in the meanwhile if Mr. Bhupesh Gupta wants a copy of the judgment to be supplied it will be supplied to him or he can go to the Library and read it.

SHRI BHUPESH GUPTA Madam, you are making an impossible suggestion How can I go there? After him I would speak How can I do both?

SHRI S K PATIL This Bill, Madam, as it has emerged from Lok Sabha contains something which is far beyond the point that my hon friend has been raising It has simply been changed I won't say almost out of recognition—very greatly in order that it should accord with the popular sentiments expressed in the House, and I am quite sure, the sentiments which most of the Members here must also be having This particular Act was passed sixty-eight years ago in 1894 and has got several Chapters or parts in it There are two parts under which land can be acquired for a purpose, which is a public purpose Part II vests the Government with the power of acquisition of land when the State Government or the Central Government decides that the land is required for a public purpose Now, under that part the Government can acquire land and fix the price, the provision is not even justiciable It is one part of it This is Part VII which is sought to be amended Part VII has been introduced in case it is not entirely for the purpose of the Government but for the purpose of a company, which may not be Government If the land has got to be acquired, it could be acquired under Part II, which gives the power and the complete power to Government to acquire it in any manner they like and then to part with it to anybody they

like, but it should be acquired with some kind of restrictions where those restrictions would be in the interests of the general public. That is how the whole question comes up. Under this Part VII the Land Acquisition Act contains provisions for acquisition of land for companies. The purposes for which lands may be acquired for companies are specified in section 40 (1) of the Act, namely:

- (a) for construction of dwelling houses for workmen or for the provision of amenities directly connected therewith; or
- (b) for the construction of some work which is likely to prove useful to the public.

Now, in various States lands have been acquired under section 40(1)(b) for the construction of factories and works connected therewith. Ever since we have got our Plans for the last eleven years these examples have been many. It is not enough for you to give a licence or give a loan to a company. That loan has got to be utilised, the factory has got to be built. In cases where it was found that the land had to be given, the Government had to go to the rescue of these companies and acquire land. It is only in one case that reference has been made which is of significance, not because of the type of company which had arisen but because it attracted the attention of the Supreme Court. Their judgment has been given. That is the famous case of *R. L. Aurora versus the State of Uttar Pradesh*. In that case the Supreme Court has held that land can be acquired for a company under section 40(1)(b) read with section 41 of the Act only when the work to be constructed would be directly useful to the public and the public would be entitled to use the work as of right for its own benefit in accordance with the terms of the agreement. Now, in regard to (a) and (b) that I read, (b) reads:—

“for the construction of some work which is likely to prove useful to the public.”

Those words ‘likely to prove useful to the public’ the Supreme Court has construed to mean that any construction must be directly related and it must be demonstrably proved that it is useful to the public. That means the public can have direct access to it, e.g., if it is a public garden or a hospital or things of that description, with restrictive use, which in their wisdom the Supreme Court thought necessary to come under that particular section of the Act. Several State Governments have represented that the Supreme Court’s decision would have far-reaching consequences in respect of acquisition of land for companies and it would not be possible to proceed with such acquisition and that it would render planned development of industries extremely difficult. Besides, in respect of the acquisition made in the past, claims might be made by previous owners for the restoration of land or for payment of damages. This particular judgment has brought in all this crop of things. In some cases they have even gone to the court, even in cases so decided, where the money, etc. was paid for the land, saying that it was not done properly under this Act. Therefore, the Government of India got representations from almost every State saying that until the Act was amended all these things, the backlog during the last twelve years, within the limitation period, were exposed and were vulnerable so far as the court’s jurisdiction was concerned.

These questions arise not only in the case of companies in the private sector but also in the case of co-operatives and companies in the public sector. I have been inundated by telegrams and letters ever since this judgement came and mostly from co-operative companies because they are not companies. Even the land acquired for the co-operative

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companies could be brought in under this judgement, viz, in the case of *Aurora versus the State of Uttar Pradesh*. Therefore, something had got to be done immediately. To avoid the above difficulties, an Ordinance was promulgated by the President on July 20, 1962 as Parliament was not in session. This amending Bill is intended to replace the Ordinance. The main provision is contained in clause 3 of the Bill. It will enable the Government to acquire land for the construction of a building or work for a company which is engaged or is taking steps for engaging itself in any industry or work which is for a public purpose. Thus, before permitting acquisition of land, the Government will have to satisfy itself that the work or industry in which the company is engaged or is taking steps to engage itself will serve a public purpose. In order to enable acquisition of land for co-operative societies registered under State enactments, the definition of "company" will be amended, and it has been amended because the "company" was not so defined, whereby co-operative societies could have been by any stretch of imagination excluded. We do not want that the co-operative societies should suffer for the work that they have done for the past twelve years. They want sufficient protection in respect of the land acquired and made available to them. It is also proposed to validate the past acquisitions where the above conditions are satisfied. It is a natural corollary that when we validate this particular portion, we have also to validate the acquisitions that have been made during the last many years under this particular section.

In order to prevent the abuse of these provisions, the following safeguards have been provided in the Bill, because in the discussions that ensued on the floor of the Lok Sabha it was pointed out that possibly this particular provision was likely to be misused by the States. And, therefore, some kind of safeguards have

got to be introduced. As I said, the Government went even beyond what was necessitated by that judgment and introduced those provisions in which sufficient safeguards have been provided, namely —

- (i) Clause 5 of the Bill provides that a company for which lands have been acquired under this Act shall not be entitled to transfer the lands or any part thereof by sale, mortgage, gift or lease or otherwise except with the consent of the appropriate Government.

If the land is to be acquired by the State Government, they have to acquire the land with our consent. Then alone it can be done. Therefore, it is not easy hereafter for anybody to transfer the land in any manner whatsoever, except with the permission or concurrence of the appropriate Government. Another safeguard is —

- (ii) No lands will be acquired under the provisions of this Act for a private company (which is not a Government company). Private company will have the meaning assigned to it under the Companies Act, 1956.

It was pointed out that the exemption under this Act should be restricted to public companies. Therefore, the provision has been made that no land should be acquired under this Act for a private company. The only exception is a Government company. Now, the expressions 'private company', 'Government company', 'public company', have been defined in the Companies Act, 1956 and, therefore, that meaning has been given to them.

Then, another safeguard is —

- (iii) Section 55 of the principal Act gives power both to the State Government and the

Central Government to make rules. It has now been provided that the rules for carrying out the purposes of Part VII of the Act shall be made by the Central Government only. These rules will be laid before each House of Parliament for a period of 30 days. Parliament may make any modifications in the rules.

In the original section 55, it was provided that the rules could be made by the appropriate Governments, namely, both by the State Governments and the Union Government. But there was a feeling that the rule-making power should be really concentrated in the Union Government only, so that the pattern of exceptions, etc. would be the same. But we could not do it to the entire Act because what was sought to be amended in this particular Bill was only Part VII of the Act, and therefore we could not make this rule 55 apply to the whole Act. Therefore, it can only apply to Part VII. Under Part VII the power which used hitherto to be exercised both by the State Governments and the Union Government for making the rules will be exclusively utilised hereafter by the Central Government, and when the rules have been made, they have got to be laid on the Tables of both the Houses. And within thirty days they can amend them or change them in any manner they like.

In framing the rules it will be ensured that compulsory acquisition for companies is resorted to only where Government is satisfied about the absolute necessity of such a step and that Government will not intervene unless it is satisfied that all reasonable means have been exhausted to make it worth while for the owner to part with his property by private negotiations and particularly that the price offered is just and fair in the circumstances of the case. This was, Madam, the assurance that was given to the other House in response

to the sentiments that were expressed as to why the Government should at all use its legislative power to acquire land if it is possible normally to acquire the land by negotiation, as it is done perhaps in 95 out of 100 cases. Therefore, on behalf of the Government I gave an assurance, which I want to repeat to this hon. House as well that we shall see that we make the rules in a manner that when the land has got to be acquired, it can be acquired only in exceptional circumstances. It is a thing between the two parties, the party that owns the land and the party that wants to get the land. It is possible for them to meet and offer the price, to negotiate anything, they can offer shares, they can offer anything. If that is done, then the Government does not come in, because it is a free transaction between the two parties. Therefore, unless the Government is satisfied that these normal avenues that are open to the parties were thoroughly exhausted and it has become impossible unless the Government intervenes, which is a very rare case indeed, only in that case the Government will intervene. Otherwise the provisions of this Act will not be applied to the acquisition of land for companies, whether they are Government companies or other companies; it has got to be done by private negotiation.

It will also be ensured that good agricultural land is excluded from acquisition unless unavoidable. The Government is anxious that the Act should be administered in such a manner as to cause the least inconvenience and hardship to the farmers. That is particularly a part with which I am vitally concerned as the Minister of Agriculture, because that is my only relation with this particular Bill, as this Bill is really meant for companies, industries, and so on. But the Agriculture Minister specially comes in because this refers to land which is under the Agriculture Minister. Moreover the Agriculture Minister is very directly and very vitally interested in seeing that good agri-

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cultural lands are not acquired for any purpose whatsoever because that means so much of diminution in the agricultural production that we have got in this country. But lands are going away for various other purposes. I am not going into that, but it is a matter of extreme concern to me because the available land that we have for agriculture is indeed very little. This House must know that this country really has brought under tillage as much land as 41 per cent., the most dangerous ratio to be found in no other country in the world. No other country comes even nearer to us. The country that comes next to us is Indonesia with 29 per cent. of its land under cultivation. But India has gone to the point of having 41 per cent. of its land under cultivation, to the detriment of forests, to the detriment of many things which are necessary for the consolidation of this land. Therefore, this has really added to the responsibility of the Agriculture Minister that he must make it impossible for good agricultural land to be taken away for other purposes. But sometimes it may become very necessary. For instance, suppose you strike oil somewhere and something has come up although it could be good agricultural land on the top. Surely oil is perhaps one hundred times more valuable and therefore it has got to be done. There may be circumstances where it has got to be done, but those circumstances are described here as unavoidable. Unless I am satisfied that it is unavoidable, we would not give any sanction for the acquisition of land which is a land that can be used for good agriculture. That promise was given to the other House. I am repeating that promise to this hon. House as well so that these will be secured in the rules that will be made under section 55 of the old Act.

During the course of the debate in the Lok Sabha some suggestions were made for removing deficiencies in the principal Act. However, the scope of this Bill is restricted to the removal of certain defects in Part VII of the

Act. The Government propose to review the scheme of the principal Act as a whole in consultation with the State Governments in the near future and to promote necessary amendments. What happened was that although the Bill was restricted only to amending section 3, when the Bill was before them, everybody thought as though the scope of the Bill covered the entire Act of 1894, and therefore amendments were made of various types by which wherever defects were found in the implementation, in the performance, in many other things in the old Act, they were pointed out. It was very difficult for us legally and constitutionally to incorporate those amendments or do anything about them because what was under amendment was not the entire Act but only a limited portion of the Act. But I have given a promise to the other House, which I repeat to this hon. House, that Government is proposing, wherever defects have occurred and where the Act requires really strengthening or review, that such a review is possible. But the States have got to be consulted about it, because this question of acquisition of land is a concurrent subject over which the States have got independent jurisdiction, and therefore before depriving them of their jurisdiction under the concurrent subject, it becomes almost the paramount duty of the Union Minister, of the Union Government to take steps also in consultation with them so that if they desire that this Act should be amended in the way that it has been suggested, it could be done. Therefore, the promise that is given to that House which I repeat to this House is that in consultation with the State Governments if it is found necessary that certain other aspects of this Act have got to be changed, that kind of overall change of the Act also is under our contemplation. These are the measures that we contemplate. It is necessary that while we have taken up a Plan, apart from anything else, the necessities of the Plan are paramount, and those necessities have got to be met. It is very easy to say

sometimes—and I subscribe to that view—that land under no conditions should be parted with. But what is the question here? The question ultimately comes to the quantum of compensation. If by private negotiation anybody can sell his land to anybody else, surely the Act does not come in, the Minister does not come in. The only question is when it is felt that the quantum of compensation that is given is not adequate, as it was in the case of *Aurora versus the U.P. Government*, what should be done. If the party is satisfied with the compensation, such a question would not have come before the House. We have also said that even in acquiring land we shall satisfy ourselves that if it could be done by negotiation, no matter what they have paid, we do not go in, the Government does not go into the question of quantum of compensation; it is between the two parties. Whether they take one rupee or ten rupees it is their business. But when they cannot decide that and it becomes unavoidable and necessary in the interests of the public or for the public purpose to acquire the land, then alone it has got to be acquired.

These are the provisions that are made in this Bill. Sometimes it is thought that because the State Government thinks that land has got to be acquired, therefore it goes on with the proceedings and acquires it. It is not so. If you go through the history of this Act—there might be certain exceptions, certain things may have been wrongfully done—the Act has been utilised in cases and in circumstances which were really unavoidable and where it had to be done. Having accepted the Plan, we have got to see that the Plan is implemented. The factories have got to be built up and our industry and our agriculture must go hand in hand. They are supplementary and complementary to each other. Unless that is realised, unless those things are implemented, there cannot be any economic progress of this country. By that I do not mean that because it is an

industry we should acquire the land. If it is possible that you could give some land which is not good agricultural land but a land which is of a nature that nothing very important grows on it, I can understand. But if it is proved that it has got to be in a place where good land has got to be taken, sometimes even as an exception, we have got to do it.

I do not want to take up the time of the House. These have been discussed almost threadbare and many of the aspects of the Bill have been gone into. And I would appeal to this hon. House that in order that there should not be any impediments in the acquisition of the land where it is felt necessary, we should also accede to what the other House has done.

The question was proposed.

THE DEPUTY CHAIRMAN: As there are very many speakers, the House will sit through the lunch hour. Mr. Bhupesh Gupta.

SHRI AKBAR ALI KHAN (Andhra Pradesh): Madam, on a point of clarification. Before my friend starts speaking, I want one point to be clarified. May I know what the special reason is for the Ministry of Food and Agriculture to sponsor this measure? Normally speaking, as he said in his speech, he would make every effort to see that land, especially land for cultivation, is not taken by anybody. I can understand this measure being piloted by the Industries Minister. I would like to know what the special reasons for the Minister of Food and Agriculture to pilot this Bill are.

SHRI S. K. PATIL: I made it clear, Madam, at the very beginning because there are several subjects such as this one which really become the responsibility in part of practically every Minister. Because this relates to planning, the Planning Minister might have come in. The Law Minister might come in because it is a ques-

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tion of law. It pertains to industry and therefore the Industries Minister can come in. But, somehow or other, all these years anything that pertains to land has been, by and large, the responsibility of the Minister of Agriculture. Now, I have made it clear that there is one part which is wholly and vitally my responsibility, namely, good land, good agricultural land, ought not to be used for acquisition and therefore, rather than the Bill being moved by half a dozen Ministers—I have not heard of it—it is just as well that one Minister moves it.

SHRI N. M. LINGAM (Madras): But we thought that you would not come forward for the liquidation of your valuable lands.

SHRI BHUPESH GUPTA (West Bengal): Madam, I can say that the Bill is in tough hands. Mr. S. K. Patil, whatever you may say about him, is a tough man, a tough hon. Member and Minister. That is why perhaps he has been given this assignment. But we are not concerned with it at the moment.

Now, Madam, right at the beginning, I must express my heartiest congratulations to the majority of the Judges in the Supreme Court who decided the case in the manner in which they did, the case of *Aurora* against the Uttar Pradesh Government. It is a good thing to see our Supreme Court Judges acting sometimes in this manner . . .

AN HON. MEMBER: Always.

SHRI BHUPESH GUPTA . . . as the sentinel of public interests because I think the judgment is permeated with the spirit of public interest, which led to the majority of the Judges to come to the conclusion that the Government had acted beyond the range of law and acted *ultra vires* of the Constitution and the law. Therefore, I think we should congratulate them and encourage our Judges when they function in this manner. I am

not opposed to legislation in order to circumvent the difficulties created sometimes by judicial decisions. But here we in Parliament are concerned with promoting certain public ideals and public interests. If, for example, a decision goes in favour of the vested interests and against the spirit of the salutary provisions of our Constitution and against the declared aims of all of us, then, of course, we would like such a judicial decision to be negated by legislation. But when the decision is in favour of certain good and high ideals and against the vested interests, it should be the duty and function of Parliament to sustain this decision and uphold the stand taken by the judiciary. Unfortunately, in this particular case, I find that the Government had decided to do exactly the opposite. That is to say, a good decision of the Supreme Court is sought to be negated first by an Ordinance, executive fiat, and then by legislation, here again counting on the brute majority that the ruling party commands.

Having said that, I must also at the same time extend my appreciation and greetings to the members of Congress Party as well as the Opposition who combined in another place, actuated by public interest, to see that the Government did not have its way and who stood by the decision taken by the Supreme Court in this matter. That is why a Bill which was supposed to have been passed in a matter of two or four hours had to be debated in another place for such a long time. Well, that only shows that there are many points on which Members on this side of the House and on the opposite can agree, provided they adhere to common principles and common public policies. That is why I saw the remarkable unity of the right-minded men on the Government side speaking in their private capacity and the Opposition Members together, mounting a very powerful and a very remarkable opposition to the Bill as it was presented then. That only underlines the need for such efforts

on the part of both sides of the House. After all, parliamentary institutions cannot function if we do not rise above petty party considerations and join hands across the floor of the House in order to defeat some of the wrong moves of the Government and behold what we consider to be just and right. That is why I cannot but congratulate the members of the Congress Party in particular and the opposite side in the other House who came out vehemently against that Bill and lent their weighty voice in support of the proposition made by the Opposition and the other sides. A democratic procedure. It is a good thing that brings credit and honour to our parliamentary institution and I hope that in this House also we shall have the same demonstration of unity of purpose and of common ideals.

The hon. Minister spoke at length about the history of this Bill. Well, he did not tell us everything that he should have told us. It is well known that the negotiation started between the company owned by Mr. Ram Ratan Gupta on the one hand and the Uttar Pradesh Government on the other as far back as 1956. Earlier, there were some attempts to buy it through negotiation from the owner of the land. Later on, the Uttar Pradesh Government came in, and it seems that the Uttar Pradesh Government was very much impressed upon—if you do not like the word, influenced—by Mr. Ram Ratan Gupta. Not only that. The Uttar Pradesh Government gave a loan to Mr. Ram Ratan Gupta for starting industries, a huge loan of Rs. 50 lakhs was given. Now, it is not the Plan that is coming into the picture. As you relate the story, you see the unfolding of a drama of relations between Mr. Ram Ratan Gupta and the Uttar Pradesh Government and especially, Mr. C. B. Gupta, the then Minister for Commerce and Industry. Now the loan was given. Was it advised by the Planning Commission that the U.P. Government should advance a loan of Rs. 50 lakhs

to Mr. Ram Ratan Gupta in pursuit of some of his private industrial projects?

1 P.M.

From the Planning Commission report and other papers that I have come across so far, I did not get any indication that the Planning Commission had ever offered such advice to the U.P. Government at all. Therefore it stands to reason if I say that the U.P. Government acted outside the scope of the Planning Commission's jurisdiction or order and went in its own way to help and patronise someone they liked. This is what I should say. Now tell me where the Planning Commission came at that time, in 1956. That was the time when the Second Plan was about to be started and the First Plan came to an end. I was a member of the Consultative Committee and took part in all the discussions in the formulation of the Plan. Never did I get any indication that such a step would be taken, or steps of this nature would be required in order to promote and further the Plan. We never heard such things. Now we hear such things. Then what happened? When Mr. Ram Ratan Gupta got the money—as other companies were also given—he decided to start his Lakshmiratan factory—I suppose it is a name in his family. Anyway land was to be found. It was open to Mr. Ram Ratan Gupta to negotiate with anybody and find his land for his private sector industry. In fact he was doing so, it seems, with Mr. Aurora, and we understand that Mr. Aurora wrote a letter to the U.P. Government protesting against their likely decision to acquire his land, and then he received a reply stating that the matter was under negotiation, and so on. Anyhow two lines of development took place, negotiations on the one hand to acquire it, and on the other hand the moves of the U.P. Government in acquiring it. The idea was to compel the private party—Mr. Aurora or whoever they are—to sell the land at a lower price on a threat, that it would be taken over

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by the UP Government. And what happened? It could not be bought from the private party, that is to say, the private party could not be prevailed upon in this manner. And then the UP Government obliged the Lakshmiratan concern or the Lakshmiratan company; they obliged them by buying the land at a very cheap price. Now a private party has to negotiate and an agreed price has to be settled. As regards Government, it can, under the law, dictate a price. And here the land was bought, I understand, from Mr Aurora and other for Rs 30,000 or so, dirt cheap. Naturally the question arises, "In whose interest the U.P. Government was behaving that way?" It is useless to say that it was acting in the interests of the public. No public deputation went to the UP Government asking them to start a factory of this kind through Mr Ram Ratan Gupta and to acquire land for it. No evidence has been placed before this House or the other House that the public of Kanpur or UP or any political party led a deputation to the UP Government that in public interests this land should be acquired by the Government and made over to Mr Ram Ratan Gupta. Nobody has produced such an evidence. The only evidence that we get is that Mr Ram Ratan Gupta approached the UP Government and the UP Government bought the land. That is all that we get. The inference from this is that the UP Government wanted to oblige Mr Ram Ratan Gupta. Now here it is said that this land was bought at a price of Rs 1,000 or so per acre. Well, whatever it is, the land price is there, but it is higher. Some say that the price paid should be higher by Rs 25,000 or Rs 20,000. Anyway dirt cheap it was bought. Here the question of policy comes in. Now if it is really in public interest—shall we say, to set up a powerful defence industry or a steel plant or a hospital or a school—well, we can surrender certain things, and we can encroach upon the domain of the Fundamental Rights under article

31, acquire the land paying whatever price we want to give, it would be a socially sustained position; it would be a socially justified stand. But can we do the same thing when it is a question of finding land for a private party, and a monopolist at that, who is provided with a loan of Rs 50 lakhs and who is known to have crores of rupees in his possession? Would these both stand in the same category, either moral or social? If hon. Members think that they stand in the same category, then they would be entitled to say that the Government acted in good faith in this matter. If they think that they stand on a different footing, then I would ask the hon. Members to denounce this action of the Government as something which is nothing but the most shameless pampering of the vested interests of our country contrary to the declared policy of the Government. This is what I would like to place before this hon. House to consider.

SHRI M R SHERVANI (Uttar Pradesh) I would like the hon. Member to tell us whether this land was given to Mr Ram Ratan for his private purpose, say, for a house for himself, or was it given to him for an industry in the interests of the country.

SHRI BHUPESH GUPTA I am coming to that. First of all, you answer me that; now that point has been raised, whether it is private purpose or public purpose, and the Supreme Court Judges have held that it is not a public purpose within the meaning of the Act and the Constitution.

SHRI C D PANDE The judgment came later, later than this acquisition.

SHRI BHUPESH GUPTA Mr Pande always interrupts me. You do it on a point. And what is that point?

SHRI C D PANDE What I say is that this judgment came subsequent to the acquisition. Therefore, at that time this judgment was not in view.

SHRI BHUPESH GUPTA: It is quite right. Now you commit a murder believing that you are doing it for a noble purpose, and when the judge hangs you, can you say that the judgment came later and therefore, "I am not guilty".

SHRI C. D. PANDE: No, no, the judgment takes place subsequent to certain action done with the best of intentions under the provisions of a law, and you cannot say that you could have been convicted on the basis of judgment coming later on.

SHRI BHUPESH GUPTA: Mr. Pande should realise this. Yes, the judgment came later, but the judgment came to pin down an illegal act. This is the crux of the matter.

SHRI C. D. PANDE: Again I have to disturb you. This Land Acquisition Act has been going on for the last sixty years under a law which has not been interpreted in this way before. Only now this judgment has brought this difference.

THE DEPUTY CHAIRMAN: It is Mr. Bhupesh Gupta's interpretation.

SHRI BHUPESH GUPTA: I like, interruptions because that brings polemics, and I am a polemical man if anything. He says, "sixty years", but then we did not have this little thing called the Constitution of India sixty years ago.

SHRI C. D. PANDE: Even after that it is twelve years.

SHRI BHUPESH GUPTA: You must realise that there is this article 31.

SHRI C. D. PANDE: Still it is twelve years.

SHRI BHUPESH GUPTA: Therefore let us not go into that matter now. The matter now is the judgment.

SHRI B. K. P. SINHA: Madam, I have an objection of a different nature. This is a debate; this is not an inquisition of the U.P. Government.

We are debating the Land Acquisition Bill. The conduct of the U.P. Government may be referred to for a limited purpose of elucidating or criticising the provisions of this Bill, but the hon. Member is almost making it an inquisition.

SHRI BHUPESH GUPTA: This is not a debate if I am not allowed to speak on the U.P. Government, because this is the background of the Bill and it is stated in the Statement of Objects and Reasons of the Bill. I do not know why Mr. B. K. P. Sinha all the time interrupts me. Are you the spokesman or attorney of the U.P. Government? Tell me if that is the thing, and Bhupesh Gupta cannot be bullied by such kind of thing. I am here to indict the U.P. Government for having misled this Government.

THE DEPUTY CHAIRMAN: Mr. Bhupesh Gupta, you must listen to him; he has not finished.

SHRI BHUPESH GUPTA: Well, a wrong thing need not be said at length and whenever he gets up he will be saying something wrong; I know that; you also know. I have been with him for ten years in this House; I know this thing. Therefore, Mr. B. K. P. Sinha, will you be kind to me for a change? Now the position is this. It is a serious matter. I have read the debates in the other House. Because the U.P. Government behaves in this manner, this Government has come into the picture, not with a view to upholding public policy; it has come into the picture with a view to placating the party Government in U.P. on the one hand and their patron, Mr. Ram Ratan Gupta, on the other. That is my contention. Reject it if you like, but let me develop my case. Now Madam Deputy Chairman, it is a serious matter—public purpose. Mr. Pande's interruption was to the point. Is it not a public purpose? No.

SHRI S. K. PATIL: May I point out, Madam, that the hon. friend is only wrong because the words used

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there were not "for public purpose"? Had it been used, "for public purpose" all this trouble would not have arisen. The words "likely to be useful to public" were not very restricted and the judgement refers only to the legal part of it, you must correlate that to the thing that is built, whether it is directly useful, namely—well, I have explained that. Therefore, all this "public purpose, etc." is sought to be put there.

SHRI BHUPESH GUPTA: You have yourself said that "direct". That is right because that private company acquiring this land cannot be taken as a public company meeting directly the needs of the public that way, or for serving public purpose. It is important. Therefore, I have kept the words "public sector" in my amendment. Now this "public purpose" is here. That is directly appended in the body. How did the hon. Minister do it? I must say right at the beginning that in his speech he gave all the essential points but I disagree with him.

THE DEPUTY CHAIRMAN: Mr. Bhupesh Gupta, you must finish your speech.

SHRI BHUPESH GUPTA: I may be allowed to continue. There were so many interruptions.

THE DEPUTY CHAIRMAN: Only four hours are allotted for this Bill.

SHRI BHUPESH GUPTA: I will continue. Let me go on with my speech. Please do not cut me out. There are only 3 more speakers. I will try to be as brief as possible. But, you see how much time was taken by needless interruptions. I do not dislike interruptions but the time is short.

So, Madam, this is the position. Here a private company is being helped. Now I will give the background in order to understand . . .

SHRI S. K. PATIL: Again, Madam, it is not a private company, it is a public limited company.

SHRI BHUPESH GUPTA: It is a private sector company. Mr. S. K. Patil wants to secure a debating point on me. I can correct it. You see, it is not a public sector company. It is a company owned by private owners, not by the Government of India or by its agencies.

SHRI M. R. SHERVANI: There are hundreds of shareholders. Mr. Ram Ratan Gupta is only one of them.

SHRI BHUPESH GUPTA: Tell the story to the kindergarten, if you have any. I know how Mr. Ram Ratan Gupta gets hold of shares and controls companies. Was this Rs. 50 lakhs given to the ten thousand shareholders? It was given to Mr. Ram Ratan Gupta. Who signed for it? Who got the cheque? Can you tell me something about it? Of course, the shareholders did not get it. (Interruptions). These interruptions will only spoil Mr S. K. Patil's case. Because he has got already a bad case, do not make it worse.

Now, what is the position? Suppose a monopolist starts a mill. Certainly it provides employment to workers. Well, one might call it "public purpose". Suppose a person produces cloth. He sells it in the market. You might say it is "public purpose", public purpose is being served. But the driving factor is the profit motive, serving private interest. If the Tatas, Dalmias, Jains and Guptas—not Guptas on this side—are starting these mills and companies, they are guided by the profit motive in order to earn extra profit. Well, that is the line. Certainly, it cannot be put in the same category as our starting the Bhilai Steel Plant or the Heavy Machine Tool industry. (Interruptions) Here again interruptions. Shall I yield?

THE DEPUTY CHAIRMAN: Let Mr. Bhupesh Gupta have his say because the time is limited.

SHRI BHUPESH GUPTA: Well, I did not know, I never thought that so many advocates of Mr. Ram Ratan Gupta will be here. I am alarmed at this thing because if these voices become voluminous, something else will be lost.

There it was taken for that. And now what did the Government do? The land was taken away from somebody, given over to somebody and everything was sought to be hushed up. And if the matter had not come to the Supreme Court, nothing would have happened. Now, Mr. Aurora seems to be a rich man. He talks about Rs. 60,000 and Rs. 70,000 and so on. Suppose the party concerned were a small farmer, it would never have been possible for him to go to the Supreme Court at all and a wholly illegal action would have passed in order to help big business in our country. It was because a rich man was involved, he came to the Supreme Court, fought out the case and we have the entire position reopened before us. In that manner we have come to know of the entire transaction that took place.

Madam Deputy Chairman, we have set before ourselves objectives of the public sector. We have set before ourselves the objective of weakening concentration of economic power. We have set before ourselves the objective of reducing economic disparity. And here, you see the Uttar Pradesh Government now, supported by the Central Government, not only helped a multimillionaire by giving him loans but acted as the buying agent of the multimillionaire.

SHRI M. R. SHERVANI: Madam, Mr. Gupta is against rich men but he is supporting one rich man against the other. He said "Aurora and Gupta are both rich".

SHRI BHUPESH GUPTA: If it is a question of rich men, I am for the smaller rich and certainly against the

multimillionaire. If it is a question of choosing between the rich men, if it is a question of a choice between Mr. Pande and Tatas and Birlas, certainly I would rather have Mr. Pande than Tatas or Birlas. It is quite simple. Here it is not a question of rich and poor. The question is that because here a rich man was involved, perchance the case came to the Supreme Court. We are discussing this matter. If it were a question of a poor man, this question would not have come before us and an entirely unjust, undemocratic, tainted action would have passed without the notice of the country and Parliament. I think that should be understood by the hon. Members opposite.

Now, here the rule-making power and all that are there. That will not do anything. The Government has that power. First of all, why must we allow the ordinance-making power of the Government to be used in that manner to help a multimillionaire in the country? That I cannot understand. Parliament was meeting in August. Why did the Government not wait till Parliament met and hurried with its Ordinance in order to veto the decision of the Supreme Court? That also remains to be explained. What on earth would we have lost if they had waited till Parliament had come to meet? When it is a question of richer classes, our hearts flow with kindness and generosity as far as that side, the Treasury Benches, not others, are concerned. When it is a question of poor men, the Government is tardy. I know many people have been ejected by the Government in an unjust manner in some parts of the country in the name of serving "public purpose". The poor men did not get any remedy from this Party. But the moment it comes to the Congress M.P., Mr. Ram Ratan Gupta, well, all the doors of the Government are thrown wide open for Mr. Ram Ratan Gupta to walk in and get away with this kind of thing. This is socially repulsive, morally repugnant and contrary to

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the fundamental policies that we have declared in our country. I think the Government has acted in this manner in violation of the social objectives. Madam Deputy Chairman, if such a thing had happened in any other country, in England if something had been done by the Government in this manner, I think the Prime Minister of England would have come and apologised to the country and set the matter right in the other direction. But here, legalise all the deal for Mr. Ram Ratan Gupta.

SHRI C. D. PANDE: That has not been legalised. It is being changed. You should read that Bill.

SHRI BHUPESH GUPTA: Mr. Pande does not understand some of the obvious things, intelligent as he is.

SHRI C. D. PANDE: The Bill is not in support of that action. It has changed that action. The whole thing is changed.

SHRI BHUPESH GUPTA: Mr. Ram Ratan Gupta retains all his land through this thing. Otherwise it would have been difficult for him to retain it. In fact, before the Government of India came into the picture after the Supreme Court judgement, it was necessary for the Uttar Pradesh Government to return the land to Mr. Aurora. They did not do so. It was here that I say that the Uttar Pradesh Government committed contempt of the Supreme Court by not taking back the land from Mr. Ram Ratan Gupta and restoring it to its former owner in order to give effect to the Supreme Court judgement.

SHRI M. R. SHERVANI: Madam, he is confusing the issue. Mr. Ram Ratan Gupta has not been given the land. The land has been given to a public company.

SHRI S. K. PATIL: I would not have normally interrupted my hon. friend because that also takes some

time. He is right. But all the time the gravamen of the charge is that this is being done for Mr. Ram Ratan Gupta. Actually it is for hundreds of acquisitions in this country which have been rendered vulnerable by that decision that the Bill has been brought forward. So far as Mr. Ram Ratan Gupta is concerned, our enquiries show that though here we hear stories of thousands and lakhs of rupees and so on, it is a 4-acre land, the cost of which is less than Rs. 5,000.

SHRI BHUPESH GUPTA: Yes, I understand this, but how did the case arise? In your Statement of Objects and Reasons, you have said it. But for Mr. Gupta's interests in this case, you would not have seen the need for bringing in the Ordinance or this Bill now. I agree that it opens the door for other things also and that is all the more dangerous because if the State Governments now start acquiring land in this manner to placate their patrons, I think at every election time we will find many multi-millionaires coming and pouring their money to the Congress Election Fund so that afterwards you acquire land and give them. What is the protection? There is no protection. Your assurances will not be worth anything for the simple reason that they are assurances, they do not have the force of law and if they go to the Supreme Court, it is not the assurance that will be cited there but the provisions of the law and the provisions of the law still leave it open for the State Governments to acquire land under the circumstances of this Bill and make over to the private sector industries, whether owned by Mr. Gupta or by anybody else. We are opposed to that kind of thing. Let the privately owned companies get their land through negotiations through the normal process of the market rather than utilise the Government in order to procure land for them. I say this because the Government itself would be in need of land in order to develop its public

sector and the Government should be in an absolutely good moral position to acquire land with the support of the entire country from the vested interests, not from the farmers without giving proper compensation, but from the vested interests, if necessary at a lower price but then it would be justified on the ground that the Government is not a private party interested in private profits but is actuated by serving the nation and in fact carrying out the wishes of the nation because these things will be discussed in the Parliament as well. That position of the Government is compromised by this Bill. I say that this weakens this position on the plea that the Government encourages the States to acquire.

SHRI SONUSING DHANSING PATIL: My hon. friend has approved the scheme in the Bill and also the Industrial Policy Resolution in which both the sectors are approved. Now he is trying to make out a case for a public sector and it is most irrelevant here now.

SHRI BHUPESH GUPTA: It is very relevant. Then your interruption becomes utterly irrelevant.

THE DEPUTY CHAIRMAN: You had many interruptions, Mr. Gupta, but nevertheless your half an hour is over.

SHRI S. K. PATIL: May I add one thing? The hon. Member was very kind to say that he is prepared to come to the help of the Government in the public sector. It is the public sector land in Bombay that was attracted by this particular judgment because the Trombay Company are also a company in the public sector and the land could not be acquired for the Trombay because this judgment was availed of. Therefore, that is really the reason why we are very hastily doing this because all our programmes are stopped.

SHRI BHUPESH GUPTA: When Mr. S. K. Patil interrupts me, I like him because he is a straightforward

man in such matters. My amendment precisely empowers him to take for the public sector in such cases. If you see my amendment, you will see that. I do not want to debar the Government from acquiring when needed, any land for the public sector industries but I want to debar the Government from acquiring land under this Bill for industries which are not public sector industries, which are industries held by privately owned whether by shareholders or otherwise. This is the position I take.

SHRI AKBAR ALI KHAN (Andhra Pradesh): You must have seen the modifications accepted by the Minister there. They go to a large extent to meet your point.

SHRI BHUPESH GUPTA: Mr. Akbar Ali Khan . . .

THE DEPUTY CHAIRMAN: Mr. Gupta should be allowed to finish his speech now. Already half an hour is over.

SHRI BHUPESH GUPTA: Fifteen minutes have been taken over by interruptions. Madam, I am very fond of interruptions because I am myself an interruptor. Only time is the factor here. I do not have any grudge against hon. Members. Regarding Mr. Patil's point, if I had taken the position that I would not allow anything to be acquired for the public sector, he would be entitled to criticise me but I do foresee the need for acquiring land for the public sector under certain circumstances and therefore, I would like it to be there but restrict it to the public sector only. Now the private sector means what? It means that the Government is developing another line of assistance in an unjust way to the private sector. All your financial institutions like the I.F.C. are giving enormous loans to the private sector. Your L.I.C. is giving loans to the private sector. You are directly giving loans to them. This has been done in this case also. Now the Government is again taking power to

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acquire land for the private sector and act as the buying agent for land for the private sector. This is not good, not merely because it is economically bad and somewhat deplorable but it is bad also because it presents the Government in wrong lights before the country as a whole more especially when the situation arises out of such as this case of Mr. Gupta, and his friend's case. This is what I am trying to impress on the House. That is why fears were expressed, and I do not have the guarantee that nothing will happen today in order that these fears are proved unjustified. This case is very very important. So I say from the public policy point of view it is wrong. It is helping the monopolist section and it is doing so by annulling a judgment of the Supreme Court. It is all the more bad when you do such things in this manner. As far as the private sector is concerned, they negotiate for so many things in the markets. They buy industrial raw material from the market. They employ labour, they secure lands. Why should they not be in a position to acquire land for them through negotiations? If it is a question of poor men holding the land, they are completely helpless against the combination of the powerful private sector and the State Government. There you must also bear in mind this and now the spectre that the State will acquire land will be hanging, will be haunting all these small land-owners, when a private sector man goes to negotiate to purchase some land from the farmer. He will have the fear at once that unless he fell in line with the dictation of the private sector industrialists, there might come the State to acquire it and at even lesser price. That fear will always be in the minds of the farmers and others who hold land. When they enter into negotiations between a private industrialist and businessmen on the one hand and the landholders or the farmers on the other, the farmers will be, in the

bargain, placed in an utterly disadvantageous position as against the other side, namely the industrialists. Is it the policy of the Government to create such a situation? Is it the policy of the Government to allow advantages to the multimillionaire class as against those small owners of land, farmers and agriculturists who may need protection? I think that should not be the policy. If that is not the policy, then this Bill can never be supported even in this form unless you accept my amendment. This is what I would like to say. Madam, I do not wish to say much on this subject, because these are the main points that I wanted to make. I have raised the policy question over this matter in all seriousness. I think this Bill has demonstrated how readily the Government falls in line with the vested interests and how quickly they pass ordinances to precede legislation even to set aside the judgment of the Supreme Court when that judgement comes in the way of the interests of the multimillionaire classes. That is what I say. The small man will not come into the picture at all as an industrialist. It is only in the case of the bigger ones that the Government will be concerned. Why should we give power to the Government to acquire land for the bigger industrialists when we know from experience and from the case of Shri Ram Ratan Gupta and other similar cases that the industrialists do have plenty of resources with the help of which they can procure whatever land they want? Why should we go to their relief in this manner? This raises great suspicion and the suspicion is aggravated by the fact that there are things arising out of this particular case which speak of a shady, dark deal between the multimillionaires and the Uttar Pradesh Government. Now there we stand. I appeal to this honourable House to consider in all seriousness whether we should pass this measure and whether it is really a question of public interest or of private profit motive. If it is a

question of promoting the public interest and helping the Government to build up the public sector in this manner, then of course, there cannot be two opinions in the House and the Government should be given the requisite power to deal with the problems as they appear. But since the matter is one which relates to the private sector and has indeed arisen out of the private sector, I think the Government cannot be given this power. It is most unfortunate that the hon. Minister, Mr. Patil, should have brought in the Planning Commission and the Plan. We are all for the planned development of our country. But at the same time, we have set before ourselves certain objectives and when we speak of industrialisation and our Plans, we have also certain other objectives, namely, the promotion of the public sector faster than the private sector. We want to alter the relations between the public sector and the private sector in favour of the public sector. The Plan also lays down these objectives. We want to curtail the power of the multimillionaire class and the monopolists and we should not do anything which runs counter to these declared objectives. Here in this specific case it is clearly and unmistakably a case of flouting the declared objectives of the Government and of the Plan. The Planning Commission could never have been consulted in this matter. I would like to know whether the matter was referred to the Planning Commission and whether the Planning Commission agreed that this land should be acquired in this manner, that such land should be acquired in this manner in order to help the private sector and the monopolist class. If the Government had consulted the Planning Commission, let them say so and also tell us what has been the answer of the Planning Commission in this matter. I do maintain, Madam Deputy Chairman, that the Planning Commission has been by-passed in this matter as is clearly shown by the fact that the whole thing originated in 1956 when there was no such question.

THE DEPUTY CHAIRMAN: Mr. Bhupesh Gupta, please wind up.

SHRI BHUPESH GUPTA: Yes, Madam, I do maintain that the Planning Commission is being flouted even now and so it does not lie in the mouth of the Government today to take the name of the Planning Commission and the planned development of the country when everybody knows that they are really doing this thing in order, in the first instance, to placate Mr. Ram Ratan Gupta, and the multimillionaires in the industry and then follow it up by placating others of the same sort. Now I would ask the hon. House to consider all these aspects and give its judgment against this provision. It is a serious matter. I would ask the House to consider this matter and raise its voice of protest at least against the behaviour, the mentality, the attitude, the approach and the outlook of this Government.

I am sorry Mr. Patil has come here to sponsor a thing which is not legitimate from any good point of view. Its illegitimacy is writ large on every page of the Bill. This is what I say. I say if he has come to this House for getting support to this Bill, the House will tell him "We have taken note of it. There may be some benefit to Mr. Ram Ratan Gupta. Lastly . . .

THE DEPUTY CHAIRMAN: Mr. Gupta, you have been for the last ten minutes referring to your "last point".

SHRI BHUPESH GUPTA: This is the last point, Madam Deputy Chairman. There are certain other papers and so on with me here. I do not want to refer to them now. Hon. Members probably have already got them, for I understand they have been supplied with copies. The question is important and considering the entire behaviour of the Government in this thing I strongly condemn this attitude of the Government in placating in this unashamed manner the multimillionaire class in this country. It is our duty to bar the road of the Gov-

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ernment and to prevent them from doing so and to see that the right course is taken and that the Government retraces its course and takes to the proper course which is in the true interest of the country.

THE DEPUTY CHAIRMAN: Mr. Pande. You will not take so much time.

SHRI C. D. PANDE: I will speak only for ten or twelve minutes.

THE DEPUTY CHAIRMAN: Take only ten minutes.

SHRI AKBAR ALI KHAN: Madam, he will speak to the point.

SHRI C. D. PANDE: Madam Deputy Chairman, the whole speech of my hon. friend, Mr. Bhupesh Gupta, related to this one case of misuse of this Act. He has dealt with the measure from that bias in mind. My view is that to bring forward a Bill before the House because of a particular abuse of the law is not proper justification for changing the law. The mind of Mr. Gupta and of some in the other House was biased on account of that one case. Every speaker who was in favour of a change in the Bill dealt with that case. One case out of thousands of cases during the last 50 years should not be allowed to weigh so much and to prevent us from having a proper perspective. For that would cut at the very root of every industrial development in the country.

It has been said that you can do anything for the public sector, but you cannot acquire land for the private sector. I totally differ from this point of view, because I believe that in mixed economy when we want both the sectors to go hand in hand, if we assign certain duties to each sector, it is our duty to see that proper facilities and proper help are given to each in order to grow in that direction. Otherwise they cannot grow.

You should see to the needs of both the sectors; otherwise I am afraid the share that we have allotted to the private sector will never be fulfilled. I hold that land should be acquired at a proper price, on the basis of purchase. But according to our experience we know that if land is to be purchased at a particular place, it becomes difficult. After all, where can industries be located? They must be located at places where there is a railway station nearby. There must be water available and road communication satisfactory. In such places alone industries can be established. The moment land is needed for such a purpose, we know that the land will not be available for purchase at reasonable prices. The moment people come to know that certain industrialists are interested in the land, the price of it goes up.

SHRI B. D. KHOBARAGADE (Maharashtra): How much?

SHRI C. D. PANDE: Even five times. And it will not be an economical price.

SHRI B. D. KHOBARAGADE: It may be five times, but what is the percentage? What percentage does the cost of the land form compared to the whole cost of the project?

SHRI C. D. PANDE: The cost of the Land has got a certain proportion to the industry, the machinery has got a certain proportion and so on. If land cost becomes abnormally high it will disturb the economics of the industry.

It has also been said that because certain industries are in the hands of private persons or because they are in the private sector, they should not be helped. I am afraid such a stand is fundamentally wrong according to our philosophy of industrial development in this country. Now, what exactly is this private sector? In the private sector, I dare say that the Government is the biggest share-

holder in this country. Is there a single industry in this country where the Government does not have the biggest share, compared to the other shareholders? Let us remember that 45 per cent is the corporation tax that is levied. Take the example of the sugar industry. In a particular factory, the entire or rather the major portion of the earnings go to the public exchequer. In a single sugar factory of average size, if it produces six lakh maunds of sugar, on every maund of sugar we pay Rs. 12 as the excise duty and cane cess. This one single sugar factory pays nearly Rs. 75,00,000 as indirect tax. An average size sugar mill has to pay to Government a crore of rupees as excise duty and then there is the Corporation Tax, Income Tax.

[THE VICE-CHAIRMAN (SHRI M. GOVINDA REDDY) IN THE CHAIR]

In the same manner, a cement factory pays to Government more than what it pays to the shareholders or to the managing agents. Therefore, to say that the private sector has no claim on our sense of justice is something which will prove detrimental to the growth of industry. If the private sector has to grow as you have allowed it to grow, then there must be some sense of proportion.

It is no consolation for a landowner whether the land is appropriated by the Government for certain military establishments or for building certain dams or in connection with some projects which are the direct concern of the Government or it is taken up by some man for running industries so long as the landowner gets the lowest price. I want to impress on the Government that they should bear in mind the reasonable price to be paid by the industrialists. Whenever they acquire land they should see that a proper price is paid. In this connection, I would like to refer to one instance. In Delhi proper Government have acquired 34,000 acres of land—you can say that it is for a public pur-

pose—in the name of the Master Plan. The price has not been paid but the land has been frozen and I am afraid that when the time comes for paying the price, only a very nominal price will be paid . . .

DR. ANUP SINGH (Punjab): May I ask the hon. Member about the reasonable price? On the Grand Trunk Road to Punjab, sixteen miles from here, land was selling at about a thousand rupees per acre, it comes to 25 nP per square yard. As soon as industries started coming there, prices shot up and land is selling at Rs. 25,000 per acre. The moment some companies come, prices immediately shoot up. So, what will determine the proper price? Will it be the proper price for agricultural purposes?

SHRI C. D. PANDE: No.

DR. ANUP SINGH: Or the industrial purposes?

SHRI C. D. PANDE: If he wants clarification, I will say that prices should be not only reasonable, but more than reasonable. We should find out the price of land at the time industry started coming there. I am even prepared to say that the proper price should be market price plus fifty per cent. but it should not be a blackmail price, in the sense that since one is the owner of the land, one can quote any price one likes.

DR. ANUP SINGH: It is not blackmail in the sense that in the city they are prepared to pay Rs. 30 to Rs. 40 per square yard and there they get it for Rs. 4. How can you say that it is blackmail?

SHRI C. D. PANDE: It will depend upon the value in the surrounding area. There are elaborate rules to see how price should be fixed. I will put forward another set of possibilities. The private owner should be asked to pay twice the amount of whatever the Government pays for the

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same type of land. I am prepared to go to this extent but it should not be absolutely at the mercy of the owner because it will be almost impossible to put up industries. Mr. Bhupesh Gupta asks as to why we are interested in certain industries and secure land for them. May I draw his attention to the fact that in every stage Government comes in. If a factory is to be established, it has to be licensed first. Finance is secured, facilities have to be given and then, after establishment, if it is mismanaged then we have a law enacted by our Parliament that enables Government to take over that industry. There is no *laissez faire* theory operating in this country. If it were so, we would have said, "You purchase the land. If you cannot purchase the land at prices asked for, then do not establish the factory". In this country, there is no industry which is not controlled by the Government at every stage. A sugar mill, a cotton mill or a jute mill, if it is mismanaged, does not Mr. Bhupesh Gupta come and ask why it should not be taken over?

SHRI BHUPESH GUPTA: It is a wonderful control.

SHRI C. D. PANDE: If we take it under control, what is the basis? What is the fundamental law on philosophy? You cannot have it both ways.

SHRI BHUPESH GUPTA: I steal food from Mr. Patil's house and give it to Mr. Pande. Will it be public purpose?

THE VICE-CHAIRMAN (SHRI M. GOVINDA REDDY): The hon. Member has not yielded.

SHRI C. D. PANDE: What I am saying is that even in respect of the private sector, on the basis of all the laws and regulations of the Government, it is the duty of the Government to see that there is some help given at every appropriate stage. We fix the wages of labour through Wage

Boards. There are a number of controls and in the case of mismanagement, we assume the management ourselves, and so, to say that we should control private industry at every stage and yet grudge when the acquisition of land is necessary is not correct. We must acquire and give land on reasonable price. I say that it may even be double the price that Government would pay for that very land. To say, therefore, that we have got a grievance against this Bill will only make it almost impossible for any industry to be set up in the future unless, of course, Mr. Bhupesh Gupta says that he is not for the private sector.

SHRI BHUPESH GUPTA: I want the private sector to come but not in this manner.

SHRI C. D. PANDE: Do you not visualise the possibility that it will be almost difficult for the private owners to get . . .

SHRI BHUPESH GUPTA: It would be possible for them . . .

SHRI C. D. PANDE: Before this Bill, we were getting land and there were certain rules but because certain persons behaved in a blatantly unreasonable manner, the Supreme Court gave a judgment and on the basis of the judgment we have gone too far in saying that the ground of acquisition should be strictly defined public purpose. In my opinion, an industry approved by Government is in itself a public purpose. If the Planning Commission approves a project, it becomes at par with Government owned concern.

SHRI BHUPESH GUPTA: Some day you will say that Mr. Dalmia will be a public purpose but then he is in jail in Delhi.

SHRI C. D. PANDE: What right have you got to assume management if a company does not run efficiently or competently? Has the industrialist not got the right to mismanage?

THE VICE-CHAIRMAN (SHRI M. GOVINDA REDDY): Mr. Pande, you said that you would take ten minutes. You cannot finish if you go on meeting these points. You have no time.

SHRI C. D. PANDE: According to our industrial policy under which we are working, it is a bounden duty cast on the Government to treat the private sector at a par with the public sector concerns, if they are approved for establishment.

SHRI I. T. LOHANI: (Gujarat): Mr. Vice-Chairman, I wish to make a few observations, and do not desire to detain this House for long. I have before me some amendments and I should like to say that there are lots of industries which are as important as the public sector industries and for that reason it may be necessary to have land acquired. I feel that sufficient safeguards have been provided in this Bill in relation to the purposes for which land would be acquired and I do not see the need for any amendments that my hon. friend has suggested. I am happy that the hon. Minister has given us an assurance that land for industry will only be acquired if all private negotiations have failed and the industry is of public importance. And on acquiring land, I am sure, compensation will be paid fully to the owners of that land. One instance has come to my notice and I should like to place it before the hon. Members. Owners of land near Shahdara were informed in 1959 that their land would be acquired. So far that land has not been acquired thus leaving a stalemate because the landlords neither know what to do whether to improve their land or not, nor do they know when that land is going to be acquired. In fairness to them I would request that if that land is to be acquired then they should be given the price that prevails at the time of the actual order of acquisition and not the price that prevailed in 1959.

The House will fully realise that there are certain landlords and certain land-owners who will take undue ad-

vantage of the growth of industries in their vicinity and raise the price beyond limits. Therefore I think this Act is essential and necessary and the rules that are going to be framed and which are going to be placed before both the Houses are enough safeguards for the land-owners.

Before I conclude, I should like to express our gratitude to the hon. Minister for fully appreciating the popular sentiments, for the assurances that he gave to this House and for removing the apprehensions which some of the Members in Lok Sabha had in regard to this measure.

SHRI M. S. GURUPADA SWAMY (Mysore): Mr. Vice-Chairman, I was very much pleased with the introductory remarks made by the hon. Minister. I was pleased because I saw an increasing responsiveness on the part of the Minister to recognise popular pressure and popular feelings regarding some of the aspects of the Bill. This Bill has been debated very elaborately in the other House for nearly two or three days. Many points have been covered but the final picture that has emerged out of the long debate proves that the Minister was very resilient to ideas and suggestions made by various hon. Members.

Let us first of all understand how this amending Bill became a necessity. Hon. Members have pointed out that this was necessitated because of the judgment of the Supreme Court. We should not forget this fact and the judgment of the Supreme Court was very clear on one issue which has perhaps not been taken into consideration seriously by the Minister or his colleagues. The judgment is very clear in regard to the meaning of 'public purpose'. The Minister took pains to point out that there was a technical error, that an unconscious technical error had crept in the order of the U.P. Government and that error was the subject of judgment of the Supreme Court. That may be so but if

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you go through the judgment it will be seen that it covers the whole meaning, aspect or implication of the phrase 'public purpose'. Sir, I have got some extracts with me of the Supreme Court judgment and you will find that no land should be acquired for any purpose other than public purpose and public purpose is interpreted to mean that the public at large should have direct interest in the acquisition of land or in the setting up of a factory or building. If there is only indirect benefit flowing from this project or building or construction, then it should not be considered as public purpose. It is very clear and it is also clear from the Constitution that land belonging to private individuals should not be acquired with a view to handing over that land to other private individuals. Article 31 is very clear that land can only be acquired or there could be deprivation of private land only where public purpose is involved or only where public purpose is to be promoted. Suppose public purpose cannot be defined or it is vague or it cannot be made clear, then land cannot be acquired at all. Now the Minister has given some assurances that the Government will not come into the picture at all till it is necessary for them. They will always encourage private negotiations and only if it is necessary or unavoidable the Government will come into the picture and acquire land. I am grateful to the Minister for this assurance but unfortunately this assurance is not incorporated in the Act itself. It is meant to be incorporated in the rules that will be made subsequently by the States or by the Central Government.

There is one important point which the hon. Minister has not made clear. He said that land will not be acquired at all if not for a public purpose. If that is the case why bring this amendment to the Act? Then the judgment of the Supreme Court should operate. We should not circumvent the ruling of the Supreme Court in this matter

if it is not the intention of the Government to circumvent the acquisition of land for a doubtful purpose.

Then, Sir, there is a distinction brought in between public limited company and private limited company. I am not very much concerned, nor interested either in the distinction because to me it makes no sense. A private limited company may start an industry for a public purpose in the same manner as a joint stock company or a public limited company. It is not necessary that a public limited company alone should have the privilege or should alone start an industry or a concern to serve a public purpose.

It may be that a private company may start an industry meant to serve directly the public interest. After all, if the public purpose is more important, it is irrelevant whether the company is private or public. I do not know why this distinction has been brought about. I do not mean at all thereby that the private interests of a few should override the larger interests of the landed people, the farmers. I do not mean that way at all. I do not understand the rationale, the logic of this distinction, why the Minister or the Government should imagine that the public purpose can only be served by the public limited companies and not by the private limited companies. The distinction between the private limited and public limited companies is only a distinction without very much difference. A company will be a private limited company and it is so called if it consists of only fifty or less than fifty shareholders. It becomes a public limited company if the number of shareholders is more than fifty. Does it mean that the company assumes a private character if the company is a private limited company and that it loses its public character, even if it starts a concern for public good? I am concerned and I am anxious that there should be industrialisation. As far as possible, the bottlenecks or difficulties which come in the process of

industrialisation should be removed without endangering the interests of the farmers concerned, of the land-owners concerned.

Regarding the way things have been done in the past, it has in no way given us confidence that the provisions of the Act would be administered in the way that they should be administered. In the past, various instances have come to our notice. I am not concerned with the particular case which came before the Supreme Court. We know how the lands belonging to poor peasants, not only in Delhi, but also elsewhere in India, were acquired by the Government with a view to favouring a particular class of capitalists. And those capitalists are rich enough, are in a position to negotiate with the farmers directly and acquire land. Why do they move the Government in the matter? They move the Government in the matter because they think that if they negotiate with the farmers directly they will have to pay a heavy price, a huge price. Therefore, they would prevail upon the Government and the machinery of the Government will be exploited fully by certain interests, certain capitalists, to acquire land more than necessary usually, for the purpose of starting their concerns. This nefarious activity should be stopped. There is nothing wrong at all if the industrialists negotiate with the farmers directly. The Government does not come into the picture. But why should the Government take such an enormous interest in such dealings? Of course, they are interested in industrialisation. Everybody is interested. That is true. But normally what is happening is this. The poor peasants, have no capacity to negotiate. They have no influence either. And invariably the Government decides the matter in favour of the industrial class. Now, if such a thing were to happen, how do we protect the landed interests, the interests of these poor peasants? How do we assure a fair price? I am one with the Government in regard to acquisition of land if it is absolutely necessary. But I find that in the past this power has

been consistently misused by the powers concerned in the interests of a few people. And invariably I find that a larger piece of land is acquired than is necessary, than is warranted. Take Delhi for instance. Land belonging to various private individuals has been acquired. Even land belonging to small holders who want to start small industries, cottage industries and the like, has been acquired. They do not have the benefit of either owning their own land or deriving any benefit from the land. Perhaps compensation also is not paid well in time or in sufficient amount. This has been the result. So, I do not want the Government to exploit the private interests, one private interest to favour another private interest. They should not rob Peter to pay Paul or rob Paul to pay Peter. That should not happen. That is not our intention. Therefore, while I agree with the assurances given by the Minister, that very little would be done on the part of the Ministry or the Government regarding the acquisition of land, past history does not confirm this view at all. The recent case which led to this amending Bill amply proves that the poor peasants, poor people, have been asked to sell their land for a nominal price against their will. No adequate alternative land is made available to them. No adequate compensation is given to them. Their consent is not taken. Let alone consent. It is not a fair deal at all. Such things are happening. I do not know how you overcome this constitutional provision. I am in doubt. The Constitution is very clear that no land belonging to a private individual should be acquired with a view to handing over the same land or same property to another private individual. I do not at all doubt that land should be acquired for a public purpose. But when land belonging to one individual or group of individuals is given to another group of individuals, who are in a far stronger position economically, I doubt the social and economic justice in the whole process. Where is economic justice? We unconsciously introduce a grave injustice into the

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 matter in our desire or zeal to encourage industries and industrialisation in the country. We are apt to forget the interests of the small people which may ultimately cause great frustration. Therefore, I wish that this Bill had not been brought in such a hurry. There should not have been an Ordinance at all. I do not know why the Ordinance was issued. When the judgment of the Supreme Court was delivered I thought that the judgment would be accepted with good grace and that they would carry out the judgment of the Supreme Court. The Minister pointed out that the Supreme Court Judges perhaps erred in interpreting some of the provisions of the Act. I think it is not so. It is not so at all because they have taken into consideration the various aspects that the Minister himself raised on the floor of the House. Every difficulty that was pointed out by the Minister was raised in the course of the arguments before the Supreme Court. All the aspects of the problem were thrashed out. After considerable argument and after every issue was debated and discussed the Judges of the Supreme Court gave a ruling, and the ruling is very clear and there should not be any doubt left in regard to a public purpose. Public purpose should always be direct, that is, people should derive direct benefit from any undertaking or any project otherwise it cannot be a public purpose. It is ordinary law, it is commonsense even . . .

SHRI B. K. P. SINHA: They were interpreting the words "useful to the public" and not the words "public purpose".

SHRI M. S. GURUPADA SWAMY: I think my friend is challenging me. For his information I am reading from it:—

"It seems to us that under the relevant words in section 41(b) and 41 it is works like a hospital, a public reading room, or a library, or an educational institution open to

the public, or such other works as the public may directly use".

Please mark those words—

"that are contemplated, and it is only for such works which are useful to the public in this way and can be directly used by it that land can be acquired for a company under the Act."

It is very clear.

SHRI B. K. P. SINHA: They were not interpreting the words "public purpose" because the words "public purpose" have no place so far in section 41. They were interpreting the words "useful to the public".

SHRI M. S. GURUPADA SWAMY: Public purpose means that it should be useful to the public. I do not understand why the ruling given by the Supreme Court was not taken in good grace. This amending Bill has been brought with a view to clarifying the whole position, no doubt, but I am afraid that the Bill which has emerged after a long debate in the other House may be misused by the authorities at the local level, at the State level. That is my fear because of the past history and because of the past events.

Sir, I do not like to take much time of the House but I am satisfied with some of the assurances given by the hon. Minister in the morning when he was moving the Bill that the Government will not use its authority, will not take initiative, will not do anything on its own to acquire land to be handed over to private interests, unless other avenues of negotiation or bargain had been exhausted and explored. This assurance should be followed up by the concerned authorities at the local level. But in regard to the distinction which has been raised, I wish that the Minister should give a clarification as to why this distinction has been brought about, for what purpose, and whether according to him public purpose will not be served at all if no concern or no undertaking can be started by a private limited com-

pany. That seems to be his intention, but let it be clarified.

DR. M. M. S. SIDDHU (Uttar Pradesh): Mr. Vice-Chairman, land can be acquired under the Land Acquisition Act under three conditions: firstly under Part II, secondly under Part VII, and thirdly for certain obligations which the then Secretary of State had entered into with some foreign companies such as Railways where it was obligatory for the State to provide land to such companies. It was under Part VII that the question of interpretation of certain sections arose, which has led to this amendment. I may say that under Part VII the conditions under sections 40 and 41 are that the consent of the Government is essential for the acquisition to take place for a company; secondly, the Government is to be satisfied that the works are likely to prove useful to the public; and thirdly, the company has to enter into an agreement with the Government. It was on the interpretation of the words "such work is likely to prove useful to the public" that there has been a majority judgment of the Supreme Court. The Judges differed on the meaning to be attached to the words.

Going through the judgment, I as a layman could understand that under the ordinary and natural meaning of the above words it is a work which the public can use for the purpose for which it was built, just as hospitals, libraries, schools, etc. The majority judgment says that it is the job of the Court to interpret the words, and that it is the part of the Government to have itself satisfied on the interpretation of the words or the clauses which were in question. The majority judgment felt that the words in section 40 must necessarily be restricted to work which itself can be used by the public. They have said that acquisition under sections 40 and 41 should be for the construction of such work which is likely to prove useful to the public. It is not a product of the work which is useful to the public but the work it-

self should be of direct use to the public. Here there may be a distinction between public and part of the public. For instance, in respect of a school which only a part of the public can make use of, that is a work for which land should be acquired under section 40. Another Justice pointed out that the words "such work is likely to be useful to the public" by themselves seemed to imply a work, the construction of which, would result in some benefit which the public would enjoy; for instance, electricity, medicines, radio station, colleges, etc. In all the illustrations given, the work would be useful to the public although the public might have no access to the works or any right to use them directly. He thought it would be unduly restricting the meaning of the word "useful" to say that the work is useful to the public only when it can be directly used by the public. Here were two different opinions, and the majority judgment led to the view that the work for which a corporation or company acquired land should be of direct use to the words.

Much has been made of the case of the Uttar Pradesh Government. I am afraid that there has been a complete misrepresentation of the facts. It was in the year 1955 that Pantji, when he was the Chief Minister of the State, asked the industrialists to come and join the Government in industrialising the State which was a backward State. It was at that time that the promise of financial aid, power, loan, etc. was given. At that time it was thought that it should be done. If you will recollect, within a certain Corporation—I am talking of Municipal Corporations and Development Boards—there are certain areas which might have been marked as industrial areas or housing areas. In my own Corporation of Lucknow, there are areas which are marked as industrial areas for which no acquisition has taken place for 20 years or so. And now if anybody wants to have an industry put up in that place, he can neither

[Dr. M. M. S. Siddhu.] negotiate with the person or can he have the land except under recourse to the Land Acquisition Act. If that is the state of affairs, then what is the private industrialist to do? With whom has he to negotiate? That is another question. The Municipal Corporation says that here is a Master Plan and they notify all the places. The private owner has no right to go and get it. If he does so, the company or the person who goes into the enterprise may have to forego the whole site when the acquisition scheme takes place. This is another matter.

We are not talking of the year 1933 when Section 40 was incorporated. Here we have got a policy to industrialise the country. If the land can be had by negotiation, well and good. If the land is not available by negotiation, then, shall the industry not flourish or shall it flourish? If the industry is to flourish, it must have the site and the Government should come to its rescue. We want to carry out the industrialisation programme as envisaged in our Industrial Policy Resolution, where Schedule B is left for the private sector. If the private sector fails, my comrades on the other side would say that the private sector has failed. But they will not allow the industry to be installed in any place because by negotiation it will not be possible to do so; those other Acts come in the way.

Then, Sir, it has been asked: After the judgment, why is this amendment necessary? After this amendment, the 'Company' is to be interpreted in a liberal sense. The States of Uttar Pradesh, Gujarat, Madhya Pradesh, Maharashtra and Andhra Pradesh, the Ministry of Commerce and Industry for the sake of the Corporation which they have built and the Ministry of Community Development, Panchayati Raj and Co-operation for the sake of the lands that they have acquired for their co-operative societies, all of them, thought that if the meaning or interpretation of the Supreme Court's

judgment were to be taken literally, then these companies or bodies would have to undergo a series of litigations where it might be that they would have to pay huge compensations even in the public sector.

THE VICE-CHAIRMAN (SHRI M. GOVINDA REDDY): Your time is up—

DR. M. M. S. SIDDHU: One minute more, Sir, and I will finish.

As far as the rules are concerned, I have to make only one submission and that is, when you are acquiring land for a private company, please do not pass on that title of the land to the company. It will be far better that the land is leased out to the company and the title of the land remains in the hands of the Government because many of the companies do not fulfil the obligations of the contract and the Government does not necessarily want to go into litigation with the company for breaking the agreement under Section 40. Therefore, it may be considered that the land which is acquired should be leased out to the companies after taking full compensation and other dues as a premium and also taking certain safeguards.

श्री विमलकुमार मन्नालालजी चौरडिया (मध्य प्रदेश) : माननीय उपसभाध्यक्ष महोदय, जो बिल प्रस्तुत किया गया है उस को देख कर बड़ा दुख भी होता है और ऐसा भी लगता है कि हमारी सरकार को जब तक हाईकोर्ट का, सुप्रीम कोर्ट का या किसी ऊंची अथॉरिटी का कुछ कस कर इशारा नहीं मिले तब तक अक्ल आती नहीं। यह कुछ विचित्र सा लगता है कि अगर कोई आदमी जिसकी भूमि एक्वायर कर ली गई—जोकि हमारे कानून के अन्तर्गत बिल्कुल गलत एक्वायर की गई—वह कानून के अनुसार सुप्रीम कोर्ट से हजारों रुपया खर्च करने के बाद अपना अधिकार प्राप्त करता है तो फिर हम केवल एक आर्डिनेंस के इशारे से और उसी के अन्तर्गत

धीरे धीरे कानून बना करके उसकी सारी मेहनत पर पानी फेंग देने का प्रयास करते हैं। यह हमारी सत्ता के प्रति, न्याय की सत्ता के प्रति, कानून के प्रति, जनता में बिल्कुल अविश्वास पैदा करने की दिशा में बढ़ना है। हम यह मान कर चलते हैं कि जो कानून बने हुए हैं उनके अन्तर्गत हमें लाभ लेने का अधिकार है लेकिन जब हम लाभ लेने जाते हैं तो जो लाभ देने वाले हैं वे ऐसी व्यवस्था कर देते हैं कि वह लाभ मिल नहीं पाता है और लाभ प्राप्त करने में जितनी मेहनत करनी पड़ती है वह सब बेकार चली जाती है। पब्लिक परपज, पब्लिक इंटरेस्ट की बड़ी दलील दी जाती है। हमारे मंत्री जी जो भोजन करते हैं वह भी पब्लिक इंटरेस्ट में करते हैं, क्योंकि असली घी नहीं खायेगे तो उन का स्वास्थ्य खराब हो जायेगा इसलिये पब्लिक इंटरेस्ट में उनको असली घी खाना चाहिये, पब्लिक इंटरेस्ट में उनके लिये चार चार छड़ीदार चौबदार चाहिये, पब्लिक इंटरेस्ट का इतना व्यापक अर्थ लिया जाता है जो कि माना नहीं जा सकता है लेकिन वह भी माना जाता है, केवल पब्लिक इंटरेस्ट का नाम लेकर अपने विधानों को इस आधार पर बदलते रहना कुछ ठीक नहीं लगता है। इतने वर्षों से विधान चलना आ रहा था, उसके अन्तर्गत जो लाभ होना था वह मित्रता आ रहा था तो फिर क्या कारण है कि एक केस के आने के बाद ही हमारे शासन के ध्यान में आया कि इसको बदलना चाहिये। अब तक जिनकी जमीन ली गई उनको संतोष हो गया होगा, उनको जितना कम्पेन्सेशन मिला होगा। उससे वे सतुष्ट हो गये होंगे इसलिये इसके अन्तर्गत कुछ कार्यवाही नहीं की लेकिन मैं श्री अरोड़ा को धन्यवाद देता हूँ कि उन्होंने केस करके बता दिया कि वास्तविक न्याय क्या होता है, अर्थात् जिन गरीब लोगों की जमीन छीन ली गई उनमें यह शक्ति नहीं हो सकती थी कि वे आपके खिलाफ न्यायालय में जा सकें और उनका ऊपर शासन मनमानी करता था लेकिन जब एक साहसी आदमी मैदान में

आया, साहस का परिचय दे करके आपके द्वाग की गई कार्यवाही को गलत नाबित करवा दिया तो आप अब चले हैं उस अपने आदमी की मदद करने और मदद करने के ढंग को देख कर—जो कुछ हमने पढ़ा है और जो हमें जानकारी मिली है उसमें—ऐसा लगता है कि यह गवर्नमेंट कुछ खाम लोगों की होती जा रही है जिसके लिये पोलिटिकल करप्शन शब्द को अगर प्रयोग में लाया जाये तो कोई अतिशयोक्ति नहीं होगी। ८ लाख रुपये की पेड-अत-कैपिटल की कच्ची की शेयर के लिये तीन तीन या चार चार गुना रुपया दिया जाना कोई समझ में आने खरीबी बात नहीं है। उसने, (अरोड़ा) ने भी कहा कि मैं भी इडस्ट्री डालना चाहता हूँ, मैं भी फैक्ट्री लगाना चाहता हूँ फिर भी जमान छीन ली गई। चूँकि बात यह थी कि अमुक आदमी की, अमुक टाइप की इडस्ट्री होनी चाहिये और इसलिये उसको जमीन नहीं दी। यह बात कुछ समझ में नहीं आती, पक्षपात की भी कोई पराकाष्ठा होती है। अगर ऐसा है तो कह देना चाहिये कि जैसे जैसे पहले जातिवाद बगैरह चलता था उसी तरह अब एक काग्रेसवाद चला करेगा और जो ऐसे अमुक अमुक आदमी होंगे जो अमुक पथ को मानने वाले, अमुक अमुक सिद्धांत और मस्था को मानने वाले, होंगे उनके लिये हम अपने कानूनों को जब चाहेंगे आधी रात में बदल सकेंगे। अगर आप अपना ऐसा निर्णय घोषित कर दें तो फिर कोई गिला करने की जगह नहीं रहेगा लेकिन अगर जनता के नाम पर, कानून और न्याय के नाम पर यह कहते हैं कि हम न्याय की बात को मानना चाहते हैं, उसके कंट्रोल को, उसके उसूल को बराबर सामने रखना चाहते हैं तो आप बताये कि क्या कारण था कि इतने वर्षों से जो आपका कानून चला आ रहा था और जिस कानून के अन्तर्गत उस आदमी ने हजारों रुपया खर्च करके अपना अधिकार प्राप्त किया उसको अपनी एक कलम की नोक से बिल्कुल मिटा देना चाहते हैं। आप अगर सचमुच में ऐसा करना भी

[श्री विमलकुमार मन्नालाल जी चौरड़िया]
चाहते हैं तो उसको जितना पूरा कम्पेन्सेशन होता है वह देना चाहिये। अलावा उसके, उसने जितनी मेहनत अबल सिलाने में आपके साथ खर्च की, जो रुपया आपको अबल देने में खर्च किया, वह भी दे दीजिए। अगर अरोड़ा साहब की जगह दूसरा होता और उसी वंश का होता जिसको आप लाभ देना चाहते हैं तब तो ऐसा कर सकते थे मगर आप अभी ऐसा करते नहीं। इस प्रकार, यह कानून बना कर अगर उसका लाभ किसी और को मिलता है और दूसरे को मिटाने का प्रयास आप करते हैं तो ठीक-सा लगता नहीं। यह ठीक है कि माननीय मंत्री जी ने लोक सभा में ही संशोधनों के परिणामस्वरूप इसमें भी संशोधन किये क्योंकि पहले इसमें मनमानी का हिसाब किताब दे रखा था और आम तौर पर यह लक्ष्य रखा था कि मिस्टर राम रतन गुप्ता, पता नहीं कौन साहब हैं, उनको किसी तरह की तकलीफ नहीं हो। तो मैं चाहूंगा कि इस तरह से जो व्यवस्था है वह कुछ ठीक लगती नहीं।

श्री ब्रजकिशोर प्रसाद सिंह (बिहार) :
राम रतन गुप्ता के भाई आपके साथ बैठते हैं।

श्री विमलकुमार मन्नालालजी चौरड़िया :
अगर मैं खुद भी राम रतन गुप्ता होता और यह कानून मेरे लिये आता तो मैं उनका इन्हीं शब्दों के साथ विरोध करता जैसा कि अभी कर रहा हूँ। मैं ऐसा नहीं कहता कि आप सरीखा उनकी टोपी का रंग नहीं है इसलिये कुछ और बात कहूँ। रंगीन चश्मा मेरे ऊपर चढ़ा नहीं है।

तो यह जो बिल आया है इसके संबंध में निवेदन है कि यह जो पब्लिक परपज की व्याख्या को बढ़ाने का जो प्रयत्न किया जा रहा है उसका विस्तार, उसकी सीमा, द्रोपदी की साड़ी की तरह बढ़ती जा रही है। तो यह पब्लिक परपज के भीतर सभी प्रकार की बातें आ सकती हैं। मैं भी खुद यह कह

सकता हूँ कि मैं इसलिये बादाम और पिस्ता खाना चाहता हूँ क्योंकि मैं जनता की सेवा करना चाहता हूँ और इसलिये मैं अच्छी तरह से रहता हूँ, गादी तकिया के साथ आराम के साथ मुझे सोना चाहिये, मुझको एयर कंडीशन्ड मकान चाहिये, मैं हिन स्टेशन पर इसलिये जाता हूँ क्योंकि मुझे पब्लिक परपज के लिये जाना पड़ता है। तो यह परपज इतना व्यापक रूप धारण करता जा रहा है कि उसके अन्तर्गत जितनी नाजायज बातें नहीं होनी चाहिये वे भी बढ़ती जा रही हैं। तो इस निहाज से, पब्लिक परपज की आड़ लेकर हमारे विधान में जो संशोधन किया जा रहा है वह आज की तिथि में कुछ ठीक इसलिये नहीं लगता कि हम एक ओर तो पब्लिक परपज की व्याख्या एक बार कर भी देते हैं तो दूसरी ओर हमारा सर्वोच्च न्यायालय उसके अधीन जो कार्रवाई होती है उसको अनुचित करार देता है और फिर हम संशोधन लाते हैं।

श्री शीलभद्र याजी (बिहार) : यह विधि है। विवेक है। विधान नहीं है। संवेधान और विधि में फर्क होता है।

श्री विमलकुमार मन्नालालजी चौरड़िया :
यह थोड़ा नकला घों का असर हा गया। आज आप नकली घों खा कर आ रहे हैं।

THE VICE-CHAIRMAN (SHRI M. GOVINDA REDDY): The hon. Member will address the Chair, and not the Member direct.

श्री विमलकुमार मन्नालालजी चौरड़िया :
तो इस हिसाब से, इसमें जो व्यवस्था की गई है वह आज की तिथि में कुछ ठीक नहीं लगती।

एक और निवेदन यह है कि हमारे देश में इंडस्ट्रियल डेवलपमेंट पूरी तौर पर दुआ नहीं, हमारे एग्रीकल्चर पर बहुत भार पड़ा हुआ है। हमें इंडस्ट्रियल डेवलपमेंट

करना है और इसके लिये हमको सब कुछ प्रयास करना पड़ेगा, मगर इस बात का भी लक्ष्य रखना पड़ेगा कि उसका जल्दी से लाभ भी मिल जाय । मगर इसका मतलब यह नहीं है कि हम नजदीक की कृषि योग्य जगह देकर के, पाम की बिसिनटी देकर कारखानेदारों से कहे कि तुम यहाँ कारोबार जमाओ और उनको दूर नहीं भेजे । भारत भूमि में इतनी जगह है, जहाँ पहाड़ भी हैं, पत्थर भी हैं, काफी कृषि के अयोग्य भूमि भी है वह क्यों नहीं इन कारखानेदारों को दे देते हैं ? क्यों आप कानपुर के नजदीक ही या दिल्ली के नजदीक ही या बम्बई के नजदीक ही कृषि योग्य भूमि देकर कारखाने बढ़ाना चाहते हैं ? जहाँ आस पास कुछ खेती योग्य जमीन है, साग सब्जी बोनो की जरूरत है, कुछ डेरी फार्म खोलने की जरूरत है, वहाँ क्यों हस्तक्षेप करते हैं ? अक्सर लैंड एक्विजिशन एक्ट के तहत देखा गया है कि इस बात का ध्यान नहीं रखा गया । वहाँ जब पोलिटिकल प्रेशर चलता है तब उस बात की चिन्ता नहीं की जाती कि औरों का उस जमीन की कितनी आवश्यकता है । प्यूचर डेवलपमेंट के नाम पर, हमने देखा है कि किस तरह कई एकड़ जमीन हमारे यहाँ अलोट में किसी शुगर मिल को खोलने के लिये कभी ने एक्वायर की हुई थी । कारखाने बनाने के नाम पर जमीन ले ली जाती है, मगर वह काम होना नहीं है और हमारी पैदावार की भूमि नष्ट हो जाती है । कृषि मंत्री जी इसको एडमिट कर रहे हैं । मैं उनसे प्रार्थना करता हूँ कि आप कम से कम इस बात का खास तौर से उन्हें आश्वासन तो दीजिये या खास तौर से इसका प्राविजन कीजिये कि जो बिल्कुल कृषि योग्य भूमि है, उसको बिल्कुल नहीं दिया जायेगा । कारखानेदारों को चाहे पहाड़ों पर भेज दीजिये अथवा खराब भूमि दीजिये, वन मंत्री की मदद ले लीजिए, और जंगलों में अथवा चट्टानों पर जहाँ कुछ पैदा नहीं होता, वहाँ उसके लिये जमीन दिलवाय । वही एक

एकड़ दीजिये, दो एकड़ दीजिये, जितना चाह उतना दीजिये । इससे हम शहरो की भी दो तीन प्राँबलम्स को साल्व कर सकेंगे । आज शहरो में कस्ट्रक्शन बढ़ रहा है, लेबर प्राँबलम्स है बिजली का प्राँबलम्स है और कई तरह की प्राँबलम्स हैं, जो कि शहरों के आस पास ही इंडस्ट्रियल डेवलपमेंट के कारण बढ़ रहे हैं, उसको भी हम रोक सकेंगे । हम एक अच्छा कदम उठायेगे कि इस कानून का लाभ उधर दे, जहाँ सरकारी जमीन पड़ती पड़ी हुई हो ।

दूसरी एक बात मेरी समझ में यह नहीं आती कि वह पब्लिक परपज कैसे हो गया जब कि मुनाफा कम्पनी की जेब में या फैक्टरी की जेब में या शेयर होल्डरों की जेब में जाता है । क्या कारण है कि जिस आदमी की जमीन है, उसको अपनी जमीन का लाभ पूरी तरह मिलने के लिये फ्री बारगेन में, जिस तरह से कि मार्केट में खरीद और बिक्री होती है, उसी तरह से दाम न मिले ? पुराने कानून की व्यवस्था के तहत भी जो पब्लिक परपज के अन्तर्गत लैंड एक्वायर करने की धारा थी, वह काफी थी । फैक्टरी के नाम पर उस व्याख्या को बढ़ाना ठीक प्रतीत नहीं होता । जिस तरह से लाखों करोड़ों रुपये खर्च करके आपने भिलाई का कारखाना खोला, उसी तरह से और भी कई स्थानों में खोले जा सकते हैं, जहाँ कि कृषि योग्य भूमि न हो । हमें चाहिये कि हम अपनी प्राँबलम्स को बढ़ाते न चले जायें । इस दृष्टि से जो अरोड़ा साहब ने कष्ट उठाया, आपको सुबुद्धि प्रदान की, आप जो गलत मार्ग में जा रहे थे उसमें मही मार्ग पर लाये, कम से कम उसका उनको लाभ देना चाहिये और भविष्य में कोई गड़बड़ न हो, इसकी व्यवस्था करे ।

SHRI B K P SINHA (Bihar). Mr. Vice-Chairman, this Bill really seeks to achieve two definite purposes, number one, to empower the State Governments to acquire land for companies established for a public pur-

[Shri B. K. P. Sinha.]
pose, and number two, to validate certain transactions which have been invalidated by the judgment referred to of the Supreme Court.

There has been criticism of this measure, but then my own feeling has been that those criticisms are based more on emotion and partly on ignorance, for there is only one point to be considered. Do we want the industrialisation of this country or not? That is the sole question to be decided.

SHRI V. M. CHORDIA: Not at the cost of agriculture.

SHRI B. K. P. SINHA: The point is that in the evolution of society, in the evolution of State and nation, there is a pastoral stage which is succeeded by a more advanced stage, the agricultural stage. The agricultural stage is succeeded by a more advanced stage, the industrial stage, and though even now India mainly relies on agriculture, it is admitted on all hands by every sane and right-thinking person that this country, if it has to become prosperous, it should outgrow the agricultural stage and enter the industrial era. Now, if you want industrialisation, then some such power must vest with the Government. Moreover, it is not as if any man can, at his will, come and start an industry and thereafter Government will acquire land for him. Industries are subjected today to controls from the very beginning. Before a man can start an industry, he has to get a licence. Then he has got to be cleared by the Capital Issues Department, and even when the industries start functioning, they have to operate under a strict Governmental or public control. In these circumstances licences are granted or companies are formed, only if they are a part of the Plan. In our Plan we have provided for a mixed economy; we have not yet provided for a completely socialised or nationalised economy, which is the pattern that prevails in the countries of the Soviet

Bloc, and in our Plan and in the mixed economy that we have set as our ideal, a huge slice of the industrial sector is still reserved for private enterprise. In these circumstances, if industrialisation has to be there, if it has to progress rapidly, some such power should vest in the Government. I know of cases where companies, by private negotiation, have been able to acquire even a hundred acres but there is some recalcitrant person owning half an acre within that area who refuses to part with that land and demands a fancy price, a hundred times or a thousand times more than the market price, and because that person is recalcitrant, that project cannot be established or cannot function in that area. Would it not be proper then for the Government to have such powers? The criticism has mainly arisen because my friends from the Opposition have alleged that there has been some abuse of powers. It is queer logic for denial of power. I am sure on many occasions my hon. friends there have alleged that the police are abusing their powers, the magistracy are abusing their powers. Is that a reason that the police should be abolished, that the magistracy should be abolished and that there should be complete anarchy and no law and order in this land? I know of many cases where lands have been acquired for military purposes, which is a very valid purpose, very essential purpose. After the military authorities did not need that land, that land, which according to the convention should revert to people who were the original owners, has been transferred to the people who were not the original owners though they were desirous of getting back this land. Would it then be proper to say that the Government should have no powers to acquire any land for military purposes also simply because that power is abused in certain circumstances? We must have brakes on abuse, we must put checks on abuse and that is what has been done by entrusting the Government of India with the sole power of framing rules.

Moreover, I find in this Bill that transfer of lands acquired has been prohibited except with the sanction of the appropriate Government. That is a great check on abuse. Some of my friends have said that lands have been acquired at nominal prices. Probably they are not aware of the provisions of the original Act. If they look to section 23 of the Land Acquisition Act, they will find that very detailed rules are prescribed for fixation of price. It must be market price, then so much damages must be added to that and to all that must be added 15 per cent of the market price as solatium. Therefore, in no case can land be acquired for a long and no fear on that ground, in my opinion, is justified.

Next, Sir, the other purpose that this Bill seeks to achieve is the validation of past transactions. My friends say, "Why not leave them as they are?" What would we be faced with, what would be the Government faced with if these transactions are not validated? Since lands have been, according to the last judgement of the Supreme Court, not acquired in accordance with law, Government would be liable for damages. Thousands of suits for damages would be filed against many State Governments. Moreover, that is not the end of the matter. Because according to the judgement of the Supreme Court the acquisition was not legal and proper, therefore that land legally even now vests in the original owners. What becomes of the superstructure? What becomes of the machinery that has been put on that land? They all become valueless junk, and because of that my information is that the credit institutions in this country, the credit institutions of foreign countries which finance our industries are now refusing to advance them capital for working purposes. That is the danger with which we are faced and therefore, in my opinion even the validation of past transactions is proper.

Sir, the criticism against this Bill has come on the ground that the

Supreme Court has delivered a judgement. Yes. But in the modern age when even the words of the Koran, of the Bible, of the Vedas, are not treated as immutable and of permanent validity, I see no reason why we attach so much of importance, have so much of veneration for the judgement of the Supreme Court. I know that the Supreme Court judgements are not immutable. I will give only two cases. You know that there was a Law Provisions regarding sales tax in the constitution which were interpreted in the Bombay Transport Union case. In the Bombay Sales Tax case judgement they gave one interpretation to this provision and later on in the Bengal Immunity Judgement case the Judges upset the previous majority judgement by 4:3. Four Judges said that the previous judgement was wrong while three Judges said that the previous judgement was right. Since it was a majority judgement by a seven-Judge court, the previous view was upset. I can give you another case, the Transport case. These cases are cropping up very often in the higher courts of this country. In the Assam Atiabari case they gave a particular interpretation to Chapter XIII of the Constitution dealing with freedom of trade and commerce and intercourse. Thereafter, within two years, or less than two years rather, came an appeal from the Rajasthan High Court against a judgement. That judgement—the Atiabari judgement—was a majority judgement of 4:1 just as in this case which is the reason for bringing forward this Bill. So an appeal came from the Rajasthan High Court and a Bench was constituted because some of the Judges had doubts about the correctness of the previous judgement. Again by 4:3 the Bench held the previous judgement as wrong. The Supreme Court itself has been changing its views. Because they have to deal with this abstract notion some of the Judges feel one way while the other Judges feel the other way. Sir, it has been said that justice varies with the foot of the Chancellor.

SHRI K. SANTHANAM (Madras): May I suggest to my hon. friend that it is not desirable to question the competence or propriety of the Supreme Court to interpret the law as it stands? We are concerned only with the changing of the law which is our prerogative.

SHRI AKBAR ALI KHAN (Andhra Pradesh): Having full respect for my colleague and friend, I would say that the Chancellor's foot applies only in special cases of equity.

SHRI BHUPESH GUPTA: The trouble is this that the hon. Member is a practising lawyer. But he spends more time here than in the Supreme Court. I say this about Mr. Sinha.

SHRI B. K. P. SINHA: The Supreme Court Judgements are not immutable, so far as they are concerned. As the hon. Mr. Santhanam has rightly pointed out, while they interpret the law it is our prerogative to change the policy of the laws if the situation so demands. And that is precisely what we have been doing. It is not unusual; not only in this country. If hon. friends will look to the judgements of the higher courts, in America, in Canada, in England, in every other country whenever there is some interpretation which creates complications, which does not allow the situation to develop in a normal and desired manner, then the legislature intervenes and in spite of the previous interpretation of the courts they pass a law.

In the end I would briefly say that when my friends say that there should be no acquisition for private interests we have to think deeply. We are acquiring thousands of lands for housing colonies. That means one man's land is taken and another man is permitted to build a house. How is it different from a situation in which a man establishes a company? When he establishes a company and produces something, that produce is used by thousands of consumers. Here one man's land is occupied by and

transformed into the dwelling house of another. But then we permit them, rather we approve of that. We think that that should be permitted. Why is it then that the companies should be debarred from this benefit?

Lastly, Sir, I share the feelings of, say, the hon. Member from Mysore that the exclusion of private companies is rather unfortunate, because what should determine acquisition is the purpose for which the company is formed and not the character of the company. Let us assume that a public limited company wants to establish a dancing hall. They would be able to take advantage of this Bill.

SHRI C. D. PANDE: It will be entirely private, not a private limited company.

SHRI B. K. P. SINHA: Private companies are excluded. I feel that this exclusion was unfortunate because a private company or a few people may come together and they would like to establish a factory for the manufacture of some essential drug or something very essential for the community. Why should they be deprived of the advantages of this Bill? I feel that in this case Government have yielded to uninformed criticism and opinion and this exclusion, in my opinion, is not very proper.

SHRI C. D. PANDE: I want to ask the Minister whether public limited companies are allowed to acquire land. He said: 'No, there is no distinction'.

SHRI S. K. PATIL: The public limited companies are.

SHRI C. D. PANDE: They are at par with the Government companies.

SHRI S. K. PATIL: Even if they are private, they are but the public limited companies are. What is excluded is a private company which is not a Government company.

SHRI DAHYABHAI V. PATEL (Gujarat): Mr. Vice-Chairman, while I am inclined to agree with the last few remarks of the previous speaker, what utter confusion prevails in the Congress Party, from whom this Bill has come, is very evident from the interruptions and what friends are saying in the House.

SHRI SHEEL BHADRA YAJEE: No confusion in the Congress Party but the Swatantra Party is in confusion. (Interruptions.)

SHRI DAHYABHAI V. PATEL: I do not think my friend, Mr. Yajee, is qualified to speak on this. He thinks he is defending the Party by interrupting somebody who does not agree with him.... (Interruptions) I do not think he is helping anybody. I will not yield to him. If he has any concrete suggestions to make, if he has any argument, I will certainly yield but what he says is absolutely irrelevant. He does not understand the subject. It is too thick for him. I would advise him through you to keep quiet

SHRI SHEEL BHADRA YAJEE: I know more than you and your Party

SHRI DAHYABHAI V. PATEL: I am surely for industrialisation of the country and this difference that the Government is trying to make between private companies and public companies is just yielding to pressure, because a certain amount of pressure has been generated from certain quarters. I am not able to understand how the Government's mind is really working. We have an organised industry. The organised industry, the industrial people are able to make their voice felt. The Government industries are becoming more and more powerful. Therefore the Government industries now want power for more lands to be acquired but what is happening to the poor land-owner? We have taken away land from people and the slogan was 'land to the tiller'. Now where is the 'land to the tiller' going?

SHRI SHEEL BHADRA YAJEE: To the co-operatives.

SHRI DAHYABHAI V. PATEL: When the land policy was discussed on a previous occasion in this House, I pointed out that while the poor agriculturist or the holder of a few acres was called a zamindar and his land was subdivided and given to the tillers, the capitalist mill-owners of Ahmedabad have got large lands which are called registered farms. Are the provisions of this law going to be applied to them? If any interest is going to start an industry, if the directors or those interested have such registered farms, and large areas of land, is any part of that land going to be given as compensation to the poor people whose land is being taken away? These are questions which deserve consideration. They cannot be brushed aside lightly. I would like to remind Members on the other side of the House that land is a very serious matter. It is not a thing to be trifled with. Remember that there were people like Shri Shankarrao Deo who were put in a tringle and flogged when they offered Satyagraha when the Tata lakes were being built for the hydroelectric works. Does this Government want that to be done? The Government does not seem to have a clear policy on this matter. If the Government is being given more powers, how is it going to use them? I am very very nervous of giving more and more power to the Government. Only today, or why, for the last 3 days, I have been mentioning the manner in which the power of the Government is being used. We had one Mundhra deal and now we are having the reverse Mundhra deal. I am asking questions for 3 or 4 days and no Minister comes out with a clear statement. What does the Government propose to do in this matter? In the matter of land acquisition where more power the Government want to take, we do not find any clear statement. Therefore people are nervous of the intentions, people are anxious about their land, they are worried and they are not sure exact-

[Shri Dahyabhai V. Patel.]

ly what the intentions of the Government in this matter are. Are these laws going to be used in the name of helping industries to help their favourites? I want to know that Is the Government not aware of instances where lands secured by private negotiations have been put on the books of companies at three times the original value and now after this Bill is passed, you will give them the hallmark of law? There is no appeal and there is nothing We should not rush into this in a hurry. I wish this Bill had gone to the Select Committee where this aspect of the legislation could have been discussed. I am not against industrialisation. I am for industrialisation. I do believe that industrialisation alone will relieve unemployment, will bring prosperity to the country but this regimented industrialisation is a thing that I am opposed to and we are getting regimented in industrialisation We are getting the Soviet pattern of industrialisation That is going to kill us. It is going to make machines of us. It is going to reduce the human values that we cherish so much in this country

THE VICE-CHAIRMAN (SHRI M. GOVINDA REDDY): That is not the question here Industrialisation is not the question here

SHRI DAHYABHAI V. PATEL: Certainly the Government is going to take away land and give to industries The Government is going to interfere in everything This is purely an example that I want to bring out Why do you want to take away the land? You say that it is for industrialisation I am giving you an example Why does Bakshi Ghulam Mohammad want lands in Delhi and Bombay? You take those lands for industrialisation Why should you take the poor agriculturist's lands? Have you any answer to that? I would like a clear answer from the Government on this matter. Land is a very serious matter, I want to point out again. Land is a thing that hurts the

people everywhere. Do not trifle with the land only in the name of industrialisation. I am for industrialisation Do not misunderstand me But I am against this regimented type of industrialisation that is brought about. With the present greed of the Government for more and more power that they seem to get very easily, I am becoming more and more nervous. I would like industries, free industries to prosper but I am afraid that the way in which more and more power is being concentrated in the hands of the Government, more industries are being concentrated in the hands of the Government and that power used for the benefit of those same industries, makes me nervous about this measure.

SHRI AKBAR ALI KHAN: I may say that he is not nervous, that we know

THE VICE-CHAIRMAN (SHRI M. GOVINDA REDDY): He is not the man to be.

श्री शीलभद्र याजी माननीय वाइस चेरमैन महोदय, मैं इस विधेयक का समर्थन करता हूँ। जो मौलिक विधेयक था और उसमें जो मौलिक परिवर्तन हुए, उसके बाद मैं समझता हूँ कि कोई गुंजाइश नहीं रह गई है कि इस पर ज्यादा वादविवाद हो।

हमारे पूर्व वक्ता ने कहा कि इंडस्ट्री तो चाहिये, लेकिन जमीन के साथ खेलवाड नहीं करना चाहिये, जमीन को छूना नहीं चाहिये। श्री डाह्याभाई पटेल जा रहे हैं। मैं उन से पूछता हूँ कि यह इंडस्ट्री क्या आम-मान में बनेगी या जिस चन्द्रलोक में स्पूटनिक जा रहे हैं, वहाँ बनेगी? हमारी इंडस्ट्री तो जमीन पर ही बनेगी। तो वे चाहते हैं कि जमीन छुई न जाय और इंडस्ट्री भी चालू की जाय, लेकिन वे इसे प्राइवेट इटरप्राइज में चाहते हैं और इस को उन्होंने क्वालिफाई भी किया। यह स्वतंत्र पार्टी की नीति हो गई है कि चाहे कोई अच्छा मेज़र भी गवर्नमेंट का आवे, फिर भी उस का विरोध किया

जाय। बदकिस्मती यह है कि स्वतंत्र पार्टी के साथ जो अपने को कम्युनिस्ट कहते हैं, हमारे कामरेड भूपेश गुप्त, वे भी कभी कभी हवा में बहने लगते हैं। जहां तक उद्योगों के लिये जमीन लेने की बात है, पुराने जमाने में सन् १८६४ में जब ब्रिटिश गवर्नमेंट का वक्त था, तब ऐसा कानून था कि जितनी जमीन टाटा को दी गई थी, वह उन की जमींदारी हो गई थी और वे उस को एक लाख रुपये एकड़ बेच सकते थे या कुछ भी कर सकते थे। लेकिन अब यह चीज चली गई है, जमींदारी चली गई है, फ्युडनेजम चला गया है, राजे महाराज भी चले गये हैं, जिन्होंने स्वतंत्र पार्टी में शरण ली है। इसीलिये श्री डा. ह्याभाई पटेल उन की जमीन बचाना चाहते हैं। जमीन बचाने का मतलब यह है कि जब तक ज्यादा औद्योगीकरण नहीं होगा, तब तक सिर्फ जमीन से देश का कल्याण होने वाला नहीं है। इसलिये को-ऑपरेटिव सोसाइटीज के लिये, कुल कारखाने लगाने के लिये और पब्लिक परपज के लिये यदि गवर्नमेंट को अधिकार नहीं रहता है कि वह किसी जमीन को ले सके, तो मैं ममत्ता हू कि कोई भी इंडस्ट्री बन नहीं सकती और कोई काम हो नहीं सकता, उसमें रुकावट होगी।

अभी सुप्रीम कोर्ट का हवाला दिया गया। सुप्रीम कोर्ट की सब से ज्यादा वकालत हमारे कामरेड भूपेश गुप्त ने की, क्योंकि यह बात उनके मनलायक हो गई, लेकिन मेरा कहना है कि पार्लियामेंट सुप्रीम बाड़ी है, सुप्रीम कोर्ट से भी बड़ी है। अगर सुप्रीम कोर्ट कोई गलती करे, तो पार्लियामेंट को ही सोचना है, विचारना है कि सुप्रीम कोर्ट ने जो कुछ किया है, उससे देश का कल्याण हो सकता है या नहीं। जब जमींदारी को सरकार ने खत्म किया तब भी सुप्रीम कोर्ट या हाई कोर्ट का हवाला देते हुए बहुत कुछ कहा गया। सुप्रीम कोर्ट या हाई कोर्ट के जितने पुराने जज थे, वे एक तरह से

सोचते थे—वाइस चेयरमैन माहब मैं उन की कोई शिकायत नहीं करता —वह पुराने जमाने की बात करते थे और यहां भी जिस तरह से अरोड़ा केस में फैसला किया गया वह आपके सामने है। लेजिस्लेचर ने जो फैसला किया था, जो एक कदम उठाया था, उसको गलत कर दिया गया। कभी कभी सुप्रीम कोर्ट का एक रेवोल्यूशनरी कदम होता है और कभी कभी इतना रि-एक्शनरी कदम होता है कि उस से देश का कल्याण नहीं हो सकता है। सुप्रीम कोर्ट को यह देखना है कि कानून में कुछ डिफेक्ट तो नहीं है, लेकिन उसी के साथ साथ हमारा भी, पार्लियामेंट का भी, यह कर्तव्य है कि सुप्रीम कोर्ट जो कुछ करता है, उसकी देख रेख करे। तो जब सुप्रीम कोर्ट ने यह उच्च लिया कि इसके मुताबिक ऐसा नहीं हो सकता है, तब इस बात की आवश्यकता हुई कि हम, जोकि देश की भलाई चाहते हैं, हम जोकि देश में इंडस्ट्री चाहते हैं, हम जोकि समाजवाद की बात करते हैं वह यह फैसला करे कि ऐसा हो सकता है। जब हम समाजवाद लाना चाहते हैं, तो जितने काम होंगे वे सब पब्लिक परपज के लिये होंगे। जैसेकि को-ऑपरेटिव सोसाइटीज इंडस्ट्री भी चला सकती है और हो सकता है कि को-ऑपरेटिव सोसाइटी को उस के लिये जमीन नहीं मिले, तो फिर यह जो अधिकार सरकार ले रही है, उसका लेना जरूरी हो जाता है, क्योंकि इस के बिना जमीन उसको नहीं मिलेगी। यह अधिकार वह सरकार ले रही है, जोकि समाजवाद के लिये है, सोशलिज्म के लिये है और जिसका समाजवाद उसूल है, अकीदा है। इसलिये जो अपोजीशन के लोग अपने को समाजवादी कहते हैं, कम्युनिस्ट कहते हैं, उनको तो इस से भडकना नहीं चाहिये, श्री डा. ह्याभाई पटेल का भडकना वाजिब है, क्योंकि वह प्राइवेट एटरप्राइज को, राजा महाराजाओं को और बड़े बड़े जमींदारों को लाना चाहते हैं और इसलिये जो कोई भी ऐसा लेजिस्लेशन

[श्री शीलभद्र याजी]

होता है तो उन को चिन्ता होती है, घबड़ाहट होती है, लेकिन हमारे भूपेश गुप्त को या पी० एस० पी० के लोगों को या जो लोग समाजवाद चाहते हैं उन को तो इस से भड़कना नहीं चाहिये। सरकार यदि जमीन लेती है तो वह किसानों की भलाई के लिये लेती है। हमारे कृषि मंत्री ने बताया कि हम वैसी जमीन नहीं लेंगे, जोकि उर्बर है, उपजाऊ है, फर्टाइल है, लेकिन फिर भी हमारे चौर-डिया साहब ने जोकि जनसंघ के हैं और पुराने जमाने की, बाबा आदम के जमाने की हिन्दू संस्कृति को यहाँ लाना चाहते हैं—बताया कि इंडस्ट्री को रेगिस्तान में, पहाड़ में बनाना चाहिये। अरे, जहाँ कच्चा माल मिलेगा, वहाँ इंडस्ट्री बनेगी, मालूम नहीं कि वह क्या जनसंघ की बात करते हैं। कुछ अक्ल की बात होनी चाहिये, यह क्या कि पहाड़ में इंडस्ट्री बना दो, बंजर जमीन में बना दो, आसमान में बना दो, समुद्र के अन्दर बना दो या चन्द्र लोक में जहाँ लीज ली जायगी वहाँ बना दो? हमारे कृषि मंत्री ने तो कहा है कि हम ऐसी ही जमीन लेना चाहते हैं, जोकि उपजाऊ नहीं होगी या जो कम उपजाऊ जमीन होगी, तो फिर ऐसी ही जमीन ली जायगी। लेकिन मैं इस सम्बन्ध में कृषि मंत्री महोदय से एक अपील करना चाहता हूँ कि जब किसानों की जमीन ली जाय तो उस का जो मुआविजा मिलना चाहिये, वह तो मिले ही, पर साथ ही साथ जिस किसान की जमीन ली जाय—चाहे वह कोऑपरेटिव सोसाइटी की इंडस्ट्री के लिये हो या और किसी की इंडस्ट्री के लिये हो—उस किसान के बच्चों को उस में जरूर नौकरी मिले और इस के अलावा इसी तरह की और भी सुविधायें मिले और इस तरह की व्यवस्था रूल्स बनाते वक्त जरूर करें। उनकी जो दो चार एकड़ जमीन है, वह सदा के लिये चली जाती है, तो किसानों को बहुत शोभ होता है और उसे कितना ही मुआवजा उसका

मिले वह खर्च हो जाता है इसलिये यह जरूरी है कि जब कल कारखानों के लिये हम जमीन लें तो चाहे वह कोऑपरेटिव सेक्टर के लिये लें, चाहे पब्लिक सेक्टर के लिये लें या किसी लिमिटेड कम्पनी के लिये लें—उस का लडका, जोकि पढ़ा लिखा हो, उस को वहाँ एम्पलायमेंट जरूर मिल जाय। ऐसी व्यवस्था रूल्स में जरूर होनी चाहिये कि यदि किसान की जमीन सदा के लिये जाती है, तो कम से कम उस के बच्चे के लिये एम्पलायमेंट का प्रबन्ध हो।

इसके बाद मुझे और कुछ ज्यादा कहने की आवश्यकता नहीं है। यह तो किसी जमाने में था कि जमीन तो गोपालजी की है और इंडस्ट्री टाटा जी की है। अब यह बात तो है नहीं। सब कुछ सरकार की होनी चाहिये। कामरेड भूपेश गुप्त सुप्रीम कोर्ट का हवाला देते हैं, लेकिन समय आ रहा है कि जितनी भी जमीन है—बगल में बर्मा एक छोटा सा मुल्क है, उसको आप देख रहे हैं—उस सब का, एक एक बीघे जमीन का हम समाजीकरण करेंगे, और वह तो एलेक्शन स्टंट की तरह की स्पीच देते हैं, उससे हमको घबड़ाना नहीं चाहिये, जमीन का जो मोह है, किसानों की जो मनोवृत्ति हो गई है, इसको छुड़ाना है और सारी जमीन को सरकार की होना है। राजा महाराजाओं को, बड़े बड़े जमींदारों को जब हमने हटा दिया और २१ हजार एकड़ वाली जमीन को भी ले लिया तो फिर दूसरा भी समय आ रहा है। अभी थोड़ा सा अमेडमेंट होने से घबड़ाहट होती है, लेकिन अगर हम अपने को समाजवादी और प्रगतिशील कहते हैं, तो हमें सभी जमीन पर कब्जा करना पड़ेगा और सरकार को यह अधिकार होना चाहिये कि पब्लिक इंटरैस्ट के लिये, समाजवाद लाने के लिये, सभी जमीन का समाजीकरण कर सके, सभी इंडस्ट्रीज का समाजीकरण कर सके। इन शब्दों के साथ मैं इस विधेयक का स्वागत करता हूँ और समर्थन करता हूँ।

SHRI B. D. KHOBARAGADE (Maharashtra): Mr. Vice-Chairman, I rise to oppose this Bill. This morning we heard the hon. Minister, Mr. Patil, and when I heard his speech, I got the impression that the hon. Minister also did not entirely approve of this Bill, because he had to give a number of assurances, the assurance that the provisions of this measure will not be misused by the Government, the assurance that good agricultural land will not be acquired, the assurance that people whose land is acquired will be given due protection and possibly certain share in the industrial project also. Sir, the giving of assurances is not the important thing. The question is whether these assurances have got any legal meaning. When a case is brought before a court, would these assurances have any meaning? Definitely not. The court will interpret the law according to the provisions of the Act.

SHRI S. K. PATIL: I think the hon. Member did not understand correctly what I said. These assurances by themselves will have only the same meaning that he just now said. But these assurances—and I stated this in the other House and I repeat it here also—are to be incorporated in the rules which are going to be kept on the Tables of both Houses of Parliament with the power that in certain cases they may amend those rules. Rules once made have the same value as the law itself.

SHRI B. D. KHOBARAGADE: I thank the hon. Minister for clarifying the position. But I would like to know from the hon. Minister what difficulty is there in incorporating those assurances in the Act itself, the assurances which he wants to incorporate in the Rules? Would it not be proper to incorporate them in the Act itself?

SHRI AKBAR ALI KHAN: Impracticable.

SHRI B. D. KHOBARAGADE: What I mean to say is that even with these assurances, the provisions of the Bill

when they are interpreted will not be found satisfactory. Sir, when we oppose this Bill we do not say that we are opposing the industrialisation of the country. We definitely want that our country should be well industrialised and that industries in our land should flourish. But that does not mean that for that purpose we should try to acquire under compulsion the property belonging to an individual. I would like to draw a distinction between the purposes for which land is acquired. Suppose we want to acquire land for a purpose in which the land would be utilised for a public utility, then we have no objection to acquiring that land. But if the land is to be acquired for the purpose of or from motives of private profit, then naturally we would oppose that kind of a provision. Sir, I would like to draw the attention of the House to the remarks or observations made by the Supreme Court while deciding the case, *Aurora Vs. the State of Uttar Pradesh*. They have said,

“It seems to be that it could not be the intention of the Legislature that the Government should be made a land agent for companies to acquire land for them in order that these companies may be able to carry on their activities for private profit”.

I emphasise the words “private profit”. Sir, we have not been told of the nature of difficulties which were experienced while acquiring land belonging to Mr. Aurora but Mr. Bhupesh Gupta has pointed out that negotiations were going on for the purchase of that plot of land but that before the negotiations broke down, Government intervened and tried to acquire the property under this Act. Why did not the Uttar Pradesh Government allow the private negotiations to be successful and why did they intervene? Does it not mean that the Government wanted to force the landowner to sell his property much below the market price? The hon. Mr. Sinha has stated that if we allow private individuals to sell property by negotiations, then perhaps

[Shri B. D. Khobaragade.]

the price of lands will be inflated and that the owners will be demanding much higher prices. Sir, it has been our experience that whenever land is acquired under the Land Acquisition Act, the price that is paid as compensation to the landowner is much below the market price; it is hardly fifty per cent. Therefore, what we object to is this: Adequate compensation is not paid to the owners in respect of land acquired from them. I remember the case of the Nagpur Improvement Trust. They had acquired land for improvement purpose, for the expansion of Nagpur City and they purchased land from the cultivators at the rate of Rs. 400 or Rs. 500 per acre. They divided the area into a number of plots and sold each plot at an exorbitant rate. They charged about Rs. 50,000 per acre while they had paid only Rs. 500 per acre. This sort of thing goes on in the name of the Land Acquisition Act. If you want to have land for any public utility service like the railways, roads, canals, hospitals, schools, etc., we do not mind land being acquired but what we object to is land being acquired for private profit. It has been mentioned that the price of land is usually inflated. May I know from the hon. Minister the number of instances in which prices were inflated? Take even this case of Aurora. The total cost of this project is about Rs. 60 lakhs out of which they had collected eight lakhs of rupees and the rest was a loan advanced by the Government to that concern. As mentioned by the hon. Minister this morning, the price that was being demanded for the land was Rs. 5000 which was the market price. Instead of Rs. 5000 even if the price was double or four times this, what is the proportion of this to the total cost of the project? This will be 1/2000th of the total cost. This is the sum required to be invested in land. I am quite sure that even if they pay two or three times more, or even five times as mentioned by some hon. Members, their profit-earning capacity will not be affected.

Moreover, Sir, there is a difference in the land required. In the case of the construction of a railway line or road or canal, or the exploitation of minerals, you require only a particular plot and in that case we do not mind land being acquired but so far as other projects are concerned, in this particular case they wanted to erect a textile equipment plant, there can be alternative sites in the same locality. Why should he insist on acquiring any particular plot?

[THE DEPUTY CHAIRMAN in the Chair]

He can have it in different places also. There will be competition and naturally because of the competition, the entrepreneurs will be able to get the land at a competitive price. So, there is this difference between the two kinds of land, land required for public purposes like the construction of roads, railways, canals, or for exploiting minerals and land required for building industrial units. In the first instance, if land is acquired compulsorily, we do not mind but in the other case where alternative sites can be available and can be purchased at competitive prices, no action should be taken to acquire that plot of land. Now, Mr. Bhupesh Gupta has moved an amendment—he intends moving it—in which he says that land should be acquired only for companies in the public sector. I entirely agree with him. We need not allow the public limited companies in the private sector to acquire land under this Act because their motive in constructing huge industrial projects is to earn profits and, therefore, if they are earning huge profits, it does not matter if they pay in the initial stages a few thousand rupees more to get land for the project. But I do not entirely agree with him because we should not differentiate between the public sector and the private sector companies. The public sector companies also are proceeding on the profit motive and it is not correct that we should acquire land from the poor peasants and give it to these companies in public sector. We notice from the reports that apart from the

rapid industrialisation of the country, their object is also to earn profits. If they earn profits then there should be no harm in their paying the proper price for the land to the owners.

I come now to the last clause of this Bill which aims at giving retrospective effect to the provisions of this Bill. I do not know why retrospective effect is being given. There is apprehension in the minds of hon. Members that retrospective effect is being given to this Bill only to enable Mr. Ram Ratan Gupta to retain the land which the Supreme Court has decreed and directed should be returned to the owner. Madam, it has been mentioned in this Bill that there would be many difficulties because the judgment of the Supreme Court has invalidated many parts of the Act and, therefore, it would result in hardship so far as the entrepreneurs are concerned. I fail to understand the point of view of the Minister because according to the principles of equity, when I construct anything on a plot under the belief that that plot belongs to me and when I am compelled to return that plot to the owner, then it is essential that the owner of the plot must give me compensation for the structure that I have put up on that plot. If today such huge projects are constructed on such plots, whose value would be crores of rupees, how can a small agriculturist come and say, "Well this is my land. I am prepared to pay crores of rupees as compensation and I must have the land"? So, the question of taking the land from the people who have constructed buildings on it would not arise. The second alternative is that they will demand damages. But then, what would be the extent of damages? Even if they demand damages, why should not they be paid damages because the extent of the damages will not be greater. The percentage of damages to be paid to these land owners would be much below the huge profits that these projects have

earned in the past years. And if these capitalists and big project people have earned huge profits there should be no objection to pay sufficient damages to those people. And what would be sufficient damages? If they had acquired the property much below the market price prevailing at that time, they would have to pay the market price. In these circumstances, Madam, I do not find any necessity to have retrospective effect given to this Bill. If the hon. Minister wants us to believe that this is not to enable Mr. Ramratan Gupta to retain land acquired by him, then I would like to have an assurance from the hon. Minister that he would rather return the land which Mr. Ramratan Gupta has acquired to its original owner and thus respect the decree which the Supreme Court has passed. Such an assurance should be given by the hon. Minister; then only we can understand that retrospective effect is being given on some *bona fide* grounds.

SHRI BABUBHAI CHINAI (Maharashtra): Madam Deputy Chairman, I am thankful to you for giving me an opportunity to express my views on this Bill. A lot of controversy and heat was created over this Bill in the Lok Sabha and I find the same thing here also this morning. The simple question according to me is that in the light of the judgment of the Supreme Court of last December whether it is possible for the Government to acquire land for industrial purposes and if it is not so whether an amendment of the Act is necessary to clear the position. It was found, as stated by the hon. Minister in his speech this morning, that practically all the States in India had approached the Government of India saying that the Supreme Court judgment has put great difficulties in the way of the States acquiring land for industrial purposes and in some cases for co-operative housing societies also. If that is the position and if it is accepted, then I see no reason why the Government should not come be-

[Shri Babubhai Chinai.]

fore Parliament to implement the intentions of the Government by bringing up an amending Bill. As we all know, after this judgement, as there was confusion all round in the country, the Government came with an ordinance with retrospective effect. And also we all know that within six months this ordinance should be replaced by an Act; otherwise the ordinance lapses by itself. Therefore this amendment of the Act which is before us is absolutely in time and necessary. However, when a land is to be acquired for the purpose of industry the main thing to be considered is whether this Act will enable land to be acquired, as the Government has accepted an amendment moved in the other House by one of the hon. Members, Mr. Kamath, that it should be not in the interest of the general public but for a public purpose. Having accepted this amendment and having inserted it, one wonders whether the very purpose which the Bill seeks to achieve will be met. I would beseech the hon. Minister to kindly explain to this House and elucidate whether by inserting the phrase 'public purpose' the Government thinks that the State Governments or the Central Government would be in a position to acquire land for putting up industries. As we all know, this country has been wedded to certain industrial policies and we have all been thinking, talking and implementing in terms of a mixed economy. Having accepted mixed economy, having accepted planned economy, having accepted the Plan, it is but natural that in order to implement the Plan, the industrialisation part of the Plan will be required to be fulfilled and if industrialisation is to be fulfilled, naturally it would be necessary to help those who are working for it in different directions. For example, any industry which is to be put up will require land. It is very likely that in some cases this land may be

belonging to some agriculturist but we will have to take into consideration whether the interest of an individual agriculturist would be better served by not acquiring that particular land or by acquiring that land by giving him enough compensation and allowing the industry to be put up on that land in order that the targets of the Plan which has been accepted by the country may be fulfilled. We will have to take into consideration both the advantages and the disadvantages and come to certain conclusions. When we think in terms of industrialisation in this country there are other aspects also involved in it; for example, employment, the economic rise of the people, etc. All these factors have to be taken into consideration and I have no doubt in my mind that if land is to be acquired for the industrial development of the country, for the economic development of the country, it must be said that it is for public purpose. If the Government also thinks on the same lines I would beseech the hon. Minister to kindly explain this particular aspect of inserting the phrase 'public purpose' in the Bill.

Madam, I have not been able to appreciate the dropping of the term 'private company' from the compass of this Bill. I do not know why there could be distinction between a private limited concern and a public limited concern so far as putting up of industry and acquiring land for an industrial purpose is concerned. I can quite appreciate the intentions of the Government if it has been mentioned that the land will not be acquired for a private individual but where the question is whether it is a private limited concern or a public limited concern, the difference is a very narrow difference. In a public limited concern you have capital worth more than Rs. 10 lakhs and you have more than 50 members whereas in the private limited concern you have less number of members and less than Rs. 10 lakhs

of capital. We have been shouting from the housetops that we are for the smaller people, that we want to develop small and medium-scale industries in this country but I fail to understand why the Government has come and said that we will not allow land to be acquired for private limited companies which have Rs. 10 lakhs capital. After all they are also part and parcel of the society and they also want to put up industries on small and medium scale. Suppose for example, an engineer wants to put up a small factory with Rs. 5 lakhs and he finds it difficult to get a piece of land for his industry, is Government going to debar him and not going to help him simply because he does not have enough capital to start a public limited concern? I think this distinction is not a very happy distinction which the Government has made, which the hon. Minister has accepted in the Lok Sabha. I am really sorry the hon. Minister is known for his strength, for his firmness, but on this occasion he has succumbed to pressures, succumbed to criticism for nothing. He is a man of convictions and I do not know what has made him change his mind and accept these two amendments.

SHRI SHEEL BHADRA YAJEE: Because he discourages private enterprise.

SHRI BABUBHAI CHINAI: I do not know whether what my friend says is correct because I have known the hon. Minister to be a champion of the private sector also.

SHRI SHEEL BHADRA YAJEE: Question.

SHRI BABUBHAI CHINAI: He has always tried to help the industrialists of this country and we are beholden to him.

SHRI BHUPESH GUPTA: This should be noted. He said that he is the champion of the private sector.

SHRI BABUBHAI CHINAI: I did say that. (Interruption) Then, there is another point which I want to bring to the notice of the Government and the Minister. That is in connection with the several housing societies and co-operative societies. As you know, this was not in the original Bill which was circulated, but it has been inserted later. I must congratulate the hon. Minister on his accepting the amendment. As it is, it has been found very difficult for State Governments to acquire land for co-operative societies and if this provision had not been inserted, perhaps several co-operative societies, for whom lands have been acquired, would have come into difficulties. Once again, with all the emphasis at my command, I would beseech the hon. Minister to kindly explain to us what exactly Government's intention is when he accepted the amendment relating to public purpose.

Thank you.

SHRI K. SANTHANAM (Madras): Madam Deputy Chairman, I rise to support the Bill. The issues have become confused on account of various irrelevant arguments. First of all, let us make up our mind whether we want a Plan or not. If we do not want a Plan, then we do not want the Bill and, therefore, the opposition of the leader of the Swatantra Party is quite justified. Similarly, if we want the Plan, we should also make up our mind whether the Plan must have a private sector as well as a public sector.

SHRI BHUPESH GUPTA: Both.

SHRI K. SANTHANAM: If you do not want the private sector, then the Bill is irrelevant and so you must oppose it. I can understand it.

SHRI BHUPESH GUPTA: I said that there should not be any private sector.

SHRI K. SANTHANAM: Just wait a minute. Now, today no industry can be started, except on the basis

[Shri K. Santhanam.]
of an industrial licence and this industrial licence must be presumed to be given on the basis that the industry is essential for the country. Having given a licence and having made a Plan on the basis that the licence will be implemented, if the licensee is unable to put up the industry, who suffers? The Plan will get broken. For instance, take the fertiliser industry.

SHRI BHUPESH GUPTA: I shall by law, compel him to buy land.

SHRI K. SANTHANAM: You cannot by law compel him to buy land, if you cannot compel the other man to give the land.

SHRI BHUPESH GUPTA:
Madam

SHRI K. SANTHANAM: Please wait. Please listen. You are in a hurry. Therefore, it is as necessary for the completion and implementation of the Plan that the private sector projects are implemented according to schedule, as in the case of the public sector projects. Now, my hon. friend says that they will compel the private sector company to buy land. In the case of many industrial enterprises it is not any land that is useful. That is the mistake which my hon. friend, Mr. Chordia, made. We want land with plenty of good water. We want land near a railway station or where transport facilities are available. We want land with so many other conveniences. Unless such a land is available, we cannot allow the private industrialists to put up his plant, because it will become an uneconomic unit. It will not be useful to the public or fulfil the purpose of the Plan. Therefore, in many cases, even in the case of the private sector, it is the public authorities who have to decide whether and under what conditions the factory has to be put up. In fact, the actual location of the site of these factories is decided by the public authorities. Therefore, when a particular site or location is decided

by the public authorities, to say that they should not have the power to acquire the land, I think, is to say that we do not want to have the Plan or we do not want to have the private sector in the Plan. In respect of all those people who say that there should be a Plan and the private sector should form part of the Plan, I think, the main provision is absolutely essential.

In this connection I want to dissociate myself from the least suggestion that the Supreme Court had made any mistake, having interpreted the law as it stood. If we had made an inadequate law, the Supreme Court is not responsible. If in this Bill we are committing any defect, as a result of which the Bill has to come again to Parliament, you cannot blame the courts or the Supreme Court. Therefore, it is the business of the Supreme Court to interpret the law in the light of their conscience and judgment and it is for us to amend the law whenever we find that our previous law is defective or is not satisfactory and make the law more perfect in the light of what we need. Therefore, let there be no conflict between Parliament and the Supreme Court. Let them go on interpreting the law and let us, whenever necessary, amend the law.

SHRI B. K. P. SINHA: Nobody suggested that it should be otherwise.

SHRI K. SANTHANAM: I thought your argument was, more or less the implication was, that those judgments were not immutable or something like that. So far as we are concerned, the interpretation of the Supreme Court is the final word and we go by their interpretation. We do not question such an interpretation at all.

I entirely approve of the object of the Bill. I think it absolutely essential for the fulfilment of the Plan. At the same time, the clause has to some extent, been amended in a hasty manner. But I do not agree

with my friend, Mr. Chinnai, on certain matters. For instance, the original Bill was:—

“...engaged in an industry which is essential to the life of the community or is likely to promote the economic development of the country; or”.

Now, the present wording is:—

“(aa) that such acquisition is needed for the construction of some building or work for a Company which is engaged or is taking steps for engaging itself in any industry or work which is for a public purpose; or”.

Now, this is very ambiguous drafting. For instance, are we to say ‘a Company which is engaged or is taking steps for engaging itself in any industry or work which is for a public purpose’, or ‘are we to tag on the phrase ‘public purpose’ both to the industry and also ‘work’? I think if the court interprets it as ‘industry for a public purpose’, then the very difficulty, to overcome which this Bill has been introduced, will recur and it will have to come again. I do not know why the hon. Minister allowed this ambiguity to come in, because we want the Government to have the power to acquire land for any industry which is licensed. If he had said for acquisition of land for any industry which has been licensed by Government, then it would have become very precise. But as it is, it may be the courts may interpret saying ‘industry for a public purpose’. Then again regarding the definition of ‘public purpose’ the Supreme Court’s interpretation will come in. Therefore, all the other troubles will come in. So, I think the drafting is fundamentally defective.

SHRI AKBAR ALI KHAN. Don’t you want to give protection to that extent?

SHRI K. SANTHANAM: It does not give it. Either it gives complete protection or no protection at all. It does not give any kind of limited protection. I say if the interpretation is ‘any industry’, it may be a useless industry, it may be a trifling industry, it may be an unnecessary industry, it may be an unlicensed industry.

SHRI AKBAR ALI KHAN: It should be for a public service.

SHRI K. SANTHANAM. Even for that the question is whether ‘public purpose’ should attach itself only to ‘industry’ or only to ‘work’ or to both.

SHRI BHUPESH GUPTA. It applies to both.

SHRI K. SANTHANAM. You are not the Supreme Court please. I thought that you would understand me. I have been in Legislature for a longer time. I say this can be interpreted in both ways.

SHRI BHUPESH GUPTA. That is the tragedy of it. Having been in Legislature for such a long time, you cannot see, ‘a Company which is engaged or is taking steps for engaging itself in any industry or work’. It says ‘industry or’. It is ‘or’.

SHRI K. SANTHANAM. If they had put a comma after ‘work’, then your interpretation will be all right. But because there is no comma after ‘work’, it can be ‘any industry’ or ‘work which is for a public purpose’. I say that it is capable of both interpretations, and it is for the Supreme Court and the High Courts to interpret and not for my friend, Mr. Bhupesh Gupta. I do not accept your legal acumen in these matters. Why do you interrupt? You are not a better lawyer than myself.

SHRI BHUPESH GUPTA: I am not a lawyer at all. It is commonsense.

SHRI K. SANTHANAM: I am strictly on the legal interpretation of it. You have no business to interrupt. I think it is neither common nor sense.

SHRI BHUPESH GUPTA: Only you need a comma.

SHRI K. SANTHANAM: Yes, a comma means a great deal. If the comma had been put after "work", then it would be different altogether.

In this connection my friend, Mr. Chinai, protested against the exclusion of the private companies. I think the Minister has been right in excluding the private companies in the private sector because it is in these private companies that all kinds of manipulations take place. Nobody knows what money has been put in and what has been taken out. There is no public scrutiny. But public companies in the public sector are more or less like public undertakings.

SHRI BHUPESH GUPTA: You have got the Estimates Committee.

SHRI K. SANTHANAM: In the case of clause 5, it is said:—

"No Company for which any land is acquired under this Part shall be entitled to transfer the said land or any part thereof by sale, mortgage, gift, lease or otherwise except with the previous sanction of the appropriate Government."

Here I think this clause is not sufficiently comprehensive. I think either it should be prohibited altogether from mortgaging or doing anything, or it should be surrendered to the Government or to the owner; or at least any profit which may be made by such transaction should be surrendered to the public. The sanc-

tion of the Government means somebody hanging on the Secretary or the Under Secretary or the Deputy Secretary, and finally, by persisting sufficiently long, he will get the sanction.

SHRI BHUPESH GUPTA: Why don't you say Minister? You said all the officers.

SHRI K. SANTHANAM: I have now got only one point to make. It is stated under clause 6:—

"Provided that the power to make rules for carrying out the purposes of Part VII of this Act shall be exercisable by the Central Government and such rules may be made for the guidance of the State Governments and the officers of the Central Government and of the State Governments."

I cannot understand the significance of this clause altogether. If the powers to make rules shall be exercisable by the Central Government, all rules that are made shall be binding on the State Governments and all officers. And what exactly is the meaning of the words "such rules may be made for the guidance of the State Governments"? It is binding on all authorities, State Governments public, private, everybody.

SHRI C. D. PANDE: We are taking away their authority. So you see it is necessary.

SHRI K. SANTHANAM: Why?

SHRI C. D. PANDE: Because this provision comes under that clause

SHRI K. SANTHANAM: That clause was faulty. Therefore, it is unnecessary that it should be repeated even in the proviso. We should have stopped by saying "shall be exercisable by the Central Government". Then it would be all right because the rules can be made by the Central Government only.

SHRI C. D. PANDE: When the States can pass an act, they can also make rules.

SHRI K. SANTHANAM: But the power of making rules is taken away from the State Governments and vested in the Central Government.

SHRI BHUPESH GUPTA: He is spoiling the Government's case.

SHRI K. SANTHANAM: When once the rules are made by the Central Government, they are not for guidance, they are for compliance. Therefore, there is no meaning in saying that they are for the guidance of the officers. It is quite redundant and it is likely to give rise to some confusion.

With these remarks I support the Bill, and I hope that any defects which may be found will be duly corrected either by legislation or by rules.

SHRI DHANANJOY MOHANTY (Orissa): Madam Deputy Chairman, while supporting the Bill, I rise to say that in matters of land acquisition the first thing that is to be taken into consideration is whether the land is really required for a public purpose and whether the land earmarked is the most suitable one for that purpose. The utmost care and caution must be taken in coming to a final conclusion on these points. This has been the job so far of the Government officials. Though high officials like the Collector and Commissioner are responsible under the law in this regard, we all know that the real job is done by the Amins and Tahsildars at the lower level. The mischief starts from the lowest step. Once the Collector puts his seal and signature on the requisition, it becomes almost final, and only in very rare cases any change in the decision is possible. Therefore, in my humble opinion the Gram Panchayat, the Panchayat Samiti, the Zilla Parishad, the M.L.As. and the

M.Ps. ought to be consulted. Whether it is for a co-operative or a company, the matter should be thoroughly scrutinised at the time of the very initiation of it.

Whether the House would relish it or not, I am constrained to say a few facts as to how poor people perish under this law. Generally the suggestion of the public regarding any alternate site is simply turned down. Adequate compensation is not paid. People have to go to the courts. It takes a long time to get a decision from the court. The worries and expenses involved in the case in court cannot properly be described or stated. The remedy, if any, from a court is only for the party who goes to litigation, and not for others. Here I would like to make a reference to Hirakud. Years after acquisition, a judgment came from the High Court enhancing the award. But it was to the advantage of the parties because they went into litigation. Others are simply disappointed. There seems to be no remedy for them though they have lost the same amount of property. The same thing had been repeated in Rourkela where large-scale acquisitions had been made. The amount that has been decreed in the court in a Hirakud matter is much higher than what the arbitrator awarded. According to the sayings of learned men, proper compensation can never be paid for any land. Particularly when cash compensation is paid in these days of dearness and high cost, it should be paid in keeping with the present market conditions.

In this context I would like to say that there should be some special consideration shown in matters of land acquisition in areas where sale of land or transfer of land is restricted, as in the case of the tribal people or the Adibasis. They are not free to sell their land, and when compensation is assessed according to market rates, I would submit that really no market rate is established there because of these restrictions. So, those people

[Shri Dhananjoy Mohanty.]

go without proper compensation, there can be hardly any doubt about it. Citing an instance, I would say that in Rourkela only Rs. 200 had been paid per acre of Goda land, irrespective of its quality. Even the value of the grass or the 'kendu' leaf that naturally grows on these lands would be much more than Rs 200. The reaction in the minds of the people could be very well imagined.

I would quote another instance. There was land acquisition in Rourkela both for the Railways and for the HSL. For the land acquired for the HSL within the State of Orissa, a compensation from Rs. 200 to a maximum of Rs. 900 has been paid, whereas just across the border—I would say that it is just an imaginary line and the land is in Bihar State—a compensation of Rs. 2,100 has been paid for the same class of land for which Rs 200 have been paid in Orissa. This sort of thing has been agitating the people all the time. Therefore, these things should have to be avoided and the rules that may be framed in this connection have to be properly considered.

Then, regarding the present amendment, because of the omission of the word 'likely', I am very happy that it has been made more positive. There is no question of the acquisition being 'likely' to be useful. Now, it is in a positive sense that it will be useful.

I would like to say that just as the chances of vices being committed in the name of gods and temples cannot be ruled out, great care and caution have to be taken while initiating the process of land acquisition for any concern whatsoever.

In conclusion, I would add with all the force at my command that due regard should be paid to our Constitution and to the judicial decisions with regard to land acquisition. I would also add that the rules should

be so framed that not a single man is displaced until he has a house ready for his shelter and a dependable occupation for him to fall back upon.

SHRI P. C. MITRA (Bihar): Madam Deputy Chairman, when this Bill was introduced in the other House the object of it was to replace the Land Acquisition (Amendment) Ordinance 1962 that was promulgated by the President of India on the 20th July, 1962, and to neutralise the effect of the Supreme Court judgment delivered on the 15th December, 1961 in a case against U.P. Government concerning the acquisition of land in favour of a limited concern controlled by an industrial magnate of U.P. When that Bill came before the Lok Sabha, it was not discussed on merit and much heat was produced in regard to a particular case of U.P. and so, I am afraid that proper consideration was not given and the new amendment was adopted, which the hon Minister correctly described as completely out of recognition from the original draft of the Bill. Actually, the Bill was primarily introduced for validating certain acquisitions. It applies not only to the acquisition to be made under this Act but validates previous ones also. It applies not only to the particular Uttar Pradesh Government acquisition which was the subject matter of Supreme Court case but hundreds or the thousands of land acquisitions made in India. I know that at least in Bihar hundreds of plots of land have been acquired not only for the public sector but for the private sector companies as well. They have been acquired for the low-income housing group also. The Supreme Court judgment has clearly affected these acquisitions. I will read out from the relevant extract of the judgment—

“What these provisions require is that the work should be directly useful to the public and the agree-

ment shall contain a term how the public shall have the right to use the work directly themselves. It seems to us that under the relevant words in ss. 40(1)(b) and 41 it is works like a hospital, a public reading room or a library or an educational institution open to the public or such other work as the public may directly use that are contemplated and it is only for such works which are useful to the public in this way and can be directly used by it that land can be acquired for a company under the Act"

The judgment proceeds further—

"—In the present case all that the Government was satisfied about appears to be that the product of the company will be useful to the public and the provision in the agreement is merely that the public shall be able to go upon the works for purposes of business."

Now, Madam, changes have been made in the Bill. It is stated in clause 3—

"(aa) that such acquisition is needed for the construction of some building or work for a Company which is engaged or is taking steps for engaging itself in any industry or work which is for a public purpose; or".

Anyhow, as stated by the hon. Member Mr. Santhanam rightly, whether this 'public purpose' qualifies everything or not is not made clear. If there had been the word 'and' or a comma after the word 'work' then the words 'public purpose' would qualify everything, and it might be clear.

I have given notices of two amendments. One is—

"That at page 1, line 15, after the word 'purpose' the words 'or in furtherance of the Third Five Year Plan or any subsequent Five Year Plans' be inserted."

As it is, it is clear that this point has been left vague as a result of some compromise made about it in the other House and proper care and caution were not taken. The hon. Minister who piloted the Bill thinks that his purpose has been served by the inclusion of the words 'public purpose' and the Opposition which opposed the Bill also thinks that its purpose has been served, by the inclusion of the words 'public purpose'. But ultimately, the term 'public purpose' will again have to be interpreted by the Supreme Court, and I am afraid the other House deliberately left the door open for the final interpretation by the Supreme Court. Therefore, I think it should be made more clear by adding words as I have suggested. Everyone here is committed to the full implementation of the Five Year Plans. We have already stipulated that for development purposes, a sum of Rs. 1,380 crores should be spent in the public sector during the Third Five Year Plan, and for the private sector an amount of Rs. 1,050 crores is provided besides Rs. 150 crores for replacements and modernisation of the pre-war plants.

Now the question has arisen 4 P.M. and much discussion has taken place here as to whether private sector should be given any advantage, as to whether land should be acquired for private sector as well. But I find that actually everyone including the Communist Party is in favour of implementation of the Five Year Plan. If you are in favour of implementation of the Five Year Plan, then the private sector is also included in it, and I know in Ranchi, which is industrially growing, how the price of land is rising, not two-fold or three-fold, in certain cases even fifty or hundred times. The moment Government issues a Notification in this respect—and we all know that there is a gap in time between the issue of the Notification and the actual possession of land—the moment a Notification is issued, several parties interested to create agitation raise hue and cry there and ask the villagers to de-

[Shri P. C. Mitra.]

mand a very high price. I know the case of a certain plot of land in Ranchi. The Notification was issued for a township associated with the setting up of the heavy engineering plants, and the people owning that land demanded not less than Rs. 20,000 per acre plus alternative accommodation, and ultimately the Heavy Engineering Corporation gave it up; they decided to take land in some other area nearby, and those people who were led to demand such a high price were very much disappointed. In the same way, for an industry, whether in the public sector or in the private sector, whenever the Government wants to acquire land, there is a hue and cry. Of course in Bihar, there has not been much trouble over the rate of compensation as the Bihar Government always sees that adequate compensation is paid, and only in the case of the Heavy Engineering Corporation there was some trouble. As another hon. Member from Orissa said, to make valuation of tribal land is difficult. Section 23 of the Land Acquisition Act fixes 15 per cent over the market rate as the price to be paid, but the land of the tribals cannot be sold to any other except to certain other aboriginals, and as such there is no market rate of their lands. There the rate was generally computed on the basis of production which is very unjust. Certainly production of those lands is very low because they are highlands, but they are very good for building purposes, and one magistrate who was to decide the valuation gave the award on the basis of production and fixed as low as Rs. 45 per acre for highlands, and for lowlands, which were not fit for house building he fixed up to Rs. 1600 per acre. There was delay by about two years in the construction of that township there because the tribals refused to accept the compensation awarded by the magistrate. Ultimately the compensation had to be paid at a far increased rate as a result of intervention made by the Government of Bihar and

THE DEPUTY CHAIRMAN: Please wind up.

SHRI P. C. MITRA: All right, Madam. I need not dilate on this any longer. Let me have only one minute. Let me take up my amendment relating to private companies now.

According to the Companies Act a private company means a company whose shareholders are less than 50. When you allow the position that Government can acquire land for the private sector also, then why should a distinction be made between a public company and a private company? Is it because a private company is a small company with less than 50 members, and a public company is one run by big capitalists with more shareholders in it? And I am surprised that such a hue and cry should be raised against the private company. As far as I know the U.P. concern, against which there has been so much tirade, is also a company and in the context of this Bill that is also a public company and shall be benefited by provisions of this Bill. Therefore I do not agree that Government should come and acquire land only for the big companies and not for the small companies with less than 50 members. So I think that this provision should be amended.

With these remarks I support the Bill.

SHRI S. K. PATIL: Madam Deputy Chairman, I am indeed very grateful to this House for the general support that they have given to this particular Bill. Now I am not trying to reply to every criticism that has been made, but there are some points which appear to me very important and deserving of the consideration of the Government, and I would try to deal with them.

Now the first and very important point is the relation between the Government and the Supreme Court. Now really this is not a matter which should be discussed, because the Constitution gives powers to the Government and it equally gives powers to the Supreme Court. These powers are beyond challenge by this House even if you are unanimous about it. But sometimes Members, while they speak about the Supreme Court, do not really mean that they are challenging the jurisdiction of the Supreme Court when they point out that the Supreme Court has erred in a case or has changed its opinion in a case. I am not going into those cases. What I am telling you is this, that it is the business or the prerogative—if you call it—of this House to make laws; Parliament is intended to make laws. It is equally the prerogative of the Supreme Court, the highest court of judicature, to interpret those laws. Now, when we make laws, when the Government makes laws, the Government have certain objectives, certain intentions in their mind, and Government seeks to cover those objectives or intentions in certain words or phraseology. But surely something does escape; something is on the border line. Therefore the interpretation of those laws also becomes as important as the incorporation of those objectives in words in a statute. Now what I am telling you is this, that in 1894, when this Act came into being, certain phraseology was used. Then the Government thought that it might cover a variety of objectives which they had in view. But the society is not a static one; it goes on changing; even the objectives go on expanding. But the meaning which the original words conveyed still remained there. Why I am telling you this? For such a long time as 68 years the occasion did not arise that the meaning that was given to the objectives of Government then should be challenged in a court of law. I do not find fault with the challengers because, after all, when a law is made, it is up to them to see if there is any loophole

in that law or breach in that law by which one can get out of that law. There is nothing wrong about it. The whole society goes on that basis. Now the Government thought that any objective which they regarded was for a public purpose or for public use could be included in this provision, including the co-operative societies—for the good work that they do—and others. They made a distinction in the Act in favour of public purposes—in Part II of the Act; they reserved something exclusively for them, which is partly Government, the public purpose of which cannot be doubted. But when they came to companies, they did not want to give the advantages contained in Part II to the companies, because that would have been an injustice besides being an impropriety. Therefore in Part VII of the Act itself they have laid down the different schemes, that land has got to be given under certain circumstances, then it has got to be justiciable and the compensation has got to be adequate. The rules of compensation which section 23 covers are very wide. It does not stop at mentioning the market value. It has been defined, that it must be the value of a similar plot in the vicinity. If it is in the cities or towns, this can be done, because the plots are daily sold, and if it is in the villages, sometimes it is thirty times the revenue, and so on and so forth. Although not completely water-tight, all that could be devised in the matter of paying compensation has been incorporated, also that nobody could acquire the land cheaply—that has been done, notwithstanding the fact that sometimes omissions or other things may happen. Also, if the owner who sells or who is going to be divested of his land has got a house in it, even its price has got to be added to it. If by selling the land he loses a well or something that he has constructed there so as to prejudicially affect his other land which is adjoining, then also compensation of that has got to be added. There are many other things. I do not want to go into the whole section.

[Shri S. K. Patil.]

Section 23, which is a part of Part VII of this Act, gives 1, 2, 3, 4, 5, so many things, as many as could be thought of in those days. If in modern times more things have to be added, we propose to add them. On the top of that they say, after having calculated all that, they should give 15 per cent. more as solatium because even they knew that there was a sentimental value which had not been counted there though everything else had been counted. That is the sentimental value which the farmer or anybody has got attached to that land. Therefore, they said 15 per cent. and that could be called solatium. That was done. In order to cover those objectives these words were used at that time. So if you are constructing something where you are going to house your workers etc., there is no difficulty. Legislation does not find any difficulty. You can acquire land and all that. You can build it. But where it is a question of acquiring, say, for a factory, not for its workers, see how the scope gets narrowed down. If there are a thousand workers in that factory, you can acquire land ten times or twenty times more and do it. There is no difficulty about them. But if you have got to erect a factory itself, which is the fountain of all that, for which the workers are there, you have no right to do so under that sub-clause. Therefore, sub-clause (b) has been added, "If it is a work which is likely to prove useful". Now, these words were perhaps enough in those days, "likely to be useful to the public". Therefore, the Government imagined—and very naturally imagined all these 68 years—that the words "likely to be useful to the public" were capable of covering those objectives which they had in their mind. Therefore, I do not attach or give any blame to the people, to the Government nor do I give any blame to the Supreme Court.

Madam, why did the case go to the Supreme Court? Naturally, the man

who took it there—in this case Mr. Aurora—he had been advised by the pleaders. Naturally everybody goes to pleaders and lawyers to seek their advice. Lawyers are always there to find out where are the breaches, where are the loopholes in that enactment so that they can be taken advantage of for which they are justified. I am not against that profession. Madam, you belong to that profession and it is a respectable profession. There is nothing wrong in it. They have always got to be on the watch to see whether there is any loophole. So a loophole was found. Now, is this factory which is intended to be established "likely to be of public use"? Now, they put a restrictive meaning on it which appears, perhaps, apparent. There is nothing wrong that this can be a direct public use. Nobody can go like a Field Marshal and say, "Open the gates. I am going in because it is likely to be of public use." Now, such a public use cannot be either for my hon. friend, Mr. Bhupesh Gupta, or for myself; nobody will allow us. Not to talk of the proprietor, even the gatekeeper would not allow us to go in. Therefore, they restricted the meaning of it. It was restrictive in the wording itself, that "likely to be of public use" are not words which can cover the intention of having that building or declaring that building to be demonstrably something which is likely to be of public use. Therefore, the judgment of the Supreme Court is of a limited character. It is an interpretation of those words, not a commentary on the intentions or the philosophy. The Supreme Court has got no right to include any philosophies in it. The Government's case was very weak and the judgment was very simple indeed. As one can understand, those words do not cover the intentions for which this land is acquired and, therefore, they said all this.

Now, it was said that we were the agents for these people, etc. If that meaning is really given to that, then

naturally we become agents by giving that land to them. Therefore, what was attacked was not the philosophy, was not the intention, was not the objective but those words, "likely to be useful to the public". Therefore, when it was attacked and it was turned down by the Supreme Court, it becomes the duty of this sovereign Parliament to see that if the objectives, as they envisaged, were right and for clothing those objectives if the words were wrong, it has got to be set right so that the objectives that we have got in mind should be really for what they are. That is why we have come forward for the amendment. It is not anything new. Therefore, there is no antagonism which is sought to be sometimes argued in a mistaken way between the Government and the Supreme Court. These are supplementary and complementary bodies of democracy. They have got to grow. They have got to exist and they have got to mutually respect each other all the time.

So, Madam, even while the Supreme Court gives a judgement, it goes to the farthest limit to find out that the interpretation that they give must accord as nearly as possible to the objectives which the Government may have in view. But these words were not capable of covering those objectives. Therefore, the Supreme Court gave that judgement and we came here and said that if the words were wrong and if the objectives were correct and we wanted to protect those objectives by changing the legal phraseology, we have every right, as sovereign Parliament, to do it. Therefore, we use the words. When we use the words, we do many things. That itself will show to you as to how these objectives are sought to be covered. First we say, all the interests of the community, so on and so forth, three, four or five, into which I do not want to go. That would not do.

Many people say that we covered various things and blamed the Governments. Possibly because the

Central Government is before them, therefore, they are finding fault with the Government in the States and say that the State Governments are likely to misuse that. Therefore, again we were hard put to it that really if there is any suspicion and all that, again it can be misconstrued and we have got to cover it again by the right type of phraseology. Therefore, I agree with my friend, Mr. Santhanam, that it is right that even the new phraseology that we use must not again be a subject-matter of discussion. But we cannot escape that because, after all, the final authority, just as we are the supreme authority in making laws, is the Supreme Court in interpreting them and we cannot sit in judgement over them. We did our best

SHRI AKBAR ALI KHAN: Lawyers have also the privilege to interpret and they have a right to do so.

SHRI S. K. PATIL: . . . in order to interpret it. And what we did was this. Ultimately, when I had a talk with the Attorney-General on this subject....

SHRI BHUPESH GUPTA: You can say, the law as interpreted by Mr. Santhanam.

SHRI S. K. PATIL: It is all right. He has rightly interpreted it. There is nothing wrong about it. If he were sitting as a Judge of the Supreme Court, he would have put that interpretation. There is nothing wrong about it.

Therefore, we were asked to take cover under article 19(5) where the liberties of the people are sought to be restricted in the public interest. At one time I thought that that was a good expression, "in the public interest", because while guaranteeing the liberties in the Constitution, which article 19 provides, restrictions are made that in certain circumstances sometimes we shall have to restrict those things and those restrictions will come in "in public interest".

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Therefore, we thought, this being used in the Constitution, let us have it. Hence the amendment in the other House that I moved that it should be "in the public interest".

Now, again, the friends got up and said—because it has been common everywhere in democracy, not only in our Legislature, that whatever the Government does has to be reasonably suspected and, therefore, whatever we have got up our sleeves—when we said "public interest", why not use the words of article 31 which is specifically for acquisition of certain properties? After having declared that the property is sacrosanct, everybody has a liberty to do, etc. etc., they said, "Why not use the words 'public purpose'?" Therefore, we were again confused whether we should say "public interest" under article 19(5) or should we take the language of article 31 and use the words "public purpose"? Then we went to the Law Ministry to tell us what was good. They said, "Both are good. You can choose either". They can advise me but their advice is also not the last word; only the Supreme Court has the last word. Therefore, they said that this wording "for public purpose" was a good expression. It is very often defined in law and a lot of case-law has gathered round it and, therefore, it cannot be easily dismissed because the courts will have to depend upon the numerous cases, upon the hundreds of cases that have been built up on that. That is why that expression was chosen. I shall read to you a paragraph which is very important indeed. This word that I am telling as to 'public purpose' has been defined and the Law Commission also has really gone into it in a very big way. In fact the Law Commission which examined this question, in its Tenth Report, observes thus. It is very significant and so I am reading this:

"It is in our view neither possible nor expedient to attempt an

exhaustive definition of 'public purpose'. The only guiding rule for the determination of its meaning is that the proposed acquisition or requisition should tend to promote the welfare of the community as distinct from the benefit conferred upon an individual. The mere fact that the immediate use is to benefit a particular individual would not prevent the purpose being a public one, if in the result it is conducive to the welfare of the community.... All that can therefore be attempted in a legislation of this kind is to provide an inclusive definition so as to endow it with sufficient elasticity to enable the courts to interpret the meaning of the expression 'public purpose' according to the needs of the situation"

By that they meant that immediately it may appear that it only gives a certain benefit to an individual or a group of individuals, just as, take a company preparing or manufacturing a textile machinery; now the immediate result of it will be some dividends to the shareholders, either to a person or group of persons but ultimately because it has been licensed as a part of our Plan, etc. it means it is a good thing to do it. Therefore, the Law Commission goes to the extent of saying that although you cannot merely give in so precise a language the meaning of 'public purpose', 'public purpose' means that it must have a tendency, that it is something which is intended for public good although temporarily it might appear that it has done some good to somebody. By that token alone it does not disqualify itself to be a public good if ultimately it is going to be and it has got the tendency of doing some good to the public. Therefore, when we have used this expression, we have used that after deliberate thought. While thinking of hundreds of things and sometimes of pressures also because when many people make a difference between public purpose and public interest, I mean when both have the same meaning, naturally, as

a practical man I thought rather than having all the storm on one word, it is much better to go to a court again because the court will realise as to what the objectives are. The objectives have been made clear time and again—fifteen hours discussion there and four hours discussion here and I think even the desks will understand as to what are going to be the objectives of this Bill. Therefore the Supreme Court is bound to interpret, according to me, because the tenor of their judgements has always been that they always stick to the word and give that interpretation by which by and large the objectives of the Government could be covered. What happened after this Aurora case? After this Aurora case when the judgment was against those words, a similar case arose in Punjab only last month or 3 or 4 months back, in May. They had to acquire some land for air-conditioning. I do not know out of the two, machinery for textile or air-conditioning, which is a larger public purpose. According to me the first is. The textile machinery is surely a larger purpose. Even then, I do not go into that but the Government saw that they were likely to be attacked if they acquired lands under Chapter VII or Part VII: therefore, they were wise enough and they went to Part II. Part II puts no obligation on the Government of any type. Not only they could acquire but they have got to pay some money. Therefore, do you know, how much they paid? They paid Rs. 100 for the land. Technically they have to pay some money. In the other Part, when it is acquired for a company, the money is to be paid wholly by that company. Therefore in order to satisfy the requirements of law, they paid Rs. 100 and acquired the land for themselves which they have a right to and then they gave it for the air-conditioning plant, etc. The case went to the Court and this judgment of Aurora versus the U.P. Government was quoted in that court also and the judgment of the 5 Judges of the Supreme Court said: "Whatever it might be, once the State

Government, in its wisdom, acquires the land for a public purpose, its decision is final and unchallengeable. We have no right to challenge the decision of it because the wording of Section 4 of Chapter II does not give us any loophole that we might go through it and change the meaning of it. They are competent and the compensation also is not justiciable". You can see. Therefore we are trying to prevent these, that hereafter the State Governments should not go to the length of acquiring land under Part II even for companies. Therefore my friend opposite will see that I am restricting the law in order to take away the liberty of the States to acquire lands under Part II in which the final decision is only what they decide and not as is given here and many other things might happen. Here I am making it under Part VII so that all those restrictive measures that have been put including the compensation should be applied to it and it should not be so very easy for the State Governments to acquire it for anything and everything. This is the distinction that is sought to be made.

Another point that was raised was, is it for the Aurora case that it has been made? My friend Shri Bhupesh Gupta—I do not know—is possessed by that Aurora business. There is nothing but Aurora. But this Aurora really has become instrumental. Aurora is nothing before us. Aurora has done this. Somebody has to go to the court and Aurora went. As I said we are not much concerned about what happens to Aurora and the U.P. Government.

SHRI BHUPESH GUPTA: Mr. Ram Rattan Gupta.

SHRI S. K. PATIL: It is a small amount. Because out of 23 acres of land, for 19 acres of land the people have taken their money and gone. Aurora only had 4 acres out of these 23 acres. The price given was Rs. 1200 per acre. I told you that it

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does not come even to Rs. 5000 in the total. My hon. friend said that lands have gone there for much higher price. The evidence that we have got is that of lands round about or in the periphery, nothing has gone for more than Rs. 300 or Rs. 400. This is the highest price that has been paid but whether it was adequate or not, I do not go into it because that is not my concern but why the Bill was made imperative, so far as the Government was concerned, was, taking advantage of this Aurora case, hundreds of people in the different States went to the court or threatened to go to the court saying that under this decision of the Supreme Court, they shall challenge the Government's right of what they had done in the past and under the Law of Limitation, anything that lay within 12 years before this was all vulnerable in a court of law and could be attacked. Therefore the lands acquired by the co-operative societies, the lands acquired even by the Government for industrial purposes, as they have done in the past were affected. Not only that but in the city of Bombay, land was sought to be acquired by the Government for a fertilizer factory that was 100 per cent. under the public sector. But when the owners saw that there is a loophole which has been created, they thought that the law here is on their side and they issued a notice to the Government, "You shall not acquire land because under judgment of so and so, it is there". Therefore all these Governments became panicky and they wrote to us. Every day sheaves of telegrams were coming time and again all these months in order to impress upon us that whatever was the lacuna that has been found and pointed out by the Supreme Court has got to be bridged. Unless that is done, the objective of the Government cannot be covered. Therefore I can assure my friend opposite that it was not for Aurora or anybody that this is done. It is not for Rs. 5000 that we have done it. It is not Rs. 5 crores, it

may be Rs. 500 crores. All these 12 years whatever has been done will be subjected to that, those that were acquired under Part VII of this Act. Therefore it is done. Therefore let there be no misunderstanding that it has been done in order to favour a man or a set of people. It is nothing of the kind. Then somebody said about good agricultural lands. I am referring to Mr. Chordia and many others. Naturally I can quite understand that because they are friends of the agriculturists and the farmers. But who am I? What business have I to sit as the Minister of Agriculture if I cannot protect even the lands of the agriculturists or the farmers? But if somebody very seriously suggests to me that I should go somewhere for some discarded land somewhere because it has no value and erect a factory or allow somebody to erect a factory—the Moon and the Venus apart because possibly hon. Members themselves might like to go there but I am talking of a poor factory—the factory must have got some nearness, as it was pointed out, to the means of communication, the Railways. It must have electric power, it must have water and it must have the facilities, the markets, the raw products on which the industry works, the nearness of it and so on. How difficult it is to do that. Therefore sometimes it has to be done. Therefore some land has to be given but I have gone a little farther than it was originally intended in giving an assurance there and repeating the assurance here which assurance I want to cover by rules that I shall be making and placing on the Tables of both the Houses. It is subject to your correction, change or anything you might do, that both the Houses might do. In that I would like to make it difficult, very difficult, for good agricultural land to go, unless it is unavoidable. If it is unavoidable then, of course, I cannot do it. I cannot tell them, "You take your factory somewhere else, to the Himalayas or to the Everest" where nobody can go. After all the workers have got to go.

Means of communication have got to be there. Otherwise you will be spending ten or twenty times more money in order to create those facilities. You may be going to a jungle and urbanising that jungle, and where you yourself live will become a jungle. Therefore, this kind of thing it will be impossible to do. So far as agricultural land is concerned, I am prepared to go to this extent. This is where there is compulsory acquisition. It does not come in the way when a farmer parts with his land for non-agricultural purposes. I am thinking about it and I would like to make it impossible for the farmer himself to part with his land for non-agricultural purposes even if he is satisfied, because I do not think that even a farmer has got the right to throw away the land because at one time the land belonged to him. But as I have been saying, I have not decided as to what should be done. If you want to protect the land, then the law should not make any difference. Where the owner gets a little more money, your heart is not pinched and nothing happens to you. But if it is done by the Government then alone all this exuberance of love for the farmer and for the agriculturist, as if you are all for the agriculturists and the Government does not care for the agriculturists. That surely is an attitude that we should not take towards each other. I quite understand that hon. Members opposite are as much anxious to protect the interests of the farmers and to protect good agricultural land as we are. Therefore, let us mutually understand that what is sought to be done is not to deprive the farmers of any good agricultural land. We are not going to do that.

Then there is the question of compensation. Incidentally I shall deal with it and I do not want to take much time. The question of compensation is coming under section 23. I want to go even further and I am going to issue instructions to cover it in the rules so that not only will they

be paid solatium and so on, but if it is found that the farmer has no other means of livelihood, something has to be done. Where will he go? How can you cover him? Where will he get a job? Can he get a share? All these are things to be considered. It is not as if you can incorporate them all into the Bill, as the hon. Member over there was suggesting. How can you incorporate this variety of things, these hundreds of thousands of things depending on different circumstances in the legislation itself? When the rules come to you, there will be time enough to consider these things. These things should be considered so that adequate, reasonable and a little more than adequate and reasonable compensation is given to the man, than is envisaged in section 23 of the Act. That much about compensation.

The question was asked: Why are private companies discriminated against? There were two opinions here. But in the Lok Sabha everybody had his cudgels against the private company and all sorts of lurid pictures were given of the private company, what they will do and what they will not do and so on and so forth. Then naturally it was thought that in order to get a smooth passage for the Bill, if that was the majority opinion or the opinion of a large number of friends, then it could be done. I could promise you one thing. After this Act has really functioned for some time, if it is noticed that the private companies are really suffering as a result of this, there will be time enough because this Act is going to be amended again in its entirety. We are now amending only a part of it, and at that time, if it can be established that we can amend it, we will do so. We are trying to make it difficult to acquire land not only by private companies, but even by public companies, because unless it is unavoidable, we are not going to do it. But if the private companies also come and say that it is unavoidable, then it has got to be done. I can tell you that in all these years, not once

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have we acquired for them even without the law. Therefore, we thought that in doing this, we are not doing something out of the way. Up till now, we have not acquired any land for any private company, although there was no restriction in acquiring it. Possibly it can be acquired under Part II, and so why don't you keep it there? In Part II even an elephant can go. It is very wide. Therefore, if it can be done under that, they have still the power to do it. But while we delimit these powers in this Part VII, let us not add companies, because our corporations also are companies. They are private companies, but they are really government companies and not like the others, I mean the public private companies. Therefore, we have sought to make this distinction which is very well defined in the Companies Act which one can see.

One word more and I have done. Mr. Sanhanam pointed out some mistake and asked something about a comma. He asked why we have spoken of "industry or work".

SHRI B. D. KHOBARAGADE. What about the difference between a public company and the government company? In government companies the government has got more than 50 per cent of the shares and so if land is acquired for such a company, we have no objection.

SHRI S. K. PATIL: We have considered private companies and the government companies, both as defined under the Companies Act. That is the legal phrase which we have used and it covers everything.

I was referring to the words "industry or work" occurring in the Bill. Maybe this is the legal wording. It is drafted by the Law Ministry, not by me. But I can give you the genesis of it so that you can realise it and in the interpretation thereof the Supreme Court is not going to make any

mistake of any type. Why that word "work" came there, I shall tell you. It looks so very prosaic in that beautiful mosaic, I mean this word "work". It happened so because you may want to do something, say, through a cooperative society. That is not an industry. Therefore, some word had to be found. We considered about ten different words and by a process of elimination everything had to be dropped, because everything has got some kind of difficulty. Therefore, it is not as an illustrative part that the word "work" has been used here. It is something which is distinct from industry. Therefore, there is no likelihood that the qualifying part will apply only to "work" and not to the industry. If we find any difficulty we will have to change it. We are not masters of English prose and much less of the language used in legal enactments. Anyway, this is what has been done. Ultimately we found that the word "work" is such a sound word that it will mean everything and therefore, we have it here as "industry or work". Work means say, a cooperative society and everything that is put into it, work that is for a public purpose.

Madam, these are the purposes. This Bill has been passed by the Lok Sabha and I do not want to take any more of the time of the House. So far as these amendments are concerned, by my explanations you should have come to the conclusion that it is difficult for me, or impossible for me to accept them because the purpose for which this measure is being enacted is sought to be restricted by these amendments. Therefore, it is impossible for me to accept them. With these words, I commend this Bill for the acceptance of the House.

SHRI B. D. KHOBARAGADE: I want a little clarification. The hon. Minister just now stated that there are certain corporations which are sponsored by the Government. There are also the public limited companies. Along with the corporations, he

wanted to extend the provisions of this measure to the public limited companies also, to acquire land. Madam, I have pointed out the difference between a public company and a government company. If a government company acquires land under this Act we would have no objection. But why should a public limited company, owned by private individuals or private people do it?

SHRI BHUPESH GUPTA: Mr. Pande can congratulate Mr. Patil later. Let him hear the hon. Member.

SHRI B. D. KHOBARAGADE: It may be a company owned by private people, not by the Government but by individual entrepreneurs and in that case the provisions of this Act should not be used. Only those in the public sector should utilise it.

THE DEPUTY CHAIRMAN: Mr. Mahanty, you had to say something? You were sitting there some time back.

SHRI BHUPESH GUPTA: He has come to the side of reason.

THE DEPUTY CHAIRMAN: Let us hear him first, you may be disappointed.

SHRI DHANANJOY MOHANTY: I want a little clarification on the point whether any State can have any law of its own on the subject of land acquisition. I ask this, because in Orissa we have an Act for "The Orissa Development of Industries, Irrigation, Capital Construction, Resettlement of Displaced Persons and for matters incidental thereto". It has a big title and it is an Act of 1948, meant for the speedy acquisition of land. I want to know whether this Act now being passed will go side by side with that Orissa Act.

THE DEPUTY CHAIRMAN: Mr. Patil, have you got anything to say?

SHRI S. K. PATIL: What is it?

SHRI DHANANJOY MOHANTY: There is a State law in Orissa called the Orissa Development and Industries Act which was passed in order to speed up land acquisition for the purpose of industries, irrigation, etc. I want to know whether with the passing of this Bill that Act will also continue.

SHRI S. K. PATIL: That brings me to an unanswered point of Mr. Santhanam which I forgot to cover. These are rules which are to be made by the Government of India in Part VII. We wanted that all the rules under the Act should be made by us and an amendment moved but it would have been naturally out of order because this is not the whole Act but only an amendment. Therefore we have now applied it to the particular set of circumstances under which the rules are made. Under section 55 of the Land Acquisition Act rules are made by the States and those are there already. We do not say that when we make our rules those rules will go. They will have to be amended so far as Part VII is concerned to be in consonance with the rules that we shall be making. Now, we have had no time to consult the States about it. It is wrong for the Government of India to do anything like that but it had immediately to be done because there was no time to consult them which would have taken quite some time. When I come with the whole Act I would consult the State Governments but this time we had no time. Therefore we used a clever phraseology and said that we make the rules for the guidance of the State Governments. The idea is the same; if you can do something by persuasion why use coercion? That is the reply. Therefore if Orissa has got some statute under which land is acquired the tenor of these rules that we make will be in a sense obligatory on that Government also because so far as Part VII is concerned the rules that we shall make will be binding on the Orissa Government.

SHRI DHANANJOY MOHANTY: I am talking about the provisions of the Act and not . . .

THE DEPUTY CHAIRMAN: He has already given the explanation.

The question is:

"That the Bill further to amend the Land Acquisition Act, 1894, and to validate certain acquisitions under that Act, as passed by the Lok Sabha, be taken into consideration."

The motion was negatived.

THE DEPUTY CHAIRMAN: We shall now take up the clause by clause consideration of the Bill.

Clause 2 was added to the Bill.

CLAUSE 3—Amendment of section 40

SHRI BHUPESH GUPTA: I move:

4 "That at page 1, for lines 12 to 15, the following be substituted namely:

'(aa) that such acquisition is needed for the construction of some building or work for a Public Sector Company which is engaged or is taking steps for engaging itself in any industry or work which is for a public purpose; or."

Madam Deputy Chairman, this is the central point in my scheme of understanding which unfortunately I have not been able to convey to the other side. As the hon. Minister was speaking I tried to listen to him with attention but it seemed that Mr. Pande was so much agitated and very much impatient to praise the Minister with the result that all my attention was diverted by his distractive movements. Mr. Pande, I find, is always . . .

THE DEPUTY CHAIRMAN: Are you speaking on the amendment or on Mr. Pande?

SHRI BHUPESH GUPTA: I was pointing out my difficulty. I have tried carefully in spite of the diversion caused by my hon. friend Mr. Pande, to understand the position of the hon. Minister. I make it absolutely clear that with the change in times such interpretations will have to be changed. We accept the position that what might be in the minds of the Government of that time may not be in the minds of the Government today. There may be something more; some of the things may not be there; I accept it. There is no quarrel with it. I also accept the need for an amendment when the necessity comes. Here the private sector companies are excluded so far. Take the private sector companies which in this case would mean really the big monopoly concerns controlled by them or directly owned by them under certain arrangements. They should not be given the protection or advantage of this law. That was my main contention. Now, the hon. Minister wanted to make out that this is necessary for the industrialisation of the country. Madam, as you know, there are 27,000 companies today, joint stock companies. You get it in the Reports of the Company Law Administration. Was it necessary that the Government should have such powers to acquire land for the privately owned companies in order that their business may flourish? No; these companies had flourished all these years without having the advantage of this law. In other words, these companies could acquire the requisite land, land which would be to their advantage, without getting the assistance of the Government in this manner. That is to say, they could acquire land through private negotiations with the parties and build their factories. Since independence such companies have doubled, as we know, and we also know that since independence there have been very few cases where actually the Government had to acquire land in order to help the privately owned companies. If it is true

then it follows that at least from past experience it is not a very valid case to make that in order to help the private sector companies the Government must acquire land. The past does not sustain this argument. Now, is there any indication that in the future this will become a necessity? There is no such indication at all. The same laws of the market that operated in the past operate today and if in the past before the enactment of this measure the privately owned companies could acquire land for industrial purposes there is no reason to think that these companies would not be able to do so in the future on their own through bilateral negotiations between the seller and the buyer without the State coming in. Now this is my contention. This is not accepted by the Government but the Government has not given any convincing argument. That is why I just want to say here that it should be for public sector companies. Astounding arguments have been put forward by Mr. Santhanam saying that we are giving licence to the companies, therefore we must be their procurers. Since we give them licences we must be their procurers, procurers of land in this case. Now how does it follow? We give licences for certain reasons and under certain set of conditions. The same set of conditions and considerations do not apply in the case of procurement of land which they could do themselves. Without a licence from the Government they cannot start a factory. Without the assistance of the Government they can buy land for starting a factory through negotiations as indeed it is being done between the parties, the private company and the seller of the land.

THE DEPUTY CHAIRMAN: I think you have made yourself quite clear on this amendment.

SHRI BHUPESH GUPTA: But I have not succeeded therefore . . .

THE DEPUTY CHAIRMAN: You have made it very clear.

SHRI BHUPESH GUPTA: To you, Madam. If you give your vote in my favour I am prepared but I want to convince other Members because I must pursue this matter.

AN HON. MEMBER: Are you sure you will be able to convince?

SHRI BHUPESH GUPTA: We live with good hopes just as you live with hopes.

THE DEPUTY CHAIRMAN: Let us hear the Minister then

SHRI BHUPESH GUPTA: You seem to be very fond of hearing the Minister.

THE DEPUTY CHAIRMAN: You said you live in hopes and . . .

SHRI BHUPESH GUPTA: I know the Ministers are charming and very nice to hear but we are sometimes also not so uncharming and not so unpleasant to hear.

THE DEPUTY CHAIRMAN: Your charm is known all round.

SHRI BHUPESH GUPTA: No, Madam. This is one of my misfortunes that I cannot charm the Chair. (*Interruptions*).

THE DEPUTY CHAIRMAN: Please be brief.

SHRI C. D. PANDE: This way of saying. 'I cannot charm the Chair' is not very respectable and I suggest it should be removed.

SHRI BHUPESH GUPTA: Mr. Pande has become a running commentator as if we are in a cricket game. Mr. Pande, like a sports commentator, is all the time commenting, no matter what the score is; no matter who is speaking Mr. Pande goes on commenting.

THE DEPUTY CHAIRMAN: You must finish. There are other amendments.

SHRI BHUPESH GUPTA: You don't need a running commentator; do you? We start a good humour and it spoils a serious case.

SHRI BHUPESH GUPTA: Now, here it gives retrospective effect to that particular transaction. Mr. S. K. Patil was saying that I am obsessed with whatever Mr. Aurora said. I am informed that behind this Bill is liaison with Mr. Ramratan Gupta. The Bill or rather the posture behind the Bill is illustrative of the kind of liaison that has developed between some State Government and the multimillionaire class. I am not enamoured of Mr. Aurora, whom I do not know. I am apprehensive of the liaison that is growing in the country and this Bill will help it, with all your restrictions. Mr. S. K. Patil gave many assurances. Well, if you think of assurances, nobody can beat Mr. S. K. Patil. He can release assurances, like jet planes releasing gas. There is no doubt about it. But the trouble is, with all his assurances, the State Government will not do so, nor I think Mr. S. K. Patil will continue in the same position to see that his assurance is carried out. Ministers come and Ministers go. That also we have seen. We want a legal provision, but that we do not get. That is our complaint. I say that they can have all powers for the public sector companies, which means public sector companies whether privately owned or so-called technically private. I am prepared to give you that power.

DR. SHRIMATI SEETA PARMANAND: I want to put a question to the hon. Member.

SHRI BHUPESH GUPTA: Now, for a change I am interrupted by a lady Member.

DR. SHRIMATI SEETA PARMANAND: Is he aware that in the colliery sector, where the companies are private, where the houses are to be built by a statutory body, it is impossible to build houses, in spite of crores of rupees being available, because the land is not available there? These are private companies. Houses are to be built by the Government, by a statutory body. Unless and until land is made available like this, it will not be possible for them to be built.

SHRI BHUPESH GUPTA: Anyway, if Shrimati Seeta Parmanand did not have a chance to speak, a little longer interruption would not give her any chance to speak. Now, I need not deal with it. The only thing I say is do not misunderstand the word 'private'. I know the restrictive nature in which it is used. I do not say that the Bill is as bad as it was originally introduced. The Government has certainly been bridled to some extent, but not fully controlled. It has been held on tight reins. I have no doubt about it. But still I think this is a very serious thing and the private companies in the private sector will take advantage of it, in the sense that they will be in a better position in the bargain between the two, between them and the seller of the land. Secondly, at the State Government corruption will start. Corruption is already there over this matter and corruption will start. Liaison which is already there would be strengthened, between the privately owned companies and the Government. This is my fear. Therefore, I would request the House to reject it. You may say, what is the use of requesting, but a noble cause is never lost. I would request the House to reject the idea given by Mr. S. K. Patil and accept my amendment. I am for protecting the agriculturist and so on. But here it is not merely that question. It is a basic, broad question which comes into the picture when you discuss such matters. It is a regrettable thing that over such matters even the Gov-

ernment hesitates to take a correct, firm step. And Mr. Chinai was building up counter-pressure from the other side. He is a man of big money. Naturally he was mounting his gun against Mr. Aurora.

THE DEPUTY CHAIRMAN: I think you have to finish now.

SHRI BHUPESH GUPTA: I will do that. I need not say much about my amendment No. 4, which is on the same lines. All that I say finally is that whatever little concessions have been made by the Government have been made due to the powerful resistance in the other House. I welcome that thing, but still I feel that this measure is bad in so far as this defect is concerned, and what is more is legalises, validates a most unwholesome act, namely, the act of the U.P. Government by which they acted as the procurers of Mr. Ram Ratan Gupta, a Congress Member and patron, financial patron of the Congress Party. The act was, therefore, tainted. If it is tainted, that taint you can never take away from him. If the Bill had come earlier, I would have understood it. But this taint they can never take away and it will be known to the country that these people, the multimillionaire class, have their way and I think it is something which we should all try to prevent.

The question was proposed.

SHRI S. K. PATIL: Madam, I do not want to take the time of the House. The Bill is serving a purpose which my friend does not want. What is the use of the Bill? We have brought it in order that we should include those companies also. The effect has to be given validation. What is likely to be vulnerable or invalidated because of the judgment, has to be validated. We have changed the language.

THE DEPUTY MINISTER CHAIRMAN: The question is:

4. "That at page 1, for lines 12 to 15, the following be substituted, namely:—

'(aa) that such acquisition is needed for the construction of some building or work for a public Sector Company which is engaged or is taking steps for engaging itself in any industry or work which is for a public purpose; or'."

The motion was negatived.

THE DEPUTY CHAIRMAN: The question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clause 4—Amendment of section 41

THE DEPUTY CHAIRMAN: Clause 4 There is one amendment in the name of Mr. Bhupesh Gupta.

SHRI K. SANTHANAM: This amendment is a consequential amendment. It has no independent meaning.

SHRI BHUPESH GUPTA: No.

THE DEPUTY CHAIRMAN: Are you moving your amendment?

SHRI BHUPESH GUPTA: What about the point of order?

THE DEPUTY CHAIRMAN: You may move it.

SHRI BHUPESH GUPTA: Madam, I move:

5. "That at page 2, line 5, for the word 'Company' the words 'Public Sector Company' be substituted."

The question was put and the motion was negatived.

THE DEPUTY CHAIRMAN: The question is:

"That clause 4 stand part of the Bill."

The motion was adopted.

Clause 4 was added to the Bill.

Clauses 5 to 8 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI S. K. PATIL: Madam, I move:

"That the Bill be passed."

The question was proposed.

SHRI BHUPESH GUPTA: I want one assurance from him. Now, I do not want to speak on it. He said that the rules would be framed. Would he kindly consult the Opposition before finalising the rules? I know that he will be placing them on the Table of the House. I say representatives from all Parties, including the Congress Party, should be consulted before they actually frame the rules. Will he accept this suggestion of mine?

SHRI S. K. PATIL: It is a very valuable suggestion for action.

SHRI BHUPESH GUPTA: Will he accept it?

THE DEPUTY CHAIRMAN: He says it is a suggestion for action.

SHRI B. D. KHOBARAGADE: Madam, I would like to make one or two observations. If I have heard the hon. Minister correctly, he has said that there was not a single instance in which land was acquired for some private company or for some public company in the private sector under this Act. If that is the correct position as stated by the Minister . . .

SHRI S. K. PATIL: Under which Part?

SHRI B. D. KHOBARAGADE: If land is to be acquired for any other individual or private company, then it should be acquired under Part VII.

SHRI S. K. PATIL: It can be acquired under Part II, just as they acquired in Punjab. I narrated that instance.

THE DEPUTY CHAIRMAN: I think it has been clarified.

SHRI BHUPESH GUPTA: One point. Through you certainly, on behalf of the House, I can ask for an assurance . . .

THE DEPUTY CHAIRMAN: Mr. Khobaragade has not yet finished.

SHRI B. D. KHOBARAGADE: There is another thing. If I am right, the hon. Minister has not given any reasons as to why it is necessary to give retrospective effect to this Bill.

SHRI S. K. PATIL: It is not retrospective effect. It is validation of things which are likely to be invalidated as a result of that judgment.

SHRI B. D. KHOBARAGADE: It does mean retrospective effect because you want to validate all those things which were declared invalid by the Supreme Court. So, this Bill is going to have retrospective effect. I want to know from the hon. Minister whether this clause is being introduced in this Bill for the purpose of protecting the rights of Mr. Ram Rattan Gupta in the land which he has acquired through the help of the Government. If it is not so, then I would ask the hon. Minister to give an assurance that the Government would respect the judgment of the Supreme Court and return the land to the original owner. I want an assurance from the Minister in this respect.

SHRI BHUPESH GUPTA: What about my suggestion?

THE DEPUTY CHAIRMAN: The question is:

"That the Bill be passed."

The motion was adopted.

MESSAGES FROM THE LOK SABHA

I. THE CONSTITUTION (FOURTEENTH AMENDMENT) BILL, 1962

II. THE OIL AND NATURAL GAS COMMISSION (AMENDMENT) BILL, 1962

III. THE INDUSTRIES (DEVELOPMENT AND REGULATION) AMENDMENT BILL, 1962

SECRETARY: Madam, I have to report to the House the following Messages received from the Lok Sabha, signed by the Secretary of the Lok Sabha:—

(I)

In accordance with the provisions of Rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith a copy of the Constitution (Fourteenth Amendment) Bill, 1962, which has been passed by Lok Sabha at its sitting held on the 4th September, 1962, in accordance with the provisions of Article 368 of the Constitution of India."

(II)

"In accordance with the provisions of Rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith a copy of the Oil and Natural Gas Commission (Amendment) Bill, 1962, as passed by Lok Sabha at its sitting held on the 5th September, 1962."

(III)

"In accordance with the provisions of Rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith a copy of the Industries (Development and Regulation) Amendment Bill, 1962, as passed by Lok Sabha at its sitting held on the 5th September, 1962."

Madam, I beg to lay a copy of each of the Bills on the Table.

SHRI BHUPESH GUPTA: Madam, I want to raise one point. Are we going to take up these Bills in this session, because under the rules we should get 48 hours' notice? Now the Bills are there, we will get them only tomorrow morning, and on Friday morning they will come up here, the last day of the session according to the schedule. All I would point out to you is, this is how the Government is hurrying us through towards the end of the session. They do not give us the statutory notice in order to prepare for these things. By tomorrow we will have to prepare for six or seven Bills. For a big Party it may be all right. For a small Party you can understand the difficulty. Even for Members opposite it will be difficult to prepare for so many things at a time. I think the Government should be called upon to explain its behaviour in this matter of giving insufficient notice. The business should be arranged in such a way that in the early part of the session we have more business and in the later part we have less. As per rules 48 hours notice has to be observed. In this case it is not going to be observed. We protest against the behaviour of the Government, not you or the Secretariat of our House but against the Government in such matters.

THE DEPUTY CHAIRMAN: The programme for Government Bills has been laid before this House in