

(iii) Ministry of Commerce and Industry Notification No. 35(1)-T.B./53, dated the 22nd August 1953.

(iv) Statement under the proviso to sub-section (2) of section 16 of the Tariff Commission Act, 1951, explaining the reasons why a copy each of the documents referred to at (i) to (iii) above could not be laid within the period mentioned in that sub-section.

[Placed in Library. See No. IV. R. 103(3) for (i) to (iv).]

II

(i) Report of the Tariff Commission on the continuance of protection to the Plywood and Tea-chest industry.

(ii) Ministry of Commerce and Industry Resolution No. 28(2)-TB/53, dated the 29th August 1953.

(iii) Statement under the proviso to sub-section (2) of section 16 of the Tariff Commission Act, 1951, explaining the reasons why a copy each of the documents referred to at (i) and (ii) above could not be laid within the period mentioned in that sub-section.

[Placed in Library. See No. IV. R. 138(3) for (i) to (iii).]

EXTENSION OF COUNCIL SESSION

SHRI B. C. GHOSE (West Bengal): Sir, some time ago you stated that the Session of this House was extended up to the 18th; before making preparations for starting, we should like to know whether that arrangement still stands.

MR. CHAIRMAN: I am afraid we may have to extend the session, but I am not in a position to say for how long.

FOREIGN AFFAIRS DEBATE

SHRI H. D. RAJAH (Madras): Sir, I read in the newspapers that a debate on foreign affairs is expected to take place in the House of the People on the 17th. We have been sitting here for the past 15 days and we have not been given an opportunity of discussing either foreign affairs or Kashmir. I request you, Sir, that for the benefit of the Members of this House, a day may be allotted to discuss foreign affairs.

MR. CHAIRMAN: I have mentioned the matter to the Prime Minister already.

THE ANDHRA STATE BILL, 1953—continued

MR. CHAIRMAN: Clause 66.

There are two amendments here to clause 66, amendments Nos. 39 and 64. Mr. Sundarayya.

SHRI P. SUNDARAYYA (Madras): Sir, I beg to move:

"That at page 23, for lines 6 to 10, the following be substituted, namely:—

'but the administration of the project shall as from the appointed day be taken over by a Joint Board consisting of representatives of Andhra, Mysore and Hyderabad States, together with the representative of the Government of India as the Chairman, for looking after the rights and liabilities in respect of the administration, construction, maintenance and operation of the Tungabhadra Project, having due regard to the purposes of the Project.'"

Sir, I move this amendment for the simple reason that there have been various statements by the Chief Minister of Mysore State as well as by a number of Andhra Congress leaders especially about the varying

demands with regard to the Tungabhadra Project. Mysore State claims full rights over the Tungabhadra Project, full management, all rights and even the right to utilise all water, against the very purpose of the Project. Now, there has been a dispute with regard to these matters and there is no sense in going on like this for another two years, and to allow this wrangling to go on which is neither in the interests of the mutual friendly relations of the Kanarese people nor the Andhra people. The Government could as well have come out and authorised a Corporation to take over the affairs of the Project and conduct them. When it is a question connected with two or three States, the best thing would be to have a Corporation, a joint authority to run it. I want this thing to be immediately done so that there need not be wrangling, for two years and after two years of wrangling if there is no settlement, the Government of India would intervene and say: We have formed the linguistic States and even after that if you have not arrived at a settlement among yourselves, we will have to intervene. This kind of encouraging differences does no good to anybody. The best thing is to settle it immediately and not by allowing two years wrangling. As Government have already started various corporations to conduct the affairs of multi-purpose projects, similarly, in regard to the Tungabhadra Project also, a Corporation could be started. The best solution would therefore be for the Government itself to create a Corporation, as suggested in my amendment, consisting of representatives of the three States of Andhra, Mysore and Hyderabad, together with the representative of the Government of India as the Chairman.

In this connection, I would like to say that the Tungabhadra Project was originally intended for the benefit of the Bellary district and the other Rayalaseema districts. The claim of Mysore State is to show that they are the champions of the cause of the

Kannada people; they say that the waters should primarily be utilised first in the Mysore State, and then, if they have got anything left, then only the claims of other states come in. Whether this claim is right or wrong, it is not my point. Similarly, some of the Congress people may say that by changing the original purpose of the Project we will be doing great injustice to the Andhra people. There is bound to be this wrangling. So, in order to put an end to this, Government should come out with an effort to finish this project immediately and undertake a succession of projects, e.g., the Nandikonda Project and the Krishna Valley Project and finish these in about 10 or 15 years' time. Then there will be enough of water and electricity. The whole of the Krishna Valley is inhabited by both Andhra and Kanarese people. Therefore, the solution would be the execution of the projects on the Krishna Valley itself along with the other ones and not allowing the wrangling to go on. The Central Government must be prepared to build up the multi-purpose projects; meanwhile they should allow the Tungabhadra Project to benefit the people for whom it was originally intended.

SHRI H. D. RAJAH (Madras): Sir, I beg to move:

"That at page 23, after line 24, the following proviso be added, namely:—

'Provided however that if any surplus water or power is left, it shall not be withheld from the contiguous territories of Madras State'."

This famine-stricken country which is not having even enough water to drink should have an integrated water-system. In my last speech, I referred to the desirability of the waters of the Ganga flowing into the Tambraparani which is a river in the extreme south of the peninsula. Sir, the Ganga is a perennial source

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of water supply. So, in the set-up of this position, it is but natural that I should request the Government to accept this amendment which means that after the completion of the Tungabhadra Project, plenty of water that is available for Andhra as well as Mysore State, that is standing in the reservoir, can be given also to the contiguous State of Madras. What is this Tungabhadra Project? It is a project to dam the river Tungabhadra at the place where it forms the boundary line between the Madras and Hyderabad States. This 'dam' scheme comprises the construction of a masonry dam across the river, building of two canals on either bank of the river for irrigating nearly 7 lakhs of acres both in the Madras and Hyderabad States. Hydro-electric power is also to be generated at the dam as well as at the canal falls. The installed capacity of the powerhouse is 23,000 kws. for the first five years, 30,000 kws. in the next five years and 45,000 kws. afterwards.

The whole scheme of this dam may cost in the region of about Rs. 45 crores. Sir, I wish the Andhra State well. I am the man who initiated the discussion and decidedly informed everybody concerned that the Andhra State must be made a Vishal Andhra State. An Andhra State can be in the fullest sense an Andhra State only when all the Telugu speaking population of the entire area is brought into one State and that State is going to flow with milk and honey.

Sir, they have got excellent rivers; Godavari is a perennial river; Krishna is a perennial river and Tungabhadra is another important river. With these three important rivers their food problem is no problem at all.

SHRI C. G. K. REDDY (Mysore): They will be surplus.

SHRI H. D. RAJAH: They will have surplus food produced in their territory which will be available to the

rest of our Indian citizens. The other day on the Andhra Bill when, Mr. Pattabiraman referred to the Madras Government having spent more money on their irrigation and electric power, he adduced certain facts which are incontrovertible. Under these conditions, when there is water which has been now accumulated in that dam, with the combined strength of all the resources of the Madras State, the State having spent about Rs. 45 crores to produce that excellent dam which is going to produce so many kilowatts of electricity, it is but natural that I should request the Government of India to take note of the famished and waterless regions of Tamil Nad which have only dried up rivers.

SHRI P. SUNDARAYYA: What is the distance between Tungabhadra and.....

SHRI H. D. RAJAH: Whatever it may be, when I say that the waters of the Ganga must flow into the Tambraparani, distances do not at all count. Under the modern scientific achievements, distances are annihilated. I can come from Madras to Delhi in four hours' time; formerly I took 40 days to come. My ancestors who wanted to come to Kashi to have a dip in the Ganga took sixty days. Therefore, the distance or the mileage with regard to the beneficial effects to be conferred does not count. I believe in space being reduced. That is why I say that this Indian Union is an excellent Union of patriotic Indians who should be given the proper rights and benefits so that they feel that the Indian Union is theirs and not that some people want to appropriate all the benefits to themselves and leave the rest to the mercy of the dogs.

SHRI B. C. GHOSE (West Bengal): Who are appropriating? Does the hon. Member mean the Andhras?

SHRI H. D. RAJAH: I did not mention the Andhras.

Therefore, Sir, it is but natural that my demand must be conceded.

Now, look at the way in which these waters are going to be distributed. Even as it is, in the Tungabhadra scheme they had formed an idea of creating a high level channel. That has been given up so much so that the low level channel is going to irrigate areas which are not even adjacent to Bellary taluk. Sir, fortunately or unfortunately, I happen to own 50 acres of land there. Now, this channel which is constructed, the low level channel, passes right through my area without giving me a drop of water for my own land, and water is being taken all the way to about 50 miles away and given to the people there. (*Interruption.*) Therefore, I request that steps may be taken early in order to see that this high level channel is also constructed. My amendment is important in this way: Some cantankerous administration either in Mysore or in Andhra may withhold this water even when there is plenty of water. In order to safeguard my rights, in order to see that such a situation does not arise, it is necessary that the high-power body which they are thinking of having must have this point in view, namely, that the benefits of the dam will be equitably distributed and will not be withheld unreasonably from others.

There was a scheme by which the waters of these important rivers were to be integrated; Godavari waters must be led into the Krishna and the Krishna waters must be led into the Pennar and the Pennar waters must be made available to Chingleput, North Arcot and other districts. That scheme has not been now taken up. It has been given up. Naturally, that point will involve the collaboration of three important States, namely, Madras, Andhra and Mysore. If any such arrangement is to be made and, if this amendment is accepted, the position would be made easy. Now, this is also in keeping with clause 60 which already says that certain facilities are to be guaranteed to the Andhras in respect of certain institutions. I welcome and I reciprocate clause 60

which was discussed yesterday because it contains provision for Andhras to come to the King's Institute at Guindy, to come to our medical institutions and to various other institutions which are in the State of Madras and we have guaranteed a full protection for our Andhra brethren who come and seek learning and knowledge from us. Therefore, it is in keeping with that tradition, it is in keeping with that provision that we have got in clause 60 that I have brought in this amendment. I request that you should use your good offices with the Government to accept this amendment.

MR. CHAIRMAN: I am not part of the Government, Mr. Rajah. The Prime Minister and his Cabinet are the Government.

SHRI KISHEN CHAND (Hyderabad): Mr. Chairman, in supporting the amendment of Mr. Sundarayya seeking the establishment of a Corporation, I want to draw the attention of the hon. Members to the history of the Tungabhadra Project. It was primarily meant for Hyderabad and Madras States and there was a long drawn out dispute between the two States about the distribution of water. It was only with the intervention of the Central Government that the dispute was settled both as regards the investment, the management and the distribution of water of this Project. Now, Sir, suddenly by this Bill, another State is brought into the picture, the State of Mysore. So far, that State has had no hand in this project and it happens to be in the happy position of controlling the Headworks. Suddenly, without any stake in the construction of the Project, that State is in control of it.

There are two canals, the high canal and the low canal.

AN HON. MEMBER: High canal?

MR. CHAIRMAN: 'High canal' is a short term for high level canal.

SHRI KISHEN CHAND: I called it high canal for abbreviation. but if you want, I shall call it high level canal.

There will be always greater flow of water in the low level canal and the high level canal will suffer consequently. It so happens that the Bellary District is fed by the low level canal and, therefore, unless there is some sort of agreement between the Mysore and the Andhra States, the areas of Andhra State will suffer thereby. Mr. Sundarayya has rightly pointed out that there is no need to wait for two years; the Government knows the past history and, therefore, it would be very suitable if this whole project is entrusted to a Corporation. I think, Sir, that if a project covers areas of several States, it is always advisable to have a Corporation; otherwise there should be very clear cut understanding between the various States about the management of the project. The net result of this will be that for two years the Andhra State will get hardly any water and, therefore, from the very first day of its inception the Andhra State will suffer. I would request the hon. Minister to accept this amendment of Mr. Sundarayya. He has expressed hopes of success and has given his good wishes to the Andhra State. Let him show it practically by accepting the amendment so that the Andhra State gets water from the Tungabhadra from the very first day and thereby progresses well.

SHRI GOVINDA REDDY (Mysore): Sir, I have to oppose both the amendments. When I oppose Mr. Sundarayya's amendment, it does not mean that I do not appreciate the idea; the idea is good but I want to say that it comes at a later stage, while advisedly it has been provided in the clause for 'an agreement between' these States concerned. Well, Sir, water has been the cause of many a dispute in the past and it is still the cause of many a dispute. It has

led to enormous litigation. Water has been the most vital concern of the ryots. In this important matter, if an arbitrary order is imposed upon both the States it is not likely that it would work well. It would be better for the States to cooperate, to come together and to come to an agreement and then devise a common working arrangement. In this important matter if we are to incorporate Mr. Sundarayya's amendment in the clause without providing for an agreement, it means that we are not respecting the wishes of the States. It means that we are not giving any room for an agreement between the States.

SHRI P. SUNDARAYYA: My amendment does not take away that. You should please read the clause properly, the first 7 lines of clause 66(1) in which 'agreement' has been referred to but these 7 lines are not disturbed by my amendment. Only the succeeding portion is sought to be replaced by my amendment. Even if my amendment is accepted the need for an agreement is not eliminated.

SHRI GOVINDA REDDY: Even supposing that we incorporated Mr. Sundarayya's amendment in the clause itself, it would mean that we are pre-judging an issue between the States concerned. It would be advisable to leave the entire matter for agreement between the States, and it would be helping the States also if we kept clear the scope for agreement. I do not know why we should now suppose that the States will not come to an agreement or that the States will not agree to a common method. In fact it will be statesmanship to pre-suppose that the States will come to a decision in this matter.

As for the amendment of Mr. Rajah I do not know on what authority he says that Tungabhadra waters should be given over to the residuary Madras.

SHRI H. D. RAJAH: On what authority do you say that the

Ganges water should come to Tinnevely?

SHRI GOVINDA REDDY: There is no contiguity there. The nearest area in the residuary Madras State is some hundreds of miles away from the project, and so as it is, it is anticipated that the waters of this project will not be able to feed sufficiently the areas that are now under the project. It is also probably unlikely that any water could be spared. Also the residuary Madras State is not contiguous to the project and I do not think that the Madras State has any claim to it.

PROF. G. RANGA (Madras): Mr. Chairman, Sir, broadly speaking, I would be in favour of the clause as it is incorporated here, not because I do not want the further clarification that Mr. Sundarayya would like to see incorporated in it but because situated as the Government was, at the time the Bill was being prepared it is quite possible that they did not have enough time and opportunity either to help these two States to come to an agreement and therefore they have to incorporate it here or because they did not have the necessary advice and also plans in order to incorporate into it the necessary sections indicating the kind of authority that there should be and the various details regarding the activities of that authority, its functions, and so on. Therefore it is only a kind of an explanation that I give to myself for the omission in this Bill itself of the provisions that the Andhras as well as the Mysoreans would have liked to see incorporated even at this very initial stage. I wish to congratulate the Government of India on having taken care to incorporate this sub-clause in this clause 66, that is, giving a definition of what they mean by the expression "Tungabhadra Project". I consider this to be the governing clause, the governing point because so many doubts have been cast whether once this area where the Tungabhadra headworks are situated comes to be handed over to the Mysore State,

the Mysore State would begin to question the right of the Andhras and the other Rayalaseema people to demand and obtain the high level channel and its development; also—and most unfortunately for us—some of the responsible people in the Mysore State, without taking the trouble to go into the history and the genesis and all the rest of it connected with this project, began to talk as if they were gaining something for Mysore which was not intended already by the authors of the Tungabhadra Project. Thus they raised false hopes on the side of Mysore and fears on the side of Andhra and in order to allay all these fears I am glad the Government of India has incorporated in this clause of the Bill that "the Project" means the project agreed to between the Government of Madras and the Government of Hyderabad before the appointed day and, so far as the State of Madras is concerned, intended for the supply and distribution of water from the Tungabhadra river by means of high level and low level canals to the districts of Bellary, Anantapur, Cuddapah and Kurnool, and for the generation of electric energy, both hydro-electric and thermal, and its transmission and distribution to the said districts and includes any extension or further development after that day of that project for the said purpose. Now if all these things are satisfied and if thereafter there still be enough water available for irrigation, and enough possibilities for developing hydro-electric energy, then it would be open to the three States interested in this matter—Hyderabad, Mysore and Andhra—to come to a fresh agreement with or without the help of the Government of India or with or without the initiative of the Government of India in regard to their utilisation through the high level canal. It has got to be utilised only in the manner in which the original project—makers had intended it to be utilised. I am glad this is incorporated here and this is sufficient safeguard, I think, for the time being. But, at the same time this question

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raises a very great point of policy and principle which we should look at in the interests of the whole of India. There is something in what my hon. friend Mr. Rajah had said in hoping for Ganges water to be brought down to Tinnevely and right down to Cape Comorin. It was Sir Arthur Cotton, a man than whom there was no greater expert on irrigation, who had dreamt of such a dream. It is not such a chimerical thing and it should be a possibility for the engineers some day to achieve such a conservation by taking canals from the Ganges to come down into the Mahanadi and the various other rivers that we have and then down into the Godavari. Even the present day engineers of South India have begun to scheme for taking down the waters of the Godavari into Krishna, from Krishna to Pennar, from Pennar to Palar, from Palar to the Kavery and so on. It is quite possible that such a possibility may come to be achieved as soon as it may be possible for the engineers to achieve it and also for our financial officers to place the funds for the purpose. Now we are concerned with the present and here, are we or are we not to leave these inter-State matters to be decided by the State Governments or by the Union Government. I am all in favour of the Union Government itself coming in wherever these inter-State responsibilities are involved. It is a great pity that today when we are in such a hurry to expedite the debate relating to the clauses of the Bill we did not take sufficient care in order to indicate the manner in which the Union Government should function in regard to such problems. I am definitely of the opinion that if you were to give scope for the exercise of statesmanship—as my hon. friend Mr. Govinda Reddy had suggested today—to the States involved, my fear is that it would result more in the exercise of their unstatesmanlike attitudes and tempers than in the exercise of their statesmanlike attitudes and tempers. What is the earthly use of giving an

opportunity or creating an obligation to the Premier of Mysore or to the future Premier of Andhra to pose as though he was fighting specially for the rights of Mysore by posing unreasonable demands and also *vice versa* to the people of Andhra and then later on to appear to be becoming reasonable merely because they are obliged to come to some sort of compromise and when they find the compromise suggested by either party is not acceptable, to appear to have been forced by the Government of India. This kind of appearance or creation of an atmosphere of constant conflict between the States concerned and later on between the States and the Union Government and afterwards making the Union Government the villain of the piece is, I think, to go the wrong way about.

SHRI GOVINDA REDDY: Why should you suppose that the States are not coming together?

PROF. G. RANGA: We have already got it now. Mr. Kishen Chand gave an indication of it. I myself have been fighting for the Tungabhadra Project ever since I came into the Central Legislature some 18 or 19 years ago and long before that in my public career too. I know how long it has taken for the Madras Government and the Hyderabad Government even to come round the table. The then Central Government found it impossible to get them together. The project was conceived of and suggested in great detail by Mackenzie even as early as 35 years ago and yet only 10 or 12 years ago did it become possible for the Central Government to make these people agree to some sort of a tentative agreement and it was about 8 or 9 years ago that they came to some agreement. Now that was the past. Here is the present. The Andhra State has not come into existence; the headworks area has not yet been transferred to Mysore. The Mysore State did not even dream of this ever coming to them. In fact some of the Mysore statesmen did not want this even because it was a deficit

area—this Bellary area which was to be tagged on them. There was a regular fight among themselves internally and openly. There was a great deal of argument among themselves about this accretion of territory which would mean Rs. 40 or Rs. 50 lakhs of deficit. Then in order to satisfy their own people in regard to this matter they began to place before them these alluring dreams of headworks and the Tungabhadra being utilised for further irrigation and for the development of their own irrigation, of their own hydro-electric energy and all these things. This became possible merely because of the failure of the Union Government to devise a far-sighted policy not only in regard to this matter but in regard to all other things. They could have devised a policy not only in regard to this but in regard to all other similar inter-State problems and controversies, claims and counterclaims about irrigation projects, flood control projects, etc. Sir, I do not mean to say that I am suggesting this for the first time for the consideration of hon. Members. As long ago as 1937 when Bapu was alive—in fact it was under Bapu's inspiration—the then Congress Working Committee thought of appointing a sub-committee to study the question of these inter-State disputes in regard to flood control and irrigation. Then the National Planning Committee wanted to appoint a sub-committee and I think it did go into the question of the appointment of a sub-committee. Unfortunately, memory is short not only of the public, but it also seems, of our political workers with the result that though our Government has come in now, they would not take advantage of their own earlier Congress organisational efforts, nor would they take advantage of the secretarial experience. I would like them now in the Planning Commission as well as in the Planning Ministry to give their best thought to this matter and devise some sound policy.

Now, I am glad that my hon. friend Dr. Katju has given a categorical

assurance that this Tungabhadra Project would be utilised for the purposes for which it was conceived and no tampering with that would be allowed on the part of anyone of these interested States and that no controversy also would be countenanced by them. I wish to underline that assurance that he has given. I want it to be kept seriously in mind by the Administrations of both the Andhra as well as the Mysore States and also of the Hyderabad State, and I would like the Union Government to take the earliest possible opportunity of helping these two States, as soon as they have decided upon that course, to come to an agreement as soon as it is practicable and possible. If by any chance they find that their statesmen are only interested in fanning the flames of passion and rivalry and so on, I would like the Central Government not to wait too long, but, on the other hand, themselves to come forward and then say, "Here is our proposal: here is the Centrally controlled authority to whom we would hand over the whole of these headworks and the management of this Project." They can say, "On the managing authority we would give sufficient representation to all the three States interested in it: we would not allow any State—we are not interested in the personnel though the personnel also comes to be of very great importance—to hamper it. We would not allow any tinkering or any monkeying with the projects or with the way in which they should be developed in future."

Sir, in conclusion, I would like to express the hope that this Tungabhadra Project, if and when developed, would go to provide for us a granary for the whole of Rayalaseema so that it would not be necessary for Rayalaseema to go through this constant phase of suffering through famines; Rayalaseema's small scale industries could also be fully developed with the help of hydro-electric energy. I also express the hope that the Mysore State which has already

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made very rapid strides and great progress in this direction and the people of Mysore would be generous enough to see that this Project is developed to the fullest possible extent for the benefit of the people for whom it was intended without themselves unnecessarily raising at any time either doubt or fear or trouble.

SHRI RAMA RAO (Madras): Mr. Deputy Chairman, Sir, this clause is of a piece with the general architecture of the Bill. The Bill is a concession, a belated concession, to popular demand and therefore there is about this clause, as well as about this Bill, a sense of hesitancy, an atmosphere, almost, of trepidation: Give these people something; they want it; give it in a halting and hesitating manner. I cannot understand why the Government have not put in this Bill what has been stated by three responsible, highly-placed members of the Cabinet, namely, the Prime Minister, the Home Minister and the Finance Minister. Mr. Sundarayya's amendment gives only a precise shape to the various assurances that have been given in the course of the debate, but since the amendment has not got the slightest chance of being accepted by this House, I would accept the clause on the basis of the assurances that the original intentions would be carefully observed throughout, that primarily the scheme would help Rayalaseema, and that nothing would be allowed to deflect the future policy, good or bad, designed or undesigned, the high level canal should be quickly completed, let me say again, primarily for the good of Rayalaseema. If there is to be any adjustment hereafter it should not be at the expense of the Andhra people. If the people concerned cannot come to an agreement, the Central Government will decide and I am therefore making this condition. I particularly appreciate what Mr. Deshmukh said in one of his speeches in the other House, and this I take to be Government's answer to my friends Mr. Ranga and Mr.

Sundarayya also. He said he would not allow the Mysore Government at any stage to come in the way of the full exercise of their rights by the Andhra and Hyderabad Governments in the Mysore territory where the headworks of the Tungabhadra are situated.

If we do not trust our own Finance Minister and take at their face value the assurances of our own Home Minister and the Prime Minister then we shall be on the wrong side; neither would it be desirable for us to start the great adventure, nursing fear and suspicion. Sir, I trust Mr. Sundarayya will prove a prophet, as surely he is going to prove; what he is asking for today will have to come in the form of legislation sooner than later. River projects are the order of the day everywhere and we shall have one for the Tungabhadra. I deeply appreciate what my friend, Mr. H. D. Rajah, has said, and it has come to me with a sense of dramatic irony, a sense of amiable grimness. He said: "Please give water to Tamil Nad from your surplus". His request is granted. Everybody knows that if two monsoons fail in Tamil Nad in succession the mills cannot work for want of electricity and the crops in the fields will wither. As regards us Andhras, we are magnificently placed. Monsoon or no monsoon, the rich, abundant and fertilising waters of the Krishna and the Godavari will flow down from the Western Ghats, and for a hundred years my districts have been the granary of the South; and so will the Tungabhadra area be in due course. I only hope that no one in this country hereafter will dare to attempt the atrocious thing that was tried in Madras, to deflect the waters of the Krishna *via* the Pennar, to the South by the use of the strong political authority of the Government of the day. This ought not to have been done. It is this, more than anything else, that has exasperated the Andhras, and provided what doctors call the exciting cause for the demand of a State.

Sir, on this occasion, it would be necessary for us to render our thanks to the three eminent men who were responsible for this project. They are: Mr. N. Madhava Rao, who was the then Diwan of Mysore; Sir Mirza Ismail, who was the then Prime Minister of Hyderabad; Mr. Sonti Ramamurthi, who was then Chief Secretary of the Madras Government. These three people quickly put it through. Some of my friends will probably remember the incident that occurred several years ago when some Madras engineers who went over to the other side of the Tungabhadra for preliminary survey purposes, were thrown out by the police of the Nizam's Government, who were opposed to the project. That was the temper of the Nizam's Government then. These three men did their best to shape the Project and it is but fair that we should remember them on this occasion. Sir, the Tungabhadra has been variously described in Telugu poetry in beautiful language. One poet has said that *Ratnakara* (the sea) would accept no

other river as its *deveri* (wife) when he has the
 TO A.M. Tungabhadra by his side.
 Descending from poetry

to material life, I would express the hope that Rayalaseema will be the granary of Western Andhra, even as we of the Eastern districts thanks to the Godavari and the Krishna have our own granary in the delta. The Tungabhadra has been a golden link of indissoluble union between Andhra and Karnataka. Long after we mortals have quarrelled and gone, that river will continue to flow in its majestic simplicity. On the banks of this river, small of volume but great of soul, was reared a mighty empire, one of the greatest in history. Let us hope that jointly, the Kannadigas and the Andhras will, once again as in the past, contribute to the future civilisation of verdant Valleys of the Deccan.

SHRI S. C. KARAYALAR (Travancore-Cochin): Sir, the Tungabhadra Project seems to have been the subject

matter of an agreement between the Government of Madras and the Government of Hyderabad. It relates to the distribution of waters from the Tungabhadra among the districts of Bellary, Anantapur, Cuddapah and Kurnool, for incidental purposes. The original structure of the agreement is not proposed to be altered. That is what I understand from the Bill. The parties to the original agreement were the Government of Madras and the Government of Hyderabad. Now, on account of the formation of the new State, the territories referred to, namely, the districts of Bellary, Anantapur, Cuddapah and Kurnool, will pass on to the Andhra State. Necessarily therefore, the State of Madras will have to be replaced by the corresponding States which take over, namely, the Mysore State and the Andhra State. This Bill relates to the working out of the rights and liabilities of the State of Madras after the appointed day, i.e., the rights and liabilities which will pass on to the Andhra State and the Mysore State. This is all that is intended to be effected by this Bill. The purpose of this Bill is only to adjust the rights and liabilities of these two States which will step in in the place of Madras. It would be beyond the scope of the Bill to alter the structure of the original agreement. The object of this Bill is only to adjust the rights and liabilities of the two States of Andhra and Mysore in relation to administration, etc. If you desire to alter the structure of the original agreement, some other steps will have to be taken. Hyderabad will have to be brought into the picture and the matter will have to be adjusted between the State of Hyderabad and the other two States. It is beyond the scope of this Bill to suggest any scheme for administration of the project by setting up a Corporation consisting of representatives of the Government of India and of the other three Governments. The only object to be secured is to substitute the two States of Andhra and Mysore in place of Madras. I do not see therefore how this amendment that is pro-

[Shri S. C. KARAYALAR.]
posed can be brought in here. It seems to be out of order.

THE MINISTER FOR HOME AFFAIRS AND STATES (DR. K. N. KATJU): Mr. Chairman, I need not say that I am in sympathy with the object underlying the amendment moved by my hon. friend, Mr. Sundarayya, the object being, as I understand it, that this Project, being a national Project, should not be considered to be a sort of one-man show, and it should be carried out fully, implemented, controlled and managed, for centuries to come, by a strong joint authority in which all the concerned States will have a full share. My hon. friend Prof. Ranga referred to my assurances and he paraphrased those assurances in his own vigorous language, for which I am deeply obliged to him. I never used any adjective. I avoid using any adjectives whenever I utter any sentence. He said that I gave some 'categorical' assurances. There is no virtue added to an assurance by its being called 'categorical assurance' or 'uncategorical assurance'. Now, the Bill, as it is framed, really has in mind what the mover of the amendment has. The only difference is that we thought that in this matter the wishes of the Andhra Government should be ascertained. Of course, the State of Madras is there, and the State of Madras, till the appointed day, would represent Andhradesh and everybody else, and in the Ministry of Madras there is a strong Andhra element, but it occurred to us that it would be more appropriate if the Andhra Government, duly constituted after the establishment of the new State, were to deal with this matter and were to choose what they are going to have. We thought also that it would be fair and it would be in the national interest if it were left to the two States concerned to come to some equitable arrangement. I must say that I should be very very sorry indeed, very loath indeed, to share the very pessimistic views expressed by my hon. friend, Prof. Ranga, viz., that it

is very unlikely that the two States would agree and so on, because I live in the hope, as I have said many times, that all the States in this great Union, while they are naturally jealous of safeguarding the interests of their own area, will also realise that they are part of this great Union and that the welfare of their own State is only of as much importance as the welfare of the neighbouring States. Therefore, I do not think that the Ministries in charge of the subject in the States will adopt an unduly obstructionist attitude and will not come to a reasonable compromise, because I personally feel that the Mysore Government as well as the Andhra Government will take a broad-minded view of this matter and will look at the picture as a whole as to what is for the benefit of the country as a whole. This Project was mainly intended for the Rayalaseema Districts, and the Mysore Government would never have got in there but for this unfortunate division of the Bellary District.

SHRI P. SUNDARAYYA: Fortunate division.

DR. K. N. KATJU: I venture to suggest that had I been a Mysorean, I am sure I could have said that I did not want to come into the picture. Let Bellary become part of the whole area by my willing consent and that of the people of the relevant taluks. We will continue in Andhradesh so that this great Project could be worked on a unitary basis. But there it is and we have got to take it into consideration. I may also add one thing, that this law-making raises various points some of which may be called very technical. There were many things mentioned by the hon. Member who preceded me. We considered this question and we were advised that in this Bill it would not be possible to constitute any independent authority of the description which the mover of the amendment has in mind. This new State that is being carved is being established under article 4 of the Constitution.

Now, a Bill contemplated under article 4 can only deal with the establishment of the new State and nothing else. It says:

"Any law referred to in article 2 or article 3 shall contain such provisions for the amendment of the First Schedule and the Fourth Schedule as may be necessary to give effect to the provisions of the law and may also contain such supplemental, incidental and consequential.....

Mark the words.

"..... such supplemental, incidental and consequential provisions (including provisions as to representation in Parliament and in the Legislature or Legislatures of the State or States affected by such law) as Parliament may deem necessary."

श्री एच० पी० सक्सेना (उत्तर प्रदेश) :

सब आ गया ।

†SHRI H. P. SAKSENA (Uttar Pradesh): It includes everything.]

DR. K. N. KATJU: Somebody said "सब आ गया ।" just now. What I said just now is what will be considered to be the common-sense point of view, but how many times have we been told that law, lawyers and constitutions are there, and if one sees that something must be supplemental, incidental and consequential to the establishment of the new State, the matter is clear. The President is at present in charge. He can give directions. We are giving two years for the two States to agree to some common arrangement. If they do agree, well and good, and everybody will be happy. Till then the President continues in charge. If the States do not agree, then the Bill provides that "the President may by order determine having due regard to the purposes of the Project, and any such order may provide for the management of the Project jointly by the said States or otherwise." So, complete discretion is left to the President to take all appropriate steps

†English translation of the above.

for carrying out this Project. The time may come when we may have to establish a Board. I might tell the House that we have one Corporation, the Damodar Valley Corporation. There, there are Bihar, Bengal and the Centre. Then, there is another arrangement at present functioning, the Board at Bhakra-Nangal. There, four States are interested: Bilaspur, Punjab, Rajputana and PEPSU. They are all interested in the waters, but the whole thing is being run under the supervision of a Board presided over by the Governor of the Punjab in his personal capacity.

PROF. G. RANGA: In his personal capacity on behalf of the Union Government.

DR. K. N. KATJU: Of course; it is the Union Government which is spending all the money. May be after the passage of two years we may get more experience as to how inter-State big projects should be managed. Therefore I suggest that the Bill, as it stands, meets the needs of the present situation, and there will be no harm done. Let us see how the thing works.

As far as the other amendment is concerned, my knowledge of the geography of this area is very limited. My hon. friend can tell us exactly as to where he touches.....

SHRI H. D. RAJAH: Contiguous to Madras State wherever it is.

DR. K. N. KATJU: See how soft and captivating the word 'contiguous' is. I ask my hon. friend: 'contiguous' is only a distance of 200 miles. I do not know but it might be. It is needless to go into all details as whether the canals should be low level canals or high level canals, etc. I hope that not a single drop of water would be wasted. The Authority would be most anxious to utilise every single drop of water. Sir, with these few words, I do hope that my hon. friend will be satisfied with what I have said, but he is never satisfied.

MR. CHAIRMAN: The question is:

"That at page 23, for lines 6 to 10, the following be substituted namely:

'but the administration of the project shall as from the appointed day be taken over by a Joint Board consisting of representatives of Andhra, Mysore and Hyderabad States, together with the representative of the Government of India as the Chairman, for looking after the rights and liabilities in respect of the administration, construction, maintenance and operation of the Tungabhadra project, having due regard to the purposes of the Project.' "

The amendment was negatived.

MR. CHAIRMAN: I now put the next amendment by Mr. Rajah.

SHRI H. D. RAJAH: Since the Home Minister expressed sympathy with the amendment and was only feeling difficulty with regard to the distance, I hope he will annihilate the distance and give us the water. With these words, I withdraw the amendment.

The amendment was, by leave, withdrawn.

MR. CHAIRMAN: The question is:

"That clause 66 stand part of the Bill."

The motion was adopted.

Clause 66 was added to the Bill.

MR. CHAIRMAN: We have one new clause 66A of which notice has been received. Amendment 40 in the list. Shri Mahanty is not here and he will not move it. Mr. Sundarayya.

[MR. DEPUTY CHAIRMAN in the Chair.]

SHRI P. SUNDARAYYA: Sir, I move:

"That at page 24, after line 6, the following new clauses be added as clauses 67 and 68 respectively,

and the existing clauses 67, 68 and 69 be renumbered accordingly:—

'67. The educational institutions of the Andhra area which are affiliated to the Madras University before the appointed day shall be deemed to have been affiliated to the Andhra University from the appointed day.

68. The President, by an appropriate order, shall have the Andhra Legislative Assembly convened on the appointed day itself to decide (i) the site of the Andhra Capital and (ii) the location of the Andhra High Court and the time within which it is to come into existence.' "

Sir, I have moved my two amendments for obvious reasons. Now there are educational institutions which are affiliated to the Madras University and not to the Andhra University and these are in the Rayalaseema districts, i.e., Cuddapah, Kurnool, Anantapur and most probably in Chittoor. The history as to why these educational institutions have been, for the last 20 years or more, affiliated to the Madras University and not to the Andhra University is this. When the Andhra University was formed first it was located at Vijayawada—the central area for all the Andhra districts but later on it has been shifted by interested parties to Visakhapatnam which is at one corner of the Andhra State which meant that the students of the Rayalaseema districts have to travel 600 miles to go to the University to have their higher education. Therefore there was great discontent and they demanded that the Rayalaseema institutions should be affiliated to the Madras University and the Madras Legislature passed it. That might have been justified then when the Province was composite. Now that the Andhra State is being formed with the very purpose of having education and administration in their own language, there is no sense in keeping these educational institutions affiliated to the Madras University. When this matter was raised in the

Madras Legislative Assembly while the Bill was being discussed, Shri Rajaji said that instead of his bringing a new Bill, since the time at their disposal was short, he would write to the Government of India recommending incorporation of a new clause in the Bill so that from the appointed day itself these colleges and other educational institutions which are affiliated to the Madras University today, could be deemed to have been affiliated to the Andhra University on the appointed day. I don't know what communication he has sent. He must have sent a communication. I don't know why the Government of India did not think it proper to include a new clause making the educational institutions which are now affiliated to the Madras University from the Rayalaseema district to affiliate with the Andhra University from the appointed day itself. To remove this defect I am moving my amendment. In this connection I would like to mention that Sanjiva Reddy, the local Congress boss, has been arguing against the inclusion of such a clause; he has been making speeches recently that for at least the next 2 years to come, these institutions should not be affiliated to the Andhra University but should continue to be with the Madras University. It may be Sanjiva Reddy's view and it may be that the Central Government have accepted Sanjiva Reddy's view as the correct view and therefore they did not think it necessary to include a clause like that. That is a great blunder and it will create great dissatisfaction among the Andhras including the Rayalaseema people because the very purpose of having an Andhra State, the very idea to have their education and administration in our language, is being frustrated by these methods. That is the reason why I am saying that the Central Government should not have accepted Sanjiva Reddy's opinions.

MR. DEPUTY CHAIRMAN: I would request you to prefix 'Shri' whenever you mention any name. It is mere courtesy.

SHRI P. SUNDARAYYA: I am sorry. I did not mean any discourtesy. It was only a slip.

MR. DEPUTY CHAIRMAN: You said it three or four times.

SHRI P. SUNDARAYYA: Sir, Shri Sanjiva Reddy's viewpoint should not be taken as representing that of the Andhra people because that will create unnecessary conflicts and therefore I move that the new clause 67 should be accepted.

As far as clause 68 is concerned, the reasons are very clear. Every day we are reading in the press about the negotiations going on to form under the name of the so-called stable Government, a really Congress dominated Government, though Congress is in a minority. It is quite possible that they are not going to get a stable Ministry and as such it is quite likely, not only quite likely but it is going to happen, that they are not going to convene the Assembly for the next three to four months because the Governor has already been authorised to sanction expenditure for 4 months and therefore there is no need to call the Assembly for the next four months, till January, in Andhra. In the course of discussion of the various clauses in this Bill itself, when this question was raised again and again, the Home Minister was saying that there need be no fear and that the Andhra Assembly will meet some time in November or December, in any case before January 1954. Here the point is that we don't want a Congress Ministry to be foisted upon us without a meeting of the Legislative Assembly. It has been the practice of the Congress Government to take advantage of the Central Government being.....

SHRI K. S. HEGDE (Madras): Sir, I rise on a point of order. I don't think this amendment could be discussed here because I don't think it comes within the purview of this Bill. It will come into conflict with the Constitution itself. All that the amendment can contain under section 4 are only such as read out by the

[Shri K. S. Hegde.]

hon. Home Minister which becomes consequential or incidental or supplementary to the division of the State or forming the new State. Any other matter which does not flow from the division of the State or the formation of a new State cannot come under article 4. Under article 174:

"The Governor shall from time to time summon the House or each House of the Legislature of the state to meet at such time and place as he thinks fit, but six months shall not intervene between its last sitting in one session and the date appointed for its first sitting in the next session."

And:

"The Governor may from time to time (a) prorogue the House or either House; (b) dissolve the Legislative Assembly."

Therefore, I submit that if the House is pleased to accept the amendment moved by my hon. friend Mr. Sundarayya it will go against the Constitution and.....

SHRI P. SUNDARAYYA: There is no such danger.

SHRI K. S. HEGDE: There is, undoubtedly, and it will come into conflict with article 174 of the Constitution.

SHRI RAJAGOPAL NAIDU (Madras): But the Chair had permitted him to move the amendment.

SHRI K. S. HEGDE: But permission to move it is one thing and the legal validity of the thing is another. The point has now been brought to the notice of the Chair and the House that this amendment actually amounts to an amendment of the Constitution itself and as such this House may not have the legislative competence to discuss such an amendment unless it comes in the form of an amendment to the Constitution.

AN HON. MEMBER: There is article 4 of the Constitution.

SHRI K. S. HEGDE: But article 4 cannot over-ride article 174 and this is something which does not necessarily flow from the formation of the new State. It is the prerogative of the Governor and neither the President nor the House has any right to do it. The only way is to amend the Constitution and so I say this amendment is constitutionally invalid and this House does not have legislative competence to discuss the present amendment.

SHRI P. SUNDARAYYA: I would like to reply to that point of order.

MR. DEPUTY CHAIRMAN: What about the first Assembly?

SHRI K. S. HEGDE: Even the first Assembly can be summoned only by the Governor of the State. The only person authorised to summon the Assembly is the Governor and nobody else. Not even the President can do it, unless he takes on the emergency powers and even then it is doubtful because then there would be no Legislature at all. So nobody has the right except the Governor and this House will be entirely foreign in so far as the summoning of the Legislature is concerned and I do not think that by any stretch of argument we can say that this is something which is incidental or which flows from the formation of the new State. This is inherent with every State and as such my humble submission is that this amendment comes in conflict with article 174 and for achieving the purpose of this amendment you will require an amendment of the Constitution.

MR. DEPUTY CHAIRMAN: What have you to say, Mr. Sundarayya?

SHRI P. SUNDARAYYA: In reply to this point of order which has been raised by my hon. friend Shri Hegde, I may point out that my amendment does not amount to an amendment of the Constitution. Article 4 itself says that anything connected with or supplementary to the formation of the State can be enacted by

Parliament. This question of the selection of the capital of the State or the question of the location of the High Court—these are all matters connected with the formation of the Andhra State. The Government says that these will be decided by the Andhra Legislatures meeting and deciding. Therefore to decide these matters the Andhra Legislature has to be called together and as such the President by taking powers under article 4 of the Constitution or by enacting it in this Bill itself, can deal with these matters which are supplementary to the formation of the new State. He can certainly order as part of this Act itself that the Andhra Assembly, consisting of those Members who come from the Andhra areas of the State of Madras shall meet on the appointed date. There is nothing wrong in that. I could understand Mr. Hegde's point if there had already been an Andhra State in existence and if there had already been a Governor for Andhra. In that case, if the President had issued any such order or given a direction to the Governor saying that the Andhra Legislature should be called on such and such a date, it would have been most probably contrary to the Constitution. But since there is no Andhra Governor and since the Governor will come into existence only on the 1st of October, and not before that, and so also the Andhra Legislature, provision can be made in this law that the Andhra Legislature should be called to meet on the 1st of October. That is only supplementary to the constitution of the Andhra State.

Apart from this, clause 69 of this Bill itself says:

"If any difficulty arises in giving effect to the provisions of this Act, the President may by order do anything not inconsistent with such provisions which appears to him to be necessary or expedient for the purpose of removing the difficulty."

SHRI K. S. HEGDE: But that cannot over-ride the Constitution.

MR. DEPUTY CHAIRMAN: Is not the President bound by the Constitution?

SHRI P. SUNDARAYYA: Yes, but my submission is that this amendment of mine is not going against the Constitution.

SHRI K. S. HEGDE: Can the President over-ride article 174? The power is given only to the Governor.

MR. DEPUTY CHAIRMAN: You want the Assembly to be called on the appointed date?

SHRI P. SUNDARAYYA: Yes, Sir. And there is no contravention of article 174. Such contravention will arise only if the Andhra State had already been there in existence and the Governor of the State also had already been there. If under such circumstances, the President makes such an order, it will be against article 174. But since the formation of the Andhra State itself is yet to come and as this is a supplementary thing to it, my amendment, I submit, is not against the Constitution. It does not come into conflict with the Constitution.

MR. DEPUTY CHAIRMAN: Is there anything in the Constitution which goes against this proposal?

SHRI P. SUNDARAYYA: No, Sir, and so I submit that this amendment should be allowed to be discussed by this House.

SHRI RAJAGOPAL NAIDU: As regards amendment to clause.....

MR. DEPUTY CHAIRMAN: Please speak only on the point of order raised.

SHRI RAJAGOPAL NAIDU: On that, I have only to say that I support the views of Shri Hegde.

MR. DEPUTY CHAIRMAN: You agree with him?

SHRI RAJAGOPAL NAIDU: Yes, and I say that the amendment is constitutionally improper also.

SHRI KISHEN CHAND: Sir, the whole point of Mr. Sundarayya is that article 174 of the Constitution is not applicable in the present case. If there had already been a State, then certainly the objection raised by Mr. Hegde would have been all right. But at present there is no Andhra State and at present there is no Governor for that State. At present the situation is—

MR. DEPUTY CHAIRMAN: Both will come in due course.

SHRI K. S. HEGDE: On the 1st of October.

SHRI KISHEN CHAND: But today when we are discussing this question, on the 10th of September, the Andhra State has not yet come into existence. It is not in existence today.

SHRI K. S. HEGDE: But on the 1st of October it comes into existence.

SHRI KISHEN CHAND: Let the hon. Member just hear me and I will make it clear in a few words. Today we are creating a new State. In the Constitution there are two articles—articles 4 and 174—which relate to this subject. Article 174 applies only to States which are in existence and it is explicitly laid down for States in existence, where there is a Legislature, where there is a Governor and where the proceedings are going on in the normal course. But here it is a question of the creation of a new State. Therefore, my contention is that article 4 only is applicable in this case. When you apply article 4, then the question that arises is, what is supplemental or what is consequential. Naturally, the question of the location of the capital of the State, the question of the Governor of the State, the question of the High Court, these are all consequential matters. They are consequential to the creation of the State. Therefore

article 4 and not article 174 will apply today. That is my contention. We are governed entirely and solely by article 4 of the Constitution in this case. When we create a new State, we must define various things and the capital is the most important thing in a State. You cannot have a State without a capital. This Bill, however, does not refer to any capital at all. There is no Governor to fix any capital and naturally, if the necessary provision is made in this Bill, it will only be completing the Bill. Otherwise the Bill in its present form is an incomplete Bill because the consequential parts, consequential to the creation of the State, have not been incorporated in it.

SHRI KISHEN CHAND: Therefore, my contention is that article 174 of the Constitution does not apply to the Andhra State which is going to come into existence on the first October, and only article 4 of the Constitution will apply to it. I submit that Mr. Sundarayya's amendment is in order.

DR. K. N. KATJU: My submission, Sir, is that the point of order that has been raised has no substance. The House has already passed clause 28 of this Bill, as to how the place of the High Court is to be selected. Now, so far as this Bill is concerned, on the appointed day, probably from 12 o'clock at midnight, there will be an Andhra Legislature in existence, and I imagine that before that day, the Governor would have been appointed. Therefore, on the appointed day, there will be a Governor and there will be a Legislature. The only person who can convene the Legislature is the Governor and nobody else. I do not know whether the President has any power, or can be granted any power, to convene a session of the State Legislature. That is the point as it strikes me to be admissible. I therefore submit that the point that my hon. friend made.....

SHRI K. S. HEGDE: May I have a word, Sir? I would like to clear, some legal misconception with regard

to this amendment. Some slight legal misconception has arisen in the mind of my friends Mr. Sundarayya and Mr. Kishen Chand. They do not realise that on 1st October, automatically the Andhra State comes into being and once the State begins to function, the provisions of the Constitution for other States automatically apply to this State also. The Governor is already there, though not in name; rather should be there. So, what applies under Part VI of the Constitution to the other States will automatically apply to the Andhra State also. So, you cannot, in anticipation, pass a legislation derogatory to that part of the Constitution which applies, per force, to the State in question. The misconception has arisen because Mr. Sundarayya has in mind not the articles of the Constitution but the informal meeting of the Andhra legislators to select a capital. Sir, may I underline the word informal? The meeting was only an informal one for the purpose of advising the Government of India on this subject. We should not take it for a meeting as provided in the Constitution or having any constitutional authority. That was merely an advisory body whose advice could have been accepted by the Government of India or could have been rejected by them. The meeting being what it is, we would accept your advice, coming from the Andhra representatives who are the most interested. The question of the capital is naturally an important matter but it can be left to the local or State Legislature. That may be changed by the new Andhra Legislature. So, as suggested by me, I do not see how we can get out of article 174; it is peremptory in its application and it will come into conflict with the proposed amendment.

✓ **MR. DEPUTY CHAIRMAN:** Article 174 gives power to the Governor to summon the House or each House of the Legislature of the State, and article 4 gives power to Parliament to pass any law incidental, supplemental and consequential, (including pro-

visions as to representation in Parliament and in the Legislature or Legislatures of the State or States affected by such law). If it were the intention of the Constitution makers to give powers to the Parliament or to the President to summon the Legislature, it would have been included in article 4; but such power has not been given. The Andhra State—comes into being on the 1st October and, immediately it comes into being, it is the Governor who will have power to summon the Legislature and nobody else under the Constitution and as even the President is governed by the Constitution, he cannot go against the specific provisions of the Constitution. Therefore, I hold that the amendment to add the new clause 68 is out of order.

SHRI S. C. KARAYALAR: Sir, I rise on a point of order with regard to amendment to clause 67. The subject covered by this new clause is "Universities". Universities come under the State List—List No. II, Entry No. 11; "Education—including Universities". It is not a subject that can be discussed by Parliament.

SHRI K. S. HEGDE: Sir, in rising to support the point of order raised by Mr. Karayalar, I should like to point out that the difficulty comes in when we are trying to come within the all-pervasive article 4, seeing that it must be something 'flowing' out of the formation of the State. You are aware that in one State there may be one University; and I know of Universities covering more than one State. Take, for example, the Karnataka University. Its jurisdiction extends not only to Bombay but to many districts of the other States as well, though we still continue to be within the Madras State. So, it is not one of these things which can be said to 'flow' from the formation of the new State, nor is it incidental or consequential to the formation of the new State.

AN HON. MEMBER: But which is the Legislature?

SHRI K. S. HEGDE: It is the Legislature that is having a control over

[Shri K. S. Hegde.] the University. Suppose that Legislature does not pass a law. There are two authorities concerned; one is what is called the legislative jurisdiction, and the other is the University jurisdiction. So far as the legislative jurisdiction is concerned, it is the Andhra State and not the Madras State; so far as the University jurisdiction is concerned, it is the Madras University. So, it is that Legislature which should give a thought to that matter; otherwise, we will be encroaching upon the State list under which it will be purely within their jurisdiction to say whether they would like to be within the Madras University or whether they would continue under the Andhra University. Unless you are pleased to make it clear that it is one of the things that flows necessarily from the formation of the new State, I doubt whether we are not unconsciously encroaching upon fields which are not ours.

SHRI T. S. PATTABIRAMAN (Madras): Sir, the Madras and Andhra Universities are governed by two separate Acts passed by the Madras Legislature called the Madras University Act and the Andhra University Act. In case any of their jurisdiction is to be extended or curtailed, it can only be done by amending the Madras University Act and the Andhra University Act. So, it will be out of order here to decide those things.

SHRI RAJAGOPAL NAIDU: Sir, University education being a State subject, I feel that there cannot be any piece of legislation by the Centre but there is a certain anomalous position so far as the Madras University's extended jurisdiction to the Ceded Districts after the formation of the Andhra State is concerned. As things stand today, the Madras University's jurisdiction is extended to the Rayalaseema area and the Andhra University has jurisdiction only with reference to the Circars,—about 5 or 6 districts. Can a University, exist

in another State which is governed by the laws of another State namely, the residuary State of Madras? It will be very anomalous, Sir, if, after the formation of the Andhra State, the Madras University has control over certain areas in the Andhra State, namely, the Ceded Districts, and that portion, so far as the Universities are concerned, are to be regulated by laws made by the.....

SHRI K. S. HEGDE: Laws made by the Andhra State.

SHRI H. D. RAJAH: How can that be enforced?

SHRI T. S. PATTABIRAMAN: Clause 54 gives the necessary powers.

SHRI K. S. HEGDE: Both the States will have the right to amend it.

SHRI RAJAGOPAL NAIDU: Evidently, I had not made myself clear. Any law with regard to educational institutions in the Ceded Districts will have to be made only by the Madras Legislative Assembly if only the Ceded Districts continue to remain within the jurisdiction of the Madras University so far as University education is concerned.

SHRI K. S. HEGDE: The territorial jurisdiction is that of the Andhra Assembly.

SHRI RAJAGOPAL NAIDU: May I point out, Sir, that so far as this is concerned, a certain agreement has been entered into by the Pradesh Congress Committees under the Sri Baug Pact.....

SHRI K. S. HEGDE: That is a matter of fact; we will come to that later.

SHRI RAJAGOPAL NAIDU:..... that there should be two University centres in Andhra, one at Waltair and another at Anantapur so as to distribute the centres of culture over Andhradesh.....

SHRI K. S. HEGDE: That does not relate to the point of order.

SHRI RAJAGOPAL NAIDU:..... and create opportunities for social and cultural intercourse amongst the Andhras and locate colleges in areas favourable to the subjects dealt with.

That is with regard to the merits. What the Sri Baug Pact says is that there should be two Universities, one at Anantapur and another at Waltair.

SHRI T. S. PATTABIRAMAN: Two Universities?

SHRI RAJAGOPAL NAIDU: But, so far as this point of order is concerned, I also agree with my friend, Mr. Karayalar that University education being a State subject, I don't think that the Centre is authorised to legislate and this amendment inserting new clause No. 67 which is sought to be moved will be out of the purview of this House.

SHRI P. SUNDARAYYA: Sir, I would certainly say that this comes under the purview of this Bill, and also under the Constitution—article 4—incidental to the formation of the Andhra State.

SHRI H. D. RAJAH: Incidental, supplemental and consequential.

SHRI P. SUNDARAYYA: The areas in which the colleges are located and which are affiliated to the Madras University come, according to this Bill, into the proposed Andhra State. Now, naturally, the Andhra Legislature cannot be expected to amend the Madras Act.

MR. DEPUTY CHAIRMAN: Are there any such institutions?

SHRI P. SUNDARAYYA: Yes, Sir.

MR. DEPUTY CHAIRMAN: May I know the names?

SHRI P. SUNDARAYYA: The Kur-nool College, the Anantapur College, the Cuddapah College, the Chittoor College.

MR. DEPUTY CHAIRMAN: They are all affiliated to the Madras University?

SHRI K. S. HEGDE: Even the Bellary Colleges are affiliated to the Madras University.

SHRI P. SUNDARAYYA: I am not speaking about the Bellary colleges—they may go to Mysore—but about Rayalaseema Colleges which are going to be under the jurisdiction of the Madras University, the Anantapur College, the Cuddapah College and the Chittoor College. The Madras University Act is a creation of the Madras Legislature and it can be amended only by the Madras Legislature and not by the Andhra Legislature. As such, it is really a ridiculous and anomalous position. The Madras Legislature can go on making amendments or modifications as it likes with regard to these institutions under the Madras University Act.

MR. DEPUTY CHAIRMAN: Please read clause 54.

SHRI P. SUNDARAYYA: Clause 54 does not cover the point, Sir.

MR. DEPUTY CHAIRMAN: It is open to the Madras, Andhra or the Mysore Legislature to take action. Why do you presume that they will not pass an amendment?

SHRI T. S. PATTABIRAMAN: The Andhra Legislature can pass legislation.

SHRI P. SUNDARAYYA: The Madras Legislature has to pass an Act disaffiliating these colleges by amending the Madras University Act and then the Andhra Legislature has to pass an Act affiliating these colleges. Both these are to be done and that is where my amendment comes in. Why should this anomalous position be there with regard to the educational institutions in Rayalaseema? Why should it be left to the Madras Government to amend the law? They may or may not do it; that is a

[Shri P. Sundarayya.]
different thing altogether. Suppose they do not pass any such measure?

MR. DEPUTY CHAIRMAN: Why presume?

SHRI P. SUNDARAYYA: Why not? After all, when we are making a law, we have to provide for all contingencies. The way in which things are being done, it looks like that. In fact, I have earlier suggested that there is a move on the part of the Congress Party not to adopt these things for the next two years. That is what they are saying.

SHRI T. S. PATTABIRAMAN: You are presuming too much. Mr. Sundarayya

SHRI P. SUNDARAYYA: I am quoting Shri Sanjiva Reddy's speech and, since he is the Chief Minister designate of the ruling Party, we have to take these things much more seriously.

SHRI K. S. HEGDE: Do you want to over-ride the majority view-point?

SHRI P. SUNDARAYYA: I only want that the question whether these institutions in Rayalaseema should continue to be under the Madras University or should come under the Andhra University, should be decided by the Andhra Legislature and not by the Madras Legislature.

SHRI T. S. PATTABIRAMAN: It can be done.

SHRI P. SUNDARAYYA: It cannot be done. The Madras Legislature has to pass an Act disaffiliating the Rayalaseema colleges. Suppose the Madras Legislature refuses to amend the Madras University Act disaffiliating ..

SHRI T. S. PATTABIRAMAN: On a point of order, Sir.

MR. DEPUTY CHAIRMAN: Let him continue.

SHRI P. SUNDARAYYA:the Rayalaseema colleges, certainly, there is nothing for the Andhra Government

to do but to come up here again to Parliament and perhaps even amend the Constitution. It should not be left to the sweet will and pleasure of the Madras Legislature whether to disaffiliate the Rayalaseema Colleges or not. This is the occasion when the Bill is being discussed for bringing in the Andhra State to put matters straight instead of leaving the future of these institutions more or less to the total veto of the Madras Legislature. Later on, it may not be possible for Parliament also to intervene unless it brings in an amendment to the Constitution itself. Therefore, as a supplementary issue arising out of the formation of the Andhra State, the Andhra Legislature should be given power and the right to affiliate those institutions. I think the only way in which it could be done is by inserting a clause here in the Bill itself that, from the appointed day, these institutions which today are affiliated to the Madras University shall be deemed to be affiliated to the Andhra University. Later on the Andhra Legislature can take a decision if they think it necessary that in the interest of the Rayalaseema institutions they need not be, for the time being, here but they can be re-affiliated with the Madras University under certain conditions. Even so it can go on for only two or three years. After that automatically they will have to affiliate themselves with the Andhra University. If Shri Sanjiva Reddy wants it he can make it the other way about also.

The essential thing in that light should be that the Madras Legislature should not have the right to veto these things. That can only be done by having that clause in the present Bill itself and that is the reason why I got this thing and I take my stand on article 4 of the Constitution which is underlying this whole Bill and the supplemental issue that I have raised is now the subject of a point of order.

MR. K. N. KATJU: The point which my hon. friend has in his mind is provided for in clause 54 which has already been passed.

MR. DEPUTY CHAIRMAN: That is exactly where he differs.

DR. K. N. KATJU: There is the Andhra University Act and I have no doubt whatsoever that the Andhra Government on the appointed day can adapt or modify this Act and achieve the very object of the amendment. Otherwise the point of order has substance. I should like to wait and see. Why bother about it? It will be done if the Andhra Government want to do so.

SHRI P. SUNDARAYYA: I would like the hon. Minister to tell me if the Andhra Legislature amends the Andhra University Act and extends its jurisdiction to these Rayalaseema institutions, will it automatically become law?

SHRI K. S. HEGDE: Sure.

SHRI P. SUNDARAYYA: Let the hon. Minister reply. Or is it also necessary that the Madras Legislature should amend its Madras University Act? This is the main point of controversy. Does the hon. Minister think that there is no necessity for the Madras Legislature to amend the Madras University Act to achieve the object I have in view and have put forward? Can the Andhra University Act be amended and can its jurisdiction be extended to these Rayalaseema institutions or can another University be formed to bring under it these Rayalaseema institutions according to the decision arrived at, without Madras taking like steps to amend the Madras University Act in respect of the Rayalaseema institutions? Will this action of the Andhra Legislature become law by itself? I do not think that clause 54 covers this point.

SHRI K. S. HEGDE: This is a new point, Sir, and may I make my contribution?

✓ MR. DEPUTY CHAIRMAN: I do not think it is necessary. The Bill has provided for certain other institutions over which the Madras Legislature has power to legislate. I think the new clause 67 that is sought

to be added comes under the consequential provisions contemplated in article 4 of the Constitution. I hold that the amendment is in order.

SHRI P. SUNDARAYYA: Now, I would continue my speech on this amendment itself. I have been pointing out "that the educational institutions of the Andhra area which are affiliated to the Madras University before the appointed day shall be deemed to have been affiliated to the Andhra University from the appointed day." This clause becomes absolutely essential as we have discussed it in the course of the point of order raised. The point that some friends on the other benches raised about the Sri Baug Pact and the agreement arrived at in that connection that these Rayalaseema institutions should be formed into a separate University with its headquarters at

11 A.M. Anantapur is immaterial and irrelevant to the issue.

It is for the Andhra people and the Andhra Legislature to decide whether they will have for the time being only one University when the State itself is being newly formed. Later on if they feel the necessity for two, one at Tirupati and one at Anantapur, they will take necessary steps to form them. We can have any number of Universities provided the ruling power takes into its head the necessity of such things. Therefore the Sri Baug Pact need not be quoted here to deny the very just demand that the educational institutions of the Andhra State should come under the purview of the Andhra Legislature and should be affiliated to the Andhra University in the first instance. In this connection I would say that if this clause is not accepted here then it becomes much more necessary that the Andhra Assembly should meet immediately to discuss this question also. The most important aspects of the Andhra State, namely, the question of its capital, the question of the location of the High Court, the question of the educational institutions which are situated in the Andhra area should

[Shri P. Sundarayya.] automatically become an accomplished fact on the appointed day. But that is not the case. Everything is left for the future to be wrangled about between the Madras State and the Andhra State or between the various elements in Andhra itself. To avoid this thing I suggested an amendment but unfortunately that amendment was held out of order on a technical ground, namely, on the ground that I did not mention 'on the appointed day'. Otherwise I would have been completely in order. But I did not expect the hon. Member to raise such kind of point of order. Of course hereafter I shall be very careful.

SHRI K. S. HEGDE: We are parliamentarians.

SHRI P. SUNDARAYYA: What I want to bring to the notice of the House is that it is a very anomalous position that the question of the capital, the question of the High Court, the question of the educational institutions, should be left vague and unsettled. This is not the way of bringing a new State into existence, a new State which comes into existence after great agitation and anxiety. This is not a happy augury for the new State. Even if my amendment is not accepted, still I would request the Central Government to call the Legislative Assembly without any delay so that these questions can be immediately settled and the Andhra people will have even on the appointed day its right to decide where their capital should be, to decide where their educational institutions should exist, to decide where their High Court should be located. All these things should be settled. With these words I conclude my speech.

SHRI K. S. HEGDE: There is a great deal of misconception both of facts as well as of law, which is behind this amendment. It might be necessary for you, Sir, to take into consideration how exactly the Rayalaseema area was removed from the

Andhra University and added on to the Madras University. You may kindly recall, if I am not mistaken, it was in the year 1924 that the Andhra University Act was passed, and the entire Andhra area including the Ceded Districts were brought within the Andhra University Act. There was a great agitation from Rayalaseema against that piece of legislation. They condemned it and they did not want to go under the jurisdiction of the Andhra University Act. So an amending Bill had to be brought in the Madras Legislature in the year, I think 1928, removing the Rayalaseema area from the jurisdiction of the Andhra University and adding it on to the Madras University and this was done. There has been a strong feeling in the Rayalaseema area that their educational interests will not be sufficiently protected if they are clubbed along with the Circars. It may be right; it may be wrong, but the existence of the feeling could not have been denied, because the amending Act itself was passed in 1928. In recognition thereof, I may also invite my hon. friend to another fact. In the year 1937 when the Andhra leaders of both the Circars and the Rayalaseema entered into that pact referred to by my learned friend Mr. Rajagopal Naidu and popularly known as the Sri Baug Pact, they agreed that so far as Rayalaseema was concerned as soon as it was taken out from the jurisdiction of the Madras University, they shall have a separate university of their own. They formally decided that it shall be added on to the Andhra University; for good reasons or bad, I am not concerned about it. Here, again, there are sharp differences of opinion between the Andhra leaders whether the Rayalaseema area should be added on to the Andhra University or not. Mr. Sundarayya who always asserts that he alone represents Andhra says that it must come to the Andhra University. His claim is that nobody except himself represents Andhra and whether that is going to be accepted by the House is a different matter. But there are other parties

which have a larger majority than Mr. Sundarayya's party in the present Madras Legislature and in the future Andhra State who claim that for a year or two Rayalaseema will have to continue under the Madras University so that before they could remove it out of that University, they could have a University of their own. That is so far as the facts are concerned.

Mr. Sundarayya was having another misconception. The Andhra Legislature has a right to do so, because the Madras University Act was passed by the Madras Legislature, he feels that the rights of the Madras Legislature passed because of the local jurisdiction which they had over the Rayalaseema area. That jurisdiction is now passed on to the Andhra area and so any legislation in respect of Rayalaseema can in future be passed only by the Andhra Legislature and not by the Madras Legislature. Legitimately it is a local jurisdiction. But there will be no legal difficulty whatsoever at all, so far as the Andhra Legislature is concerned in removing the institutions in the Rayalaseema area from the Madras University and adding them on either to the Andhra University or constituting a different University. So the original jurisdiction of the Madras Legislature has now devolved upon two different Legislatures, that is, the Madras Legislature and the Andhra Legislature, and they are only coterminous with the local area which has come within their legislative purview. Even if the Andhra Legislature, when it meets, wants to remove this area out of the Madras University or add it on to the Andhra University or if they want to form a different university, there will be no difficulty at all. If they want to continue for a stated period within the ambit of the Madras University Act, then again there will be no difficulty either from a practical angle or from a legal angle. But it is far more appropriate to leave it to the future Andhra Legislature and the Andhra Government to decide. The mere assertion of Mr. Sundarayya that he alone is the sole representa-

tive of Andhra is not sufficient. We on this side of the House question his credentials to represent the whole of the Andhra area. I do not deny that he does represent a section of the Andhras, but that is a small section. The larger section is represented by others who seem to have a different opinion than that of Mr. Sundarayya.

SHRI RAMA RAO: Mr. Deputy Chairman, Sir, when lawyers differ this is what happens. See what the lawyers have reduced this debate to. They forget.....

DR. K. N. KATJU: When you are referring to lawyers always, what about journalists?

SHRI RAMA RAO: Much worse; that is why the Press Commission is there.

DR. K. N. KATJU: Really I strongly object to these constant references to lawyers. Lawyers are the salt of the earth.

SHRI RAMA RAO: I apologise to you if I have irritated you. Now, we are having a State. On account of quarrels the Rayalaseema people left the Andhra University. Today they are willing to rejoin. When we are legislating in this House for the Andhras, why should we not make a provision in the Bill that the Rayalaseema should come back to it? It is a matter of national aspirations being fulfilled.

My friend Mr. Hegde quarrels with Mr. Sundarayya for speaking as if he were the sole representative of Andhra. I trust he concedes that I have some right to speak on behalf of Andhra. May I ask what in any case Mr. Hegde has got to do with the Andhras? It is wrong to personally accuse Mr. Sundarayya simply because he represents some other party. What I would suggest in answer to the argument of my friend Mr. Hegde

[Shri Rama Rao.]

is this: If the Rayalaseema people want to have a university tomorrow, there would be nothing wrong in their wanting to have one of their own. What has happened? After having affiliated themselves first to the Andhra University, they disaffiliated themselves as a result of some bickerings. Tomorrow again not out of bitterness but out of necessity and because of geographical considerations and changed conditions they may want to have a separate university. They can certainly have it. We do not prevent it, but for the present let them join the Andhra University if they want. Do not shut the door against them. As a matter of fact, look at the history of universities in this country. You will find that the Madras University at one time covered the area between Hyderabad and Travancore; Calcutta University's jurisdiction extended from Shillong to Allahabad, and beyond to the west. Tomorrow if Western Andhra wants to have a university of its own, it can have it and we would make it possible for it to have one. Do not tell us: "Let the Andhra Legislature do it; let the Madras Legislature do it." What is this Parliament of India for? If it can create an Andhra State, surely it can arrange for a minor matter like an all-Andhras university in the provision of the Bill.

SHRI KISHEN CHAND: We have to consider this question even though Education is a State subject. Is it right for colleges situated in one State to be affiliated to Universities in other States? It is not a question of a few people wanting to have their college affiliated to some other University. Our Constitution has clearly defined that University Education is a State subject and as far as possible it has been the practice that colleges situated in one State are affiliated to a University also situated in the same State. There may have been in the past some representation on behalf of Rayalaseema residents on account of

distance for being affiliated to Madras, but when we are considering the creation of a new State we must see that the educational and the higher educational policy of that State is controlled entirely by the Legislature of that State.

MR. DEPUTY CHAIRMAN: That is exactly what Mr. Hegde wants.

SHRI KISHEN CHAND: Mr. Sundarayya wants that these colleges in Rayalaseema should be affiliated to a University situated in the Andhra State, but Mr. Hegde wants the colleges to continue to be affiliated to the Madras University.

SHRI K. S. HEGDE: I wanted it to be decided by the Andhra Legislature, not by you and me. That is what I said.

SHRI KISHEN CHAND: Mr. Sundarayya has pointed out that according to clause 54, the appropriate Government can pass legislation, and the appropriate Government in this case is the Madras Government.

MR. DEPUTY CHAIRMAN: Not at all. Will not the Madras Government *ipso facto* lose all jurisdiction over the Andhra area from 1st October?

SHRI KISHEN CHAND: If it *ipso facto* loses all jurisdiction over the Andhra area, then the question does not arise. But by your ruling you have decided, Sir.....

MR. DEPUTY CHAIRMAN: I have not decided anything. I have only decided that the amendment is in order.

SHRI KISHEN CHAND: The question arose on clause 54. If clause 54 automatically governs the jurisdiction of the various States and thereby decides this problem that the colleges situated in Andhra are outside the jurisdiction of the Madras University and the Madras State, then there is no need for this amendment. If this assurance is given by the hon. the Home Minister.....

MR. DEPUTY CHAIRMAN: Please read clause 54.

SHRI KISHEN CHAND: The appropriate Government means the appropriate Government for a particular law which in this case is a law of the Madras Government. And therefore, the appropriate Government here is the Madras Government and not the Government of Andhra.

MR. DEPUTY CHAIRMAN: From the 1st of October the Rayalaseema area in the Madras State will be a part of the Andhra State.

SHRI KISHEN CHAND: Mr. Deputy Chairman, if this is your impression I entirely agree with you and I have nothing further to say.

SHRI S. C. KARAYALAR: Sir, by the amendment moved by Mr. Sundarayya, he wants that the educational institutions in the Andhra area which are now affiliated to the Madras University should be deemed to have been affiliated to the Andhra University from the appointed day. The question of affiliation of these institutions to the Andhra University involves a process of disaffiliation from the Madras University and a process of affiliation to the Andhra University. Let us take it for granted that by unilateral act, these institutions in the Andhra area can disaffiliate themselves from the Madras University. Then comes the question of the affiliation of these institutions to the Andhra University. The process of affiliation is not a unilateral act; it is a bilateral act, i.e., it involves application by these colleges or institutions for admission to the privileges of the Andhra University and then the University must exercise its judgment as to whether they can admit those institutions to the privileges of that University. The amendment will interfere with the rights and privileges of the University of Andhra as an autonomous body in this respect. In so far as the admission of these colleges or institutions to the Andhra University is concerned, it interferes with their

rights and privileges; it interferes with their autonomous character. That cannot be done, Sir, by an Act of the Central Legislature. It ought to be done by the Legislature that is to come into being in the Andhra area. It cannot be done by Parliament sitting in judgment over a matter which will be within the sole purview of the Legislature that is going to come into being. And then, the State Legislature must certainly consult the University with regard to these matters.

Now, coming to another aspect of the matter, it has been urged that the affiliation should be deemed to be effected from the appointed day. The colleges or institutions must have already started their courses under the Madras University. Now they are asked to change over suddenly—overnight—from the courses of instruction under the Madras University to the courses of instruction under the Andhra University. That is a thing which cannot be contemplated from a practical point of view. That is something which the institutions themselves will not countenance. From this point of view, I believe that the institutions themselves will not be willing to change over to the other University. So, on this practical ground also I oppose the amendment. (*Interruption.*) The amendment wants to have the institutions affiliated from the appointed day.

SHRI RAJAGOPAL NAIDU: Sir, as it is, we do not find any difficulty at all in working out the whole thing for the simple reason that on and from the appointed day, namely, the 1st of October 1953, the Madras University will not have legally its jurisdiction extended to the Rayalaseema area. It cannot have any extension of its territorial jurisdiction to any part of any other State. We find that only by an Act of the Central Legislature the jurisdiction of a High Court can be extended to a neighbouring State or any other State. But we do not find anywhere that the jurisdiction, so far as university education is concerned, can be extended

[Shri Rajagopal Naidu.]
to any other neighbouring State. And as such, on the appointed day, the Madras University will not have its jurisdiction extended to that portion of the Andhra State, namely, the Ceded Districts. So, naturally what will happen is that it will be left to the Andhra State to make its own laws with regard to the governance of University education. And the best course for the Andhra State would be to adapt the laws governing the Madras University so as to govern the Ceded Districts—educational institutions in the Ceded Districts—for the simple reason that they cannot be asked to change over to the Andhra University overnight, because University courses have already commenced for the current academic year. So, under clause 54 of the Bill it is left to the State of Andhra to adapt the laws of the Madras University to govern the educational institutions in the Ceded District areas. That would be best and that would be most advisable under the circumstances.

Then the second point is this. I find that my hon. friend Mr. Hegde is misguided as regards the location of the University at Anantapur. What the Sri Baug Pact mentions is that there can be only one university for the whole of the Andhra State and not two universities—one at Waltair and the other at Anantapur. There can be only one university for the whole of Andhra, namely, the Andhra University; and there should be two university centres—one at Waltair and the other at Anantapur. So there seems to be a misconception in the mind of Mr. Hegde with regard to the functioning of two universities in the Andhra State. There can be only one university with two university centres, with its culture distributed uniformly throughout the Andhra State.

PRINCIPAL DEVAPRASAD GHOSH (West Bengal): Mr. Deputy Chairman, I had absolutely no mind to

take part in this debate. But in view of certain remarks made by my hon. friend Mr. Rajagopal Naidu. I think it my duty to correct his misconceptions. Mr. Naidu was good enough to tell us that it was inconceivable to have a university with its centre in one State and having its jurisdiction over other States as well. As a matter of fact, not merely is it a matter of history, but it is a matter of present day practice that universities in one State have jurisdiction over areas which do not pertain to that particular State. For instance, if I remember right, the Province of Bihar—it was called then Bihar and Orissa—was separated from Bengal in the year 1912, but the Patna University came into existence long after that; and the Calcutta University used to exercise its jurisdiction over Bihar and Orissa as well. Then, in Assam—Assam has been a separate Province, a separate State for a long time—it was only the other day, i.e., after the partition in 1947, that a separate university, called the Gauhati University, was formed. And till that time, all the Assamese colleges and schools had been affiliated to the Calcutta University, and it would.....

MR. DEPUTY CHAIRMAN: But you forget that it was a Central subject at that time.

PRINCIPAL DEVAPRASAD GHOSH: Just consider for a moment the case of the Agra University. It is in the Uttar Pradesh, but colleges situated in the State of Madhya Bharat—in Gwalior and Indore are affiliated to the Agra University; and you know, Sir, that a Bill for the reform of the Agra University is now pending in the Uttar Pradesh State Assembly. So, I merely wanted to point out that there is nothing inherently wrong—it is all a question of convenience—there is nothing inherently wrong or illegal or unconstitutional in a university functioning primarily in one State or Province having its jurisdiction in other States or Provinces.

DR. K. N. KATJU: Mr. Deputy Chairman, I do not want to take up

your time and add to what has already been so forcefully said by my hon. friend Mr. Hegde and other speakers. I think this is a matter which should be left pre-eminently to the discretion of the Andhra State Government. As soon as they come into power and start functioning, they can take appropriate action under clause 54. They may if they like pass suitable legislation if they want to establish this university in Rayalseema. It is a matter for the consideration of the people there. For instance, in Uttar Pradesh we have got five universities for Arts—Allahabad, Lucknow, Agra, Banaras and Aligarh. Then there is a separate Engineering University. There is no question of any bar one way or the other. And I submit, as you pointed out, that today the Madras Act, so far as it covers the Andhra territory, will cease to have effect. It will be the Andhra Government who will have complete jurisdiction over them. Various considerations have been pointed out and I think the Andhra Government will take every matter into consideration and take proper action. I do not anticipate any difficulty whatsoever so far as this matter is concerned from the Madras Government who will be most willing to co-operate with the Andhra Government in safeguarding the interests of the students and see that education does not suffer in any way in the Andhra area. I oppose the amendment.

MR. DEPUTY CHAIRMAN: The question is:

"That, at page 24, after line 6, the following new clause be added:—

'67. The educational institutions of the Andhra area which are affiliated to the Madras University before the appointed day shall be deemed to have been affiliated to the Andhra University from the appointed day.'

The motion was negatived.

Clauses 67, 68 and 69 were added to the Bill.

MR. DEPUTY CHAIRMAN: The motion is:

"That the First Schedule stand part of the Bill."

There are two amendments, 42 and 43.

SHRI RAJAGOPAL NAIDU: I am not moving them.

MR. DEPUTY CHAIRMAN: There are no amendments to Schedules 1 to 6.

The First, Second, Third, Fourth, Fifth and Sixth Schedules were added to the Bill.

MR. DEPUTY CHAIRMAN: The motion is:

"That clause 47 and the Seventh Schedule stand part of the Bill."

There are several amendments to clause 47.

SHRI K. SURYANARAYANA (Madras): Sir, I move:

"That at page 15, for lines 6 to 12 the following be substituted, namely:—

'47. *Apportionment of assets and liabilities.*—The assets and liabilities of the State of Madras as dealt with in the Seventh Schedule, as also current revenues and expenditure, shall be divided between the States affected by this Act by an Order of the President of India on the recommendation of a neutral Commission of Experts, presided over by a Judge of the Supreme Court.'

SHRI P. SUNDARAYYA: Sir, I move:

"That at page 15, lines 9-10, for the words 'in accordance, with the provisions contained in the Sever'

[Shri P. Sundarayya.]

Schedule' the words and figures 'in proportion of their respective population i.e. 62 2/3:36:1 1/3 as described in Seventh Schedule' be substituted."

MR DEPUTY CHAIRMAN: To the Seventh Schedule there are several amendments No 44 onwards.

SHRI P. SUNDARAYYA: Sir, I move:

"That at pages 35-36, for paragraph 3, the following be substituted namely.—

'3. Any unissued stores, articles or goods of any class shall be divided between the States of Madras, Andhra and Mysore in the proportion of 62 2/3. 36. 1 1/3 or their value be adjusted in the same ratio in the assets of the three States.' "

"That at page 36, lines 8 to 10, for the words 'less depreciation where such depreciation is adjusted in the accounts, of the Press' the words 'without any depreciation being deducted' be substituted."

"That at page 36, after line 18, the following be added, namely:—

'Provided that the amount of such loans or advances is adjusted in the assets of the Madras, Andhra and Mysore States in the proportion of 62 2/3: 36: 1 1/3.' "

"That at page 37, after line 19, the following be added, namely:—

'Provided that the amount of such securities are adjusted in the assets of the Madras, Andhra and Mysore States in the proportion of 62 2/3: 36: 1 1/3.' "

"That at page 37, after line 24, the following be added, namely:—

'Provided that the amount of assets and liabilities are adjusted between Madras, Andhra and Mysore States in the proportion of 62 2/3: 36: 1 1/3.' "

"That at page 38, lines 8 to 12, for the words 'to the total expenditure on all capital works and other capital outlays incurred in the territories of the States of Madras and Andhra and the transferred territory up to the commencement of the appointed day including the items dealt with, in paragraph 9 of this Schedule' the word and figures of 62 2/3 36 1 1/3' be substituted."

"That at page 38, line 8, after the words 'total expenditure' the words 'incurred either from annual revenues or from loans raised from public or Central Government' be inserted."

"That at page 38, lines 19 to 22 be deleted."

"That at page 38, line 23, before the word 'amount' the word 'total' be inserted and the words 'public debt on account of' be deleted."

"That at page 38, after line 39, the following be added, namely:—

'Provided that the Central Government makes a grant of 769 6 lakhs towards the building of the Capital.

Provided further that the Central Government makes a grant of at least Rs 25 crores for the development of Andhra State.' "

SHRI RAJAGOPAL NAIDU: Sir, I move:

"That at page 36, for lines 34 to 37, the following be substituted, namely —

'7. (1) The balance of the States' share of taxes on income and of the Union duties of excise payable to the State of Madras in respect of the financial year 1953-54 shall be shared as follows:—

Eight per cent. of the States' share of the taxes on income and the whole of the Union duties of excise shall be shared by the States of Madras, Andhra and

Mysore in the proportion of 62 2/3: 36: 1 1/3, and twenty per cent. of the States' share of the taxes on income shall be shared on the basis of collection of taxes on income in the areas comprised in the State of Madras, the State of Andhra and the transferred territory.' "

"That at page 37, for lines 1 to 6, the following be substituted, namely:—

'(2) The States' share of the taxes on income and of the Union duties of excise payable to the State of Madras as constituted immediately before the appointed day in respect of each of the financial years commencing on or after the first day of April 1954, shall until other provision is made by law, be shared as follows:—

Eighty per cent. of the States' share of the taxes on income and the whole of the Union duties of excise shall be shared by the States of Madras, Andhra and Mysore in the proportion of 62 2/3: 36: 1 1/3, and twenty per cent. of the States' share of the taxes on income shall be shared on the basis of collection of taxes on income in the areas comprised in the State of Madras, the State of Andhra and the transferred territory.' "

SHRI K. SURYANARAYANA: Sir, I move:

"That at page 38, line 16, after the word 'Andhra' the words 'which shall be decided before the appointed day at a meeting of the Andhra Members of the Madras Assembly to be convened by the Speaker of that Assembly' be inserted."

"That at page 38, after line 18, the following be added, namely:—

'Provided that the Capital of the Andhra State shall be known as Sriramanagar.' "

SHRI S. VENKATARAMAN (Madras): Sir, I move:—

"That at page 38, lines 34 to 39 be deleted."

MR. DEPUTY CHAIRMAN: The Seventh Schedule, clause 47 and the amendments are now open to discussion.

SHRI P. SUNDARAYYA: Clause 47 and the Seventh Schedule deal with the question of assets and liabilities. We have moved a series of amendments.

MR. DEPUTY CHAIRMAN: Mr. Sundarayya, I think your amendment No. 60 is out of order. It requires the sanction of the President as it involved financial commitments. You have not obtained the sanction of the President, and so it is out of order.

SHRI P. SUNDARAYYA: Is it required even for moving amendments?

MR. DEPUTY CHAIRMAN: Yes, if it involves financial implications.

SHRI RAJAGOPAL NAIDU: In the other House yesterday this subject came up for discussion and it was pointed out by the Deputy Speaker that the matter would be referred to the Attorney General of India for his final opinion whether amendments having financial implications would require the sanction of the President.

MR. DEPUTY CHAIRMAN: We have it in the Rules.

SHRI P. SUNDARAYYA: Does it apply to amendments also?

MR. DEPUTY CHAIRMAN: If it means any financial commitments, Article 117(1) says "A Bill or amendment making provision for any of the matters specified in sub-clauses (a) to (f)" you are moving an amendment which has financial implications.

(Shri Rajagopal Naidu rose.)

MR. DEPUTY CHAIRMAN: I have ruled it out of order, Mr. Rajagopal Naidu.

SHRI P. SUNDARAYYA: I have moved a series of amendments to the Seventh Schedule and also to clause 47. My amendment to clause 47 reads:

"That at page 15, lines 9-10, for the words 'in accordance with the provisions contained in the Seventh Schedule' the words and figures 'in proportion of their respective population, i.e. 62 2/3: 36: 1 1/3 as described in Seventh Schedule' be substituted."

The main purpose of my amendment is that the assets and liabilities should be divided in proportion to the population of the respective States, i.e. Madras, Andhra and that portion going to Mysore State. This question of assets and liabilities has been agitating the minds of the Andhras and has been the cause of trouble between the Andhra areas and the Tamil areas. Now, in the Government Schedule itself there are various criteria from item to item. There is a different criterion with regard to this apportionment of assets and liabilities. This has created unnecessary suspicions and wrangling between the Andhra and Tamil leaders. To obviate these things, this amendment says that the assets and liabilities should be divided on the basis of population, and that principle should be extended to all the other items in the Schedule. Paragraph 3 of the Seventh Schedule says:

"Any unissued stores of any class shall be divided between the States of Madras, Andhra and Mysore in proportion to the total indents for stores of that class made in the three years immediately preceding the 1st day of April 1953, for the areas respectively comprised in the States of Madras and Andhra and the transferred territory excluding the indents relating to the Secretariat and offices of Heads of Departments located in the city of Madras:

Provided that nothing in this paragraph shall apply to stores held

for specific purposes, such as, for the use or utilisation in particular institutions, workshops and electrical undertakings or on specific works under construction."

This old clause is to be substituted by the following:

"3. Any unissued stores, articles or goods of any class shall be divided between the States of Madras, Andhra and Mysore in the proportion of 62 2/3: 36: 1 1/3 or their value be adjusted in the same ratio in the assets of the three States."

It may be that the amount involved here is only small. As the hon. Minister who was piloting the Bill said in his initial speech that after all if you went into the unissued stores, they will be only pins, nibs and newspapers. But I don't think it is quite as simple as that. I cannot concede that the value of the unissued stores may be small only. When you are considering the question of unissued stores, why not apply the same principle that unissued stores should be divided in the proportion of population and why do you bring in the question of indents for the past three years? It is a new principle viz., to find out the amount of indents that have taken place in the respective areas for the last 3 years before the appointed day and on the basis of the average divide the existing unissued stores. Instead of that a simple provision that the issued stores could be divided on the basis of population would have been better and the amount also would be very small.

Similarly paragraph 4 is concerned with the Government Press at Madras. Here it says:

"This share shall, as far as practicable, be given to that State in the form of machinery which can be removed and utilized by it and to the extent to which this is not practicable, an adjustment shall be made in cash on the basis of the book value of the machinery less

depreciation where such depreciation is adjusted in the accounts of the Press."

As we know, the Government Press is very important to carry on the administration. Because of the composite Madras State there is only one Government Press in Madras. When the Andhra State is formed, naturally to continue its own printing, it should have its own press especially if the Andhra State is to carry on the administrations in its own language. Now the question comes up that whatever material that could be given to the Andhra State as per the 36/100 share, certainly it has to be given because we all know that the present material, the printing machinery today as compared to its cost 10 years back or pre-war cost, is now 4 or 5 times that cost and in some cases it will be 10 times more than what it was earlier and it is so difficult now-a-days to get any new machinery by import except at very exorbitant prices. Therefore the principle laid down that as far as possible the machinery upto the extent of 36/100 should be transferred is a sound one. There is another proviso that with regard to certain machineries that cannot be removed, the value of that should be adjusted in Andhra accounts. That is also a sound principle. But how are you going to calculate the value. We are not asking that you should calculate on their market value today or even the replacement value but when the question of adjustment in terms of value of any machinery which cannot be removed comes in and the 36/100 share of Andhra is to be given, why do you bring in the question of depreciation. Now if you go on calculating the depreciation for the last 20 years, then the value of the press as per the book value will be nil and you may have an entirely different value for it in the market. On the one hand you say that where the machinery cannot be removed you give some value to the Andhra State but at the same time you say the depreciation amounts which have

been entered in the book should be omitted entirely and only what remains as book value after deducting the depreciation should be handed over. This means that on the one hand you say you give some value for being unable to transfer the machinery but on the other hand you deny any value being given. Naturally the Andhra State will get practically very little as far as this is concerned and it has to incur heavy expenses to have its own printing press. Therefore my amendment is that no depreciation whatsoever should be taken into account, without depreciation being taken into account, on the basis of whatever price the Madras State had paid, in respect of that part of the machinery which cannot be transferred to the Andhra State, book value should be taken and adjustments made. It could not be much because these machineries were purchased long ago and the book value compared to the present values, will be small. It is not extraordinarily difficult for the Madras Government to adjust its accounts so that book value at least may be given to the Andhra State. In fact in other respects in Mr. Wanchoo's report as well as in other assets, when the question of assets were taken into consideration, the depreciation was not taken into consideration. The book value as they originally spent was taken into consideration. They took the book value as they originally stood on the projects and on other assets without deducting the depreciation, because deducting depreciation becomes fantastic. What is the depreciation in the Godavari or the Kavery anicut? If you take depreciation they are worthless. In fact they are not worthless but they are very valuable projects. When you take various assets, in one place you take the book value without allowing for depreciation but in this question of the Madras Press why do you take the depreciation into consideration for allotment of value to Andhra when the machinery cannot be transferred. That is why I have moved my amendment.

[Shri P. Sundarayya.]

As it is paragraph 6 on page 36 reads as follows:

"The right to recover any loans or advances made before the appointed day by the State of Madras to any local body (other than the District Board of Bellary), society, agriculturist or other person in an area within the State shall belong to the State in which that area is included on the appointed day."

After that I want to add

"Provided that the amount of such loans or advances is adjusted in the assets of the Madras Andhra and Mysore States in the proportion of 62 2/3 36 1 1/3."

Here also you say that the right to recover loans or advances shall be that of the respective States in which that loan is situated but the question is after recovering the loans, if there are any differences in assets i.e. the loans advanced from common funds etc in all these three areas, then it should be divided on the basis of population and not that whatever the amount may be given to that Government itself. That is why I have moved here that the principle of division on the basis of the population should be brought in. Similarly I have moved for the following to be added.

At page 37, after line 19, namely —

"Provided that the amount of such securities are adjusted in the assets of the Madras, Andhra and Mysore States in the proportion of 62 2/3 · 36 · 1 1/3"

DR K N. KATJU: Which amendment is the hon. Member referring to now?

SHRI P SUNDARAYYA: I have moved all my amendments to the Seventh Schedule and I am explaining them, one by one.

DR. K. N. KATJU But which is the one that he referred to just now?

MR DEPUTY CHAIRMAN: That is amendment No. 50 on paragraph 10.

SHRI P SUNDARAYYA: Yes, I have moved for the addition of the words:

"Provided that the amount of such securities are adjusted in the assets of the Madras, Andhra and Mysore States in the proportion of 62 2/3 · 36 · 1 1/3"

after line 19 on page 37. It is stated in ~~the~~ para 10 that the securities held in respect of investments made from any depreciation reserve fund shall accrue to the State in whose area the undertaking is situate. It is a good principle that has been enunciated here, that wherever the assets are, wherever the projects are, naturally they will have their own depreciation reserve fund and so this fund shall belong to those States where the projects exist. Here again my amendment is that whatever amount may accrue, because the security is given on the basis of the deposits, that should be adjusted on the basis of population.

Similarly in para 11, after line 24, I want the following to be added, namely:—

"Provided that the amount of assets and liabilities are adjusted between Madras, Andhra and Mysore States in the proportion of 62 2/3 36 1 1/3"

This deals with the assets and liabilities of commercial or industrial undertakings, and it is said that these "shall, in the case where the undertakings are situate in the transferred territory, pass to the State of Mysore and, in other cases, pass to the State in which the undertakings are situate." We do not want the undertakings to be divided. Let the undertakings remain where they are. But when you consider the question of assets being divided, I say they should be divided on the basis of the population. Therefore, I have also

moved an amendment to para. 12. This is a very important amendment which may be noted carefully. It says that for the existing words, the word and figures "of 62 2/3 : 36 : 1 1/3" be substituted. This word and figures will be inserted for the words "to the total expenditure on all capital works and other capital outlays incurred in the territories of the States of Madras and Andhra and the transferred territory up to the commencement of the appointed day including the items dealt with in paragraph 9 of this Schedule".

In other words, I am asking for the liabilities also to be divided on the basis of the population and not on the actual assets which is the principle that has been followed here. And the reason is this. If you accept the principle of division on the basis of population, that will do justice to all concerned whether it be a question of assets or whether it is a question of liabilities. They should all be divided on the basis of population. Instead of accepting such a uniform principle, when they come to the question of the division of liabilities they say it shall be divided in proportion to the assets which each State has. When it comes to the question of assets, they have various formulae, some on the basis of previous figures, some on the basis of the locality where they are situate. These different standards raise unnecessary suspicions. So, I say that with regard to assets and also with regard to liabilities, the division shall be on the basis of the populations.

With regard to the question of capital outlay and capital works we want some clarification. In the other House also, when the whole question was being discussed, Members again and again asked the Finance Minister and the Home Minister also to enlighten them as to what was actually meant by capital works and capital outlay. Do they mean only the

money which you have borrowed and spent on the projects or do they include funds spent from revenues also in the execution of these various projects? I would like to have this doubt cleared here. We have never stated that roads or colleges or medical institutions or educational institutions should be brought into the question of division of assets. Whatever might have happened in the past, wherever these may be, they should not be considered divisible assets. They should be considered as the complete properties of the respective States. The only asset which you should divide even on the basis of population is the amount in connection with projects like the irrigation and hydro-electric projects or commercial concerns and industrial undertakings, or in other words, we may say more or less, those which are income-yielding. That is our standpoint. So there is no necessity for any misunderstanding or misinterpretation. So when we say that the assets should be divided on the basis of the population, we mean only the assets which yield income and not educational institutions or roads or various buildings. That is a good principle to be applied in the case of these income-yielding projects. If you do not accept it, I want to know why you say that the liabilities should be divided on the basis of assets and the total capital outlay and capital expenditure that have been spent or incurred on these things. We asked again and again whether it is the total expenditure on the capital works in connection with all these income-bearing projects that you take into account including the money spent from the revenues also, or is it only the money that is borrowed by the State and then spent? To this question there was no categorical answer given. And I am told by my colleagues who belong to my own party and who had been called for consultation by Mr Deshmukh and his financial advisers, that to this specific question there was no answer. Sometimes they avoided it and sometimes they said that

[Shri P. Sundarayya.] capital outlay and capital works mean what they mean in economic terminology or legal terminology. Sir, the job of the Finance Minister or his advisers is not to take shelter under legal verbiage. When we ask for the interpretation of the terms "capital works" and "capital outlays", whether they include the amounts spent on these works from the revenues as well as from the borrowings, instead of giving a categorical answer, they evade it. That is what I was told by my colleagues who attended that meeting. Mr. Rangachari who is the Financial Adviser or Secretary—I don't know which it is—it seems, said that it does not include funds from the revenues. And it is exactly because of this that I have moved my amendment:

"That at page 38, line 8, after the words 'total expenditure' the words 'incurred either from annual revenues or from loans raised from public or Central Government' be inserted."

We do not want to be taken un-awares later on and we want to avoid all financial confusions brought about by these ambiguities. So we want it to be clearly stated. Even if you do not accept the principle of population for dividing the assets and liabilities, if you still insist that liabilities should be divided on the basis of assets existing in the different provinces, then we would like to know how you calculate these assets. Do you calculate the assets only from the monies that have been borrowed and spent on these, or do you include in the total expenditure—the borrowings and the revenue, that is the total cost or the total money which has been spent? To make the position categorically clear I propose to move this amendment:

"That at page 38, line 8 after the words 'total expenditure' the words 'incurred either from annual revenues or from loans raised from

public or Central Government' be inserted".

I shall presently show how this is important. In the same paragraph, Seventh Schedule, page 38, sub-clause 3, lines 19 to 22 to be deleted. The other sub-paragraph reads:

"Provided that the amount of public debt on account of the expenditure on the Tungabhadra Project referred to in section 66 shall be reallocated on such basis as may be agreed upon between the States concerned, or, if no agreement is entered into within two years from the appointed day, as may be fixed by order of the President."

Sir, is it not strange? If you are going to divide the assets and apportion them, even the income-paying assets, you must then take the total value and divide it. Here it says that the Tungabhadra Project has been constructed not only from the Public Debt but some portion of the revenue also has been spent on it. We have not got the figures; and it is for the Government to supply us these figures. If you are going to divide the liability on the Tungabhadra Project, its total value has to be taken and the Mysore Government and the Andhra State Government should bear it in whatever proportion they may agree later on, but the total money spent on it should be taken into account. But the Government says: the total amount of public debt still due on the Tungabhadra Project, that is, the Mysore and the Andhra States will have to divide the assets and liabilities only on the basis of the public debt and not taking the whole of the expenditure that has been incurred on this Project. This principle is totally wrong. At one place the Andhra State is responsible for the liability of the Madras State on the amount of total expenditure incurred on the Tungabhadra Project, but when this question of dividing this money between the Mysore and the Andhra State later on is concerned, the division comes only on the amount of public debt that is due. **This is not**

correct. The whole amount of expenditure that has been incurred, not only the public debt, should have been divided. Therefore, my amendment is to remove the words "public debt" and insert "total amount incurred on this Project".

Then again, Sir, I had given notice of another amendment, that on page 38, after line 39, the following be added:

"Provided that the Central Government makes a grant of 769.6 lakhs towards the building of the Capital;

Provided further that the Central Government makes a grant of at least Rs. 25 crores for the development of Andhra State."

That is amendment No. 60, which has been ruled out, and so there is no question about it. My purpose in all these amendments is to substitute the different principles for the principle which is provided for the division of assets and liabilities and adopted by the Government of India, and to suggest a uniform principle on the basis of population; and "assets" meaning the income-earning institutions, not medical or educational institutions, etc. Once this is accepted, all that I am insisting is that Government should accept my amendment in regard to division of assets on the basis of population. Government could have argued cogently before the people of Andhra and Tamil Nad that even after the division of assets and liabilities on these principles, neither the Andhra State nor the Tamil State is going to lose; but they are not prepared to give figures about these. This amendment, if accepted, will clear a lot of suspicion that the Andhra people have been accorded an injustice. We have worked out certain figures on the basis of Mr. Justice Wanchoo's Report and the Budget Memorandum of the Madras Government—figures given by the Accountant-General's Office; and working on the figures that were available to me, I find that

the difference between the population basis according to which you divide both the assets and the liabilities and the various other principles adopted by the Government will be that the Andhra State will benefit to the extent of Rs. 1½ crores and nothing more. When there is going to be a division of assets and liabilities to the tune of Rs. 130 crores, a difference of Rs. 1½ crores is a minor matter. But because the

12 NOON. Government refuses to accept the principle of population and resorts to various kinds of principles for different things, it gives rise to unnecessary suspicion that the Andhra people are being cheated and Government must have some ulterior motive—that the Madras State must have some ulterior motive in not accepting the principle of population. That is exactly why I ask: in this matter of Rs. 1½ crores why does not the Government accept this principle of population. I will quote certain figures which I have worked out. Seeing the obduracy of the Government in not accepting population basis even I became suspicious. Both the Madras Government and the Central Government should see that mutual relationship between the Andhra people and the Tamil people is established. From the figures that are available to us—I hope there is no skeleton in the cupboard—which figures are taken from Mr. Justice Wanchoo's report and are as on 31st March 1952, we find:—

Capital expenditure of the total Madras State, Rs. 87 crores;

Out of which Madras State gets Rs. 54 crores;

(The Andhra districts including the three taluks of Bellary plus 50 per cent. on Tungabhadra Project, get Rs. 33 crores.)

On 31st March 1952, the expenditure incurred on the Tungabhadra Project is about Rs. 12 crores; and Rs. 6 crores will go to the Andhra State and the rest Rs. 6 crores will go to the residuary State of Madras.

[Shri P. Sundarayya.]

As for Mr. Justice Wanchoo's report is concerned, he felt that the amount must be stated. So, the total expenditure upto 31st March 1952, has been taken as Rs. 87 crores, out of which Rs. 33 crores goes to Andhra and Rs. 54 crores goes to the Madras State.

He has given a schedule wherein the names of the irrigation projects have been given. From that, I find that he has not deducted the depreciation; he has given the full value of the expenditure incurred at various times. He has given the total amount of money spent there which comes to Rs. 33 crores for Andhras and Rs. 54 crores for the Madras State. Then, there are assets and liabilities. On the 31st March 1952, the Madras Government had in the Sinking Fund, the Depreciation Fund and in securities Rs. 43 crores out of which Rs. 21;78 crores has been given to the local bodies or individuals as advances or as loans and only Rs. 21;46 crores is held as deposits. According to Mr. Justice Wanchoo's report, out of the Rs. 43 crores, Rs. 13.77 crores is to go to the Andhra State and Rs. 29.65 crores to the residuary State of Madras. Therefore, the total assets, both the income bearing ones and the Depreciation etc. Funds come to Rs. 129 crores; out of this Rs. 40 crores are assigned to the Andhra State and Rs. 89 crores to the Madras State. This is according to the varying principles put forward by Mr. Justice Wanchoo and accepted and incorporated by Government.

Now, if we accept the principle of the population instead of these varying principles enunciated by Mr. Justice Wanchoo, out of the Rs. 129 crores of assets, Rs. 46.5 crores, that means Rs. 6.5 crores more than according to your calculations will go to the Andhra State and Rs. 82.8 crores, that is Rs. 6.5 crores less than your calculation, will go to the Madras State. You need not be carried away by the fact that the Andhras get more; if you divide the

liabilities also on the same basis of the total population, Andhra gets a greater liability than what is provided for as per Mr. Justice Wanchoo's report. The total debts on 31st March 1952 are Rs. 72 crores and, out of this, Rs. 22.8 crores go to the Andhra State and Rs. 48.9 crores go to the Madras State. According to the principle enunciated by Mr. Justice Wanchoo and accepted by the Government, out of the Rs. 72 crores of debt, the share of the Andhra Government comes to only Rs. 23 crores and Madras has to pay Rs. 49 crores. The difference of the assets over the liabilities as per Mr. Justice Wanchoo's principle is Rs. 40 crores minus Rs. 22.8 crores, that is Rs. 17.2 crores which represents the net assets that the Andhra State would have whereas the Madras State would have Rs. 89 crores minus Rs. 48.9 crores or about Rs. 40 crores as net assets after deduction of all these liabilities. If you take the population as the basis, out of Rs. 72 crores, the Andhra State will have to pay Rs. 26 crores—not Rs. 22.8 crores as per Mr. Justice Wanchoo's report—and the Madras State's share is not Rs. 49 crores but only Rs. 46 crores. Then in the matter of the division of the total assets and liabilities we are prepared to accept them on the basis of population. In that case the net assets of Andhra would be Rs. 20 crores and those of Madras Rs. 36 crores. As a result of my calculation Andhra's assets would go up by Rs. 2.8 crores. But from this I have to make adjustments regarding the buildings that are in Madras which are hitherto being used jointly by both Madras and Andhra people. As this common use will come to an end with the formation of the new Andhra State, Mr. Justice Wanchoo himself says that when the division actually takes place and the Andhra State is erecting its own buildings, it must get some money for it. Now the total amount of money invested in buildings in Madras which are for common purposes is computed at Rs. 3 crores and 57 lakhs or say Rs. 3½ crores. Mr. Justice Wanchoo has his own principle. He doubled

it and divided it on the basis of population and gave as Andhra's Share Rs. 2 34 crores. The total book value of the whole Madras buildings which are used for common purposes being Rs. 3½ crores, on that if I demanded the Andhra share on the basis of population then the amount that will come from Madras would be about Rs. 1 crore and 16 lakhs approximately, not Rs. 2 crores and 34 lakhs. So I may get an extra Rs. 1 crore and 50 lakhs, after subtracting this Rs. 1 crore and odd from the Rs. 2 crores and 80 lakhs, say less than Rs. 2 crores. So the whole difference on the principle of population and on the principle of the various confusing methods sought to be followed in this Bill is after all Rs. 1½ crores. When it is a question of dividing Rs. 130 crores of assets and Rs. 72 crores of debts, Rs. 1½ crores is not going to materially affect either the prosperity or the poverty of either the Tamil people or the Andhra people. It would have simplified the whole problem if the principle of the basis of population had been accepted, without creating this animosity and suspicion and it would have been a proper thing. But the Government is refusing to accept the principle of population and by adopting these various methods they are creating unnecessary suspicions in the minds of the people about the whole scheme. This is a very very unhealthy thing both for the States as well as for the whole of the Indian Union. When we demand the Andhra State it is not with a view to quarrelling with the Tamilians. It is not to create disruption, though our hon. Home Minister would not concede this and he would always say that the Communists are out to create disruption and disunity. It is not.....

SHRI K. S. HEGDE: Only sugar-coated.

SHRI P. SUNDARAYYA: For you everything is sugar-coated. After all we are all interested in the Tamil people, the Andhra people and the Indian people. The question of the assets and liabilities being an impor-

tant thing, unnecessary suspicions have been aroused. I know of Congress leaders from Andhra demanding Rs. 150 crores and Rs. 200 crores also as compensation from the Madras State. They are all fantastic demands. It is our job to see what should be the chief principles of division. Andhra area may be backward. Of course some hon. Members have given figures to show how the Andhra State is much more rich and such other things. Yes, potentially it is rich and there is no doubt about it. But nobody is going to be deceived by your talks about so many irrigation projects and power projects that are going on and that we are going to have 27,00,000 irrigated acres of land and that we are going to have so much electric energy and all that. It is all very good. But let us not argue on that basis. If you are going to cite those things I can also say that Madras has got so many colleges, so many medical institutions and all that kind of thing. Let us not like two beggars be quarrelling among ourselves. I have never said that the Tamil people are prosperous and that milk and honey is flowing there so that they can afford to bear any loss. The way in which the Government is refusing to concede the principle of population for the division of assets and liabilities leads even some of the Congress leaders to say "No, no, their figures are all bogus figures and that there is something behind it. Otherwise why don't they accept the principle of division on the basis of the population." Of course I am not an expert in financial matters. The Government records are not before me to scrutinise and find out the inaccuracies. From the figures that are available to me the position is as follows. I have got the Budget Memorandum of the Madras Government for 1952-53. From that it transpires that the assets of the Madras Government would be Rs. 135 crores, that is, an increase of Rs. 6 crores whereas the debt is increased by Rs. 13 crores perhaps on account of the many projects undertaken. Similarly at the end of March 1954,

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Rs. 147 crores would be the assets and Rs. 94 crores only would be the liability. Whatever further expenditure may be incurred it is only an increase of Rs. 6 crores, and the further Rs. 11 crores is quite normal for an expanding State. As such in either case if you work it out on the basis of population there won't be much difference and it would satisfy Andhra's doubts and would remove the causes for unnecessary suspicion and other things. That is why I have moved a series of amendments. Of course the Government will say, "after all why should we accept them and bring about a complete change at this stage." It is for the Government to accept my proposition and if it does not accept it, it will go on creating unnecessary suspicions and other doubts.

In this connection I would like to have a clarification from the Home Minister because he said while explaining the assets and liabilities position that the total amount of money spent on these income bearing projects is Rs. 117 crores whereas Mr. Justice Wanchoo says that it is only Rs. 87 crores. Thus there is a difference of Rs. 30 crores. I want to know how that difference came about. It is a most important point. *(interruption).*

I do not say that Justice Wanchoo's report says so and he has taken the book value into consideration without deducting either depreciation or the money spent from the revenues. He has said that on the 1st March 1952 the total value of all these income-bearing projects is Rs. 87 crores. Naturally I thought that this Rs. 87 crores included the money spent from the revenues also. But now here the hon. Home Minister comes and says that the total value of the income from these projects is Rs. 117 crores out of which he says that Rs. 87 crores have been borrowed and Rs. 30 crores have been spent from the revenue. I want to know

how the discrepancy has come between Mr. Justice Wanchoo's figures and the figures given by the Home Minister. The only way in which I can understand this is that Mr. Justice Wanchoo's figure of Rs. 87 crores is only the money which is borrowed to be spent on these capital works and not the money spent from the revenues. If that is the position you should have taken this Rs. 30 crores into consideration when dividing the liabilities. It is certain that you are not going to accept the principle of population. On their own principles they have divided the liabilities in proportion to the income-bearing assets held by the respective States. If that is so there is no reason whatsoever to take only Rs. 87 crores which is the whole basis for Mr. Justice Wanchoo's calculation. You add the total assets and on that basis divide the liabilities. You must find out of this Rs. 117 crores how much is in the Madras State, how much is in the Mysore portion and how much in the Andhra area and on this basis the liability should be divided. The figure which was available to the public is Rs. 87 crores. If you say it is not Rs. 87 crores but Rs. 117 crores, then I would like to know, including revenue and public borrowings, how much is situated in Madras State, how much in Andhra State and how much in the Bellary District that is going to form part of Mysore. It is on that basis that the liabilities should be divided, because the contention is that historically the assets—even income-bearing assets—in Tamil Nad are far greater than in Andhra State. Either you accept the principle of population for both assets and liabilities or if you want to stick to your own principle, then let my amendment be included that when you calculate the total expenditure and assets you must include not only the borrowings but also the money spent from revenue on those things. This is my point and I earnestly appeal to the Government to make the position clear. When the hon. Minister said the figure was Rs. 117 and not Rs. 87 crores, there is a difference of Rs. 30 crores bet-

ween Mr. Justice Wanchoo's figures and the present figure. Naturally this will be taken advantage of and it will be said that Government is not doing justice to Andhras and therefore provoke unnecessary controversies. I therefore want Government to accept my amendment with regard to that particular issue.

SHRI K. SURYANARAYANA: Mr. Deputy Chairman, Sir, I have moved an amendment to clause 47 and the Seventh Schedule. We Andhras of all sections, irrespective of political alliances, are feeling strongly that the Government of India has entirely relied on the figures given by the Madras Government. In clause 47 and the Seventh Schedule no proper justification has been given with regard to the distribution of assets and liabilities between the States concerned. I doubt even now whether the Government of India knows what is the approximate value of the stores in Madras State which should be shared between these three affected areas. I can say that the Government of India is not adopting the same policy and the same principle in all matters so far as the Andhras are concerned. In the Seventh Schedule it has been stated as follows:—

"Provided that nothing in this paragraph shall apply to stores held for specific purposes, such as, for the use or utilisation in particular institutions, workshops and electrical undertakings or on specific works under construction."

So, the other day also I pointed out about our stores and the mischief that was going on, especially in the electrical departments of Madras State.

SHRI K. S. HEGDE: The Head of the Department itself is an Andhra.

SHRI K. SURYANARAYANA: You said the other day also that all the Heads of the Government were Andhras previously. (*Interruption.*)

MR. DEPUTY CHAIRMAN: Order, order.

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SHRI K. SURYANARAYANA: Sir, in Mr. Justice Wanchoo's Report, on page 36, it is stated as follows:—

"Any substantial quantities of unissued stores of any class shall be divided between the two States in proportion to the indents for stores of that class made in the three years immediately preceding the 1st April 1953, for the areas comprised in the two States respectively."

Instead of this, the Government is proceeding on the figures given by the Madras Government. In the Madras Assembly also, on 24th July 1953, at the time of the consideration of this Bill there were two amendments moved on clause 46 and the Schedule concerned, by the Praja Socialist Party and the Communist Party also, and which were supported by all the groups in Andhra including the Congress Members in the Madras Assembly.

Then, Sir, look at the properties left behind in Madras which are worth several crores. They have been built up and developed through the joint efforts and labours of every one concerned. With due respect to all including the Members from the Madras State, I am requesting the hon. Minister to appoint a neutral commission to divide the assets and liabilities, which is only fair whenever there is a partition or a separation. I think, Sir, that the assets and liabilities at least should be divided on the basis of population. The Government has adopted this basis in respect of some other matters in this Bill. I would just give some figures for the information of this House and for the information of the hon. Minister to show how deliberately the Andhra area has been neglected in matters such as irrigation, electricity and the development of its natural resources.

SHRI T. S. PATTABIRAMAN: What is the total area irrigated?

SHRI K. SURYANARAYANA: I am coming to that. So far as irrigation is concerned, after the year 1920.....

SHRI T. S. PATTABIRAMAN: Why the year 1920, that sacred year?

SHRI K. SURYANARAYANA: Why? Do you want to go to the old Chola days? Or the East India Company days?

MR. DEPUTY CHAIRMAN: Mr. Suryanarayana, here we are now concerned with the division of assets and liabilities. Please speak on your amendment. You need not go back to past history.

SHRI K. SURYANARAYANA: As Mr. Sundarayya said, the amounts previously spent on major projects and development schemes, such as electricity, should be taken into consideration. It will then be evident how the Andhra areas were neglected. So far as irrigation is concerned, after the year 1920, 9·82 lakh acres were brought under irrigation in the whole of the Madras State. Out of this, 9·4 lakh acres are in the residuary State, while only the remainder are in Andhra. Similarly in the case of electricity, the main electric schemes since 1920 have been constructed only in the residuary State. The total units of electricity generated in the whole of Madras State is 672,000,000 units out of which 42,000,000 only are in Andhra.

SHRI T. S. PATTABIRAMAN: 672 million units!

SHRI K. SURYANARAYANA: You can see the Wanchoo Report and the figures which were given and it was not contradicted by the Madras Government.

SHRI K. S. HEGDE: It may be 672 lakhs.

SHRI K. SURYANARAYANA: No, it is 672 million units.

SHRI T. S. PATTABIRAMAN: What is the generating capacity in k.w.s.? That is the measure.

SHRI K. SURYANARAYANA: I have said that it is 672 million units. You can calculate after going home. There is no time to calculate all these things here. Out of these 672 million units, only 42 million units are in Andhra.

SHRI T. S. PATTABIRAMAN: With the completion of the Machkund Project?

SHRI K. SURYANARAYANA: This shows how the Andhra areas have been neglected. Mr. Hegde and Mr. Kakkilaya have both agreed that except for the Tamil areas, the other areas are not developed.

SHRI K. S. HEGDE: I never said that.

SHRI K. SURYANARAYANA: Mr. Kakkilaya was quoting your speech and your evidence before the Partition Committee as to how the Kannada area was neglected.

SHRI K. S. HEGDE: You are mistaken. I never led any deputation before the Partition Committee. He was referring to my evidence before the Dhar Commission.

SHRI K. SURYANARAYANA: Whether it is the Dhar Commission or the Partition Committee it is the same. I will give you another instance of how the Madras Government is behaving. For several years now the Rayalaseema people have been wanting to take electricity from Mysore State. Even though the Mysore Government had agreed to give electricity, the Madras Government did not take electricity from Mysore till last year, and then again when all the things were ready.....

(Shri T. S. Pattabiraman rose.)

MR. DEPUTY CHAIRMAN: Let him continue, Mr. Pattabiraman.

SHRI T. S. PATTABIRAMAN: I am sorry, Sir. When the hon. Member is misquoting things and giving wrong figures, without any truth in

them, and then trying to throw mud on the Madras Government. I think I am entitled to refute him.

MR. DEPUTY CHAIRMAN: You will have an opportunity to refute him.

SHRI K. SURYANARAYANA: The other day you were quoting various figures and I kept quiet. Did you not quote all the figures which were quoted by our notorious P.W.D. Minister Bhaktavatsalam? What he had done everybody knows in the country—regarding the Kistna Pennar how he manipulated his figures.....

SHRI T. S. PATTABIRAMAN: Shri Gopala Reddy was the Finance Minister at that time.

SHRI K. SURYANARAYANA: I have already given an answer about what Shri Gopala Reddy and Shri Kala Venkata Rao were doing.

SHRI T. S. PATTABIRAMAN: When Shri Bhaktavatsalam was the P.W.D. Minister in Madras, the hon. Mr. Prakasam was the Chief Minister. He was his Guru. Sir, I take strong objection to these insinuations.

MR. DEPUTY CHAIRMAN: Order, order.

SHRI T. S. PATTABIRAMAN: Sir, he cannot make insinuations against persons who cannot defend themselves here.

MR. DEPUTY CHAIRMAN: Mr. Suryanarayana, you will not add anything to the debate now by going into past history. You speak on your amendment.

SHRI K. SURYANARAYANA: Sir, the Madras Government was kind enough not to start operations when the Mysore Government was willing to give electricity to develop the Rayalaseema area last year on the plea that the Government was in shortage of funds to implement such

progressive schemes. On this pretext the Government of Madras has taken away all the electrical materials from the Andhra areas which cost several lakhs.

MR. DEPUTY CHAIRMAN: You wanted to speak on the division of assets and liabilities but you are speaking about things which happened some time back which we are not considering now. You are thoroughly irrelevant.

SHRI K. SURYANARAYANA: I am only speaking on the amendment because it concerns stores.

MR. DEPUTY CHAIRMAN: We are concerned with the existing assets and liabilities and how they are to be divided and you want certain procedure. Please speak on your amendment and not on things that happened some centuries back or years back.

SHRI K. SURYANARAYANA: Assets mean.....

MR. DEPUTY CHAIRMAN: Please be relevant. At this rate we will have to sit for 2 or 3 days more on this Bill.

SHRI K. SURYANARAYANA: Regarding the Seventh Schedule I have also given an amendment as follows:

"That at page 38, line 16, after the word 'Andhra' the words 'which shall be decided before the appointed day at a meeting of the Andhra Members of the Madras Assembly to be convened by the Speaker of that Assembly' be inserted."

In this connection I wish to say something about how the Central Government is creating so many differences and disputes among the Andhra Assembly Members instead of asking them to come together. They left the capital issue to be decided by themselves. You know how things were going on when the capital issue was left to the Madras Assembly

[Shri K. Suryanarayana.]
Members. At one stage they came to one conclusion and voted in favour of Kurnool. Then after the people's agitation and some other things also about buildings, accommodation etc., investing capital even for the temporary capital, investing huge sums on repairing buildings when the State is in its infant stage, all the Members of the Andhra Assembly including all parties and some congress members also have considered it again and have changed their minds and decided not to go to Kurnool but you have not heeded it and you are going ahead spending huge amounts for the tents and adjustments etc. You know, Sir, when a State has not much of financial strength, even a sum of a lakh or two lakhs of rupees will be felt as a great burden on its financial resources. So when you are accepting this proposal to have the capital started at Kurnool, I would like to know why the Central Government could not sanction liberally for investments on temporary buildings instead of giving a loan and handing it over to the Special Officer. When all these things are decided by you and when you are going ahead with implementing your decisions, why did you leave this issue to be decided by the Madras Assembly? You are deciding about educational institutions, you are deciding about the university, you are deciding on the location of the High Court and so many other.....

SHRI K. S. HEGDE: How do these things come in the discussion on the Seventh Schedule?

MR. DEPUTY CHAIRMAN: How do these come in now? What is the amendment that you are speaking on?

SHRI K. SURYANARAYANA: I am speaking on my amendment:

"That at page 38, line 16, after the word 'Andhra' the words 'which shall be decided before the appointed day at a meeting of the Andhra Members of the Madras Assembly to be convened by the Speaker of that Assembly' be inserted."

We feel that these things should be decided before investing huge amounts on the temporary capital. Please give a chance again before the appointed date, that is to say, before the 1st of October, 1953, for a meeting of the Andhra members of the Madras Assembly to be convened by the Speaker of the Madras Legislature.

SHRI S. VENKATARAMAN: You will never agree even then on the location of the capital.

SHRI K. SURYANARAYANA: I say we have agreed. we have agreed.

SHRI T. S. PATTABIRAMAN: For the present, perhaps.

SHRI K. SURYANARAYANA: Sir, in this connection I would like to refer to what Mr. Justice Wanchoo says in his report. He has said that instead of spending so much money over a temporary capital, you can remain for some time in Madras. Or if there is objection for Madras you can go to Visakhapatnam where there are large buildings. Or if you want to consider the Sri Baug Pact you can have the capital at Tirupati in Rayalaseema. Tirupati is in the centre of the Rayalaseema area. If it is to be the permanent capital, then the first choice should go to the Gantur-Kistna area. But the Government have not given proper attention to what was suggested by Mr. Justice Wanchoo though it was very reasonable and it was acceptable to all Andhras irrespective of their political views and you are going ahead with spending all this money and putting a big financial burden on us. Sir, finally, I request the hon. Minister for Home Affairs to accept my amendment and make the people of Andhra believe the *bona fides* of the Central Government. Otherwise, let me have from the hon. the Home Minister a definite assurance that the Government of India will certainly come to the rescue of the Andhra State by way of granting immediately Rs. 5 crores a year, for a period of

five years, to develop the Andhra State in its early stages. With these remarks I move my two amendments.

SHRI RAJAGOPAL NAIDU Sir, I will be very brief, in fact, I do not want to take more than 2 or 3 minutes of your time. My amendment, is self-explanatory. My grievance is, that in the division of the share of the taxes on income under clause 7 of the 7th Schedule, the recommendation of the Finance Commission which has been adopted by the Government of India has not been taken into account and it has been completely ignored. According to the Report of the Finance Commission, 80 per cent of the State's share of the taxes on income should be based on population, that is, on per capita basis, and 20 per cent should be based on the basis of collection. But what we now find in the Bill is that the State's share of the taxes on income has been distributed on per capita basis under clause 7. So, I have tabled the amendment which, if accepted, will fall in line with the recommendation of the Finance Commission and which has been accepted by the Government of India. I feel that by clause 7, remaining as it is, a sort of injustice has been done to the residuary State of Madras and it is for the removal of that injustice that I have tabled my amendment:

"That eighty per cent. of the States' share of the taxes on income and the whole of the Union duties of excise shall be shared by the States of Madras, Andhra and Mysore in the proportion of 62 2/3: 36 1 1/3, and twenty per cent of the States' share of the taxes on income shall be shared on the basis of collection of taxes on income in the areas comprised in the State of Madras, the State of Andhra and the transferred territory."

I want that this principle should be adopted not only in respect of the financial year 1953-54, but also in

respect of the future period also, till such time as provision is made by law. I do not think there will be any hesitation or difficulty in the hon Minister accepting my amendment because if things are left as they are, it will only amount to doing gross injustice to the residuary State of Madras.

SHRI KISHEN CHAND We are discussing the question of distributing the assets and liabilities and just now we have seen that there is a controversy between the Andhra and Tamil Members, each party trying to represent its own case. I would suggest, in this case, to avoid any sort of controversy, that we divide the assets and liabilities on two basic principles, the first part is the assets and liabilities which are created in order to give rise to a specific project, the other is liabilities which are not for specific projects.

In the first case, we know definitely that a certain project is situated in the Andhra area or in the residuary State of Madras and, therefore, the assets and liabilities can be apportioned on that basis.

Then comes the general question of the remaining assets and liabilities which are not for any specific object or specific purpose. When we are distributing the assets and liabilities, there should be a certain principle. Instead of having arbitrary judgments for distribution of assets and liabilities, let us abide by the proportion of the population as adopted in this Bill. That is a basic fact, nobody can deny that whether the assets were used partially or impartially by the Tamilians or not.

SHRI RAJAGOPAL NAIDU My friend wants to give a go-by to the Finance Commission's Report.

SHRI KISHEN CHAND Mr. Rajagopal Naidu refers to the Finance Commission. It has decided only one specific question.

SHRI T. S. PATTABIRAMAN: The residuary State of Madras will be losing Rs. 30 lakhs because of the decision of the Government of India.

SHRI RAJAGOPAL NAIDU: May I read the relevant portion for the benefit of my hon. friend?

SHRI KISHEN CHAND: The Finance Commission's report is about the division of the Income Tax and now we are discussing the assets and liabilities. Simply because the Finance Commission decided.....

SHRI T. S. PATTABIRAMAN: That is also an asset.

MR. DEPUTY CHAIRMAN: This is a sovereign Parliament. If you agree, you can do anything. That is what Mr. Kishen Chand says.

SHRI KISHEN CHAND: In regard to the question of division of assets and liabilities which are not for any specific purpose, the sole criterion has rightly been fixed in this Bill as to be the population. As the population of the Andhra State is going to be 22 million and that of the residuary State of Madras 35 million, that should be the ratio for the division of assets and liabilities i.e., 22 and 35.

SHRI K. S. HEGDE: And the revenue also?

SHRI KISHEN CHAND: Not the revenue, but the present assets and liabilities, whatever that has been accumulated in the past.

SHRI H. D. RAJAH: Sir, in order to answer Mr. Sundarayya, it will take me one hour, and in order to answer Mr. Suryanarayana, it will take me half-an-hour. Therefore, there is no use traversing again these points which are clearly provided for in the second part of clause 47 which says: "Any dispute relating to, or arising out of, such apportionment shall be referred to the President whose decision shall be final."

Therefore, Sir, to traverse past history as to how the revenues of the Madras State were utilised and in what proportion is beyond the scope of our discussion today. It is something like a joint family which spent money for certain people. Ultimately when the joint family divides today, what is it that we find? We have only liabilities and it is only the misery of a liability that these two States have to divide. There is nothing for them to divide in any other manner. Therefore to go into the history as to how each area was developed under a composite Madras State is beyond our present job. Secondly, Sir, I have got only one objection and in that connection I refer to the Seventh Schedule, paragraph 12(5) whereof says, "In order to compensate the State of Andhra finally for its relatively smaller share of buildings, its share in the liability on account of debt to be apportioned between the States of Andhra and Madras under sub-paragraph (2) of this paragraph shall be reduced by Rs. 230.4 lakhs of rupees and the share of the State of Madras in such liability shall be correspondingly increased."

Sir, here is my objection. How could this liability be cast upon the poor Madras State on a larger scale? After all, till yesterday we had lived together. You have started on a new venture and that has necessitated the division of assets and liabilities between Madras and Andhra. But where is the question of compensation? How does it come in? Why should the innocent State of Madras be burdened with this compensation to the extent of Rs. 230 lakhs?

Sir, what happened before when the Partition Committee was appointed by the Madras Government was this. The Government of India asked the Partition Committee to go into details and this Partition Committee without the knowledge of the public has agreed to the compensation of Rs. one crore but Mr. Justice Wanchoo recommended Rs. 230 lakhs. This position the

Government of India finally accepted My strong objection is that it is in the

SHRI K S HEGDE That was only Rs one crore

SHRI H D RAJAH I accept that amount To-day in what way can the Madras State be called upon to have its liability increased by Rs 280 4 lakhs? Now this by itself does not complete the picture and free Madras from further liability We have the assurance of the States Minister that in course of time, within six months or so, again there is going to be a re-alignment of the territories based upon language for which a Boundary Commission is going to be appointed There is the Karnatak area in the Madras State, there is the Malabar area in the Madras State and if this principle of compensation is once accepted the poor Tamilians will be left with nothing except the clothes on them They may be asked to pay compensation at the time of the formation of the Karnatak State also because certain areas of our State will have to go, and certain areas of the North and South Malabar which are now part of the Madras State will go to the Kerala State Then again they will demand like Oliver Twist something more and ask for something more Who is to pay and out of what? When once they accept this principle of compensation by having the liability cast upon the revenues of the poor Madras State then this process will go on repeating to such an extent till Madras collapses Is it our sin that the Andhras are forming a State to run their own show? Is it our sin that the Karnatak people living in four different States are wanting a State of Karnatak to carry on their own administration?

Therefore, this provision is highly unwarranted and I would earnestly entreat our Home Minister to accept the deletion of clause 12(5) from the Seventh Schedule.

Then, Sir, only one point and that is that so far as my Andhra friends' desire is concerned to get some money out of others they are all united. There is no party difference, there is no party disaffiliation, the Communists, the PSP, the ASP, and the A, B, C, D, all to a man are united on the issue of taking some money out of some other man's pocket If this unity is displayed in their political set up and if they are going to be one with a view to run their State without quarrelling among themselves my warmest congratulations go to them.

With these words I request the Home Minister to delete clause 12(5) of the Seventh Schedule

SHRI RAMA RAO Mr Deputy Chairman, Sir, intending to speak on this subject I had made a sheaf of notes, but I threw it away because I did not like to stir the dying embers of controversy I would, however, satisfy myself with making a few general observations

SHRI S N DWIVEDY (Orissa). Or the Party whip was issued?

SHRI RAMA RAO The question is of the division of assets and liabilities, about which none is happy My Tamilian friends have had the major share of the administration

SOME HON MEMBERS Question, question

SHRI RAMA RAO They had been very well off and still they want more The amendments moved by the Communist Party, which are thoroughly acceptable to every section of the Andhra community show clearly the hundred and one chinks in the armour of the Bill Therefore, these vast differences provide a clear case for a high-power Commission of inquiry Even the Madras Legislative Assembly accepted such a proposal I wonder why the Government of India on every conceivable subject accept responsibility for themselves to be the final arbiters. I object to their underlying theory of

[Shri Rama Rao.]
the Bill. Here and now we should decide. It is no use telling us: "We shall do something. If you cannot settle among yourselves, come to us." It is in this context that the new clause that has been since added has some significance.

1 P.M.

That clause confers powers on the President to rectify any inequity which might result from the apportionment of assets and liabilities. I can only hope that this clause is intended to have a real and realistic and the intended effect, otherwise it will be difficult for the Andhra State to get anything at all that is due to it. I do not like the argument advanced every time by Mr. Pattabiraman and others that there have been Andhra Ministers all the time in Madras and they were watching the interests of Andhras. Well, there are Ministers and Ministers. But if the administration of the Province had been so good why should we ask today for a separate State? Be it noted, this Bill is not in pursuance of any linguistic ideals, but it has become a matter of historical necessity—it has become utterly necessary for the Andhras to get away. The total implication of his Bill is that these people have not been happy in the joint set-up and that they must have a home of their own. This, I trust, is sufficient answer to the argument, that the Andhras have been treated fairly. I would only hope that the new clause will be used to the best purpose possible and we shall get a fair deal at the ultimate stage. I quote what Dr. Katju has said: "I will suggest to the Andhra Government that it should start its Government with a clean slate. Make a programme and prepare a plan. Come to the Centre and ask our help on the ground that Andhra has not been properly dealt with in the past and so on. We shall then consider it. It is a much better course than fighting between yourselves". Sir, I would only say: If you have not given us justice, give us charity.

SHRI K. S. HEGDE: Mr. Deputy Chairman, Sir, the even tenor of the debate has to some extent been disturbed by the linguistic temper of my Andhra friends on the one side and of my Tamil friends on the other. I do not see any justification either for accepting the amendment suggested by the Andhra friends or, for that matter, the amendment suggested by my Tamil friends. So far as this question of division of assets and liabilities is concerned, they must be primarily divided between what is called the revenue side and what is called the assets and liabilities as such. It is undoubtedly true, that the Government of India has been, to some extent, trying to be generous to the new Andhra State, rightly or wrongly—and according to me to some extent wrongly—but the fact exists that there is a feeling amongst the Andhras that they had not been dealt with properly in the past. While the Government of India should not subscribe to that idea, taking the present position of the new Andhra State into consideration, they thought that in distributing the revenue they could be a little more generous to the Andhras though it came in conflict with the recommendation of the Finance Commission. You would realise, Sir, that so far as the distribution of the revenues is concerned such revenues as are realised locally have been distributed to the respective areas but so far as revenue from Central contribution is concerned, the Government of India has adopted the principle of population. That has, to some extent, as rightly complained of by my friend to my left, Mr. Pattabiraman, affected the Madras State. The Madras State is receiving contribution from the Centre on the basis of 80 per cent. of receipts, but when it comes to sharing with Andhra it is divided between themselves on the basis of population and my friend Mr. Pattabiraman says that thereby the residuary State of Madras will suffer a loss of Rs. 30 lakhs.

SHRI T. S. PATTABIRAMAN: Every year.

SHRI K. S. HEGDE: Rajaji very correctly said, in a matter of division of this type, it is not the retailer's mentality that one has got to adopt; it is the mentality of the wholesaler that we have to adopt. It is not a petty partition we are effecting. We are dividing the revenue between the two States; taking the need of the new State into consideration the Government of India thought very rightly, till another settlement is made, that they could be a little more generous to the Andhras. After all nothing very much is lost. And I do not think my friend, Mr. Pattabiraman, or I, or any part of the country which we have the privilege to represent, will suffer very much by making over a gift of Rs. 30 lakhs to our Andhra friends.

Now, coming again to the question of dividing the assets and liabilities, I do concede to some extent the useful contribution made by my friend Mr. Sundarayya. But here again, my friend Mr. Sundarayya is very much mistaken. The principle adopted by the Government of India is more helpful to the Andhras rather than to the residuary State. To a large extent, the Government of India has accepted the principle enunciated by Mr. Sundarayya. (*Interruption.*) Patience pays you better dividends.

The first principle enunciated by the Communist Party is that such assets in the shape of property that are existing in these areas shall go to the area which is allocated to a particular State. Generally speaking, this principle has been accepted excepting in the case of the Madras city. For a very good reason an exception was made. So far as the district headquarters are concerned, each district headquarters has some buildings. It is not possible to go into the matter to find out in which district we have spent a few more annas or a few more rupees. It will be idle and it will be foolish to do so. But so far as Madras is con-

cerned, in the very nature of things, there is an exception to the general rule. That is, that the headquarters where moneys have been spent to a large extent, is going over to the residuary State. Both Mr. Justice Wanchoo and the Government of India thought that they might make it an exception to the general rules and then give over to the new Andhra State a sum of Rs. 234 lakhs. Here again, if at all there is a deviation from the accepted principle, that deviation has been in favour of my Andhra friends rather than the residuary State for obvious reasons that the needs of the Andhras are great. In fact, in a matter like this, the needs of the State were also taken into consideration. Now, let us go to the other things. My friend, Mr. Sundarayya, has set a very correct principle,—division on the basis of population—and the only exception that has been made is about the major projects which are profit-earning. Here again, the concession is more in favour of the Andhras rather than of the others. I may explain, Sir, that it has been the general complaint of our Andhra friends that more moneys have been spent in the Tamil area rather than in the Andhra area. There may be truth in it; there may be substance in it. But taking their allegation on the face value, the Government of India very correctly thought it well that if more moneys have been spent on a project in the Tamil area, let that area alone be responsible for assets and liabilities and let the Andhras not be burdened with it. I am surprised over the fact that my Andhra friends have been using the word 'protest' so far as that division is concerned. In fact, if their allegation has got any truth, it must be more useful to them, because if the moneys have been spent only in the Tamil area, the people of that area alone are made liable now. You are not liable. In fact, in anticipation of the formation of a Karnataka State, I also feel that that would be a very good principle for me, because I feel that very much

[Shri K. S. Hegde.]

money has not been spent in my area prior to 1947. So, why should I have the liability? So then if at all those exceptions have been made, they are as a concession to the persistent complaint of our Andhra friends that they have been neglected. He had a large number of imaginary complaints. He thought that he had been starved whereas the Tamil friends were getting fattened at his cost. Probably physically speaking both Mr. Pattabiraman and I are fatter than himself, but he has not made a proper assessment of the whole case. His grievance is more sentimental than real. In a division he is taking us to a land of improbable and impracticable ideas. He has chosen the year 1920 as the demarcation line. My friend, Mr. Pattabiraman, very correctly asked, "Why is that an auspicious year?" He had no answer, My hon. friend was also ignorant about another idea. In addition to the investment, you must also take the revenues in the different areas. Till 1937 the main revenue of the State was land revenue, and unfortunately most of the Andhra lands were under the zamindari system, while the other part of the State was paying fairly large revenues under the *ryotwari* system. The proportion of Andhra revenue was very little as compared with the residuary State. My hon. friend may turn round and say, "Take the investments, why the revenues?" If you want a piper, you must pay him. That aspect has been completely ignored. It is incorrect to say that the Andhra areas have been neglected. Wherever I go, every area feels that it has been neglected. I have not found anywhere that people have been well-treated probably because they feel that somebody else is putting his hands into their pockets. These are purely imaginary grievances. If, as is demanded, a Commission is appointed to go into these things, probably they will take two or three years more, and instead of bending our energies to the future progress of the States, we will be quarrelling

more and more over this division. I don't say that the Andhra friends should not be getting a few lakhs of rupees more. By all means let them have it. If their need is great, the Government of India will certainly come to their aid. All that I am saying is that we should not quarrel over this. If you will examine the facts, you will be satisfied that these grievances are imaginary, and more than that, the present arrangement will be more helpful than a Commission. Any Commission, as my friend, Mr. Suryanarayana has said, will have to go on the facts and figures supplied by the Madras State. If you allow yourselves to be got into that kind of diseased mind, then the whole problem becomes impossible. After all, the future Andhra Government will have all the documents, all the accounts will be available to them, and if they can show to the Government of India as to how the Madras Government has been neglecting you with facts and figures, probably the Government of India may be able to give a better decision in your favour than what a Commission would be able to do. It will have to go entirely on facts and my own reading of the situation is that the Commission's decisions are likely to be against your contentions because your contentions are mainly imaginary.

SITTINGS OF THE COUNCIL

MR. DEPUTY CHAIRMAN: I want to know whether Members would like to sit this afternoon or on Saturday morning.

SHRI H. D. RAJAH (Madras): Saturday will be better.

MR. DEPUTY CHAIRMAN: We will have to finish this Bill before Monday. So, either we will have to sit this afternoon or Saturday morning.

SHRI H. N. KUNZRU (Uttar Pradesh): Saturday morning, Sir.