

[The Honourable Dr. B. R. Ambedkar]

Provided that the President may at any time after the expiration of five years from such commencement terminate or modify any such agreement if after consideration of the report of the Finance Commission constituted under article 260 of this Constitution he thinks it necessary to do so.

‘274 DDD. Nothing in articles 274 A and 274 C of this Constitution shall affect the provisions of any existing law except in so far as the President may by order otherwise provide.’ ”
Effect of article 274A and 274C on existing laws.

“That after article 302. the following new article be inserted, namely :—

‘302A. In the exercise of the power of Parliament or of the Legislature of a State to make laws or in the exercise of the executive power of the Union or of a State, due regard shall be had to the guarantee or assurance given under any such covenant or agreement as is referred to in article 267A* of this Constitution with respect to the personal rights, privileges and dignities of the Ruler of an Indian State.’ ”

“That after article 306, the following new articles be inserted :

‘306B. Notwithstanding anything contained in this Constitution, during a period of ten years from the commencement thereof, or during such longer or shorter period as Parliament may by law provide in respect of any State, the Government of every State for the time being specified in Part III of the First Schedule shall be under the general control of, and comply with such particular directions, if any, as may from time to time be given by the President, and any failure to comply with such directions shall be deemed to be a failure to carry out the Government of the State in accordance with the provisions of this Constitution:

‘Provided that the President may by order direct that the provisions of this article shall not apply to any State specified in the order.’ ”

“That for clause (1) of article 258, the following clause be substituted :-

‘(1) Notwithstanding anything contained in this Chapter, the Government of India may, subject to the provisions of clause (2) of this article, enter into an agreement with the Government of a State for the time being specified in Part III of the First Schedule with respect to-

- (a) the levy and collection of any tax or duty leviable by the Government of India in such State and for the distribution of the proceeds thereof otherwise than in accordance with the provisions of this Chapter;
- (b) the grant of any financial assistance by the Government of India to such State in consequence of the loss of any revenue which that State used to derive from any tax or duty leviable under this constitution by the Government of India or from any other sources;
- (c) the contribution by such State in respect of any payment made by the Government of India under clause (1) of article 267A of this Constitution,

and when an agreement is so entered into, the provisions of this Chapter shall in relation to such State have effect subject to the terms of such agreement.’ ”

“That in Chapter I of Part IX, after article 267, the following new article shall be inserted, namely :—

‘267A. (1) Where under any covenant or agreement entered into by the Ruler of any Indian State before the commencement of this Constitution, the payment of any sums, free of tax, has been guaranteed or assured by the Government of the Dominion of India to any Ruler of such State as Privy Purse—

- (a) such sums shall be charged on, and paid out of, the Consolidated Fund of India; and
- (b) the sums so paid to any Ruler shall be exempt from all taxes on income.

(2) Where the territories of any such Indian State as aforesaid are comprised within a State specified in Part I or Part III of the First Schedule there shall be charged on, and paid out of, the Consolidated Fund of that State such contribution, if any, in respect of the payments made by the Government of India

*To be circulated later.

Mr. President : Prof. Shibban Lal Saksena, you have given notice of some amendments this morning.

Prof. Shibban Lal Saksena : Mr. President, Sir, notice has been given of amendments to the new articles 258, 267-A, 270-A and 264-A.

Mr. President : 264-A has not been moved.

Prof. Shibban Lal Saksena : I beg to move :

“That in amendment No. 299 of List XIII (Second Week), at the end of the proposed clause (1) of article 258 the following words be added :—

‘after that agreement has been approved by Parliament.’ ”

My second amendment is :

“That in amendment No. 299 of List XIII (Second Week), sub-clause (a), (b) and (c) of the proposed clause (1) of article 259 be re-lettered as sub-clauses (b), (c) and (d) of that clause and the following be inserted as sub-clause (a) :-

- (a) questions arising from or connected with the resting in the Union of assets and liabilities of such states related to any of the matters enumerated in the Union List.”

This second amendment is really an improvement on amendment 300 of Mr. Krishnamachari. Regarding the first amendment, I feel that when important agreements about financial matters are made with the States, it must be the Parliament which must be the final authority. Therefore I want to add “after that agreement has been approved by Parliament.”

My amendment to article 267A is :

“That in amendment No. 301 of List XIII (Second Week), sub-clause (b) of clause (1) of the proposed new article 267A be deleted.”

When the agreement provides for an allowance free of income- tax, there is no need for this clause. My next amendment to article 267A is—

“That in amendment No. 301 of List XIII (Second Week), in clause (2) of the proposed new article 267A, for the words ‘by order of the President’ the ‘words by Parliament by law’ be substituted.”

Here also it should be the Parliament that should finally sanction the expenditure. Therefore, I have suggested this change.

Then my amendment to new article 270A is :

“That in amendment No. 302 of List XIII (Second Week), in clause (1) of the proposed new article 270A, the words ‘and approved by Parliament’ be added at the end.”

This relates to the properties. Clause (1) says :—

“As from the commencement of this Constitution all assets relating to any of the matters enumerated in the Union List vested immediately before such commencement in any Indian State corresponding to any State for the time being specified in Part III of the First Schedule shall be vested in the Government of India.”

To this I want to add at the end ‘and approved by Parliament.’

I only desire by all these amendments to assert and maintain the final authority of Parliament and I hope these amendments will be accepted.

Mr. President : The article and the amendments are open for discussion. Mr. Sarangadhar Das.

Shri B. Das (Orissa : General) : Sir, I have tabled two amendments to article 267A. I move :

“That in amendment No. 301 of List XIII (Second Week), after clause (2) of the proposed new article 267A the following new clause be added :—

[Mr. President]

time to time be given by the President, and any failure to comply with such directions shall be deemed to be a failure to carry out the Government of the State in accordance with the provisions of this Constitution:

Provided that the President may by order direct that the provisions of this article shall not apply to any State specified in the order’.”

The motion was adopted.

Article 306-B was added to the Constitution.

Mr. President : I shall put article 258 to vote.

The question is:

“That for clause (1) or article 258, the following clause be substituted:—

- (1) Notwithstanding anything contained in this Chapter, the Government of India may, subject to the provisions of clause (2) of this article, enter into an agreement with the Government of a State for the time being specified in Part III of the First Schedule with the respect to—
 - (a) the levy and collection of any tax or duty leviable by the Government of India in such State and for the distribution of the proceeds thereof otherwise than in accordance with the provisions of this Chapter;
 - (b) the grant of any financial assistance by the Government of India to such State in consequence of the loss of any revenue which that State used to derive from any tax or duty leviable under this Constitution by the Government of India or from any other sources;
 - (c) The contribution by such State in respect of any payment made by the Government of India under clause (1) of article 267-A of this Constitution,

and, when an agreement is so entered into, the provisions of this Chapter shall in relation to such State have effect subject to the terms of such agreement”.

The motion was adopted.

Mr. President : I shall put article 267-A.

The question is:

“That in Chapter I of Part IX, after article 267, the following new article shall be inserted, namely:—

- ‘267A. (1) Where under any covenant or agreement entered into by the Ruler of any Indian State before the commencement of this Constitution, the payment of any sums, free of tax, has been guaranteed or assured by the Government of the Dominion of India to any Ruler of such State as Privy Purse—
- Privy Purse sums of Rulers.
- (a) such sums shall be charged on, and paid out of, the Consolidated Fund of India; and
 - (b) the sums so paid to any Ruler shall be exempt for all taxes on income.
- (2) Where the territories of any such Indian States as aforesaid are comprised within a State specified in Part I or Part III of the First Schedule there shall be charged on, and paid out of, the Consolidated Fund of that State such contribution, if any in respect of the payments made by the Government of India under clause (1) of this article and for such period as may, subject to any agreement entered into in that behalf under clause (1) of article 258 of this Constitution, be determined by order of the President’.”

The motion was adopted.

Article 267-A was added to the Constitution.