CONSTITUENT ASSEMBLY OF INDIA

Monday, the 8th August 1949

The Constituent Assembly of India met in the Constitution Hall, New Delhi, at Three of the Clock in the Afternoon, Mr. President (The Honourable Dr. Rajendra Prasad) in the Chair.

DRAFT CONSTITUTION—(Contd.)

Article 253—(Contd.)

Mr. President: We shall take up consideration of article 254, to begin with.

The Honourable Dr. B.R. Ambedkar (Bombay: General): Sir, before we begin discussion of article 254, I would request you to allow consideration of Mr. Tyagi's amendment to article 253, because the Prime Minister wishes to sneak on it. Although the debate is closed, I would request you to, allow the Prime Minister to make a speech before you put the amendment to vote.

Mr. President: Yes, Honourable Pandit Jawaharlal Nehru.

The Honourable Shri Jawaharlal Nehru (United Provinces: General): Sir, I am grateful to you for your indulgence in permitting me to say a few words in regard to this matter. There is hardly anyone in this House who does not feel rather strongly on this question of salt. Quite apart from the economic implications involved in this matter, salt, at one time in our national history, in the history of our struggle for freedom, became the word of power which moved large masses of human beings and brought about a strange, revolution in the country in the courses of a few months. Therefore, whenever this question comes up, naturally, we are moved not only by the immediate exigencies, of the situation but also by its past history. So, I suppose it is because of this that at one time the Drafting Committee, or some committee, put in this article in our Constitution. As I said all of us must necessarily feel a great deal of sympathy for their outlook. Nevertheless, when we gave thought to this matter, careful thought—because we are building something for the future and it would be wrong to do something which might come in the way of the national good of the future—we felt that, if we put this clause in as it was it would certainly come in our way. For instance, as it is drafted, it would obviously prevent us even from dealing with foreign salt which may be dumped into this country.

Now it may be suggested that we might leave out foreign salt and deal with indigenous salt. Even then unless you go carefully into this matter and unless you provide for all kinds of possible anomalies, difficulties would arise. That kind of thing might well be done by way of legislation when you can go into all its details and clarify matters. But it is very difficult to deal with that in a constitution, clarifying conflicting situations which might involve many uncertain factors. Therefore, it seemed to us that it would not be desirable to include this article as originally put in the Constitution. Therefore, I stand to support the amendment that Mr. Tyagi has moved for the deletion of this article.

May I say just two things in this connection? One is this: let no Member of this House and let no member of the public outside this House imagine, for an instant that this Government and, I imagine, any successor Government, will think in terms of taxing salt. That is quite clear. The second is this. If this House so desires, we can go into the question in a separate law which can be

[The Honourable Shri Jawaharlal Nehru]

dealt with by Parliament in detail, providing for all possible contingencies. To put it in the Constitution may tie our hands up and create difficulties in future. Therefore, I trust that this House will accept Mr. Tyagi's amendment.

Mr. President: I will now put the amendments to vote. The question is:

"That with reference to amendment No. 2886 of the List of Amendments, clause (1) of article 253 be deleted."

The amendment was adopted.

Mr. President: The question is:

"That in clause (2) of article 253, for the words 'revenues of India' the words 'Consolidated Fund of India' be substituted."

The amendment was adopted.

Mr. President: The question is:

"That article 253, as amended, stand part of the Constitution."

The motion was adopted.

Article 253, as amended, was added to the Constitution.

Article 254

The Honourable Dr. B.R. Ambedkar: Mr. President, Sir, I move:

"That for article 254, the following be substituted:-

- 254. (1) There shall be charged on the Consolidated Fund of India in each year as grants-in-aid of the Grants in lieu of export duty on jute and jute products.

 The consolidated Fund of India in each year as grants-in-aid of the revenues of the States of Bengal, Bihar, Assam and Orissa in lieu of assignment of any share of the net proceeds in each year of export duty on jute and jute products to these States such sums as may be prescribed by the President.
- (2) The sums so prescribed shall continue to be charged on the Consolidated Fund of India so long as export duty on jute or jute-products continues to be levied by the Government of India or until the expiration of ten years, whichever is earlier.
- (3) In this article, the expression 'prescribed' has the same meaning as in article 251 of this Constitution."

Sir, this amendment makes an important change in the existing system of sharing the export duty-on jute and jute-products. Under the Government of India Act, it was provided that certain provinces which are mentioned in this article should be entitled to a certain share in the proceeds of the export duty on jute and jute-products for the reason that jute forms a very important commodity in the economy of the provinces mentioned in this article. The proposal in the amended article is to do away with this right of certain provinces to claim a share in the export duty on jute and jute-products. The reason, if I may say so, is a very simple one. Ordinarily all export and import duties belong to the Central Government and no province has any right to a share in the export duty levied on any particular commodity which, as I said, happens to form an important commodity in the economy of that particular province. In view of the fact, however, that the finances of Bengal, particularly, could not be balanced without a share in the export duty, an exception was made in the Government of India Act, 1935, whereby the Bengal Government and the other Governments were given vested rights, so to say, to claim a share in the export duty which, as I said, was contrary to the general principle that the export and import duties belong to the Central Government. It is now felt that this exception which was made in the Government of India Act, 1935, should not be allowed to be continued hereafter. The reason why it is felt that this vicious